

# Awareness Of Farmers About The Various Agricultural Crop Insurance Schemes In Tamilnadu (Nagapattinam District)

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## **Abstract**

*The agriculturist's opinion about the various insurance schemes operated by Governments is described in this section. The various insurance schemes considered under the study are "Crop Insurance Schemes implemented in Tamil Nadu, Agricultural Insurance Schemes available in the district under the Agriculture Insurance Company of India Ltd, Modified National Agricultural Insurance Scheme (MNAIS), Rainfall Insurance Scheme – Coffee, Weather Based Crop Insurance Scheme (WBCIS), Coconut Insurance Scheme, Weather Index Crop Insurance Scheme, VarshaBima - Rainfall Insurance Scheme, Horticulture/ Plantation insurance, Cattle insurance, Sheep/Goat Insurance, Pig Insurance, Poultry Insurance, Sericulture Insurance, Apiculture Insurance, Fresh water fish Insurance, Aquaculture (Shrimp/Prawn) Insurance, Farmer package Insurance, Agricultural Pump-set Insurance".*

*The analysis found that all 100 % of the respondents do not aware about the insurance schemes operated by Governments of 'Rainfall Insurance Scheme – Coffee, Weather Based Crop Insurance Scheme (WBCIS), Coconut Insurance Scheme, Weather Index Crop Insurance Scheme, Horticulture/ Plantation insurance, Sheep/Goat Insurance, Pig Insurance, Poultry Insurance, Sericulture Insurance, Apiculture Insurance, Fresh water fish Insurance, Aquaculture (Shrimp/Prawn) Insurance, Farmer package Insurance, Agricultural Pump-set Insurance'.*

**Key Words:** *Agricultural Insurance, Crop Insurance, cattle insurance, Farmer Package Insurance.*

## **INTRODUCTION**

The agriculturist's opinion about the various insurance schemes functioned by Governments is defined in this section. The several insurance schemes considered under the study are "Crop Insurance Schemes executed in Tamil Nadu, Agricultural Insurance Schemes offered in the district under the Agriculture Insurance Company of India Ltd, Modified National Agricultural Insurance Scheme (MNAIS), Rainfall Insurance Scheme – Coffee,

Weather Based Crop Insurance Scheme (WBCIS), Coconut Insurance Scheme, Weather Index Crop Insurance Scheme, VarshaBima - Rainfall Insurance Scheme, Horticulture/Plantation insurance, Cattle insurance, Sheep/Goat Insurance, Pig Insurance, Poultry Insurance, Sericulture Insurance, Apiculture Insurance, Fresh water fish Insurance, Aquaculture (Shrimp/Prawn) Insurance, Farmer package Insurance, Agricultural Pump-set Insurance”.

The NDA government newly launched a new crop insurance scheme titled Pradhan Mantri Fasal Bima Yojana (PMFBY) to mitigate the rural distress caused by crop failure or damage due to factors like unseasonal rains, monsoon failure, storms, floods, pests and diseases. According to the Agriculture Census Report 2010-11, the number of operational holdings (all land which is used wholly or partly for agricultural production and is operated as one technical unit by one person alone or with others without regard to the title, legal form, size or location) was 138.35 million of which wholly owned and self-operated holdings accounted for 97.61 per cent in 2011. The small and marginal holdings (below 2 hectare) constituted 85.01 per cent. The report says there are around 118.6 million cultivators in the country. The government aims to cover at least 50% of farmers with its crop insurance scheme. The present coverage is below 25%. Under the new scheme, a farmer has to pay a uniform premium of 2% of the total value (arrived at by factoring in MSP) for all Kharif crops, 1.5% of the value all Rabi crops and 5% on all commercial (cocoa, coffee, cotton, tea, tobacco) and horticultural crops. The balance amount towards the premium will be paid by the government. PMFBY is likely to cost the central government Rs 8,800 crore. State governments also have contributed an equal amount for this scheme.

In the Modified National Agricultural Insurance Scheme, the premium was in the range of 2-15% of the sum insured. The government provided a subsidy of 75% if the premium was above 15%. The insurance companies calculated the premium based on actuarial rate which for some crops were very high that went up to 40%. If the actuarial rate was higher than the capped rate, then the sum insured would come down accordingly. For example, let us consider that the sum insured for a crop is Rs 30,000 with premium capped at 11%. If the actuarial rate is 22% for the crop, then the sum insured will be reduced to Rs 15,000 under MNAIS.

## REVIEW OF LITERATURE

Amol Haridas Bobade and Dr. Shrikrishna. Mahajan.S (2014) the study found that agricultural production has increased and this risk is very high for farm income and production. Most of the farmers are selecting the options of suicide rather than crop insurance. Dr. Y. Rajaram.Y and Chetana B.S (2018) in this study initiated Along with all the measures to share essential information to farmers, India has a long term strategic vision for Agriculture. But farmers are expected to participate more by making use of information available in various platforms. Bindiya Kunal Soni and Jigna Trivedi (2013),The study addressing the penetration of crop insurance in Anand district highlighted the fact that this product is not very familiar in respondents surveyed. Only two out of 55 farmers covered under the study, were having crop insurance. Saraswathi Kumbalep and Devaraju.M(2018) in this study establish the awareness creation and providing crop insurance at their familiar places like gram panchayat, credit cooperative societies and post offices will increase the percentage of farmers using crop insurance. Communication on time to farmers regarding purchasing crop insurance dates on media like television, radio, road shows will help in creating awareness. Sundar.J and Dr. Lalitha Ramakrishnan(2013) the study findings it is cleared that the natural disasters like cyclone, storm and variation in rainfall are the major risks in the study area. In the theoretical frame work crop insurance stabilizes the farmer's income during the losses in crop production. Suresh Kumar et al (2011) this study indicates that the institutional mechanism for credit delivery is already in place. Among the various sources of risk, frequency of droughts is reported to be once in every three years. The crop losses due to droughts have been reported to be in the range of 27 per cent (in sugarcane) to 50 per cent (in banana). In paddy, the incidence of drought had cost about 42 per cent yield loss. Dr. Apeksha Bhatnagar (2018) this paper aims to discovery out the perception of the end user i.e. farmers towards the agriculture insurance scheme and what they think are the reasons for the failure of these schemes so far. For this research interviewed some of the farmers and people related to administration of agriculture insurance in Udaipur.

## OBJECTIVES OF THE STUDY

The study has been undertaken with the following objective

1. To identify the farmers awareness towards crop insurance with special reference to various blocks in nagapattinam District

2. To study whether there is any significant differences between demographical background of the respondents and their awareness level towards crop insurance in the study area.

## RESEARCH METHODOLOGY

Nagapattinam District is the study area selected for this research. Primary data is collected through well-structured questionnaire. A sample of 370 respondents in nagapattinam District has been selected by using simple random sampling method. The collected information were reviewed and consolidated into a master table. For the purpose of analysis the data were further processed by using statistical tools. The statistical tools are Simple Percentage, ANOVA, and Friedman Ranking Test

## LIMITATIONS OF THE STUDY

The study is restricted to the selected sample of nagapattinam District and hence the result of the study cannot be generalized.

The statistical methods used to analyze the data have their own limitation.

All the limitations of primary data are applicable to this study

## ANALYSIS AND INTERPRETATION

### AGE WISE AWARENESS OF THE VARIOUS AGRICULTURAL INSURANCE SCHEMES

To study the effect of age, the distributions of sample respondents according to age the Awareness of the various insurance schemes operated by Governments among the respondents are shown in the Table 1

**TABLE 1**

**Age wise awareness of the Various Agricultural Insurance Schemes**

Age	N	Range		Mean	SD	Mean %	F Statistics	p
		Min	Max					
Up to 40	43	1	4	2.88	1.29	57.67	0.68	0.567
41 - 50	88	0	4	2.64	1.23	52.73		
51 - 60	140	1	4	2.59	1.16	51.86		
Above 60	99	1	4	2.66	1.10	53.13		
<b>Total</b>	370	0	4	2.65	1.18	53.08		

Source: Primary Data

It could be noted from the Table 1 shows that the awareness of the various insurance schemes operated by Governments among the respondents whose age group of up to 40 years was ranged between 1 and 4 with an average of 2.88 (57.67%). the awareness of the various insurance schemes operated by Governments among 41 – 50 years was ranged between 0 and 4 with an average of 2.64 (52.73%). the awareness of the various insurance schemes operated by Governments among 51 – 60 years was ranged between 1 and 4 with an average of 2.59 (51.86%), among the respondents whose age group of above 60 years was ranged between 1 and 4 with an average of 2.66 (53.13%).

Further to test the significant difference between the mean score among the respondents whose demographic variable of age the ANOVA test is used and the result is also shown in Table 1.

Since the P value is less than 0.01 hence there is highly significant difference in the mean scores was found awareness of the various insurance schemes operated by Governments is found with respect to age.

Thus, it is inferred from the above analysis that the maximum of awareness of the various insurance schemes operated by Governments was found among the age group of Up to 40 yrs.

### EDUCATIONAL QUALIFICATION WISE AWARENESS OF THE VARIOUS AGRICULTURAL INSURANCE SCHEMES

To study the effect of educational qualification, the distributions of sample respondents according to educational qualification the awareness of the various insurance schemes operated by Governments among the respondents are shown in the Table 2

**TABLE 2**

**Educational Qualification Wise Awareness of the Various Agricultural Insurance Schemes**

Educational qualification	N	Range		Mean	SD	Mean %	ANOVA	p
		Min	Max					
Illiterate	79	1	4	2.62	1.07	52.41	5.03	0.001
Primary	76	0	4	2.24	1.12	44.74		
Secondary	73	1	4	2.71	1.15	54.25		
HSS	58	1	4	2.60	1.14	52.07		
Degree	84	1	4	3.05	1.27	60.95		
<b>Total</b>	370	0	4	2.65	1.18	53.08		

Source: Primary Data

It could be noted from the Table 2 that the awareness of the various insurance schemes operated by Governments among illiterate was ranged between 1 and 4 with an average of 2.62, Overall opinion about the factor relating to National Agricultural Insurance scheme among the Primary was ranged between 0 and 4 with an average of 2.24, the Overall opinion about the factor relating to National Agricultural Insurance scheme among up to secondary school level education was ranged between 1 and 4 with an average of 2.71, Overall opinion about the factor relating to National Agricultural Insurance scheme among the higher secondary education was ranged between 1 and 4 with an average of 2.60, Overall opinion about the factor relating to National Agricultural Insurance scheme among the graduates was ranged between 1 and 4 with an average of 3.05.

Further to test the significant difference between the mean score among the respondents whose demographic variable of education the ANOVA test is used and the result is also shown in Table 2.

Since the P value is less than 0.01 hence there is highly significant difference in the mean scores was found in Awareness of the various insurance schemes operated by Governments with respect to education.

Thus, it is inferred from the above analysis that the maximum awareness of the various insurance schemes operated by Governments was found among the respondents with the education of graduate’s level.

**TYPE OF THE FARMERS AND AWARENESS OF THE VARIOUS AGRICULTURAL INSURANCE SCHEMES**

To study the effect of Type of the farmer, the distributions of sample respondents according to type of the farmer the awareness of the various insurance schemes operated by Governments are shown in the Table 3

**TABLE 3**

**Farmer Wise Awareness of the Various Agricultural Insurance Schemes**

Type of the farmer	N	Range		Mean	SD	Mean %	ANOVA	P
		Min	Max					
Marginal farmer	84	1	4	2.57	1.09	51.43	3.27	0.021
Small farmer	111	0	4	2.41	1.24	48.29		
Medium farmer	59	1	4	2.85	1.10	56.95		
Large farmer	116	1	4	2.84	1.18	56.90		
Total	370	0	4	2.65	1.18	53.08		

**Source:** Primary Data

It could be noted from the Table 3 that the awareness of the various insurance schemes with respect to the marginal farmer was ranged between 1 and 4 with an average of 2.57. The awareness of the various insurance schemes operated by Governments among small farmer was ranged between 0 and 4 with an average of 2.41. With respect to the Medium farmer was ranged between 1 and 4 with an average of 2.85 and the awareness of the various insurance schemes operated by Governments among large farmer was ranged between 1 and 4 with an average of 2.84.

Further to test the significant difference between the mean score with respect to type of the farmer the ANOVA test is used and the result is also shown in Table 3.

Since the P value is less than 0.05 hence there is significant difference in the mean scores was found in awareness of the various insurance schemes operated by Governments with respect to type of the farmer.

Thus, it is inferred from the above analysis that the maximum awareness of the various insurance schemes operated by Governments was among Medium farmer.

**TABLE.4**  
**Awareness of the Various Agricultural Insurance Schemes**  
**(FRIEDMAN’S TEST)**

<b>INSURANCE SCHEMES</b>	<b>Mean</b>	<b>SD</b>	<b>Mean Rank</b>	<b>Reliability</b>
Crop Insurance Schemes implemented in Tamil Nadu	1.11	0.31	2.10	0.605
National Agricultural Insurance Scheme (NAIS)	1.75	0.44	3.69	
Modified National Agricultural Insurance Scheme (MNAIS)	1.45	0.50	2.96	
Varsha Bima - Rainfall Insurance Scheme	1.40	0.49	2.83	
Cattle insurance	1.64	0.48	3.41	

Source: Primary Data

It could be noted from the Table 4 that among the 5 factors “National Agricultural Insurance Scheme available in the district under the Agriculture Insurance Company of India Ltd” was ranked first. It is followed by the “Cattle insurance”. “Modified National Agricultural Insurance Scheme (MNAIS)” was ranked third.

## BLOCKS WISE AWARENESS OF THE VARIOUS AGRICULTURAL INSURANCE SCHEMES

To study the effect of block, the distributions of sample respondents according to block the Awareness of the various insurance schemes operated by Governments are shown in the Table 4

**TABLE 5**  
**BLOCK WISE AWARENESS OF THE**  
**VARIOUS AGRICULTURAL INSURANCE SCHEMES**

Block	N	Range		Mean	SD	Mean %	ANOVA	p
		Min	Max					
Kezhaiyur	16	0	4	1.13	0.81	22.50	62.99	< 0.001
Kivelur	70	0	1	0.93	0.26	18.57		
Kollidam	95	1	4	3.13	0.84	62.53		
Kuttalam	21	2	4	3.29	0.64	65.71		
Mayiladuthurai	27	2	4	3.22	0.58	64.44		
Nagapatinam	19	2	4	3.11	0.74	62.11		
Sembanarkoil	31	2	4	3.39	0.67	67.74		
Sirkazhi	54	1	4	3.50	0.99	70.00		
Thalaiganyiru	23	2	4	3.30	0.63	66.09		
Thirumarugal	6	3	3	3.00	0.00	60.00		
Vedaranyam	8	2	4	2.96	0.76	59.26		
<b>Total</b>	<b>370</b>	<b>0</b>	<b>4</b>	<b>2.65</b>	<b>1.18</b>	<b>53.08</b>		

**Source:** Primary Data

It could be noted from the Table 5 that the Awareness of the various agricultural insurance schemes operated by Governments among the respondents from Kezhaiyur block was ranged between 0 and 4 with an average of 1.13 (22.50%), the overall opinion about National Agricultural Insurance scheme among the respondents from Kivelur block was ranged between 0 and 1 with an average of 0.93 (18.57%), the overall opinion about National Agricultural Insurance scheme among the respondents from Kollidam block was ranged between 1 and 4 with an average of 3.13 (62.53%), the overall opinion about National Agricultural Insurance scheme among the respondents from Kuttalam block was ranged

between 2 and 4 with an average of 3.29 (65.71%), the overall opinion about National Agricultural Insurance scheme among the respondents from Mayiladuthurai block was ranged between 2 and 4 with an average of 3.22 (64.44%).

Similarly the overall opinion about National Agricultural Insurance scheme among the respondents from Nagapatinam block was ranged between 2 and 4 with an average of 3.11 (62.11%), the overall opinion about National Agricultural Insurance scheme among the respondents from Sembanarkoil block was ranged between 2 and 4 with an average of 3.39 (67.74%), the overall opinion about National Agricultural Insurance scheme among the respondents from Sirkazhi block was ranged between 1 and 4 with an average of 3.50 (70.00%), the overall opinion about National Agricultural Insurance scheme among the respondents from Thalaiganyiru block was ranged between 2 and 4 with an average of 3.30 (66.09%), the overall opinion about National Agricultural Insurance scheme among the respondents from Thirumarugal block was ranged between 3 and 3 with an average of 3.00 (60.00%), the overall opinion about National Agricultural Insurance scheme among the respondents from Vedaranyam block was ranged between 2 and 4 with an average of 2.69 (59.26%).

Further to test the significant difference between the mean score among the demographic variable of block the ANOVA test is used and the result is also shown in Table 5.

Since the p value is greater 0.05 hence there is no significant difference in the mean scores was found regarding awareness of the various insurance schemes operated by Governments is found with respect to block.

## IMPORTANT FINDINGS

- In this study found that the maximum of awareness of the various insurance schemes operated by Governments was found among the age group of Up to 40 years.
- Thus, it is inferred from the above analysis that the maximum awareness of the various insurance schemes operated by Governments was among Medium farmer.
- National Agricultural Insurance Scheme available in the district under the Agriculture Insurance Company of India Ltd” was ranked first. It is followed by the “Cattle insurance”. “Modified National Agricultural Insurance Scheme (MNAIS)” was ranked third.
- It was found that regarding awareness of the various insurance schemes operated by Governments is found with respect to block.

## CONCLUSION

This study found that educated people have more awareness about Agricultural insurance scheme like crop insurance scheme implemented by Tamil Nadu, National agricultural insurance scheme (NAIS), Varsha Bima - Rainfall Insurance Scheme and Modified National Agricultural Insurance Scheme (MNAIS). So that most of the peoples are availing national agricultural insurance scheme (NAIS) since the government of India to offer agricultural insurance to the people for low cost premium and the benefit will be very high compared to other insurance schemes. The study also found that sirkali block has more awareness about agricultural insurance scheme, most of the agricultural populates are having educated as well as maximum cultivated lands in this block. Hence the researcher concluded that out of the 11 blocks peoples are living in sirkali block are having more fertile land and they are highly educated. The benefit is adored by the sirkali block people only.

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