A STUDY ON AWARENESS LEVEL ON CROP INSURANCE SCHEMES IN WARANGAL DISTRICT

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Abstract:

Crop insurance is necessary for the farmers to protect them against financial issues. The study aims to understand the awareness level in the farmers towards crop insurance in Warangal. The study was based on questionnaire with a sample of 300 respondents. The findings were analyzed using simple percentage analysis and cross tabulation. Findings reveal that educational qualification and area of land owned by the employer have significant association with farmer's level of awareness towards crop insurance.

Key Words: *Agriculture, Crop insurance, Farmers, Preference & Financial risk*

Introduction:

Farmers face floods, drought, pests, disease, and a plethora of other natural disasters. The weather is their greatest adversary, something that can never be controlled by man. Crop insurance is a risk management tool that farmers can use in today's agricultural world. Crop Insurance is purchased by agricultural producers, including farmers, ranchers and others to protect themselves either the loss of their crops due to natural disasters, such as hail, drought and floods or the loss of revenue due to declines in the prices of agricultural commodities. The two general categories of crop insurance are called crop-yield insurance and crop-revenue insurance.

Reviews of Literature:

J. Sunder and Lalitha Ramakrishnan (2015), reveals the extent of preference towards purchase benefits and satisfaction level towards crop insurance. A total of 360 farmers from Kunichampet and Man nadipet in Puducherry district are selected for this study. The study has been made by collecting the response of farmers through structured questionnaire and they are analysed using simple percentage and Annova. The study findings revealed that there were constraints like less benefits and dissatisfaction towards claim settlement of crop insurance. Steps are necessary from Government and insurance delivery agents to promote insurance to counter problems like low benefits and dissatisfaction. D. Suresh Kumar, K.Palanisami, C.R. Ranganathan and R. Venkatram (2010), revealed that the extent of preference towards crop insurance as a tool for risk management in Tamilnadu. The study was taken up with a view to critically examine how the farmers perceive about the risk mitigation measures provided by the government and about their preference. The study is conducted throughout the state of Tamil Nadu by interviewing 600 farmers spreading over 27

out of 32 districts of the state. The structured questionnaire and they analysed using Garret's Ranking Technique and Crop Diversification Ind3ices. Uncertainty faced by individual farmers is transferred to the insurer through their participation in large numbers, for which benefit, the insured farmers pay a risk premium. From the analysis that encouraging the social participation will increase the preference of the farmers. 38. Swain and Patnaik (2016): "Performance Assessment of Crop Insurance Schemes in Odisha in Eastern India". in this study comparative performance of NAIS and WBCIS, researchers have been collected data from both primary and secondary sources collecting primary data through a field survey and secondary data internet, books, newspapers. Articles etc. Researchers used a multi-stage sampling method to select the sample households, the study selected 200 households comprising of 100 NAIS users and 100 WBCIS users. They also found that the financial performance of all years reveals that the per hectare premium paid and claim received is higher for NAIS, that WBCIS's performance is better than the NAIS because of lower premiums, higher adoption rate. They also suggested that the both (NAIS and WBCIS) schemes have to improve their performance.

Objectives of the study:

- To study the need of crop insurance schemes in Warangal Rural District.
- To find the awareness level in the farmers about crop insurance schemes

RESEARCH METHODOLOGY:

Area of the Study: The research study was done in Warangal Dist.

Nature and Source of Data: The study is based on questionnaire method; primary data has been collected from various farmers in Warangal District and the secondary data have been collected from related journals, Magazines and textbooks.

Statistical Tools Used for the Study:

- Simple percentage analysis
- Cross Tabulation.

Sampling Used: 300 farmers were selected by convenience sampling method.

Analysis and Interpretation:

Simple percentage analysis

Distribution of Universe of Sample

Sl. No	Revenue Division	Name of the Mandal	No. Of Villages	Total Farmers	Sample	Percent
1	Warangal Rural	Geesugonda	29	33476	28	9.38
2		Parvathagiri	33	25707	22	7.20
3		Rayaparthy	39	26925	23	7.54
4		Sangem	33	21388	18	5.99

5		Wardhannapet	21	19851	17	5.56
6	Narsampet	Chennaraopet	30	21272	18	5.96
7		Duggondi	34	24710	21	6.92
8		Khanapur	20	16892	14	4.73
9		Narsampet	30	30265	25	8.48
10		Nallabelly	29	21442	18	6.01
11		Nekkonda	39	27025	23	7.57
12	Parkal	Parkal	13	18371	15	5.15
13		Damera	14	12936	11	3.62
14		Atmakur	16	16697	14	4.68
15		Shayampet	24	21530	18	6.03
16		Nadikuda	14	18524	16	5.19
Total			418	357011	300	100

The table gives the information about the sample distribution by divisions and mandals as total universal sample is 3,57,011 and out of that researcher has taken 300 as the sample size for the research study by using proportionate stratified random sampling method. In Warangal Rural district there are 16 Mandals. Hence, sample size for each mandal is decided by dividing total farmers with total mandals. It has given us an idea of the sample circulating in all the blocks and consequently the research work in the field was exhaustive. The distribution of the sample is explained below.

Analysis Based on Annual Income of Farmers

Sr. No	Annual Income	No. of Responses	Percentage
1.	Less than Rs.10,000/-	10	3.33%
2.	Rs. 10,000/- to Rs. 30,000/-	132	44%
3.	Rs. 31,000/- to Rs. 50,000/-	70	23.33%
4.	Above Rs. 50,000/-	88	29.33%
Total		**300**	**100%**

Table shows information about the annual income of respondents who have already taken benefits under Crop Insurance Schemes in Warangal district During the survey, researcher has asked respondents about their annual income and given four options as less than Rs. 10,000/-, between Rs. 10,000/- to Rs.30,000/-, between Rs.31,000/- to Rs. 50,000/- and also given option as above Rs.50,000/-. Taken 300 samples, out of them 10(3.33%) respondents' annual income is less than Rs.10,000/-. 132 (44%) of respondents' annual income is in

between Rs. 10,000/- to Rs.30,000/-.70(23.33%) respondents' income is Rs. 31,000/- to Rs.50,000 and 88(29.33%) respondents' income is above Rs. 50,000/-.

Classification of Farmers on the basis of Income Source

Sr. No	Income Source	No. of Responses	Percentage
1.	Agriculture	220	73.33%
2.	Business	28	9.33%
3.	Daily Wages	32	10.67%
4.	Cattle Ship	15	5%
5.	Other	5	1.67%
Total		**300**	**100%**

Table gives information about the classification of the farmers on the basis of their income source. Out of 300 respondents, 220(73.33%) of respondents answered that, their income source is Agriculture, 28 (9.33%) of respondents said that their source of income is Business, 32 (10.67%) of respondent said as daily wages, 15 (5%) of respondents' source of income is cattle ship whereas only 5 (1.67%) of respondents' is other sources.

Analysis based on Land type of Farmers

Sr. No	Land in Hectares	Responses	Percentage
1.	Irrigated Land	137	45.77%
2.	Non-Irrigated Land	163	54.33%
Total		**300**	**100%**

From the Table it can be understood how many farmers have Irrigated land and how many have Non-irrigated land. Out of 300 respondents 163(54.33%) respondents are having Non-irrigated land and 137(45.67%) respondents are having irrigated land.

Analysis based on Age Groups of the farmers

Sr. No	Age of Farmers	No. of Responses	Percentage
1.	20 – 30	46	15.33%
2.	31 - 40	125	41.67%
3.	41 - 50	95	31.67%
4.	51 - 60	24	8%
5.	> 60	10	3.33%
Total		**300**	**100%**

Above table shows the information based on the age of respondents. Out of 300 respondents 46(15.33%) respondents belong to the age group of 20 to 30 years, 125 (41.67%) respondents belong to the age group of 31 to 40 years followed by 95 (31%) respondents belong to the age group of 41 to 50 years respondents are belonging to the age group of 20 to 30 years and 24

(8%) and 10 respondents (3.33%) belongs to the age group of 51 to 60 years and only 10respondents i.e.,3.33% belong to the age group of above 65 years respectively.

Classification of Farmers on the basis of Educational qualifications

Sr. No	Educational Qualification	No. of Responses	Percentage
1.	Primary	64	28.33%
2.	Secondary	45	15.00%
3.	Intermediate	36	12.00%
4.	Degree	15	5.00%
5.	Professional	85	18.33%
6.	Illiterate	55	21.33%
Total		**300**	**100%**

Table gives us information about the classification of farmers based on their educational qualifications, out of 300 sample respondents 64 ((15%) respondents have done schooling till secondary level(15% of)respondents have done schooling till secondary, 36 (12%) respondents went to school till Intermediate, only 15 (5%) respondents completed their Graduation. 85 (18.33%) farmers are professionals, 55 (21.33%) respondents are illiterate. 55 (18.33%) respondents have gone to only prima

Family Size of the Farmers

Sr. No	Members in a Family	No. of Responses	Percentage
1.	1 - 3 (Small)	45	15%
2.	4 - 6 (Medium)	140	46.67%
3.	7 - 9 (Large)	65	21.67%
4.	Above 10 (Big)	50	16.67%
Total		**300**	**100%**

Table showing the information about the family size of the respondents, family size has been divided into four different groups and questions were asked to the respondents about how many members are there in their family. Out of 300 respondents, 45(15%) respondents were between the group of 1 to 3 Small family size, 140 (46.67%) respondents were between the group of 4 to 6 i.e., Medium family size, 65 (21.67%) respondents were in between the group of 7 to 9 i.e., Large family size, 45 respondents (15%) were between the group of 1 to 3 Small family size whereas only 50 (16.67%) respondents were in the Big family size group i.e. above 10 members in family.

Family Type of the Farmers

Sr. No	Nature of the Family	No. of Responses	Percentage
1.	Joint Family	170	56.67%

2.	Individual Family	130	43.33%
	Total	**300**	**100%**

Table showing the information about the family types of the respondents, family typeshaveas been divided into two types: Joint Family and Individual family and questions were asked to the respondents to which among the following family type do they belong. Out of the total 300 respondents 170(56.67%) respondents belong to Joint family and only 130(43.33) respondents belong to Individual family.

Analysis based on Area of Land farmer Owns in Hectares

Sr. No	Land in Hectares	No. of Responses	Percentage
1.	Small (< 2 ha)	28	9.33%
2.	Medium (2-4ha)	105	35.00%
3.	Large (> 4ha)	167	55.67%
Total		**300**	**100%**

In order to know that how many acers of land do farmers have, an analysis was made by the researcher by providing different options by making groups as Small,Medium and Large. The responses of the farmers are presented in the Table. Out of total 300 respondents, 28(9.33%) respondents are having the land less than 2 hectares. 105(35%) respondents having land in between 2 to 4 hectares and 167(55.67%) respondents are having more than 4 hectares of land.

Classification Based on Farm Experience

Sr. No	Farm Experience	No. of Responses	Percentage
1.	Less than 10 Years	75	25%
2.	11 – 20 Years	141	47%
3.	21 – 30 Years	72	24%
4.	More than 31 Years	12	4%
Total		**300**	**100%**

Table represents the classification of farmers based on their farm experience, for this researcher has enquired 300 respondents and out of them 75 respondents (25%) were having less than 10 years of experience 141 respondents (47%) mentioned that they were having 11 to 20 years of experience in farming, 72 respondents (24%) were having experience of 21 to 30 years and only 12 respondents (4%) were having more than 31 years of experience in farming.

CROP WISE AREA, YIELD AND PRODCUTION FOR THE YEAR 2017-18 IN WARANGAL DISTRICT

Table: 4.17
CROP WISE AREA, YIELD AND PRODCUTION FOR THE YEAR 2017-18 IN WARANGAL RURAL DISTRICT

(Area in Hectares/Yield in Kgs/Hect. /Production in Tonnes)

Crop Type	Kharif			Rabi			Total		
	Area	Yield	Production	Area	Yield	Production	Area	Yield	Production
RICE	1,230	2,580	3,174	29	3,801	110	1,259	2,608	3,284
MAIZE	600	3,456	2,074	1,239	6,805	8,431	1,839	5,712	10,505
JOWAR	5,498	965	5,306	2,618	867	2,270	8,116	933	7,576
GREENGRAM	2,561	646	1,654	14	903	13	2,575	647	1,667
BLACKGRAM	3,202	722	2,312	0	0	0	3,202	722	2,312
REDGRAM	20,076	1,104	22,164	1	1,104	1	20,077	1,104	22,165
BENGALGRAM	0	0	0	13,736	1,551	21,363	13,774	1,551	21,363
TOTAL PULSES	25,893	1,010	26,163	13,796	1,550	21,385	39,689	1,198	47,548
TOTAL FOODGRAINS	33,221	1,105	36,717	19,361	1,799	34,833	52,582	1,361	71,550
COTTON KAPAS	1,05,746	1,480	1,56,504	0	0	0	1,05,746	1,480	1,56,504
GROUNDNUT	0	0	0	1,314	2,068	2,717	1,314	2,068	2,717
SEASMUM (GINGELLY)	107	139	15	177	803	142	284	553	157
SUNFLOWER	0	0	0	39	1,795	70	39	1,795	70
SOYABEAN	45,795	1,355	62,052	0	0	0	45,795	1,355	6,252
CASTOR	89	591	53	0	0	0	89	591	53

In the table different crops, grown area, yield and production are presented. In the kharif season Cotton occupies major area i.e., 1,05,756 hectares and production with 1,56,504 tonnes with the yield of 1,480 kgs. per hectare, soya bean occupies next place after cotton with 45,795 hectares area occupied and production 62,052 tonnes with the yield 1,355 kgs per hectare next food grains occupied third position in the area covered i.e.,33,221 hectares and the production 36,717 tonnes with the yield 1,105 kgs per hectare followed by Red gram occupied the area of 20,076 hectares with the yield 1,104 tonnes and the other crops like black gram, green gram, maize and seasum (Gingelly), castor and sunflower, groundnut and bengal gram are cultivated nil in Kharif season in Warangal Rural District.

In Rabi season food crops occupies major portion i.e., total food grains occupies 19,361 hectares of land and 34,833 tonnes of production with the yield of 1,799 kgs per hectare followed by total pulses occupies 13,796 hectares of land and 21,385 tonnes of production with the yield of 1,550 kgs, Bengal gram occupies 13736 hectares of land and 21,363 tonnes of production with the yield of 1,551 kgs per hectare followed by jowar, maize, groundnut

and very less area occupied by seasamum, sunflower, rice and green gram and cotton, black gram, soyabean and castor are not cultivated in the rabi season in Warangal Rural District.

Total pulses occupy the area of 39,689 hectares with 47,548 tonnes of production with the yield of 1,198 kgs. per hectare followed by Red gram with the area occupied 20,077 and 22,165 tonnes of production with 1,104 kgs. of yield followed by Bengal gram with 13,774 area occupied and production 21,362 tonnes with the yield 1,551kgs. per hectare followed by total Jowar occupied 8,116 hectares area and production 7,576 tonnes with the yield 933 kgs. per hectare followed by black gram occupied area 3,202 hectares and 2,312 tonnes of production the yield of 722 kgs. Per hectare followed by green gram occupies area 2,575 hectares and 1,667 tonnes of production with the yield of 647 kgs per hectare followed by maize which occupies 1,839 hectares of land and 10,505 tonnes of production with the yield of 1,839 kgs per hectare followed by groundnut and rice and other crops occupies very less area of cultivated land.

Conclusion:

It is found out that still majority of the farmers are getting very low level of incomes i.e., below Rs.30,000 per annum, so they can lead their families with necessities only and they are far from the comforts and very far from the luxuries. It is very difficult if their crops get lost, Majority of the farmer's major source of income is agriculture, if they get lost their crops or get low revenue from crops, they will suffer a lot. Hence Crop insurance will help them through Claim amounts to maintain stable earnings from agriculture. Hence it is proved that there is the necessity of crop insurance in the study area**.** Even after having more than 4 acres of land majority of the farmers i.e.,44% are getting low agriculture income, it is because of less irrigation facilities and unable to take more than one crop in a year. It is concluded that they depend on monsoon rains and it is also found that there is a necessity of crop insurance for them to get stable incomes in adverse weather conditions, majority i.e.,54.33% of the sample respondents have non irrigated and dry land so that they have to depend only on monsoon rains in kharif season and cannot get second crop in rabi, hence it is also supporting that the necessity of the crop insurance in the study area to get stable incomes in adverse weather conditions.

According to the majority of the farmers i.e.,87% the crop insurance will reduce their crop loss. It is concluded that if the crop insurance is not there most of the farmers i.e.,43% approach their friends and relatives for loans for interest, 37.33% of them sell their valuables and Agri land and 8.33% of them choose last option as committing suicide when they get their crops lost which is their only source of income. Hence it is understood that crop insurance is playing a vital role in the study area.

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