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RELATIONSHIP BETWEEN SOCIO-ECONOMIC CONDITION AND THE LEVEL OF AWARENESS OF FARMERS ON GREEN INSURANCE

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I. Malini²

Abstract

Green insurance is undertaken by agricultural producers, including farmers, ranchers and others to protect themselves against either the loss of their crops due to natural disasters, such as hail, drought and floods or the loss of revenue due to decline in the prices of agricultural commodities. Green insurance can play an important role in securing farmers livelihoods and boosting the efficiency of the agricultural sector. This paper aims to study the socio-economic condition and the relationship between the level of awareness of farmers on green insurance. Both primary and secondary data were used for the study. 120 sample respondents were selected by adopting stratified random sampling method. The collected data were analysed with required statistical tools such as Percentage analysis and Chi-square test. The study revealed that there is a significant relationship between socio economic condition and the level of awareness of farmers on green insurance. Agricultural department, financial institutions and insurance agencies should take adequate steps to create awareness in the minds of the female farmers, youngsters and illiterates. It helps the farmers to meet unforeseen circumstances with courage and contribute for the development of nation relentlessly.

Keywords: Agriculture, Green Insurance, Farmers, Awareness.

Introduction

"India lives in villages and agriculture is the soul of Indian economy"

-Mahatma Gandhi

Agriculture in India has an extensive background which goes back to ten thousand years. At present, India holds the second position in the world in agricultural production. It also contributes a major share in the Gross Domestic Product (GDP) of the country. Agriculture in India mainly depends upon monsoon, which is unreliable, uncertain and irregular. Even though, since independence, there has been a rapid expansion in the irrigation facilities, still about two-thirds of the cropped area is dependent upon monsoons. There are three distinct agricultural or cropping seasons in India – kharif, rabi and zaid. Some specific crops are only grown during a particular season, for instance, rice is a kharif crop and wheat is rabi crop.

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Every year, in one part of India or the other food crops are affected by natural calamities, "crop yield instability is the normal condition and agriculture continues still to be in which the farmers' fortunes are exposed, is practically the same as before. In fact, good years and bad years, wet weather and drought or floods and frost, low yields and bumper crops are to be expected in mixed succession. The total loss due to natural calamities (like flood, drought and plant diseases) is estimated as high as Rs. 1,000 crores every year. Hence farmers' should depend upon the bank and insurance corporations to share their loss. Green insurance makes up the loss or damage to growing crops resulting from a variety of causes such as hail or drought frost, flood and disease.

The cultivators pay a premium and protection is given to them on the same basis as in other insurance. Coverage and premium rates are settled on the basis of productivity and susceptibility to risk of the lands under cultivation in the same, area. Besides an all risk crop insurance, there are three other main types of insurance to cover the risk from fire, hail and flood. The success of green insurance is determined by the socio economic condition of the farmers. The review of related literature such as Rajan K.P. (2000) Gulam Muntaqa (2006), Shri G. Venkatesh (2008) Malini.R (2013) Sunitha Vijayan and Christabell P.J (2018) induce the researcher to trace out the association between the socio economic condition and the level of awareness of farmers on green insurance.

Statement of the Problem

Tirunelveli district is predominantly an agricultural district. The cropping pattern of the district varies from Taluk to Taluk. Paddy occupies however, the largest area of cultivation, followed by pulses. Paddy is cultivated mainly in Manur, Palayamkottai, Tenkasi, Shenkottai, Ambasamudram, Cheranmahadevi, Sivagiri and Nanguneri Taluk. The rainfall determines the growth of an agricultural country. Tirunelveli district has many rivers and reservoirs, canals, tanks and wells and they are all rain-fed. When there is no proper rainfall during respective seasons, these reservoirs, rivers and so on will become dry. The deficits in rain ruin the benefit of the agriculturalists in Tirunelveli block and increase their risk.

But, these risks can be reduced when Green insurance is properly implemented in this area by the Government, agriculture department, banks and insurance agencies. The proper implementation of green insurance is possible only then they know the socio economic condition and awareness level of farmers on green insurance in Tirunelveli district. Hence, the researcher made an attempt to study the relationship between the socio-economic condition and the level of awareness of farmers on green insurance in Tirunelveli District.

Objectives of the Study

- To know the socio-economic profile of farmers and their level of awareness on green insurance.
- To analyse the relationship between socio-economic profile of farmers and the level of awareness on green insurance.

Research Design

Sources of data

Primary and secondary data are used for this study. The interview schedule was used to collect the primary data from the respondents. The secondary data were collected from journals, banks and websites.

Sampling design

The respondents were selected by adopting stratified convenient random sampling method between September 2018 and December 2018.

Sample size

Four Taluks were selected for the study. 30 respondents were selected from each Taluks. Totally 120 respondents were taken from Naguneri, Alangulam, Palayamkottai and Tirunelveli Taluks for this study.

Statistical Tools

To analyse the data collected, the following statistical tools have been used.

- Percentage Analysis
- Chi-square test

Hypotheses

- There is no significant relationship between Gender and the level of awareness.
- There is no significant relationship between Age and the level of awareness.
- There is no significant relationship between Marital status and the level of awareness.
- There is no significant relationship between Educational qualification and the level of awareness
- There is no significant relationship between size of farm and the level of awareness

Table 1: Relationship between Socio-economic Conditions and the level of awareness of Farmers on Green Insurance

Particulars	Level of Awareness			Total	Chi-square	Inference
	High	Medium	Low			
Gender						
Male	29 (36.25)	42 (52.50)	9 (11.25)	80 (100)	Df=2 $\chi^2=43.26$	Significant
Female	12 (30.00)	18 (45.00)	10 (25.00)	40 (100)		

Particulars	Level of Awareness			Total	Chi-square	Inference
	High	Medium	Low			
Age						
Below 25yrs	14 (28.00)	26 (52.00)	10 (20.00)	50 (100)	Df=4 $\chi^2=13.25$	Significant
25yrs – 50yrs	23 (32.86)	38 (54.29)	9 (12.86)	70 (100)		
Marital Status						
Married	24 (38.71)	26 (41.94)	12 (19.35)	62 (100)	Df=2 $\chi^2=14.41$	Significant
Unmarried	16 (27.59)	24 (41.38)	18 (31.03)	58 (100)		
Educational Qualification						
Illiterate	4 (22.22)	5 (27.78)	9 (50.00)	18 (100)	Df=6 $\chi^2=18.44$	Significant
School Level	14 (42.42)	13 (40.00)	6 (18.18)	33 (100)		
Graduates	26 (46.43)	27 (48.21)	3 (5.36)	56 (100)		
Professionals	4 (30.77)	5 (38.46)	4 (30.77)	13 (100)		
Size of Farm						
Less than 2.5 Acres	9 (30.00)	12 (40.00)	9 (30.00)	30 (100)	Df=4 $\chi^2=15.23$	Significant
Less than 5 Hectares	18 (31.03)	28 (23.33)	12 (20.69)	58 (100)		
More than 5 Hectares	11 (34.38)	18 (56.25)	3 (9.38)	32 (100)		

Source: Primary Data

Gender

The above table shows that the percentage of the male farmers is higher (36.25%) in the high level of awareness category than the female farmers and the percentage of male farmers in the medium level of awareness group is also higher (52.5%) when compared to female farmers (45%). Besides, the percentage of the male farmers (11.25) in the low level of awareness category is lower compared to the female farmers. It indicates that male respondents had high level of awareness of famers on green insurance than their counterpart. With a view to test, the significance of the relationship between gender and the level of awareness of farmers on green insurance, chi-square test is applied.

The calculated value of chi-square test is 43.26 which is higher than the table value of 5.99 at 5% level of significance. Thus the null hypothesis is rejected. Therefore, it is inferred that the level of awareness is influenced by gender.

Age

The above table shows that in the "25 -50 years" category, the percentage of the farmers in the medium level of awareness (54.29%) and high level of awareness (32.86%) is more. The percentage of the farmers in the low level of awareness is higher (20%) in the "below 25 years" group compared to the "25 - 50 years" (12.86). It indicates that the level of awareness increases with the advancement of age. To find out whether there is any significant relationship between age and the level of awareness of farmers on green insurance.

The calculated value of chi-square test is 13.25 which is higher than the table value of 5.99 at 5% level of significance. Thus the null hypothesis is rejected. Therefore, it is inferred that the level of awareness is influenced by age.

Marital Status

The above table shows that a higher percentage (41.94 %) of married respondents is in the medium level awareness category than the unmarried respondents. Likewise a higher percentage (38.71%) of married respondents is in the high level awareness category compared to unmarried respondents. It can be inferred that married farmers had high level of awareness on green insurance than unmarried farmers. To find out whether there is any significant relationship between marital status and level of awareness of farmers on green insurance.

The calculated value of chi-square test is 14.41 which is higher than the table value of 5.99 at 5% level of significance. Thus the null hypothesis is rejected. Therefore, it is inferred that the level of awareness is influenced by marital status.

Educational Qualification

The above table shows that higher percentage (48.21%) of "Graduate" farmers is in the high level of awareness category compared to other category. Only 5.36 percentage of "Graduate" farmers are in the low level of awareness category which is lower than the other category. It indicates that graduated farmers had high level of awareness on green insurance than their counterparts. To find out whether there exists a significant relationship between educational qualification and the level of awareness of farmers on green insurance.

The calculated value of chi-square test is 18.44 which is higher than the table value of 12.59 at 5% level of significance. Thus the null hypothesis is rejected. Therefore, it is inferred that the level of awareness is influenced by educational qualification.

Size of Farm

From the above table shows that higher percentage of (56.25%) "More than 5 hectares" of land category are in the medium level of awareness, 34.38% are in the high level of awareness on green insurance compared to other category of farm size. Only 9.38 percent of "More than 5

hectares" of land are in the low level of awareness category which is lower when compared to other category. It indicates that the level of awareness on green insurance increases with size of land increase. In order to test the significance of the relationship between the farm size and the level of awareness of farmers on green insurance, chi-square test is applied.

The calculated value of chi-square test is 15.23 which is higher than the table value of 9.49 at 5% level of significance. Thus the null hypothesis is rejected. Therefore, it is inferred that the level of awareness is influenced by farm size.

Findings of the study

The findings are listed below based on the analysis made with the data collected.

Gender

The study revealed that the male respondents had high level of awareness of farmers on green insurance than their counterpart. The chi-square test indicates that there is a significant relationship between the level of awareness of farmers on green insurance and gender.

Age

The level of awareness increases with the advancement of age. The chi-square test proved that the level of awareness of farmers on green insurance is influenced by age.

Marital Status

Married farmers had high level of awareness on green insurance than unmarried farmers. The chi-square test proved that there is a significant relationship between the level of awareness of farmers on green insurance and marital status.

Educational Qualification

The study revealed that the graduated farmers had high level of awareness of farmers on green insurance than their counterparts. The chi-square test indicates that the level of awareness on green insurance is influenced by educational qualification.

Size of Land

The level of awareness on green insurance increase with size of land of farmers increase

The chi-square test is express that there is a significant relationship between the level of awareness of farmers on green insurance and size of land.

Suggestions of the study

Based on the findings the following suggestions were offered in order to improve the level of awareness of farmers on green insurance.

- The female farmers and youngsters are unaware of green insurance. Hence, the agricultural department, financial institutions and insurance

agencies should take adequate steps to create awareness in the minds of the female farmers and youngsters.

➤ From the study it is observed that the problem is most of the farmers are illiterate. So it is suggested to create awareness through media, organizing periodical meetings and workshop in villages to build awareness of green insurance, and address their grievances if any.

Conclusion

Risk and uncertainties are very common in agriculture. Green insurance, which is an ex-ante adoption strategy, can transfer the risk from the insured farmers to insurer agency. Tirunelveli district is predominantly an agriculture district. In Tirunelveli district most of the people depend upon the agriculture for survival. In this districts female and youngsters are unaware of green insurance. So the Government, banks and insurance agencies must influence the southern people through advertisement, issuing pamphlets in Tamil language, organizing periodical meeting and workshop to take green insurance and explain the needs and benefits offered in the green insurance. It helps the farmers to meet unforeseen circumstances with courage, lead a peaceful life and they can contribute for the development of nation relentlessly.

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