



A STUDY ON FARMER'S SATISFACTION ABOUT THE CROP INSURANCE SCHEMES IN WARANGAL DISTRICT

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ABSTRACT:

Universally agriculture is perceived to be synonymous with risk and uncertainty. Agricultural insurance is one of the risk management strategies to overcome risk to the greater extent. It helps in stabilization of farm production and income of the farming community. Crop insurance will not only helps the farmers to withstand the shock from uncertain situations but also acts as incentive to use the resources efficiently and achieve higher level of productivity. The study was conducted in Telangana State during the year 2018-19 by using the "Ex-post-facto" research design. Warangal district were selected purposively based on more number of insured farmers.

Keywords: Satisfaction; crop insurance scheme; claim and crop cutting experiments.

INTRODUCTION:

Largest livelihood provider in India is agriculture and its allied sector, more so in the vast rural areas. Agriculture provides prime means of livelihood for over 58.4% of Indian population. One fifth of Indian total gross domestic product (GDP)'s share is contributed by Agriculture itself. A large number of Industries are depending on agriculture for their raw material. Agriculture contributes 10% to total export earnings. To support economic development much emphasis has to be given to the planning in accelerating the pace of agriculture by removing regional imbalances in agricultural practices and cropping pattern by increasing production and productivity, developing new variety of seeds, improving irrigational facilities, extending institutional credit supply and also by giving support price to farmers.

Agriculture is always a risky business; it is subject to the vagaries of nature. The basic risk in agriculture is uncertainty of crop yield in developing countries. The majorities of the farmers are poor and are unable to bear the risks of crop failure. For growing population, the food production should be enhanced to provide food and nutritional security. The income from the farm holdings required to be increased to retain and attract younger generation to take up agriculture as a profession.

Telangana state is mainly rural with 61 per cent of its population related to rural areas and most of them depend on agriculture. Although 50 per cent of the state's population involved in agriculture sector only 13 per cent of GDP (Gross Domestic Product) of the state is contributed from agriculture. The crop sector and livestock contribute only 6 per cent of GDP of each state.

The Government of India has been introducing the advanced schemes time to time by taking into account the needs of the farmers and introducing advanced schemes with new features but getting failed to meet the expected results due to low policy implications, less awareness of farmers about crop insurance schemes and poor performance of implementing agencies.

Crop Insurance plays a vital role in agriculture sector of Warangal District. It seeks to disseminate the information and promotion through various media. So, we have to do research on “a study on farmer’s satisfaction about the crop insurance schemes in Warangal district” The whole study emphasizes on crops coverage, satisfaction level of farmers towards present crop insurance schemes i.e., RWBCIS and PMFBY crop insurance scheme.

Objectives of the study:

- To understand the need of crop insurance schemes.
- To study the farmer’s satisfaction about the 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.

NEED OF CROP INSURANCE

India is an agrarian country. Most of the Indian population depends upon agriculture. In India crop production depends on vagaries of the climate. In one or the other part, crops get affect by natural calamities every year. The uncertainty of weather conditions upsets the whole agricultural economy. Besides drought and floods, plant diseases, locusts have always been serious enemies to our agriculture. Majority of the land holdings in our country are tiny and they get only marginal surplus in favorable years and suffer heavy losses in bad years. In this scenario the issue of Crop Insurance assumes a vital role in India for the stable growth of the agricultural sector.

Warangal Rural district is located at the top most of Telangana State. Warangal Rural town is the head quarter of Warangal District. Warangal is the oldest town in Warangal Rural District. It was not the full-fledged district from the very beginning. After so many changes it got its present structure. Recently district has been divided into six districts. Density of population is high i.e., 350. There will be very cold in winter season and very hot during summer season and uncertain rains in rainy season. Only 5% of cropped area is irrigated and the farmer depends on monsoon rains. Cotton is the major growing crop in Warangal Rural District. Crop Insurance schemes are playing major role in Agriculture. Agriculture Department is playing major role in creating awareness among farmers about crop insurance schemes in Warangal Rural District.

Crop Insurance Schemes:

So many crop insurance schemes experimented in some states till now but major crop insurance schemes like National Agricultural Insurance Scheme (NAIS), which is introduced in 1999 covered almost all the states in India, in this way in Andhra Pradesh and Telangana as well as in Warangal Rural district (researcher's study area) also, since then the schemes like MNAIS, WBCIS, RWBCIS and PMFBY have been introduced time to time.

The schemes implemented in the study area i.e., Warangal Rural District are

1. National Agricultural Insurance Scheme (NAIS).
2. Modified National Agricultural Insurance Scheme (MNAIS).
3. Weather Based Crop Insurance Scheme (WBCIS)
4. Restructured Weather Based Crop Insurance Scheme (RWBCIS) 2016,
5. Pradhan Mantri Fasal Bhima Yojana in (PMFBY) 2016, Ongoing.

Analysis Based on Satisfaction Level of Farmers

Satisfaction Level of Farmers about Weather Based Crop Insurance Scheme – WBCIS

Sr. No	Opinion of the farmer	No. of Respondents	Percentage (%)
1.	Slightly	81	27%
2.	Moderately	180	60%
3.	Extremely	39	13%
Total		300	100%

Table reveals that Out of 300 sample respondents 81(27%) respondents were slightly satisfied 180 (61%) respondent moderately satisfied, and only 39 (13%) respondents are extremely satisfied with the weather-based crop insurance scheme. It is seen that from the above data 73% of farmers are satisfied with the weather based crop insurance scheme. It can be concluded that farmers are feeling satisfactory with the procedure and implementation of WBCIS crop insurance scheme.

Suggestions from farmer for the improvement of WBCIS

Sr.No	Suggestions for improvement	No. of Respondents	Percentage
1.	Increase the Sum Insured limit	33	11%
2.	Add all Kinds of Crops under Crop Insurance Scheme	25	8.33%
3.	Awareness camps should be taken on regular intervals.	10	3.33%
4.	Waiting period should be minimized	148	49.45%
5.	Premium rate should be decreased	64	21.33%
6	Sum insured should be increased	20	6.67
Total		300	100%

It can be inferred from the above data that though schemes have been designed beautifully and implemented still there are some suggestions received from the beneficiaries for the improvement in different sectors of the scheme.

- Awareness Camps should be conducted by the Government or concerned officers to educate farmers for availing benefits of Crop Insurance Schemes.
- All kinds of Crops to be added in the Crop Insurance Scheme.
- Sum Insured limit should be increased.
- Procedure should be simplified for Availing the benefits of Crop Insurance Schemes.
- Crop Insurance Claim procedure should be processed in the short span of time.

Mandal wise Crop details of WBCIS Kharif 2018-2019 of Warangal Rural District

Mandal wise cotton crop which is the major crop and the only crop which comes under WBCIS details for the year 2018-19 have been presented in the table below.

Mandal wise Crop details of WBCIS Kharif 2018-2019 of Warangal Rural District

Sr.No	Division	Mandal Name	Crop	Area in Hector	Farmers Share (premium)	No of farmers covered	Sum Insured
1	Warangal Rural	Geesugonda	Cotton	1988	5964000	2787	119280000
2		Parvathagiri	Cotton	2611	7833000	2573	156660000
3		Rayaparthi	Cotton	7358	22074000	5443	441480000
4		Sangem	Cotton	2945	8835000	2688	176700000
5		Wardhannapet	Cotton	1293	3879000	1375	77580000
6	Narsampet	Chennaraopet	Cotton	1907	5721000	1648	114420000
7		Duggondi	Cotton	275	825000	349	16500000
8		Khanapur	Cotton	4545	13635000	3476	272700000
9		Narsampet	Cotton	2650	7950000	2013	159000000
10		Nallabelly	Cotton	3152	9456000	3230	189120000
11		Nekkonda	Cotton	2138	6414000	1733	128280000
12	Parkal	Parkal	Cotton	2569	7707000	2105	154140000
13		Damera	Cotton	1216	3648000	1219	72960000
14		Atmakur	Cotton	2356	7068000	2351	141360000
15		Shayampet	Cotton	2348	7044000	2673	140880000
16		Nadikuda	Cotton	1673	5019000	1863	100380000
Total				41024	123072000	37526	2461440000

The Table gives Mandal wise crop details of Weather Based Crop Insurance Scheme for Kharif 2018-2019 of Warangal Rural district. It is seen in the table that total 41,024 farmers were covered under WBCIS scheme in Kharif 2018-19 and total area covered in hectores is 41,024 and farmer's share in premium was 12,30,72,000 it is also seen that majority of the farmers' share in premium from Rayaparthi Mandal i.e. 2,20,74,000 for cotton crop and 5,443 farmers covered followed by Khanapur Mandal by covering 1,36,35,000 share in premium and 3,476 farmers, Nallabelly by covering 3,230 farmer 94.56,000 premium share and very low number of farmers covered and from Duggondi Mandal only 349 and their premium share is 8.25 lakh only.

It is concluded from the above table that cotton is the major crop in Warangal Rural District which is covered under Weather Based Crop Insurance Scheme and cultivated as a major crop in all mandals without exception i.e., 16 mandals cotton is the major crop in agriculture.

Farmers Covered and Benefitted under WBCIS from 2018 to 2020:

Farmers covered and benefitted and percentage of beneficiaries under WBCIS for three years of kharif season and for three years of rabi season have been presented in the table below.

Farmers Covered and Benefitted under WBCIS from 2018 to 2020 in Warangal Rural District

Sl. No.	Scheme	Seasons	No. of farmers covered	No. of farmers benefitted	% of Beneficiaries
1	WBCIS	kharif 2017	1,27,179	54,848	43.13%
2		kharif 2018	30,639	26,676	87.07%
3		kharif 2019	47,754	41,229	86.33%
4		Rabi 2017	49	38	77.55%
5		Rabi 2018	9	5	55.56%
6		Rabi 2019	29	3	10.34%

Above table gives information about the Farmers covered and benefitted from weather-based crop insurance scheme from 2018 to 2020 in Kharif season. It is seen in the above table that majority of the farmers have covered under WBCIS scheme in the year of 2018 is 1.27 lakh whereas out of those covered farmers, benefitted only 54,848. For rabi season in 2018 only 49 farmers covered and 38 farmers benefitted i.e., 77.55%, for the year 2018 only 9 members are insured and out of that 5 members benefitted and percentage of beneficiaries is 55.56% and for the year 2019 the number of farmers insured 29 and number of farmers benefitted 3, it is only 10.34% of beneficiaries under Weather Based Crop Insurance.

It is concluded that overall performance of WBCIS is satisfactory as the number of farmers covered, benefitted and percentage of beneficiaries is high for all the years except 2018 kharif season. For Rabi season number of farmers covered is very less but percentage of beneficiaries is satisfactory. It is because most of the land is non irrigated and they don't go for second crop i.e. rabi crops.

Claim Settlement Details of Farmers Under WBCIS from 2017 -2019

Claim settlement details of farmers under WBCIS from 2017 -2019 along with the details of farmers covered, area covered, sum insured, premium collected have been presented in the table below.

Claim Settlement Details of Farmers Enrolled Under WBCIS Since 2017 -2019 in Warangal Rural District

Sr.No.	Scheme	Seasons	No. of farmers covered	Area covered (in hector)	Sum Insured (in lakhs)	Premium collected (in lakhs)	Claims (in lakhs)
1	WBCIS	Kharif – 2018	127,179	1,63,481	49,070	4,904	276
2		Kharif – 2019	30,639	34,648	20,788	1,039	1,543
3		Kharif – 2020	47,754	49,549	40,622	2,044	12,164
4		Rabi – 2018	49	86	57	1	1
5		Rabi – 2019	9	45	20	1	1
6		Rabi – 2020	29	334	40	1	1

(Source: Data compiled from the Warangal Rural District Statistical Hand Books)

Table reveals that claim settlement details of farmers enrolled under Weather Based Crop Insurance Scheme in Warangal Rural District since 2017 to 2019. Above table gives information about the WBCIS scheme from 2017 to 2019 of both Kharif and Rabi seasons. Table also shows that the number of farmers covered year wise in Kharif and Rabi seasons, the area of land covered in hectares, sum insured year wise and season wise, premium collected by bank and claims amount settled year wise has been presented. Claims settled for the year 2017 Rs.276/- lakhs, for 2018, Rs.1,543/- lakhs and for the year 2019 Rs.12,164/- lakhs. It also presents that claims for rabi season for the three years i.e., 2017, 2018 and 2019 is only Rs. 1 lakh.

It is observed from the above table that maximum number of claims settled in Kharif season than in rabi season as from 2017 to 2019 premium collected Rs 7987/- and Rs.13983/- lakhs claimed in kharif season but it is only Rs. 3 lakhs as premium collected as well as claims for rabi season, hence it is concluded that major crop i.e., cotton is the only crop which comes under WBCIS in Warangal Rural district is grown in kharif season and only mango which is not grown in Warangal Rural district which is covered for Rabi season.

Pradhan Mantri Fasal Bima Yojana (PMFBY):

The Government of India has launched Pradhan Mantri Fasal Bima Yojana and implemented from Kharif 2016 season. The Government of Telangana in its SLCCCI meeting held on 29th January, 2018 decided to implement the scheme for Kharif 2018 season. Of the various crop insurance schemes at the national level since 1985 the PMFBY (Pradhan Mantri Fasal Bima Yojana) is the most ambitious risk mitigation programme for farmers. The new crop insurance scheme is in line with “One Nation-One Scheme” theme. It includes all the positive features or strengths of previous schemes and at the same time it excludes all the negative features or weaknesses of the previous schemes. The PMFBY (Pradhan Mantri Fasal Bima Yojana) is the

replacement of existing two schemes NAIS (National Agriculture Insurance Scheme) as well as MNAIS (Modified National Agriculture Insurance Scheme)

• Objectives of the Scheme:

Pradhan Mantri Fasal Bima Yojana (PMFBY) aims to support sustainable production in agriculture sector by the way of –

1. To provide financial support to farmers for crop loss/damage arising out of unforeseen events
2. To stabilize the farmers' income to ensure their continuance in farming.
3. To encourage farmers for adopting innovative and modern agricultural practices.
4. To ensure credit flow to the agriculture sector; which will contribute to food security, crop diversification and enhancing growth and competitiveness of agriculture sector besides protecting farmers from production risks.

The opinions taken from farmers about premium rates of PMFBY whether premium rates of PMFBY are affordable for them by giving options and presented in the table below.

Whether Premium rates of PMFBY Crop Insurance is affordable to farmers

Sr. No	Farmer's Opinion	No of Respondents	Percentage
1.	Strongly Agree	121	40.33%
2.	Agree	79	26.33%
3.	Disagree	57	19%
4.	Strongly Disagree	43	14.33%
Total		300	100%

Out of 300 respondents 121 (40.33%) respondents strongly agreed and 79 (26.33%) respondents agreed to the statement premium rates of PMFBY is affordable to farmers compared to other schemes. Whereas 57 (19%) respondents disagreed and 43 (14.33%) respondents strongly disagreed.

It is concluded that most of the farmers i.e., 66.66% of sample respondents agreement is seen during the survey of the farmers for the given statement as majority of the farmers agreed to the statement that premium rates of PMFBY is affordable to them.

Satisfaction Level of Farmers about PMFBY Crop Insurance Scheme

To assess the opinions of the farmers regarding satisfaction level about Pradhan Mantri Fasal Bima Yojana – PMFBY, options given to them and the collected data presented in the table below.

Satisfaction Level of Farmers about PMFBY Crop Insurance Scheme

Sr. No	Level of Satisfaction	No. of Respondents	Percentage
1.	Slightly	98	32.67%
2.	Moderately	167	55.67%
3.	Extremely	35	11.66%
Total		300	100%

(Source: Field survey)

		(Haldi)						
		JOWAR	2	4.51	1.13	0.01		0.03
1	Nekkonda	MAIZE	3	6.7	3.35	0.27		0.34
1		PADDY	2	1.37	0.96	0		0.01
		SOYABEAN	1,352	825.52	268.29	1.34		6.71
1	Parkal	SOYABEAN	263	219.15	71.22	0.36		1.78
2		BLACK GRAM (URAD)	3	2.8	0.7	0.03		0.04
1	Damera	CHILLY – UNIR	1	1.6	0.96	0		0.05
3		RED GRAM	2	2.38	0.77	0.02		0.04
		SOYABEAN	10	23.08	7.5	0.04		0.19
		TURMERIC (Haldi)	1	1.6	2.2	0.11		0.22
1	Atmakur	SOYABEAN	848	1093.1	355.26	1.78		8.88
4								
	Damera		9,361	16,134.95	11,294.46	0		169.42
1	Shayampet	RED GRAM	2	2.38	0.77	0.02		0.04
5		SOYABEAN	10	23.08	7.5	0.04		0.19
		TURMERIC (Haldi)	1	1.6	2.2	0.11		0.22
1	Nadikuda	SOYABEAN	1,987	1,449.71	471.16	2.36		11.78
6								
		TURMERIC (Haldi)	660	306.49	421.42	21.07		42.14
WARANGAL RURAL TOTAL				23,931	14,185	36		227

Table shows that total 16 Mandal of Warangal Rural district and their land (crop) covered under difference crops. It is observed from the above data that majority of the farmers have covered under crop insurance scheme for 'Soybean' Crop followed by 'Paddy', 'Red gram', 'Blackgram', 'Maize', 'Jowar', 'Turmeric', 'chilly' covered under Pradhan Mantri Fasal Bhima Yojana in the Kharif season, in Warangal Rural District. Table also gives the information about number of farmers covered Mandal and crop wise, Area of Land in hectares covered under insurance scheme Mandal and Crop wise, then it also provides the information about sum insurance paid by farmers and net & gross premium subsidy received against those premium for the Kharif season under Pradhan Mantri Fasal Bima Yojana in Warangal Rural District.

It is clear from the above table that maximum cultivated crop in kharif season after cotton is soya bean which is covered under Pradhan Mantri Fasal Bhima Yojana followed by other crops which are cultivated very less and only in selected mandals like red gram which is the internal crop of cotton and followed black gram, paddy, maize, jowar, turmeric and chilly etc.

CONCLUSION:

It is seen that from the above data 74% of farmers are satisfied with the weather based crop insurance scheme. It can be concluded that farmers are feeling satisfactory with procedure and implementation of WBCIS crop insurance scheme. The cotton is the major crop

cultivated in Warangal Rural District which is covered under Weather Based Crop Insurance Scheme and cultivated as a major crop in all mandals and also cotton is the major crop In 16 mandals.

It is concluded that overall performance of WBCIS is satisfactory as the number of farmers covered is 205659 from 2018-2020. 122799 farmers benefitted and percentage of beneficiaries is 59.71%. It is because most of the land is non-irrigated and they don't go for second crop i.e. rabi crops. Majority of the farmers i.e. 66.66% are happy with the premium rates of PMFBY (Pradhan Mantri Fasal Bima Yojana) which are affordable to them. Farmers. Maximum number of crops other than cotton are covered under PMFBY and the benefits are also extended like mid-season benefits post-harvest benefits is included and the sum insured also increased.

As the majority of the respondent respondents i.e., 87% have (63%) agreed for the given statement that the crop insurance reduces their crop loss thus, it is concluded that Crop Insurance is educating the crop losses of farmers hence it is concluded that crop insurance is necessary for the study areas.

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