

# Awareness of Farmers about Crop Insurance Scheme in Jamkhandi Taluka of Bagalkot District (Karnataka)

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**Abstract:** The Government of India has created new crop insurance policies, but most farmers are ignorant of them. Unfortunately, despite the need to protect Indian farmers from uncertainty and risk, crop insurance has not made a significant contribution in the country. Farmers in Jamkhandi Taluka are experiencing agricultural challenges owing to flooding and drought, and they have suffered losses in their agricultural activities over a period of several years. It is vital to assess the crop insurance program being implemented in Jamkhandi Taluka, as well as farmers' awareness of the crop insurance scheme. Agricultural growth is critical to the economic development of the people living in the study region. The current article is important for potential beneficiaries from places where crop insurance schemes are not widely known. It is also beneficial to small and marginal farmers in protecting their crop interests against natural disasters and receiving incentives under this scheme. It also helps insurers' bankers and policymakers with policy prescription and policy intervention.

**Key words:** Agriculture, Crop Insurance, Awareness, Farmers.

## I. Introduction

Indian agriculture is reliant on the monsoon, which is usually unpredictable. It increases operational risk in agricultural farming. Natural disasters may have an impact on agricultural yield. To cover the risk that may arise in the future, some provision is required, and crop insurance is the sole vehicle available to protect against production risk in agriculture. To meet this need, the Government of India has experimented and made efforts by introducing various crop insurance schemes such as the First Individual Approach Scheme (1972-1978), Pilot Crop Insurance Scheme (1979-1984), Comprehensive Crop Insurance Scheme (1985-1999), Experimental Crop Insurance Scheme (1997-1998), Pilot Scheme on Seed Crop Insurance, and National Agricultural Insurance Scheme (1999-2000), Weather Based Crop Insurance scheme (WBCIS) Pilot Unified Package Insurance Scheme (UPIS) etc.,

Natural disasters such as drought, floods, cyclones, storms, winds, hail, frost, winterkill, fire, excessive lightning, plant diseases, and any other unavoidable perils not caused by neglect or failure to follow established good farming practices, etc., frequently affect agriculture and farm incomes in India. All of these events have a significant impact on farmers in terms of productivity and farm income, and they are beyond the farmers' control. It is necessary to recoup this loss. Crop insurance is one strategy for farmers to stabilize farm revenue

and investment while protecting against the negative effects of natural disasters or low market pricing. Crop insurance not only stabilizes farm income but also assists farmers in restarting output after a difficult agricultural year. It distributes agricultural losses over space and time, allowing farmers to invest more in agriculture.

### Objectives of the Study

1. To investigate farmers' knowledge of crop insurance schemes in the research area.
2. To investigate the mechanism and relevance of the crop insurance plan.
3. To propose potential solutions to the identified difficulties.

## II. Methodology

The study was carried out in Jamkhandi taluka of Bagalkot District (Karnataka) by interviewing 100 insured and uninsured farmers dispersed over 10 villages. For data collection, stratified random sampling was utilized. Farmers in the sample ranged from marginal to huge farms, producing all important crops in one or two seasons.

The data was analyzed using the tabular analysis approach, as well as simple statistical procedures such as measurements of Central Tendency, Percentage, and the use of various graphs and charts. The researcher also used tools such as MS Excel and SPSS.

Table 1 Demographic Details

Variable	Categories	No. of Respondents	Percentage
Age (Years)	25-45	48	40.00
	Above 45	72	60.00
Education	Illiterate	12	10.00
	Primary	73	60.83
	High School	20	16.67
	PUC	8	6.67
	Degree and above	7	5.83
Membership	None	92	76.67
	SHGs(Athma group)	28	23.33
	NGOs	0	0.00
	Others	0	0.00
Income by farming (Rs.)	Below 1 lack	56	46.67
	1-2 lacks	20	16.67
	2-4 lacks	30	25.00
	Above 4 lacks	14	11.67
Farm land holding possession type	Own	97	80.83
	Leased	17	14.17
	Both	6	5.00

Profile of the sample farmers

The (60%) of selected farmers were above the age of 45 and the remaining were below 45 years of age. More than 60% respondents had completed their school education, more than 12% of respondents had completed their college education and 10% of respondents were illiterate. In the study area more than three-fourth of the farmers has not participated in any groups.

More than 20 % of respondents were member in SHGs called ATHMA. More than 60% of respondents owns their own land. As far as income concerned a major percentage 62% of respondents have their annual income from their farm was below 2 lakhs. This implies the respondents were mostly small and marginal level farmers. The following table shows in detail about the profile of the respondents.

Table 2 shows the reason for crop loss in study area

Sl No	Reasons	No. of Respondents	Percentage
1	Cyclones, Drought, floods, fire and other disasters	67	55.83
2	Variation of rainfall	40	33.33
3	Crop diseases	8	6.67
4	Poor fertility of land	0	0.00
5	Non availability of inputs (seeds, fertilizers and pesticides)	5	4.17
6	Irrigation problems	0	0.00
7	Power problems	0	0.00
8	Others	0	0.00

Around 60% of the respondents said that lost their crops because of Cyclones, Drought, floods, fire and other disasters, while 33.33% of the respondents said that lost their crops due to variation of rainfall. Less than 10% of the respondents said that lost their crops because of crop disease.

Table 3. Awareness of farmers about crop insurance

Sr. No	Awareness	Insured Farmers		Non-insured Farmers	
		No of Respondents (%)		No of Respondents (%)	
		Yes	No	Yes	No
1	Do you have any knowledge of crop insurance?	70 (100.00%)	0 (0.00%)	15 (30.00%)	35 (70.00%)

2	Do you understand how to obtain crop insurance?	65 (92.86%)	5 (7.14%)	12 (24.00%)	38 (76.00%)
3	Do you have any knowledge about other farm insurance?	45 (64.29%)	25 (35.71%)	8 (16.00%)	42 (84.00%)
4	Can a training or orientation program be organized to deliver crop insurance information?	32 (45.71%)	38 (54.29%)	7 (14.00%)	43 (86.00%)
5	Is it necessary to organize a workshop/orientation program?	65 (92.86%)	5 (7.14%)	40 (80.00%)	10 (20.00%)
6	Do you have any knowledge about crop insurance under NAIS?	55 (78.57%)	15 (21.43%)	12 (24.00%)	38 (76.00%)

Source: Field Survey

Note: This data is related to selected insured farmers from Jamkhandi Taluka

Table 3 depicts farmers' knowledge of the crop insurance plan. Farmers' awareness and the rewards they obtain are linked.

1. Crop insurance is known by all the insured farmers and 30% of non-insured farmers. It suggests that while most farmers are aware of crop insurance, they are less inclined to get it. Following discussions with farmers, it was discovered that farmers are unwilling to acquire crop insurance because they believe there will be corruption during settlement, the procedure will be slow, and the services of financial institutions will be inadequate.

2. All the insured farmers understood about Crop insurance. However, only 92.86% of insured farmers are aware of the crop insurance system. Similarly, 30% of non-insured farmers have heard of crop insurance and 24% understand how it works. The farmers are not well informed, thus they are unaware of the technique. They insured their crops with the help of other knowledgeable people, or they insured their crops owing to

bank pressure, therefore they were uninterested in learning about crop insurance schemes.

3. Out of the entire number of insured farmers, 45 (64.29%) have knowledge of other agricultural insurance, and 8 (16.00%) of Non-insured have heard of other agricultural insurance schemes. It shows that covered farmers are aware of crop insurance and other agricultural insurance programmes.

4. To give fundamental information about the crop insurance plan and its procedures, workshops and orientation programs are required. Only 32 (45.71%) of insured farmers and only 7 (14.00%) of non-insured farmers are said that workshop/orientation programs are organized to provide information about crop insurance schemes.

5. Out of 70 insured farmers, 65(92.86%) and 40 (80.00%) of non-insured farmers said that workshop/orientation programs are needed.

6. Only 55 (78.57%) insured farmers and 12 (24.00%) of non-insured farmers are aware of the crops that can be protected under NAIS.

Table 4: Farmer's Awareness about Other Agricultural Insurance Scheme

Sl. No	Awareness	Insured Farmers		Non-insured Farmers	
		No. of Respondents	Percent	No. of Respondents	Percent
1	Farm Income Insurance	7	10.00	4	8.00
2	Live-Stock Insurance	23	32.86	5	10.00
3	Weather Based Crop Insurance	5	7.14	2	4.00
4	Farmer Insurance	25	35.71	1	2.00
5	Seeds Insurance	6	8.57	2	4.00
6	Can't Say	4	5.71	36	72.00
	Total	70	100.00	50.00	100.00

Source: Field Survey

Table 2 shows the known agricultural insurance policies available to farmers. 32.86% of insured farmers are familiar

with Livestock Insurance, while 35.71% are familiar with Farmer Insurance.

Other agricultural insurance schemes known to farmers in Jamkhandi Taluka include farm income insurance (10.00%),

weather-based crop insurance (7.14%), and seed insurance (8.57%). On the other hand, 72.00% of farmers are unaware of any alternative agricultural insurance schemes.

The result of the study revealed that, the insured farmers have a better understanding of agriculture insurance than uninsured farmers.

Fig. 1 Farmers rely on other agricultural insurance programs.

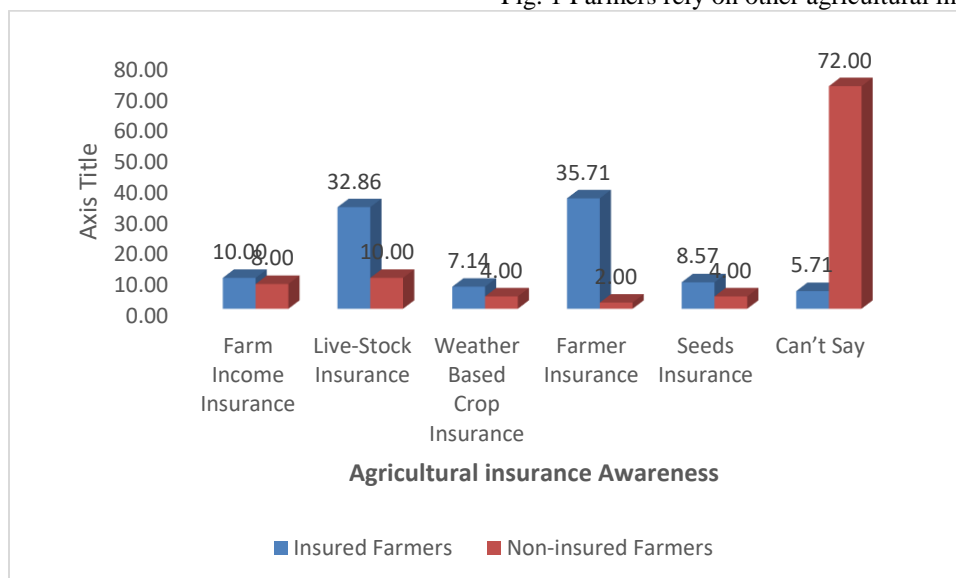


Table 5 Arrangement of Workshop/Orientation Programs

Sl.no	Particulars	Respondents	Percentage
1	Gram Panchayat	28	40.0
2	DCC Bank	22	31.4
3	Other Co-op Bank	8	11.4
4	GIC	0	0.0
5	AIC	0	0.0
6	Don't know	12	17.1
	Total	70	100.0

Source: Field Survey

The workshop/orientation organizing agency is listed in the table above. 17.1% of 70 respondents claimed that no workshops are held to educate farmers about crop insurance. D.C.C. bank arranged programs for 31.4% of respondents, whereas Gram Panchayat arranged similar programs for 40% of respondents and 11.4% respondents said that other co-operative banks arranged the programme for farmers. The results of the above table revealed that, the around one-fifth of farmers are ignorant of the orientation program/workshop arranging agency. The reason for this was because farmers were unaware of the agency's activities.

### III. Findings

1. The lack of awareness of the schemes is attributable to a lack of sufficient contact at the local level, as well as a lack of effective image building and awareness among personnel of the implementing agency.

2. Most insured and uninsured farmers are aware of crop insurance, but few are aware of the procedure for obtaining crop insurance because they are illiterate and the implanting agency failed to advertise the entire process in simple language that illiterate people could understand.

3. Farmers in Khatav Taluka are familiar with various agricultural insurance plans, despite the crop insurance scheme. Farmers are most familiar with livestock insurance and farmers insurance, followed by farm income insurance, seeds insurance, and weather-based crop insurance.

4. The workshops, orientation programs, and counseling camps were not held on a regular basis to offer farmers with crop insurance information. Crop insurance information is provided by notices and circulars produced by government authorities. However, these warnings and circulars are not reaching the farmers in a timely manner.

5. It was discovered that farmers are insuring their crops through NAIS. However, the majority of them are unaware of which crops are covered by NAIS. (NAIS did not cover all crops in the area. Following crop cutting experiments, the implementing agency determines whether crops are covered by NAIS in the concerned area). NAIS did not cover all crops. They have provided agricultural security for a few crops following crop cutting experiments. However, the majority of farmers lack specific information on the crops covered under NAIS in their area.

6. Farmers' main sources include D.C.C. Bank and Gram Panchayat, followed by friends and farmer meetings. Similarly, D.C.C. Bank and Gram Panchayat teach farmers about crop insurance workshop and orientation programs.

7. A financial institution fails to sway farmers. They are unable to approach farmers and educate them on the advantages of crop insurance. It is a serious issue with crop insurance.

#### IV. Conclusion

Nowadays, great developments in agriculture have occurred, such as irrigation facilities, improvements in infrastructure and communication, and so on. However, the danger in agricultural output has increased, and the risk to farm revenue and production is very high. The majority of farmers are opting for suicide rather than crop insurance. As a result, there is a severe problem in sharing farmers' risks and protecting their crops from adverse weather and natural disasters. To protect farmers from such natural disasters, crop insurance and its benefits must be made known to them.

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