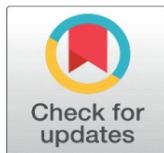
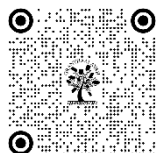


PERCEPTIONS OF FARMERS TOWARDS AGRICULTURAL DEVELOPMENT SCHEMES OF CO-OPERATIVE BANK IN THIRUVANANTHAPURAM DISTRICT

Anitta John¹✉, Dr. G Sreekanth²✉

¹Research Scholar, Reg. No.: 22113081012005, Department of Commerce, Malankara Catholic College Mariagiri, Kaliyikkavilai, Affiliated to Manonmaniam Sundaranar University Thirunelveli, Tamilnadu

²Assistant Professor, Department of Commerce, Malankara Catholic College, Mariagiri, Kaliyikkavilai, Affiliated to Manonmaniam Sundaranar University Thirunelveli, Tamilnadu



Corresponding Author

Anitta John,

anittajohns@gmail.com

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ABSTRACT

Agriculture has the major stake to support Indian economy. A farmer is the living idol of India. Most of the people in the country are directly or indirectly involved in the agricultural sector. Co-operative banks are one of the institutions that helps and boost the farmers as well as the agriculture industry. Co-operative banks role is not limited to lending to the agriculture sector. But it expands to provide various services to the farmers. The Bank provides various government sponsored schemes and the benefits available to them under those schemes. An attempt has been made to study the perceptions of farmers towards agricultural development schemes provided by co-operative banks in Thiruvananthapuram district, with a sample size of 25 respondents. The data were collected through a structured questionnaire. A Convenient sampling method is used for the study. Both primary and secondary data were used for the study. The present study is analytical in nature.

Keywords: Co-operative bank, Agriculture, Farmers

1. INTRODUCTION

Agriculture has been the backbone of the Indian economy, and it will continue to remain so for a long time India is one of the major players in the agriculture sector worldwide, and it is the primary source of livelihood for about 58% of India's population. Financial institutions are conventionally accepted, but agricultural and rural development would require performing certain new functions like better access to extension, inputs, and marketing services as a result of technological changes in this sector. Agricultural credits are the basis for conducting all agricultural activities. Contemporary changes in the agri business, technologies, and the introduction of advanced equipment, along with the post Green Revolution effect, amplified the demand for agricultural credit.

The Co-operative bank has a history of almost 100 years. The Co-operative banks are an important constituent of the Indian Financial System, judging by the role assigned to them, the expectations they are supposed to fulfil, their number, and the number of offices they operate.

Their role in rural financing continues to be important even today, and their business in urban areas has also increased phenomenally in recent years, mainly due to the sharp increase in the number of primary co-operative banks.

Co-operative Banks in India are registered under the Co-operative Societies Act. The RBI also regulates the cooperative banks. They are governed by the Banking Regulations Act, 1949, and the Banking Laws (Co-operative Societies) Act, 1965.

The Co-operative credit structure is the single largest institutional credit delivery system in the State. It provides credit to the people, particularly in rural areas, at a reasonable interest rate thereby reducing the dependency of the farmers on the informal credit rate, of interest. Geographically and culturally, it is the most convenient institutional arrangement for availing the credit by farmers.

2. TYPES OF CO-OPERATIVE CREDIT SOCIETIES / BANKS

Co-operative banks play a prime role in providing credit for agriculture and allied activities. Co-operative credit societies and banks cater the credit needs of the Kerala agriculture sector. The co-operatives have made significant progress in making advances to the agriculturist and also to weaker sections in addition to direct finance; central co-operative banks (CCBs) and state co-operative banks (SCBs) provide indirect finance to the benefit of agriculture through loans for purposes such as marketing agricultural commodities, fertilizer distribution, etc.

KERALA STATE CO-OPERATIVE BANK

The Kerala State Co-operative Bank, with its headquarters in Trivandrum, is the apex co-operative society in the state. The SCB finances and controls the working of the central cooperative banks in the state. It serves as a link between NABARD, from which it borrows, and the cooperative central banks and village primary societies. The state cooperative bank obtains its working fund from its share capital and reserves, deposits from the general public, and loans and advances from NABARD, which constitute between 50 and 90 percent of the working capital of the state cooperative bank. The bank is doing the business of banking within the framework of rules/regulations/guidelines stipulated by the Reserve Bank of India and the National Bank for Agricultural and Rural Development (NABARD).

KERALA BANK

The Government of Kerala has taken a policy decision to convert the present three-tier short-term co-operative structure within the state into a two-tier structure. The Reserve Bank of India had conveyed their consent for the amalgamation of 13 District Co-operative Banks which approved the scheme of amalgamation with Kerala State Co-operative Bank. The Registrar of Co-operative Societies has approved the resolution passed by 13 District Co-operative Banks on March 2019 to transfer its assets and liabilities in whole to Kerala State Co-operative Bank and issued the order for amalgamation of 13 District Co-operative Bank with Kerala state Co-operative Bank, based on the resolutions passed by General Bodies of respective District Co-operative Banks as provided under Section 14A of the KCS Act. Accordingly from November 2019 onwards, Kerala State Co-operative Bank and 13 District Co-operative Kerala State Agricultural and Rural Development Bank.

The Kerala State Co-operative Agricultural and Rural Development Bank Ltd is an apex financial organization of the two-tier federal structure, established in 1956, in a long-term credit structure. It has 79 Primary Co-operative Agricultural and Rural Development Banks as its members functioning at the taluk level. The main objective of this organization is to provide long-term agricultural credit to the farmers in the state through its affiliated Primary co-operative Agricultural and Rural Development Banks through refinancing from NABARD. The bank has diversified its activities to achieve its prime objective of comprehensive agricultural and rural development. As part of diversification, the bank entered short-term loans for meeting various financial needs like Marriage assistance loans/gold purchase, consumer loan, etc... Under the NCDC line of credit.

The KSCARD Bank, with its head office in Thiruvananthapuram is registered under the Kerala Co-operative Societies Act 1969; its operations are regulated by the KSCARDB Act, 1984, and the rules and bye-laws framed thereunder. It has regional offices in all districts for operational conveniences.

3. THE BANK UNDERTAKES THE FOLLOWING FUNCTIONS TO ACHIEVE THE ABOVE OBJECTIVES:

- (a) Floatation of Debentures;
- (b) Receiving Deposits;
- (c) Grant of loans to primary cooperative agriculture and rural development banks for purposes approved by the National Bank for Agricultural and Rural Development and the Registrar of Co-operative Societies;
- (d) To function as the agent of any cooperative bank subject to such conditions as the Registrar may specify;
- (e) To develop, assist and coordinate the work of affiliated primary cooperative agriculture and rural development banks.

The bank issues long term and medium-term loans towards agricultural and allied activities like the construction of cattle sheds and farmhouse, the purchase of lands, etc., and for minor irrigation purposes like the construction of new wells, deepening of existing wells, etc., Also, long-term loans are sanctioned for animal husbandry, fisheries, plantation, farm mechanization, non-farm sector, and other non-minor irrigation schemes. The state agriculture and rural development bank floats two types of debentures to raise funds required for issuing loans for developmental activities:

- (i) Special development debentures subscribed to by the National Bank for Agricultural and Rural Development and the Central and the State Government.
- (ii) Ordinary debentures subscribed to by the State government, the government of India, and other institutional investors. Co-operative Banks are functioning as a single entity with the brand name 'Kerala Bank'.

4. PRIMARY AGRICULTURAL AND RURAL DEVELOPMENT BANK

The primary co-operative agriculture and rural development banks provide long-term loan assistance to farmers, with the period of repayment ranging from 5 to 15 years. They provide credit for developmental purposes like minor irrigation, cultivation of plantation crops, and diversified purposes like poultry, dairying, and sericulture on a schematic basis. They get the requisite financial assistance from the Kerala State Cooperative Agriculture and Rural Development Bank.

TYPES OF AGRICULTURAL CREDIT IN INDIA

Considering the period and purpose of the credit requirement of the farmers of the country agricultural credit in India can be classified into three major groups; short, medium, and long term.

SHORT-TERM CREDIT: The Indian farmers require credit to meet their short-term needs viz purchasing seeds, fertilizers, paying a wage to hired workers, etc... for a period less than 15 months. Such loans are repaid after the harvest.

MEDIUM-TERM CREDIT: It includes the credit requirement of farmers for a medium period ranging between 15 months and 5 years and it is required for purchasing castles, pumping sets, other agricultural implements, etc. Medium-term loans are normally larger than short-term credit.

LONG TERM CREDIT: Farmers also require finance for a long period of more than 5 years just to buy additional land or for making any permanent improvement on land like digging of wells, reclamation of land, horticulture, etc. Thus the long - term credit requires sufficient time for the repayment of such loans.

5. SCHEMES AND PROGRAMMES OF GOVERNMENT OF INDIA ON AGRICULTURE:

- (1) E-NAM
- (2) National agriculture market scheme.
- (3) National Mission for Sustainable Agriculture (NMSA)
- (4) Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
- (5) Paramparagat Krishi Vikas Yojana (PKVY)
- (6) Pradhan Mantri Fasal Bima Yojana (PMFBY)
- (7) Gramin Bhandaran Yojna
- (8) Kisan Credit Card Loan Scheme

(9) Micro Irrigation Fund (MIF)

(10). PM-KISAN Scheme

6. REVIEW OF LITERATURE

Ali Sikandar (2019) studied the opportunities and challenges of co-operative banks in India. The study clearly stated the importance of co-operative banks in the Indian economy. Co-operative banks have a dominant role in the progress of the agrarian economy. The research work highlighted the major challenges of co-operative banks such as a lack of capability to mobilize funds, high transaction costs, limited ability to recover loans, and a governed rate of interest structure. The study revealed that co-operative banks perform better in one parameter but they are weak in another parameter. So it's essential to strike a balance between all parameters of co-operative banks. The study recommended some techniques to overcome the challenges of co-operative banks.

Prakashgowda, A.N (2018) examined the impact of the inadequacy of agricultural credit through the study entitled of Rural Credit Co-operative Societies on Rural Development and Relevance of Gandhian Concept of Co-operative Movement: A Case Study of Mandya District after compiling, data from 400 respondents. The period of the study covers 2005-06 to 2015-16. The study showed that the average available credit was less than the credit required at the optimum level of working capital for farmers. The study revealed that the average amount of short term and medium term credit requirement of the sample borrowers were Rs.10,418 and Rs.12,191 respectively. But the average amount of short term and medium term credit availed by farmers was only Rs.1,276 and Rs.4,152 respectively.

7. STATEMENT OF THE PROBLEM

Co-operative bank is a small sized financial entity here whose members are the owners and customers of the bank. They are regulated by the RBI and are registered under the State Co-operative Society Act. Co-operative banks are one of the most accessible and reliable sources of institutional finance in rural economies. Especially in an agriculturally dominated rural sector. Co-operative bank plays an important role in boosting the common individual and financing his business and personal needs. The availability of credit at the right time is the most necessary for agriculture. Apart from giving loans, the co-operative bank also provides necessary training to the farmers. The bank gives loans to the farmers who have to face many problems in getting benefits through the agriculture development scheme. Many people lack awareness of this and that's why instead of taking loans from banks, farmers rely on private money lenders. Earlier, farming was done in traditional way, but now, according to the changes in our living conditions, changes have taken place in all areas, and these changes, are also evident in the agriculture sector. Modern farming method, are mostly used today, and while the traditional farming method changes to the modern farming method, the farmers will need the corresponding finance. Farmers need finance purchase new types of machinery, buy good varieties of seeds and to introduce new technology in farming. For these purposes they require a larger amount of loan from the bank. Every day, as our daily living expenses are increase, so do the expenses in the agriculture sector. Unpredictable weather changes increase the risk of crop losses. Similarly, there are specific times for cultivation of each crop, and it is very important to get the required loan from the bank to the farmers at this time.

8. SCOPE OF THE STUDY

The scope of any study refers to the parameters under which the study was conducted. The study focused on farmers perception of the agricultural development schemes of co-operative banks in Thiruvananthapuram district.

9. OBJECTIVE OF THE STUDY

- To analyze the farmers perception towards agricultural development schemes of co-operative banks
- To evaluate the problems faced by farmers

10. RESEARCH METHODOLOGY

An analytical research design was adopted to conduct the study. Both primary and secondary data were used for the study. The primary data were collected through interview schedule with the help of a questionnaire.

SAMPLE SELECTION

100 Agricultural credit beneficiaries from co-operative bank as respondents randomly selected from Thiruvananthapuram district, as the convenient of researcher. The secondary data were collected from various journals, books, Government reports and websites.

TOOLS FOR ANALYSIS

For the effectiveness of study Primary data were analyzed:-

- Likert Five Point Scaling Technique
- Henry Garrette Ranking Method

Calculation Present Position Value

Rank	100 (Rij - 0.5) / Nj	Present position value	Garrette value
1	100 (1-0.5) / 7	7.14	78
2	100 (2-0.5) / 7	21.4	65
3	100 (3-0.5) / 7	35.7	57
4	100 (4-0.5) / 7	50	500
5	100 (5-0.5) / 7	64.28	42
6	100 (6-0.5) / 7	78.6	34
7	100 (7-0.5) / 7	93	21

11. ANALYSIS AND INTERPRETATION

Table: 1 Agricultural service or schemes provided by Co-operative bank
[Strongly Agree : 5, Agree : 4, Neutral: 3, Disagree : 2, Strongly disagree: 1]

Sl No:	Statements	Ranks given by respondents							Total Score	Mean Score	Rank
		1	2	3	4	5	6	7			
1	Agri Gold Loan	2340	1495	969	850	546	0	0	6200	62	I
2	Kisan Credit Card (KCC)	2262	1755	969	600	294	170	63	6113	61.13	II
3	Society agri loan	1404	1105	912	7500	672	374	147	5364	53.64	III
4	Kissan Mitra	702	845	10026	600	504	816	252	4745	47.45	IV
5	KB LT Agriculture (NABARD refinance)	468	455	798	600	630	578	609	4138	41.38	VI
6	Kissan Mitra working capital	312	325	285	800	714	714	672	3822	38.22	VII
7	KB LT agriculture additional	312	520	741	800	8400	748	357	4318	43.18	V

Source: Primary Data

Table 1 shows the Agricultural credit schemes offered by Co-operative bank. Agri gold loan KCC, Society agri loan and Kissan Mitra are the most popular loan products among the respondents.

Table: 2 – Farmers Perception towards Co-operative Bank
[Strongly Agree : 5, Agree : 4, Neutral: 3, Disagree : 2, Strongly disagree: 1]

Factors	5	4	3	2	1	Total Score	Mean
a) Getting agricultural loan in low interest rate	105	80	57	40	20	302	3.02
b) Easy to getting loan	75	52	48	60	26	261	2.61
c) Didn't get sufficient loan from bank	165	100	57	24	11	357	3.57
d) Getting Subsidies	200	120	30	22	9	381	3.81
e) Bank credit helps to adopt modern farming technology	175	100	45	28	11	359	3.59
f) Bank contribution increase agricultural output	125	200	60	28	16	429	4.29
g) Bank doesn't try to know about the farming progress	10	12	19	30	29	244	2.44

h) Getting adequate information from bank about agricultural schemes	55	52	60	52	30	249	2.49
i) Delay in getting loan	75	52	36	66	27	256	2.56
j) Bank helps to manage the farmers financial needs	145	108	39	32	15	339	3.39

Source: Primary data

Table: 2 show the perception of farmers towards co-operative bank agricultural lending activities. The highest mean score 4.29, 3.81, and 3.59 representing most of the respondents have a positive view to the bank contribution helps to increasing the farming output, most of the respondents getting reasonable subsidies and bank credit helps farmers to adopt modern farming technology. The mean scores 3.57, 2.49 and 2.44 represents the negative view of farmers towards co-operative bank that insufficient loan from bank, didn't get adequate information about schemes, and respondents says that loan from bank is not sufficient for their farming activities.

Table: 3 Problems faced by farmers in their farming activities
[Strongly Agree : 5, Agree : 4, Neutral: 3, Disagree : 2, Strongly disagree: 1]

Factors	5	4	3	2	1	Total Score	Mean
a) Increasing of agricultural related expenses	250	156	15	6	3	430	4.3
b) Lack of knowledge about new farming technology	190	168	45	26	6	435	4.35
c) lack of awareness about banking schemes	150	152	51	26	2	381	3.81
d) Natural calamities	210	120	33	16	9	388	3.88
e) Wild animals destroy the farming	160	112	36	32	12	352	3.52
f) insufficient income from farming	230	132	30	12	5	409	4.09
g) lack of financial support from financial institutions	100	76	66	38	20	300	3
h) doesn't get support from family	160	112	36	32	12	352	3.52
i) doesn't get enough input or resources from government organisations	135	124	36	30	16	341	3.41

Source: Primary data

Table 3 shows that the problems faced by farmers in agricultural activities. The highest mean scores 4.35, 4.3, 4.09 and 3.88 represents that the most of the farmers are struggled to getting familiar with new farming technologies, Increasing of farming related expenses, insufficient income from farming and natural calamities. The least mean scores 3.52, 3.41 and 3 represents that the farmers are farmers have to suffer to a lesser extent due to advanced machinery, wild animals, lack of support from family and government organizations.

12. FINDINGS

- Most of the farmers are choosing agri gold loan, KCC and Society loan for their agricultural needs
- Also respondents have a favorable approach to KB LT agriculture additional and NABARD refinancing scheme.
- Most of the respondents are agree that Co-operative banks involvement help them increase the agriculture output.
- Most of the respondents are getting reasonable subsidies for agriculture loan from co-operative bank.
- Farmers are agree that co-operative credit help them to adopt modern technology since its quite expensive
- Most of the respondents are agree that loan from bank is insufficient for their farming activities.
- Most of the farmers have positive view regarding of interest rate for agri loan and loan sanctioning period.
- Respondents say that they didn't get adequate information about new schemes and policies for agriculture from co-operative bank.
- Most of the farmers are suffering from lack knowledge about new farming technology and they are concern about increasing of agricultural related expenses.
- Most of the farmers are say that they didn't get sufficient income from farming due to natural calamities and wild animals destroying the agriculture field.
- Respondents are agreed that lack of family and government support is their concern in agriculture sector.

13. SUGGESTIONS

- Government can introduce new loan products specifically designed to meet the diverse needs of farmers including seasonal loans and emergency loans for unforeseen circumstances. Propose more flexible repayment terms that align with the agricultural cycle.
- Government can increasing the credit limit for agricultural loans based on the scale and type of farming activities ensuring that farmers have access to sufficient funds for their operations.
- Set up dedicated information centers at bank branches or co-operative societies where farmers can access information about new schemes, policies and financial products. These centers can also provide guidance on loan application and other banking services.
- Organize regular workshops and seminars in rural to educate farmers about new schemes, policies, and best farming practices.
- Encourage farmers to diversify crops and agricultural activities and conduct financial literacy programs to educate farmers on effective financial management, saving, and investment. This can help them plan better and make informed decisions about their farming activities.
- Promote farmers to use of crop insurance to protect farmers from financial losses due to natural calamities, pests and deceases.
- Government can increase direct financial support through subsidies, low-interest loan and grants for purchasing equipments, seeds and other inputs. This can help farmers invest in their operations and improve productivity.

14. CONCLUSION

This study was conduct to know the farmers perceptions towards agricultural development schemes provided by co-operative bank in Thiruvananthapuram district. Co-operative bank plays an important role in the development of the agricultural sector. Most of the farmers are satisfied with the bank service, but at the same time, they expect more from the co-operative bank. The co-operative banks are also facing some problems regarding the agricultural development. The farmer's wants increase the loan amount, the timely availability of loans, and awareness about each and every scheme for agricultural development schemes.

CONFLICT OF INTERESTS

None.

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None.

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