

Rural development

1. Meaning of rural development
2. Credit and marketing in rural areas
3. Agricultural market System
4. Diversification into productive activities
5. Sustainable development and organic farming



The real progress of india did not mean simply the growth and expansionof industrial urban centres but mainlythe development of the villages.



What is Rural Development?

It is a plan of action for development of rural areas
These are the areas which are lagging in socio-economic development



Rural Development includes the following

- *Development of Human Resources*
- *Infrastructure Development*
- *Poverty Alleviation Measures*
- *Developing Alternate Source of Income*

Rural Development includes the *Developing Alternate Source of Income*

Developing Alternate Source of Income



Handicraft



Poultry



Dairy

Rural Development includes the *Poverty Alleviation Measures*

Poverty Alleviation Measures



Improve Agriculture Production
to increase Farmer Income

Rural Development includes the *Development of Human Resources*

Development of Human Resources



Schools



Skill Development

Rural Development includes the *Infrastructure Development*

Infrastructure Development

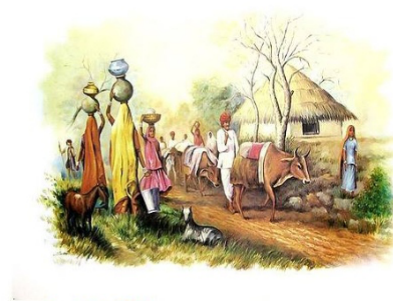


Roads



Godowns

Why Rural Development Important in India



Villages

2/3 of
Population of
India
lives here



Cities

1/3 of
Population of
India
lives here



*India is still an
Agrarian Country*

*Development of India
not possible without
development of
villages*

Credit and marketing in Rural areas

Why do Farmers need Credit?

They need money to meet different expenses
During Gestation period in Agriculture

What is Gestation Period in Agriculture

Suppose I start Farming Business

I grow crop today

When can I realize Income?

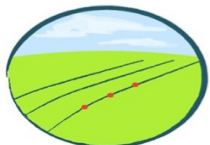
No

It will take few months

For crop to grow and harvest



WHEAT PRODUCTION CYCLE IN INDIA



Sowing Seeds
(Oct-Nov)



Crops Grow



Crops Cut and Sold
(Apr-May)

≈ 6 months

This Period is Called Gestation Period

It is time between
Date of Sowing
and
Date of Realisation of Income

For what expenses do Farmers need Credit?

They need money to meet different
Expenses during Gestation period

Different Expenses on Agriculture Inputs



Seeds



Fertilizers



Pesticides



Labour

Farmer need money for Purchasing
Agriculture Inputs

(Goods which are used For Purpose
of Agriculture are called Agriculture
Inputs)

Farmers also needed Credit for Various Personal Expenses

They need money to meet different Expenses like

Different Personal Expenses



Shopping

Food



Education

Marriage

To meet personal day to day expenses also, Farmers borrow funds.

Condition of Agriculture Credit before Independence



Loan taken from Moneylenders Traders
(Banks did not offer loans)

High Rate of interest
Charged by Moneylenders

Lending for Personal Purpose
(*Loan taken for Daughters Wedding, Illness*)

Loan not taken for Agriculture Purpose like
Sowing and Developing Crops

Measures taken by Govt to Improve Agriculture Credit

EARLIER



Loan taken from Moneylenders/ Traders
(Banks did not offer loans)

FROM 1969



Loan taken from Banks like:
Commercial Banks
Regional Rural Banks
Cooperatives
Land Development Banks
Self Help Groups (SHG)

All these are Coordinated By NABARD



Drawback 1 of Rural Banking Systems in India teachoo → High Agriculture Default Rates

What was the Government Policy of Rural Banking Systems in India ?



*Loans at Low Interest Rates
Social Banking*



Loan of Farmers Waived during Elections

What was the Drawback/Effect of Rural Banking Systems in India?

High Agriculture Default Rates

Farmers do not repay loans
(Some because of genuine reason like Crop Failure)
Some deliberately
(Loan waiver Scheme of political Parties)

Drawback 2

of Rural Banking Systems in India

→ No Deposit Mobilisation

What was the Government Policy of Rural Banking Systems in India ?



*Taking Loan
Was Encouraged*



*Savings not
encouraged*

What was the Drawback/Effect of Rural Banking Systems in India?

No Deposit Mobilisation

Farmers do not save money and keep in banks

If they kept this money in banks, Deposits of banks will increase and they could give more loans

Drawback 3

of Rural Banking Systems in India

→ Lack of Expansion

What was the Government Policy of Rural Banking Systems in India ?



(Reforms of 1991 focused on Industry and Service, Not Agriculture)

What was the Drawback/Effect of Rural Banking Systems in India?

Lack of Expansion of Rural Banking

Reforms made in 1991 did not focus on expansion of rural banking
Hence, there are lack of banks and credit facilities in remote areas

Agriculture market system

Problems In Agricultural Marketing Before Independence



Faulty Weighing and Manipulation

Traders cheated Farmers



No Market Information

Farmer didn't Know correct Market Price of their produce



No Storage Facilities

Farmers couldn't store their produce for off seasons in proper godowns

teachoo

Govt developed Mandis to Improve Agriculture Marketing

Problems Faced by Farmers



Faulty Weighing and Manipulation

What did Govt Do



*Developed Mandis
(No Manipulation,
Transparent Price to Farmer)*

Govt encouraged Cooperative Societies to Improve Agriculture Marketing

Problems Faced by Farmers



No Market Information Available to Farmers

What did Govt Do



Govt encouraged cooperative Societies Like Amul, Farmer sold product to AMUL, Amul sold to customers

Govt Developed Infrastructure to Improve Agriculture Marketing

Problems Faced by Farmers



No Storage Facilities

What did Govt Do



Government Developed Infrastructure (Godowns, Roads, Railways)

What is Mixed Crop Livestock Farming System?

Farmer Earns Income from 2 Sources



Growing Crops

+



Raising Livestock

→ This is called
Animal Husbandry

↓
*This is called
Mixed Crop
Livestock Farming System*

Diversification

Animal Husbandry Includes the following:



Feeding of Animals



Proper Shelter to Animals



Preventing and Curing Animal Disease



Proper Breeding Of Animals (Reproduction)

What are Benefits of Animal Husbandry?



Food Security

Meat, Chicken can be used for Food in case of Drought or bad crop



Source of livelihood

Farmers sell Milk of Cow, Buffaloes in market
And earn income



Nutrition

Egg, Milk provides Nutrition to Farmers and their children



Transport

Cows, Camels used for Transport of

Fish Production In India



Inland Fish Production

It means
Fish grown in
Lakes, Ponds, Rivers

It Contributes
65% of Total Fish
Production



Marine Fish Production

It means
Fish Caught in
Seas, Oceans

It Contributes
35% of Total Fish
Production

Why do Farmers call Waterbody their Mother or Provider?



MOTHER



Mother provides food to child and Looks after them



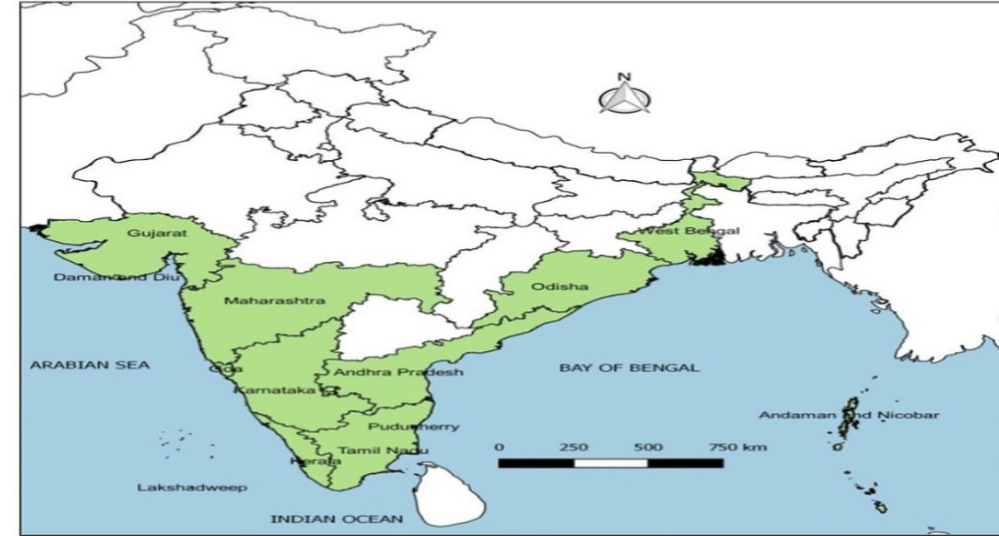
OCEAN MOTHER



Ocean Mother provides food to fisherman and source of livelihood

In Which Parts of India is Fish Production more?

It is more in coastal states
(which are near to sea)



COASTAL STATES OF INDIA

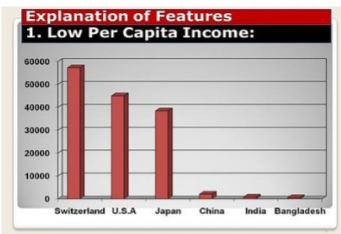
Fish production more in coastal areas which are near to Sea like:
West Bengal, Andhra Pradesh, Kerala, Maharashtra and Tamil Nadu

Contribution to GDP
0.9% of Total GDP

Summary- Problems Faced by Fishing Sector in India



→ ***Underemployment***



→ **Low per Capita Earning**



→ ***Illiteracy***



→ **Lack of Mobility**



→ **Indebtedness**

Measures taken by Government for Fishery Sector



→ **Increase Credit Facility**



→ **Welfare Programs**



→ **Technology Improvement**



→ **Information Dissemination**

How can IT Revolutionize Agriculture?



By Providing Information



By Providing Employment



By Ensuring Food Security



By Promoting Rural Development

IT Effect

What is Organic Farming



Conventional Farming

Crops are Grown using chemicals like Fertilizers
(to fertilize crops)
Pesticides
(to kill insects)

These are man made Chemicals which are harmful to body & environment



Organic Farming

Crops are Grown using natural methods like Manures
(Plant-Animal Waste)
Organic Pesticides
(Bacteria, Neem Oil)

These are Natural Substances which do not damage the environment

organic farming

Which is Better Conventional or Organic Farming?

Advantages of Conventional Farming are Disadvantages of Organic Farming



Conventional Farming

Advantages

Higher Yield
(Crop Production)

Food produced
Cheaper

Higher Shelf life



Organic Farming

Disadvantage

Lower Yield in
initial Years

Food is Expensive
to Customer

Lower Shelf life

Different Expenses on Agriculture Inputs



Seeds



Fertilizers



Pesticides



Labour

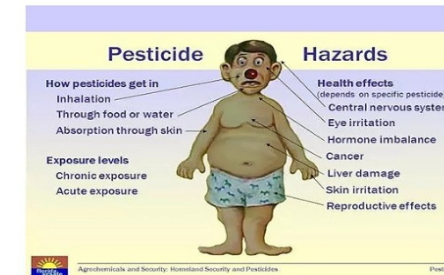
Farmer need money for Purchasing Agriculture Inputs

(Goods which are used For Purpose of Agriculture are called Agriculture Inputs)

Problem with Using Pesticides in Conventional Farming



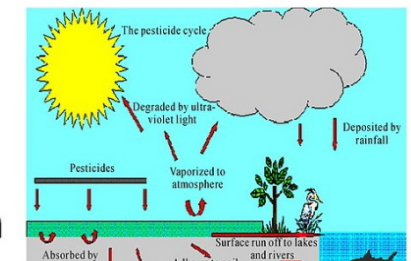
Crops eaten by us
Chemicals enter our body, **cause diseases**



Crops eaten by Animals
Chemicals damage their body, **damages livestock**



During Rain,
Chemicals flow into Rivers
Fishes die, **damages Ecosystem**



Problem with Using Fertilizers in Conventional Farming



Problems with Fertilizers



Fertilizers **reduce natural nutrients** in soil. So crops cant grow without fertilizers



Fertilizers **Make Soil Acidic**
Crops cant grow in acidic soil