



A STUDY ON AWARENESS AND SATISFACTION LEVEL TOWARDS CROP INSURANCE IN CHINCHOLI TALUKA

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ABSTRACT

Crop insurance is recognized to be a basic instrument for maintaining stability in farm income, through promoting technology, encouraging investment, and increasing credit flow in the agricultural sector. The basic principle underlying crop insurance is that the loss incurred by a few is shared among others in an area, engaged in a similar activity. Also, losses incurred in bad years are compensated from resources accumulated in good years. Agricultural Insurance will largely solve the problem of collateral security requirement by banks while extending the loans. In case of Crop failure banks will receive the payment directly from the insurance companies. Crop insurance, thus, promotes flow of institutional credit to the agriculture sector which in turn induces farmers to adopt new technology. The agricultural sector is still untapped and is also growing significantly owing to promotional policies initiated by the government in these countries. The rural sector will offer wide scope for insurance companies particularly, to local companies which have better knowledge of realities in rural marketing. In this context, this study is an attempt to find out the awareness and satisfaction level of the farmers about crop insurance schemes in Chincholi taluka district of Kalaburagi

KEYWORDS : Crops, Insurance, Farmers, Rural, Awareness

INTRODUCTION

Agriculture production and farm incomes in India are frequently affected by natural disasters such as droughts, floods, cyclones, storms, landslides and earthquakes. Susceptibility of agriculture to these disasters is compounded by the outbreak of epidemics and man-made disasters such as fire, sale of spurious seeds, fertilizers and pesticides, price fluctuations etc¹. All these events severely affect farmers through loss in production and farm income and these are not in the control of farmers. With the growing commercialization of agriculture, the magnitude of loss due to unfavorable eventualities is increasing.² In dryland farming, drought is severely affecting farmers through loss in production. Drought is a situation of lower than normal rainfall and it is as much a management issue as a technical one. Drought management and mitigation will be important for the future sustainability of agriculture production, productivity and livelihoods³.

Agricultural insurance is considered as an important mechanism to address the risk of output and income resulting from various natural and man made events.⁴ Agricultural Insurance is a means of protecting the agriculturist against financial losses due to uncertainties that may arise agricultural losses from all unforeseen perils beyond their control⁵. Unfortunately, agricultural insurance in the country has not made much headway even though the need to protect farmers from agriculture variability has been a continuing concern of agriculture policy.⁶

Statement of the problem

Crop Insurance makes up the loss or damage to growing crops result in from a variety of causes such as hail or droughts, frost, flood and disease. The cultivators pay a premium and Protection is given to them on the same basis as in other insurance. Crop Insurance can play extremely important and supporting role in increasing the flow of institutional credit to the agriculture sector. Agricultural Insurance will largely solve the problem of collateral security requirement by banks while extending the loans. In case of Crop failure banks will receive the payment directly from the insurance companies. Crop insurance, thus, promotes flow of institutional credit to the agriculture sector which in turn induces farmers to adopt new technology. The agricultural sector is still untapped and is also growing significantly owing to promotional policies initiated by the government in these countries. The rural sector will offer wide scope for insurance companies particularly to local companies which have better knowledge of realities in rural marketing. In this context, this study is an attempt to find out the awareness and satisfaction level of farmers towards crop insurance schemes Chincholi Taluka.

Objectives of the study

1. To assess the level of awareness of farmers about crop insurance schemes in Chincholi Taluka.
2. To examine the satisfaction level of farmers towards crop insurance schemes Chincholi Taluka.

Scope of the study

In the present study, an attempt is made to analyse the awareness and satisfactory level of the farmers about crop insurance schemes in Chincholi Taluka.

RESEARCH METHODOLOGY

This study is an empirical research based on the survey method. In Kalaburagi district, there are Seven Taluks viz., Sedam, Kalaburagi, Aland, Chittapur, Abzalpur and Chincholi. Of them, by considering the area of agriculture, Chincholi Taluk have been selected purposively. The study is based on primary data collected by interviewing the sample respondents personally. A detailed questionnaire embracing the objectives laid down was designed in Kannada and canvassed to the sample respondents personally. The first hand information collected from the sample respondents with the help of an interview schedule.

Sampling design

It is decided to use convenient sampling method. Originally, it was planned and collected the data from 120 sample respondents. Due to incompleteness and contradictory information it was possible to have only 100 sample respondents as final sample size. The sample chosen consisted of 100 sample respondents representing farmers.

Collection of data

The present study is carried out by adopting the formal interview technique. Both primary and secondary data are used. The present study is largely based on the primary data. Because, the information relating to the study is extremely scant. Required primary data are collected in the course of interview with the farmers through survey method collected data are tabulated to make it suitable for further analysis.

DATA ANALYSIS

Age and awareness level

The age is most important factor which determines the awareness level of sample respondents. The present study is an attempt to study the relationship between age and awareness level. It is found that the sample respondents' age ranges from 30 years to 45 years. In the present study, sample respondents are three categories. Viz., young (respondents who is upto 30 years) middle age (respondents who is in

between 31 and 45 years) and old (respondent who is above 45 years). The Table 2 shows the distribution of sample respondents on the basis of age and awareness level. This Table reveals that the more number of old sample respondents (47.5%) are having low level awareness than other two groups about crop insurance.

Table 1. Age and awareness level

Age in years	Awareness Level		Total	
	High	Moderate	Low	
Below 30	4(33.33)	4(33.34)	4(33.33)	12(100)
31 -45	11(22.92)	17(35.42)	20(41.67)	48(100)
45 & Above	5(10)	16(40)	19(47.5)	47(100)
Total	21(21)	36(36)	43(43)	100(100)

Gender awareness level

Generally, awareness level will change on sex basis. Hence it is decided to analyze the awareness level of farmers on gender basis. The Table. 2 show the distribution of sample respondents on the basis of gender and awareness level. This Table reveals that the more number of female respondents (43.43%) are having low level awareness about crop insurance, than male respondents.

Table 2. Gender and awareness level

Gender	Awareness Level		Total	
	High	Moderate	Low	
Male	13(20.31)	23(35.93)	28(43.)	64(100)
Female	5(13.89)	15(41.65)	16(44.44)	36(100)
Total	19(19)	38(38)	43(43)	100(100)

Marital status and awareness level

A person's like and dislikes will change on the basis of marital status. In the present study is an attempt to analyze the association between marital status of the sample respondents and their awareness level. For which sample respondents are grouped into two categories viz., married and unmarried. The Table 3 exhibits the distribution of sample respondents on the basis of marital status and awareness level. This Table shows that the more number of married respondents (48.69%) are having low level awareness about crop insurance than unmarried sample respondents.

Table-03 Marital status and awareness level

Marital Status	Awareness Level		Total	
	High	Moderate	Low	
Married	13(17.10)	26(34.21)	37(48.69)	76(100)
Unmarried	6(25)	11(45.80)	7(29.12)	24(100)
Total	17(17)	39(39)	44(44)	100(100)

Educational status and awareness level

It is hope that awareness level of the sample respondents will vary according to their educational level. Hence it is an attempt to examine the association between educational qualification and awareness level. For which the sample respondents are classified into three groups viz., Illiterate, school level and college level. The Table 4 exhibits the distribution of sample respondents on the basis of educational status and awareness level. This Table indicates that the number of school level respondents (61.90%) is having low level awareness about crop insurance than other two groups viz., Illiterate and college level.

Table 4. Educational status and awareness level

Educational Status	Awareness Level		Total	
	High	Moderate	Low	
Illiterate	2(11.11)	9(50)	3(16.67)	18(100)
High School Level	7(16.67)	9(21.41)	26(61.90)	42(100)

College level	8(20)	17(42.5)	15(37.5)	40(100)
Total	18(18)	37(37)	45(45)	100(100)

Size of the family and awareness level

In the presents study sample respondents are grouped into three categories viz., small family (upto 3) Middle family (between 4 and 6) and large family above 5. The Table 6 shows the distribution of sample respondent on the basis of size of the family and awareness level. This Table reveals that the more number of small family and middle family sample respondents (50%) and (52.1) respectively are having low level awareness about crop insurance than large family.

Table 5. Size of the family and awareness level

Size of Family	Awareness level		Total	
	High	Moderate	Low	
Small Family	3(10)	12(27.5)	15(50)	30(100)
Middle family	10(20.84)	13(27.1)	25(52.1)	48(100)
Large family	3(13.6)	13(59.09)	6(27.2)	22(100)
Total	17(17)	39(39)	44(44)	100(100)

Nature of the family and awareness level

The nature of the family is another important factor, which also determines the sample respondents and their awareness level. The requirement of the individual family will differ from joint family. Therefore, nature of the family is considered as another essential factor to assess the awareness level. For this purpose it is grouped into two categories such as individual family and joint family. The Table 6 shows the distribution of sample respondents on the basis of nature of the family and awareness level. This Table shows that the more number of joint family sample respondents (52.50%) are having low level awareness about crop insurance than individual family.

Table 6. Nature of family and awareness level

Nature of Family	Awareness Level		Total	
	High	Moderate	Low	
Joint Family	8(20)	11(27.5)	21(52.5)	40(100)
Individual Family	11(18.3)	26(43.33)	25(41.69)	60(100)
Total	18(18)	37(37)	45(45)	100(100)

Farm experience and awareness level

Apart from analysis of farm experience and farmer's opinion it is relevant to examine the role played by crop insurance of sample farmers in the farming. In the present study the sample respondents are classified into three categories viz., Low experience (below 10 years) moderate experience (10 and 20 years) and more experience (Above 20 years). The Table 7 indicates that the more number of moderate experience sample respondents (52%) are having low level awareness than other two groups about crop insurance.

Table 7. Farm experience and awareness level

Experience level	Awareness level		Total	
	High	Moderate	Low	
Low	7(17.5)	19(47.5)	17(35)	40(100)
Moderate	9(18)	17(34)	26(52)	50(100)
High	5(50)	2(20)	3(30)	10(100)
Total	21(21)	38(38)	43(43)	100(100)

Annual income and awareness level

The sample respondents are classified into three groups low, middle and high income according to the person who earns less than Rs. 1,00,000 per annum are classified as low income group, who earns Rs. 1,00,000 to 1,50,000 per annum are classified as middle income groups and who earns more than Rs. 1,50,000 are classified as high income group. The

Table 8 exhibits the distribution of sample respondents on the basis of annual income and awareness level. The Table 9 reveals that the more number of moderate group of sample respondents (52%) are having low level awareness than the other two groups about crop insurance.

Table 8. Annual income and awareness level

Income level	Awareness level		Total	
	High	Moderate	Low	
Low	5(13.15)	19(50)	14(36.8)	38(100)
Moderate	9(18)	17(34)	26(52)	42(100)
High	5(50)	2(20)	3(30)	20(100)
Total	21(21)	38(38)	43(43)	100(100)

Annual expenditure and awareness level

It is known fact that spending nature on expenditure of an individual depends on his/her personal character. In the present study the sample respondents are grouped into three categories viz., low expenditure middle expenditure and high expenditure. According to a person who spend below Rs.50,000 are classified as low expenditure and who spends of Rs.50,000 to Rs.1,00,000 are classified as middle expenditure and who spend more than 100000 are classified as high expenditure. The Table 9 reveals that the distribution of sample respondents on the basis of annual expenditure and awareness level. The Table 9 shows that the more number of middle expenditure sample respondents (46.60%) are having low level awareness about crop insurance.

Table 9. Annual expenditure and awareness level

Expenditure level	Awareness level		Total	
	High	Moderate	Low	
Low	5(8.9)	25(44.64)	26(46.4)	56(100)
Moderate	7(23.3)	9(30)	14(46.60)	30(100)
High	3(21.42)	6(42.85)	5(35.7)	14(100)
Total	15(15)	40(40)	45(45)	100(100)

Gender and satisfaction level

The Table 10 shows the distribution of sample respondents on the basis of sex and satisfaction level. This Table reveals that there is a relationship between sex of the sample respondents and their satisfaction about crop insurance.

Table 10. Gender and satisfaction level

Gender	Satisfaction level		Total	
	Satisfaction	Dissatisfied		
Male	5(7.812)	59(92.18)	64(100)	
Female	8(22.22)	27(75)	36(100)	
Total	13(13)	86(86)	100(100)	

Marital status and satisfaction level

The Table 11 exhibits the distribution of sample respondents on the basis of marital status and satisfaction level. It is also indicated that there is a relationship between marital status of the sample respondents and their satisfaction about crop insurance.

Table 11. Marital status and satisfaction level

Marital Status	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Married	7(9.210)	69(90.78)	76(100)	
Unmarried	5(20.83)	19(79.16)	24(100)	
Total	12(12)	88(88)	100(100)	

Source: Field Survey Figar in the brace is percentage

Educational status and satisfaction level

The Table 12 exhibits the distribution of sample respondent on the basis of educational status and satisfaction level. The Table 15 reveals that there is a relationship between educational status of the sample respondents and their satisfaction about crop insurance.

Table 12. Educational status and satisfaction level

Educational Status	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Illiterate	1(5.55)	17(38.8)	18(100)	
High School Level	3(7.1428)	39(92.85)	42(100)	
College Level	7(17.5)	33(82.5)	40(100)	
Total	11(11)	89(89)	100(100)	

Size of the family and satisfaction level

The Table 13 indicates the distribution of sample respondents on the basis of size of the family and satisfaction level. It is also shows that there is a relationship between size of the family of sample respondents and their satisfaction level about crop insurance. It is found that 93.75% of middle family sample respondents are dissatisfied.

Table 13. Size of the family and satisfaction level

Size of the Family	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Small Family	9(30)	21(70)	30(100)	
Middle family	3(6.25)	45(93.75)	48(100)	
Large family	3(13.63)	19(86.34)	22(100)	
Total	13(13)	87(87)	100(100)	

Source: Field Survey Figar in the brace is percentage

Nature of the family and satisfaction level

The Table 14 shows the distribution of sample respondents on the basis of nature of the family and satisfaction level. The Table 14 reveals that there is a relationship between nature of the family of sample respondents and their satisfaction level about crop insurance. It is found that 88.33% of individual family sample respondents are dissatisfied.

Table 14. Nature of family and satisfaction level

Nature of the family	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Joint family	5(12.5)	35(87.5)	40(100)	
Individual family	7(11.67)	53(88.33)	60(100)	
Total	15(15)	85(85)	100(100)	

Farm experience and satisfaction level

The Table 15 shows that the distribution of sample respondents on the basis of farm experience and satisfaction level. The Table 15 reveals that there is a relationship between farm experience of the sample respondents and their satisfaction level about crop insurance. It is found that 90% of low experience sample respondents are dissatisfied.

Table 15. Farm experience and satisfaction level

Experience Level;	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Low	4(10)	36(90)	40(100)	
Moderate	8(16)	42(84)	50(100)	
High	2(20)	8(10)	10(100)	
Total	14(14)	86(86)	100(100)	

Annual income and satisfaction level

The Table 16 shows the distribution of sample respondents on the

basis of annual income and satisfaction level. The Table 19 shows that there is a relationship between annual income group annual income group of sample respondents and their satisfaction about crop insurance. It is found that 88.09% of middle income group of sample respondents are dissatisfied.

Table 16. Annual income and satisfaction level

Income level	Satisfaction level		Total	
	Satisfied	Dissatisfie		
Low	7(18.42)		31(81.57)	38(100)
Middle	5(11.90)		37(88.09)	42(100)
High	1(5)		19(95)	20(100)
Total	15(15)		85(85)	100(100)

Annual expenditure and satisfaction level

The Table 17 reveals that the distribution of sample respondents on the basis of annual expenditure and satisfaction level. The Table 17 reveals that there is a relationship between annual expenditure group of the sample respondents and their satisfaction about crop insurance. It is found that 91.07% of low expenditure group of sample respondents are dissatisfied.

Table 17. Annual expenditure and satisfaction level

Expenditure level	Satisfaction level		Total	
	Satisfied	Dissatisfied		
Low	5(8.92)	51(91.07)	56(100)	
Middle	5(16.66)	25(83.33)	30(100)	
High	5(35.71)	9(64.28)	14(100)	
Total	15(15)	85(85)	100(100)	

Source: Field Survey Figar in the bracie is percentage

Suggestions

It is suggested that the Insurance companies and Government should take necessary steps to improve the awareness among the farmers by taking the following measures.

- The farmers should be made aware of the various insurance schemes for which adequate publicity / extension support should be provided by the state governments.
- To introduce a comprehensive scheme and coverage so that farmers will be given the insurance cover in respect of the crops of their choice, be they cotton, sugarcane, cashew nut or chilly.
- Awareness campaign to induce non-borrowers to buy insurance covers for major / notified crops.
- In the present study, it is found that 85% of the sample respondents are dissatisfied about the existing crop insurance schemes. Hence, it is suggested that the Insurance companies and Government should take necessary steps to improve the satisfaction level of farmers by using the following steps.
- Proper steps to be taken by the insurance companies to increase the crops coverage, area Approach, Reduce the premium rate and reduce the formalities in claim etc.

If the above suggestive measures are adopted by the Insurance Companies, it is hope that more farmers will come forward to insure their crops and in event of loss of any crops, farmers will be more benefited and undoubtedly farmers' economic condition will improved.

Conclusion:

Agriculture in India is not just reliant on weather conditions, but also suffers the impact of natural disasters. It will be pretty in order for crop insurance to be regarded as hold gauge in which government plays a vital role, because of the benefit it provides not purely to the insured farmers but to the intact national economy caused by the forward and backward relations with the relaxation of the economy. The principle following the appraisal of yield insurance schemes all

over the world are along the lines for getting the dynamic support and finance of the Government. Integrating the assorted risk easing methods and reforming the funds not only injects liability and professionalism into the system, but also increases economic effectiveness. The Government can assist agricultural insurance in some ways. There is a need for some subsidization by the government. It can offer information on weather patterns, spots of farms and crops, history of perils and crop yields. In the light of the present findings and suggestions given by the sample respondents, the following recommendations are made for the improvement of crop insurance:

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