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Futile agricultural practices of Rayalaseema farmers a pathway to financial indebtedness

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Abstract

More than 60 percent of Indian Population depends for their livelihood on Agriculture i.e. 60 percent of workforce is concentrated on the Agriculture in India. The Gross Domestic Product (GDP) of our country is approximately 3.17 lakh crores with a growth rate of 8.95 percent. These GDP is the outcome of 100 per cent of Indian working population effort, surprisingly 60 percent of the population who is employed in the agricultural sector is contributing only 18.8 percent of the GDP and the remaining 82 percent of GDP is produced by the other sectors of workforce. This situation reveals the fact that majority of the workforce in India is being wasted; they are concentrating on the less productive activities which is being neglected. This situation has to change in order to achieve inclusive growth. Farmer's efforts in this area are being neglected. So, there should be a change in the practices, technology up gradation and implementation methods which are bearing no fruits either to the country or to the farmers themselves. The present study has made an attempt to enquire the support provided by the Agricultural Extension Officers to the Rayalaseema Agricultural farmers and evaluate the awareness levels of farmers about e platforms for selling crops. An average farmer spends major portion of his life in the agriculture, in return they are not getting adequate remuneration in any form. In addition the farmers are acquiring huge amount of debt. In order to clear these huge accumulated debts the farmers are selling their lands to private money lenders and businessmen's and forcing themselves to vacate their village in search of wage labors to feed their families. The data required for the study have been collected from both primary and secondary sources.

Keywords: Financial indebtedness, private money lenders, e-platforms

Introduction

Agriculture is synonymous with rural India, as most of the rural people depends on agriculture for their livelihood. According to the Government of India statistics directly or indirectly more than 60 percent of rural people depend on agriculture. Agriculture is providing livelihood to many people in rural area, the saddest thing is more than 60 percent of population is producing 18 percent of GDP in India and the remaining 40 percent of Indian population is producing 82 percent of G.D.P. at the same time GOI is spending crores of Rupees as P.M Kisan Sanmannidhi, Fasal bheema Yojana and many other schemes. Once in a while loan waiver scheme also clears debts with banks, forcing banks into vulnerable condition. All these efforts from the government and workforce time, energy is going futile. Hence there should be a proper approach to deal with this situation. In spite of hard work from the farmer's huge investment, (because of high input costs) and government efforts all are being wasted. Every farmer in the country spends his valuable time and energy to cultivate crops but at the end of the day when they harvest crop and sells it, the farmer finds it difficult to get a good remunerative price for his crop, at this juncture he will have less choices either to dump that hard earned crop on road (or) to leave the crop for animals to graze and acquire some more debt. In addition to the existing debt on their account these vicious cycle again starts for the next season. It procuring investment from any business person, land lords (or) private money lenders for exorbitant interest rates and invest once again on the gambling agriculture.

Review of Literature

Sazzad Parwez (2014) ^[5] pointed out the supply chain link as one of the major drawback in the farmer's growth and development.

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One of the major reasons for loss in the income of farmers is wastage of agricultural commodities due to lack of proper infrastructure and food processing industry. According to the author development in the agriculture sector requires and improvement intensification and strengthen at all the states of supply chain mechanism. The objectives of the study are to study the present condition of infrastructure in agriculture sector and the impact of inadequate agricultural infrastructure on farmer's income. The author focused mainly on the importance of infrastructure in the timely delivery of agricultural produce from the farmer to end user. Similarly the food security under millennium development goals is also attainable with the help of proper infrastructure. To conclude the agriculture supply chain suffers from inefficiency at every state and the loopholes should be blocked with proper technology and initiatives by all stakeholders' results in increase of farmer's income.

Ranganathan (2015) [3] studied on the low input use efficiency and insufficient increased a key challenges to Indian agriculture "The Agricultural Oddities". Problems experiencing by the farmers are not the result of policy neglect but in fact fallouts of the policies originally designed to alleviate their distress. The agricultural productivity in India is seen as significantly lower when compared with other regions of the world. In spite of high usage of fertilizer water consumption, bank credit and mechanization of inputs, productivity in Indian agriculture remained low. Technological inputs and efficacy are unreachable to farmers as extension services got collapsed both at national and state level due to negligence from the government. This situation allows farmers to rely on non-governmental sector often lead farmers into distress because of their selfish motives.

Saroj and Ankita (2015) discovered a detailed picture about the use of new technology and its implementation in modern agricultural practice. The main objective of this research is to study the challenges of sustainable agriculture in India. The authors had collected data from the secondary source; this study aims to compare the sustainable agriculture system with traditional system and the current system in practice across the dimensions of ecological, economic and social sustainability. A detailed discussion had also made on production of commodities and milestones of agriculture in India. The economic reforms 1991 its impact on agriculture liberalization of agriculture and open market operations enhance competition in resource use and marketing of agriculture production which force the small and marginal farmers to resort to distress sale and seek off farm employment for supplementing income. The authors also discussed about economic reforms impact on agriculture as commercial bank reduced credit to agriculture, similarly recommendations of Khusro committee and Narasimham committee.

Seemanti Choudhury (2018) [4] Poor people in the developing country which face many challenges impair their opportunities to develop. Majority of the developing countries population depends on the agriculture for their livelihood. Development in the sphere of Agriculture results in growth of incomes. Standard of living of farmers and indirectly change the poor condition, for the purpose of study the author used secondary data, and he had analyzed the growth rates of Gross Domestic Product and Agricultural GDP from 1990 to 2012. It was propounded that agricultural development is the major thrust of

economic growth and wellbeing of the poorer sections of the society. Some of the recommendations are

1. Massive public investment in agriculture.
2. Financial inclusion.
3. Spread commercial banks to rural areas.
4. Strengthening rural infrastructure.
5. Semi-formal micro finance.
6. Allowing FDI in micro finance.

It is through agriculture several maladies of society can be erased like poverty, social inequality, discriminations, economic inequalities. Indirectly brings better standard of living. Hence, financial inclusion and social sector spending in the context of agriculture have several favorable impacts on the economy of the country.

Nagendra Kumar (2020) [2] pointed out in detail about the credit facilities available to the agricultural sector in India. Mainly he categorized the lending channel into Institutional and non-institutional Agencies. Institutional agencies do have hierarchy with Reserve Bank of India in the top and Apex Banking institutions and Banking institutions. The Non institutional Agencies comprise mainly money lenders, land lords, friends and relatives. In this study it was opined that scale of agricultural credit in India is very inadequate hence private non-institutional sources are very important in providing loans to farmers. The lonely effort of institutional support to agricultural sector will impede the financial health of the banking sector.

Need for the study

The research study about the futile agricultural practices by the Rayalaseema farmers is noteworthy, due to the ever increasing debt accumulation by the agricultural households throughout the country. Andhra Pradesh state had the highest proportion (93.2 per cent) of agricultural households under debt. It was due to the traditional agricultural practices and not following any technological up gradation the farmers in the Rayalaseema region are facing losses in cultivating crops. Hence there should be proper knowledge back up by the Agricultural Extension officers and Rythu Bharosa Kendras established by the Andhra Pradesh state government to support farmers. This study has a great relevance to the theory pertaining to the Agricultural Indebtedness, it will also fill up the gaps existed in the knowledge pertaining to this phenomenon. In view of the seriousness of the issue, the selection of the present study is need-based and fully justified. Majority of studies focused on agriculture farmers Indebtedness in other areas. Very few studies concentrated on the Rayalaseema region of Andhra Pradesh. This has motivated the researcher to identify the gap existed in earlier literature. The researcher has chosen, to study the share of credit availed by the farmers from Institutional and Non Institutional agencies and evaluate the pattern of credit utilization by the farmers in Rayalaseema region of Andhra Pradesh with the following objectives.

Objectives of the study

1. To find out the support provided by the Agricultural Extension Officers to the Rayalaseema Agricultural farmers.
2. To evaluate the awareness levels of farmers about the platforms for selling crops.

Methodology

The present study has made an attempt to find out the support provided by the Agricultural Extension Officers to the Rayalaseema Agricultural farmers and evaluate the

awareness levels of farmers about e platforms for selling crops. The data required for the study have been collected from both the primary and secondary sources. The primary data was collected with a structured interview schedule and responses were recorded. In the present context the research study aims to analyze the major reasons for futile agriculture practices being practiced by the Rayalaseema region farmers and to evaluate the support provided by various organizations in inculcating necessary knowledge to the farmers about selling their crops, facilities provided by banks and other government sponsored agencies. The research has been conducted on the four districts of Rayalaseema i.e. Anantapur, Chittoor, Kadapa and Kurnool districts. The researcher has collected the primary data from the sample respondents selected on the basis of convenient sampling technique with a sample size of 94 respondents. The number of respondents from each district for this present study was taken according to the cropping area of the above districts. The secondary data which have been used for this study were collected from the survey reports of journals magazines, similarly the secondary data was also collected from various International and National journals which were related to Agricultural Finance.

Limitations of the study

1. The data collected for the above study is from the formers memorized statements.

2. The Rayalaseema region of Andhra Pradesh is a drought prone area i.e. rain shadow region. Hence farming practices in this region may vary from other regions, with which we cannot generalize the statements.
3. The data provided by the farmers may be biased, due to un-available counter check.

Socio economic profile of the farmers

The socio economic conditions of the sample farmers have been analyzed to study the futile agricultural practices resulting in financial indebtedness. The sample size of the research study is 94 respondents taken from the four districts of Rayalaseema region of Andhra Pradesh which comprises Anantapur, Chittoor, Kadapa and Kurnool, districts. The sample respondent's social profile like Gender, Age, Education qualification, Nature of House, Occupation, Years of Farming and land ownership rights are discussed in this section based on the available primary data. Percentile analysis has been applied for this purpose; the analysis given in this section is purely based on the data collected from field study. The socio economic factors of the farmers who had accumulated debts because of futile agricultural practices have been showed in the following table-1.

Table 1: Socio economic profile of the farmers

Sl. No.	Socio Economic Profile		Number of Respondents				
			Anantapur	Chittoor	Kadapa	Kurnool	Total
1.	Gender	Male	22 (100)	27 (96.42)	25 (92.59)	17 (100)	91 (96.8)
		Female	-	1 (3.57)	2 (7.40)	-	3 (3.1)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
2.	Age in Years	21-30	1 (4.54)	1 (3.57)	1 (3.70)	1 (5.88)	4 (4.2)
		31-40	6 (27.27)	3 (10.71)	4 (14.81)	2 (11.76)	15 (15.9)
		41-50	8 (36.36)	12 (42.85)	12 (44.44)	5 (29.41)	37 (39.3)
		51-60	7 (31.81)	12 (42.85)	10 (37.03)	9 (52.94)	38 (40.4)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
3.	Educational Qualification	Illiterate	1 (4.54)	3 (10.71)	2 (7.40)	1 (5.88)	7 (7.4)
		Primary School	11 (50)	9 (32.14)	6 (22.22)	3 (17.64)	29 (30.8)
		Upper primary	10 (45.45)	16 (57.14)	19 (70.37)	13 (76.47)	58 (61.7)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
4.	Occupation	Agriculture	22 (100)	28 (100)	26 (96.29)	17 (100)	93 (98.9)
		Pvt. Employee	-	-	1 (3.70)	-	1 (1.1)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
5.	Nature of House	Thatched hut	9 (40.90)	10 (35.71)	10 (37.03)	3 (17.64)	32 (34)
		Concrete house	5 (22.72)	7 (25)	4 (14.81)	4 (23.52)	20 (21.2)
		Asbestor	2 (9.09)	3 (10.71)	4 (14.81)	1 (5.88)	10 (10.6)

		Govt. Sanctioned	6 (27.27)	8 (28.57)	9 (33.33)	9 (52.94)	32 (34)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
6.	Years of Farming	0-5 Years	3 (13.63)	1 (3.57)	3 (11.11)	1 (5.88)	8 (8.5)
		6-10 Years	7 (31.81)	6 (21.42)	6 (22.22)	5 (29.41)	24 (25.5)
		>10 Years	12 (54.54)	21 (75)	18 (66.67)	11 (64.70)	62 (65.9)
		Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)
7.	Land ownership	Own land	21 (95.45)	26 (92.85)	24 (88.88)	15 (88.23)	86 (91.5)
		Joint land	-	1 (3.57)	1 (3.7)	-	2 (2.2)
		Leased in	1 (4.54)	1 (3.57)	-	2 (10)	4 (4.3)
		Own & Leased	-	-	2 (7.4)	-	2 (2.1)
		Total	22 (100)	28 (100)	27 (100)	10 (100)	94 (100)

Note: Figures in Parenthesis indicates the percentage of respective profile.

Source: Field study.

The analysis from the above table shows that majority of the farming community belongs to the male population (96.8 percent). Whereas 3.1 percent of farmers belong to the female category, hence in the rural areas majority of the agricultural practices are being done by male population. Among the respondents who are in the farming activity 4.2 percent are in the age group of 20 to 30 years, 15.9 percent of respondents are in farming activity in the age group of 31 to 40 years, while 39.3 percent of farmers engaged in farming activities are in between 41 to 50 years age group and 40 percent of respondents are engaged in farming activities are in between 51 to 60 years. It was observed from the above data that only 7.4 percent of the farmers are illiterate, 30.8 percent had their education up to primary level of schooling and 61.7 percent of the farmers had went to school up to upper primary level of schooling. Hence the education level of the farmers is up to school level and it is due to the responsibilities of the family the farmers had left the school education and took farming activities to support their families. All the above respondents are engaged in the farming activity alone, only 1 farmer is continuing private job along with farming activity. Majority of the rural people are engaged in the farming activity only. As the living conditions will determine the social and economic position of the farmer the another criteria to determine their status is housing, majority of the rural population had their own house either it may be thatched house, government sanctioned house etc. 34 percent of the respondents lives in thatched houses owned by them from their ancestors, 20 percent of the respondents have constructed their own slab house and 10 percent of respondents are having asbestos house and 34 percent of the respondents do have houses constructed by several government schemes like Indiramma

houses etc. Hence major population in the rural areas do have house to live, majority of the farming community had took this farming as a hereditary job from their forefathers, and some respondents took this as a job on their own. From the above table it is understood that majority of the farmers have started farming activity for more than 11 years and only 8.5 percent of farmers have stated farming in less than 5 years, similarly 91 percent of the farmers possess their own land and majority of them are small farmers and semi medium farmers who have average 2.5 acres of farming land. To sum up the rural area population are mainly depends on the agriculture for their livelihood and major portion of the farmers are having own house, electricity, transport facilities, health facilities and education facilities to their children. The socio economic condition of the rural poor is considered to be in good condition.

In order to make agriculture a profitable avenue for the farmers there should be an expert knowledge backup, research in the concerned field, labs for soil test, seed test along with good banking system interlink should be established. Knowledge plays a major role, either in Industrial sector, banking sector, service sectors or even in the agricultural sector. For this purpose the Government of India and the concerned state government had taken initiative with regard to the Knowledge back up for the agriculture through Krishi Vignan Kendras, Rythu bharosa kendras, Agricultural Universities and importantly Agricultural ministry itself. It is for the welfare of the farmers the ministry was renamed as Ministry of Agriculture and Farmers welfare. The harsh reality was different in the rural areas as the farmer's opinion was different. Below table shows the opinion of the farmers with regarding to the support given by the Agricultural Extension Officers, and other government personnel.

Table 2: Support given by the agricultural extension officers to the farmers of Rayalaseema Region of Andhra Pradesh

Nature of services Availed by farmer	Anantapur	Chittor	Kadapa	Kurnool	Total
Services Availed					
Soil tests	3 (13.63)	3 (10.71)	2 (7.40)	2 (11.76)	10 (10.6)
Technical updates	1 (4.54)	1 (3.57)	1 (3.70)	1 (5.88)	4 (4.2)
Modern tools and Techniques	4 (18.18)	3 (10.71)	3 (11.11)	4 (23.52)	14 (14.89)
Not availed services	14 (63.63)	21 (75)	21 (77.77)	10 (58.82)	66 (70.21)
Total	22 (100)	28 (100)	27 (100)	17 (100)	94 (100)

Note: Figures in parenthesis indicates the percentage of respective Profile.

Source: Field study.

It was observed from the above table that a meager soil tests, technical updates, modern tools and techniques were availed by the farmers. Farmers in all the districts are experiencing the negligence by the agricultural extension officers as there are no proper services available to the farmers. 70 Percentage of farmers have not availed any kind of services from the professionals available. According to the respondents there are no proper visits by the agricultural extension officers, similarly the Rythu Bharosa Kendras

located in the local areas are also not providing adequate services like soil tests, seed test, fertilizer tests, and guidance from the experts to the farmers in the field. The major problem faced by the farmers in the Rayalaseema region is with regards to marketing of their produce, as the middlemen are the main betrayers in the villages and also merchants at the mandis are cheating the farmers in a large scale. So, there should be good remunerative prices for the farmers to their produce.

Table 3: Awareness of Farmers on e-platforms

Districts	Farmers With Awareness About E-Platforms	Farmers Without Awareness About E-Platforms	Total
Anantapur	2 (9.09)	20 (90.9)	22 (100)
Chittor	3 (10.71)	25 (89.28)	28 (100)
Kadapa	3 (11.11)	24 (88.89)	27 (100)
Kurnool	2 (11.76)	15 (88.23)	17 (100)
Total	10 (10.7)	84 (89.3)	94 (100)

Note: Figures in parenthesis indicates the percentage of respective Profile.

Source: Field study.

Farmers in the study area were questioned about the awareness about the e platforms regarding to sale of crops, surprisingly majority of the farmers 89.3 percent of the farmers don't have any awareness about the e platforms like e chouple, e NAM and the like. Only 10 percent of the farmers do have small information about the e platforms, this was mainly due to the technology revolution with regarding to cell phones and 4th generation network which is providing new avenues about the e platforms. The education level of the farmers is also a main contributing factor in the awareness of the farmers. Out of all the districts 11.76 percent of Kurnool farmers have awareness about e platforms. It was observed from the above table that Anantapur and Chittor district farmers don't have proper awareness on e-platforms, hence the debt burden on farmers also high in the above district farmers, it was mainly due to the betrayal of the farmers in the mandis and middlemen in the local markets. So, there should be proper awareness among the farmers about the technological awareness and e platforms which will pave the way for good returns when they sell their crop in the markets.

Findings

1. It was observed from the study that in all the districts 70 percent of the farmers are not availing proper services rendered by the agricultural extension officers.
2. The problems are many like no proper soil tests, technological updates and no proper training about modern tools and techniques to farmers by Agricultural extension officers and RBK officials.
3. There is no proper monitoring by the superiors regarding services of the Agricultural extension employees.

4. Less enthusiasm by the farmers to follow the advices given by the employees.
5. Age old practices are also one of the reasons for acquiring debts.
6. In spite of technological revolution, farmers are still following the old thumb rules regarding the cultivation.
7. Middlemen and men at mandis are playing key role in price fix to products which is inadequate for farmers.

Suggestions

- There should be proper monitoring among the Administrative system in providing necessary services to the needy farmers.
- Awareness programmes should be conducted among the farmers.
- Technology up gradation among the Agricultural Extension officers to educate farmers about new methods and techniques of farming.
- Farmers should be educated about e platforms by the Agricultural Extension officers.
- Stringent measures against fraudulent middlemen and brokers at mandis should be taken by the Administration who cheats farmers.
- Knowledge back up should be provided to the farmers with more awareness programmes like village road shows, and door to door campaigns by village sachivalayam employees.

Conclusion

As the governments are providing services at free of cost to the farmers like seed testing, fertilizer testing, knowledge back up, these services should reach to every corner of the villages. So, farmers should gain with this technology

upgraded knowledge. The farmers should not be cheated in the hands of middle men in the markets. So there should be a proper mechanism to protect farmers. With the proper vigilance and administration accountability in providing services to the farmers, with the awareness of the farmers and with knowledge back up farmers can benefit and they can earn profits instead of losses from the agriculture. Hence farming will become profit oriented and farmers will be out of debts.

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