

A Study on Small and Marginal Farmers problem faced at farm level: Assessing the PACS member's Satisfaction Level

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Abstract - The present study examines the problems faced by small and marginal farmers and the role of PACS and the service offered to the members. The study explores the small and marginal farmer's satisfaction with services provided by PACS like financing, marketing, cultivation, inputs, and farmers overcome from them facing problems at the farming level. Small and marginal farmers are facing difficulties to get credit from outsources. PACS performed better way to solve their difficulties. The financial support from the PACS plays a major role in the small and marginal farmers' easy accessibility of credit. The result of this study has shown that there is a positive relation and impact of financial support and inputs.

Index Terms - PACS, Inputs, cultivation, Finance, marketing.

1.INTRODUCTION

Small and marginal farmers(80%) are the majority in occupying agricultural actives, they hurdle some problems in farming level, and it leads to affect the current savings. It is called capital formation. Small and marginal farmers are facing lots of difficulties in creating capital formation. The problem of capital formation is due to various reasons such as low level of saving, low productivity inflation, problem in obtaining credit, the capital investment in agricultural activities is decreasing, which will affect the farmers income. So PACS helps to solve their credit requirements at the time of seasonal, which means when they need credit requirements. The primary level function of the PACS is to provide loans for rural area peoples. Not only credit support but also giving non-fund-based services to their members. Based on these prospects, the present study was analyzed the small

and marginal farmer satisfaction level with the services offered by PACS.

2.REVIEW OF LITERATURE

Mahendra Singh (2012) his article examined the challenges and opportunities for sustainable viability of marginal and small farmers in India. It is suggested that for ensuring sustainably viable of marginal and small farmers, the forming of job opportunities in rural areas, also suitable policy support for the development of the livestock sector and other allied activities, particularly in dairy, goat, and sheep farming, would be panacea for resource-poor farming community in the future. *Dr. Jagadeeshbabu.(2015)* A his present study on challenges and opportunities of small and marginal farmers in India examines the roles and challenges on small holding agriculture in India. Its cover trends in agriculture growth cultivation patterns, different polices and institutional support for small holders. *Saravanadurai.A, Manimehalai. N, (2016)* present was examined the performance of primary agricultural credit societies in India. It has continuously flow credit increased because it plays a major role in providing credit to rural peoples, the primary societies owned by farmers, rural artisans, etc., so the cooperative credit institutions with their deep reach in the rural, remote areas and accessibility to small & marginal farmers and the other marginalized populations have been playing a prominent role in the distribution of agricultural credit. *Sujith T S, Dr. Sumathy.M (2019)* Present study examined the factors affecting the customer satisfaction of primary agricultural credit societies and

its impact on customer satisfaction. The analysis showed that loan term is the most influencing factor that affects the customer satisfaction of PACS. *Parmar V.S Joshi N.S, Prajapati P.J, and Hadiya N.J(2019)* present study was examined the constraints faced for the adoption of improved cultivation practices in farming activities and constrained perceived due to lack of knowledge, unavailability of farmyard manure, and vermin-compost as per recommendation. The final conclusion is suggestions given by respondents were availability of all input through cooperatives. This support helps overcome and adoption of new technologies. *Karthick V, Madhewaran S (2020)* examines the agriculture credit is an essential need for agriculture productivity, but the credit accessibility it to depend upon the caste discrimination, and his study found still large landholders farmers credit access in cooperatives, significant influence is higher than compared to small landholders. So their recommendation is to providing special schemes for SC/ST marginalize farmers, also probably will give more attention to selecting household credit access availability to avoid willful defaulters. Our Government needs to ensure some policies, programs on credit availability for agricultural farmers. *Shivaswamy G P, Raghavendra K J, Anuja A R, Singh K N, Rajesh T, Harish Kumar H V, (2020)* the present examined the institutional credit it helps has agricultural productivity, indicated positive growth during the past, cooperative significance the major source used by farmers as a formal credit source. Finally in this study suggested better access to credit of smallholders.

3. STATEMENT OF THE PROBLEM

In this context, with large member base, wide network of organizational set up in rural area and tested acceptance at ground level, especially by small and marginal farmers, the role of PACS is indispensable in the progress of small and marginal farmers. What are the strategies adopted by PACS for delivering financial services to small and marginal farmers? To find answers this questions this present study undertaken entitled A Study on Small and Marginal Farmers problem faced at farm level: Assessing the PACS member’s Satisfaction level on selected PACS.

4. OBJECTIVES OF THE STUDY

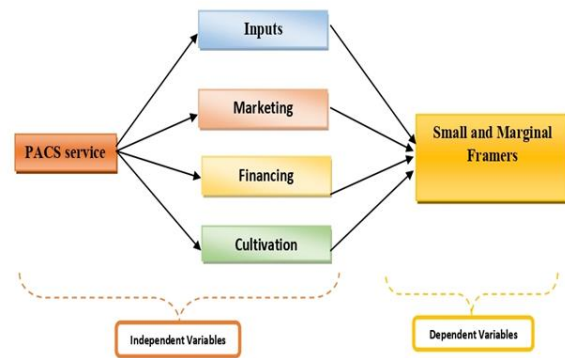
- 1) To analyze the problem faced by small and marginal farmers at the farm level.
- 2) To assess the satisfaction level of small and marginal farmers.

5. METHODOLOGY

This present study is empirical in nature and based on the interview method. Both primary and secondary data have been collected. The primary data was 144 farmers were selected from the selected PACS members. Secondary data have been collected from the official records of primary agricultural cooperative credit societies. The data collected and analyzed simple percentage average ratio and growth rate is using, statistical tools correlation have been used to analyze the quantitative data. The limitation of the study present is micro-level study data collected from society records and members.

6. CONCEPTUAL MODEL

From the reviewed literature, Inputs, marketing, financing and cultivation and PASC service support have been adopted as independent variables of the study. Small and Marginal Framers of the society members are the dependent variable.



7. ANALYSIS AND FINDING OF THE STUDY

7.1 Farm-level problems (small and marginal farmers):

In the field investigation farmers are faced farm level problems and discussed with farmers and identified. Small and marginal farmers suffer from several production risks such as drought, flood, lack of adequate use of inputs, poor extension leading to a

large yield gap, crop failure, etc. After discussing with the farmer's side, the major problem finds out and then concluded credit facilities, marketing facilities, non-availability inputs, and lack of marketing support to the farmers.

7.2 Financial support:

Usually, farmers didn't have the capital formation source instant of doing their agricultural production. Credit need for small and marginal farmers for both consumption and investment purposes. Education factor maybe leads the accessibility knowledge on credible sources. They were getting credit from money lenders; they provided credit at the high cost of interest rate. The formal source of intuitional credit is helpful and avoiding this kind of struggle.

7.3 Inputs:

Landholding is the primary source involved in agricultural production. A land apart from the direct inputs needs are seeds, fertilizers, water, and pesticides. Quality of the seeds is the startup problem, and it is the lack of decreased agricultural production for the small and marginal farmers. It was farming practice knowledge also a more important factor for implementing the production practices on the land.

7.4 Cultivation:

Cultivation depends upon the labor source and mechanization uses. They are using machines in agricultural operations to avoid waste of labor force and make cultivation convenient and efficient. Lack of storage facilities conditions the farmers are compelled to sell their products immediately after cultivation at current prices that are bound to below.

7.5 Marketing:

Marketing is still continuous ad shapes in rural areas. The cases of sound marketing absence lead the farmers to depend upon local traders and intermediaries to sell farm products. Lack of transport facilities also they can't make possibilities of production sell lack.

Absence of the marketing structure, private traders and intermediaries dominate the marketing and trading of agricultural produce. Absence of the organized marketing structure help in increases malpractice to customer and seller.

7.6 Demographic profile of the sample responded:

The demographic profile of selected sample respondents of PACS reveals that 70.5 percent of the male. In terms of age that 61.7 percent of the sample respondents fell in the age group ranging between 36-45 years. Graduates accounted for 3 percent in terms of marital status 89.3 percent of the respondents were married. The income statistics revealed that 37.1 percent of the sample respondents earned their income between Rs.75000 to Rs.100000 yearly. 53 percent of them have membership for more than 10 years.

8. CORRELATION BETWEEN MEMBERS SATISFACTION WITH THE SERVICE SUPPORT PROVIDED BY THE PACS

Correlation between Marketing support, input support, financial support, and Cultivation Association towards service support provided by the PACS

Hypothesis of the study

H₁: There is a significant association between the Marketing support towards services provided by the PACS.

H₂: There is a significant association between the input support towards services provided by the PACS.

H₃: There is a significant association between the financial support towards service support provided by the PACS

H₄: There is a significant association between Cultivation towards service support provided by the PACS

Table: 1 Spearman's Correlation Coefficient (rho) Matrix

Members satisfaction with the service support provided by PACS	Satisfaction	Marketing	Inputs	Financial	Cultivation
Satisfaction	Pearson Correlation	1	.175*	.272**	-.031
	Sig. (2-tailed)		.036	.001	.709
	N	144	144	144	144
Marketing	Pearson Correlation	.175*	1	.070	-.041
	Sig. (2-tailed)	.036		.405	.623
	N	144	144	144	144
Inputs	Pearson Correlation	.227**	.492**	.128	.004
	Sig. (2-tailed)	.006	.000	.128	.961
	N	144	144	144	144
Financial	Pearson Correlation	.272**	.070	1	.192*
	Sig. (2-tailed)	.001	.405		.021
	N	144	144	144	144

Cultivation	Pearson Correlation	-.031	-.041	.192*	1
	Sig. (2-tailed)	.709	.623	.021	
	N	144	144	144	144

**significant at the 0.01 level.

Table: 1 show the inter-correlation between various factors of Service provided by the PACS. It shows that almost all factors at significant at 1% level and 0.05% level. Pearson correlation was used in this study as it measures the strength of association between variables.

Summary of findings: the following table summarizes all the results in term of the hypothesis that were found to be true.

Hypothesis	Correlation	Significant level	Hypothesis supported
H ₁	.175*	.036	insignificant
H ₂	.227**	.006	significant
H ₃	.272**	.001	Significant
H ₄	-.031	.709	insignificant

*Significant value is (less than 0.05 significant levels) is Significant

* Significant value is (Greater than 0.05 significant level) is insignificant

The variable discussed in this research is the effectiveness of farmer accessibility which includes satisfaction and solving their thrust of credit needs. This value has shown that there is a positive correlation between the variables. It was found that the primary agricultural cooperative credit society financial support to farmers is highly dominated compared with other institutional sources. The reason behind this is the lowest rate of credit interest, easy accessibility of credit, and eco-friendly with their members. Farmer is the only benefits members. *Input support* to members behind start-up involvement. This value has shown a very strong positive correlation between inputs support and member satisfaction, which means that the customers are satisfied with this quality criterion. The reason behind inputs support satisfaction is highly influenced depends on fertilizer distribution the majority of the sample respondent are highly stated. *Marketing support* to the farmers helps to reduce the middlemen's involvement. It was found that the results show poor satisfaction with the service offered marketing support by PACS. The reason is PACS has not provided services better way to their members. Member satisfaction level of *cultivation support* from the PACS is very poor. Because of the PACS cultivation-related service support, not the much-expecting level of satisfaction. The reason behind the non-availability of the machinery equipment is a major problem of farmer members dissatisfied. The result shows have the members are

not satisfied with the PACS service of cultivation-related support.

9. DISCUSSION AND SUGGESTION

The PACS support to the farmers in various levels. Major significant support service of the PACS is financial and inputs service-related support. Small and marginal farmers are facing difficulties to get credit from outsources. PACS performed better way to solve their difficulties. The financial support from the PACS plays a major role in the small and marginal farmers' easy accessibility of credit. The result of this study has shown that there is a positive relation and impact of financial support and inputs.

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