

Land reform (meaning/definition)

According to the modern concept **Land Reform** means that type of institutional and technological change which brings land ownership in favour of real farmers and increased enthusiasm to use modern technology to acquire the advantages of cost economics and extra production.

➤ **Two main objectives of Land Reform in India**

- Formation of new agrarian structure
- Establishment of social justice by removing all types of injustice.

➤ **Measures adopted for Land Reforms in India**

The land reform policy of India that evolved so far after independence consisted of

1. Abolition of intermediaries (abolition of zamindari system)

2. Tenancy reforms that provides:

(a) regulation of rent---Directives of the planning commission of India regarding rent is that the rent payable to the landlord should not exceed one fifth to one fourth of the gross produce of land.

(b) security of tenants---in no case the tenants can be evicted except only in the situation where landless themselves want to resume cultivation. tenancy legislation have made it obligatory to lift a minimum area for the tenant even when landlords themselves wants to resume cultivation.

(c) rights of ownership for tenants---the maximum amount of land a farmer family can hold is fixed by legislation. The land above a certain limit would be acquired by the state and redistributed among the landless farmers.

3. Ceiling on land holding and distribution of surplus land among landless farmers

4. Agrarian reorganization including consolidation of holdings and prevention of subdivision and fragmentation

5. Cooperative farming.

Failure are defects of Indian land reform measures

1. Defects in land reform act

2. Existence of old economic and political interests

3. Introduced as a government program rather than revolutionary movement of the farmers

4. Lack of proper land records.

5. Poor economic conditions of the tenants, due to which many tenants could not exercise their rights to purchase the ownership of land the cultivated and landlords forced them to surrender the land being cultivated by them.

6. Interest of the agricultural labourer.

New agricultural strategy//Green Revolution (meaning/ definition)

In 1960 -61, intensive Agricultural District Programme (IADP) was introduced in seven districts of India to save Indian agriculture from disaster. The programme was later extended to cover the whole country. The main elements of this program consists of the use of :

1. Chemical fertilizers
2. Pesticides
3. Improved varieties of seed
4. Agricultural machinery
5. Extensive irrigation
6. Use of diesel and electric power.

This strategy is known as new agricultural strategy.

The word "green" is symbolic of the colour of Agricultural crops. The vast increase in agricultural output that has been brought about in India since the middle of the decade of 1960's by using is new agricultural strategy is called Green Revolution. This is also called seed- fertilizer revolution.

The crops which are largely influenced by the green revolution of India are wheat and rice.

The states which are benefited by the green Revolution are Punjab, Haryana and western U.P.

Favourable effects/Advantages /success of new agricultural strategy in India

The main advantages of new agricultural strategy of India are:

1. Increase in food production
2. Subsistence farming converted into profitable occupation
3. Developed capital dependent agricultural process
4. Change in crop pattern.

Unfavourable effects/Disadvantages failure of new agricultural strategy of India

The major disadvantages of new agricultural strategy of India are

1. Limited to few crops only
2. Increase in regional inequality
3. Increasing disparities of income
4. Problems of Agricultural labourer
5. Undesirable social effect.

Rural credit meaning /definition

The necessity of credit for agriculture and agriculture related activities is called rural credit.

Problems of rural credit in India

1. Unorganized agricultural activities: Indian agriculture is organized mainly by family bases individual initiative. Moreover agricultural land in India are very small and statically distributed in different places in the rural area so it is not possible to sale share a debenture in a market to collect agricultural capital.
2. Predominance of unproductive credit: majority of the Indian farmers use agricultural credit for unproductive purposes (like social ceremonies).
3. Low amount of institutional credit:
4. Biased towards big farmers
5. Problem of unrealized credit--actually the supply of institutional credit decreases due to acute problem of unrealized credit.
6. Inequality in the distribution of credit: there exist disparities in case of credit distribution among the different states of India. Regional disparities in agricultural production are noticed due to the regional disparities in credit distribution.
7. Dangerous conditions of credit: in India the farmers of trapped by the village money lender through mortgaging cultivable land or crop.

Causes of rural indebtedness

1. Poverty: low income: majority of the Indian farmers cannot save anything because of their low level of income.
2. Inherited debt
3. Unnecessary and unproductive expenditures e.g, social obligations,marriage,festivals etc.
4. Passion to become the owner of land
5. Corruption of rural moneylender.

Sources of rural credit in India

➤ **Non institutional sources are:**

1. Rural money lenders
2. Relatives
3. Traders
4. Landlords

➤ **Institutional sources are:**

1. Government
2. Cooperative societies
3. Commercial banks
4. Regional Rural bank(RRB)
5. National Bank for Agriculture and Rural Development (NABARD).

Functions of regional rural banks:

An important source of rural credit in India is the regional rural bank. They provide credit and other facilities particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneur.

NABARD:

The National bank for Agriculture and Rural Development (NABARD) was **established in July 1982**.

➤ **Functions of NABARD:**

1. Acts as an apex institution to look after the credit requirement of the rural sectors and extends support and give guidance to credit institutions in matters relating to the formulation and implementation of rural development programs
2. Serves as a refinancing institution for credit to agriculture small scale cottage and village industries and other allied economic activities for promoting integrated rural development.
3. Supply short term medium term and long term credit to State Co-operative Banks, Regional Rural Banks and other financial institutions approved by the RBI.
4. provides long term credit to state government to enable them to supply the share capital to the co-operative credit societies.
5. maintains a research and development fund to promote research in agriculture and rural development.