

## The Analysis of Personal, Socio- Economic and Psychological Characteristics of the Farmers who Borrowed Crop Loan along with their Level of Attitude towards Crop Loan

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### ABSTRACT

*The paper is focused on analyzing the personal, socio- economic and psychological characteristics of farmers who borrowed crop loan. An ex- post facto research design was adopted to conduct the study in Akola district of Maharashtra. Two blocks were selected purposively based on highest amount of crop loan disbursement during (year). From each block five villages were selected purposively based on highest number of crop loan farmers. From each village 10 farmers were selected based on random sampling, thus a total of 100 respondents selected for investigation. Variables under investigation were considered and subjected to different statistical analysis for the purpose of categorization of respondents and other related components. The data was collected by personal interview method through pre- tested structural interview schedule. The collected data coded, tabulated and employed appropriate statistical procedures to analyze and interpret the data. The findings regarding respondents profile revealed that nearly one half of the respondents were old aged, nearly one- third of them were educated up to middle school and more than half of the respondents had small size land holding. Majority of the respondents had their annual income up 1, 00,000, Half of the respondents were not having any irrigation sources, more than half of them follow bi seasonal cropping pattern and majority of the respondents have medium level of mass media exposure.*

**Key words:** Crop loan, personal socio- economic and psychological characteristics, ex- post facto research design.

### INTRODUCTION

The Indian agriculture sector accounts for 13.9 per cent of India's gross domestic product (GDP)during 2013-14 at 2004-05 prices and employs just a little less than 54.6 per cent of the country's workforce<sup>3</sup> (Yearend Review for

the Ministry of Agriculture for the Year 2014-15, 22-December-2014, 15:28 IST). Most of the developing countries like India, farmers are unable to cope up with the modernization because of their own limited capital.

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The requirements of finance in agricultural sector is therefore required the most as very few farmers have capital of their own to invest in agriculture. Therefore, a need arises to provide credit to all those farmers who require it. Professional money lenders were the only source of credit to agriculture till 1935. They used to charge unduly exorbitant rates of interest and follow serious practices while giving loans and recovering them. As a result, farmers were heavily burdened with debts and many of them are left with perpetuated debts. There were widespread discontents among farmers against these practices and there were instances of riots also<sup>1</sup>. The present study was, therefore, undertaken with the specific objectives to study the personal, socio-economic and psychological characteristics of farmers who borrowed crop loan and relation analysis on level of attitude towards crop loan provided by credit institutions and their utilization pattern of crop loan.

#### MATERIAL AND METHODS

An ex- post facto research design was adopted to conduct the study in Akola district of Maharashtra. Two blocks were selected purposively based on highest amount of crop loan disbursement during (year). From each block five villages were selected purposively based on highest number of crop loan farmers. From each village 10 farmers were selected based on random sampling, thus a total of 100 respondents selected for investigation. Correlation coefficient (r) which this is used to find out relationship between independent and dependent variables and multiple linear regression analysis which was used to study the combined or pooled effect of independent variables over dependent variables.

#### RESULTS AND DISCUSSION

In this section the farmers who borrowed crop loan were distributed into different categories based on their personal, socio-economic and psychological characteristics. The findings were presented below.

**Age:** The age wise distribution of the respondents in Table 1., it can be concluded

that one-half of the respondents belonged to old aged (47.00%) followed by young and middle aged. It is most common phenomena prevailing in rural areas of Maharashtra that young farmers are migrating to non-farm activities forcing only the aged people taking the farming profession. The findings of present study are in accordance with the findings of Shashikant Divakar<sup>2</sup>.

**Education:** Nearly one-third (29.00%) of the respondents were educated up to middle school. Nearly one fourth (24.00%) had educated up to primary level. Sizable amount of the respondents (14.00%) were graduated and so on as mentioned in Table 1.

**Land holding:** Majority (56.00%) of the respondents had small size land holding.

**Annual income:** Majority (78.00 %) of the respondents had their annual income up to Rs.1, 00,000.

**Social participation:** In case of social participation from Table 1; it was observed that nearly one half (49.00%) of respondents had medium level of social participation.

**Irrigation status:** The distribution of the respondents according to their Irrigation status has been presented in Table 1, it was observed that nearly one half (52.00%) of respondents were not having any irrigation source.

**Cropping pattern:** It was observed that more than half (63.00%) of the respondents fall under bi-seasonal type of cropping pattern.

**Mass media exposure:** Majority (67.00%) of respondents have medium level of mass media exposure.

**Extension contact:** Majority (78.00%) of the respondents have medium level of extension contact.

**Risk orientation:** It is apparent that more than half (55.00%) of the respondents had high level of risk orientation.

#### Relation Analysis

From table 2 it was revealed that multiple regression analysis was carried out to predict the contribution of personal, socio-economic and psychological characteristics of respondents with the level of attitude towards crop loan. The data revealed that out of ten independent variables fitted in the regression

equation, variables namely education, land holding and mass media exposure were found to be contributing positively and significantly to the level of attitude towards crop loan at 0.01 level of significance. Whereas variable age and annual income was contributing negatively and significantly to the level of attitude towards crop loan at 0.01 level of probability the variable social participation was also negatively contributing at 0.05 level of probability. The value of coefficient of determination ( $R^2$ ) was 0.8367 which means

that 83.00 per cent of total variation in the level of attitude was explained by 10 independent variables selected for study. The critical look further revealed that 'F' value (45.61) for coefficient of determination ( $R^2$ ) was also significant at 0.01 level of probability. Multiple regression analysis showed that the variables viz., age, education, land holding, annual income, social participation and mass media exposure were showing the influence over level of attitude towards crop loan by the respondents.

**Table 1: Distribution of respondents according to their selected characteristics**

Sl. No	Characteristics and levels	Score range	Respondents (n=100)	
			No.	Per cent
<b>1.</b>	<b>Age</b>			
I	Young	Up to 35	29	29.00
ii	Middle	36-50	24	24.00
iii	Old	Above 50	47	47.00
	<b>Total</b>		100	100.00
<b>2.</b>	<b>Education</b>			
I	Illiterate	No schooling	07	7.00
ii	Can read only	Non formal education	01	1.00
iii	Can read and write	Non formal education	06	6.00
Iv	Primary	1 <sup>st</sup> to 4 <sup>th</sup>	24	24.00
V	Middle school	5 <sup>th</sup> to 7 <sup>th</sup>	29	29.00
Vi	High school	8 <sup>th</sup> to 10 <sup>th</sup>	11	11.00
Vii	Intermediate	11 <sup>th</sup> to 12 <sup>th</sup>	08	8.00
Viii	Graduate	Above 12 <sup>th</sup>	14	14.00
	<b>Total</b>		100	100.00
<b>3.</b>	<b>Land holding</b>			
I	Marginal	Up to 1.00	24	24.00
ii	Small	1.01 to 2.00	56	56.00
iii	Semi medium	2.01 to 4.00	06	6.00
Iv	Medium	4.01 to 10.00	10	10.00
V	Large	Above 10.00	04	4.00
	<b>Total</b>		100	100.00
<b>4.</b>	<b>Annual income</b>			
I	Up to 1,00,000		78	78.00
ii	1,00,001 to 2,00,000		11	11.00
iii	2,00,001 to 3,00,000		03	3.00
Iv	3,00,001 to 4,00,000		04	4.00
V	4,00,001 to 5,00,000		04	4.00
	<b>Total</b>		100	100.00
<b>5.</b>	<b>Social participation</b>			
I	Low	Below 7.70	15	15.00
ii	Medium	7.71 to 11.88	49	49.00
iii	High	Above 11.88	36	36.00
	<b>Total</b>		100	100.00
<b>6.</b>	<b>Irrigation status</b>			
I	No source	0	52	52.00
ii	River	1	11	11.00
iii	Canal	2	04	4.00
Iv	Well	3	21	21.00
V	Tube well	4	12	12.00
vi	Farm pond	5	00	00.00

	<b>Total</b>		100	100.00
<b>7.</b>	<b>Cropping pattern</b>			
I	Seasonal	1	7	7.00
Ii	Biseasonal	2	63	63.00
Iii	Annual	3	25	25.00
Iv	Biannual	4	2	2.00
V	Perennial	5	3	3.00
	<b>Total</b>		100	100.00
<b>8.</b>	<b>Mass media exposure</b>			
I	Low	Below 7.92	10	10.00
Ii	Medium	8.10 to 15.20	67	67.00
iii	High	Above 15.20	23	23.00
	<b>Total</b>		100	100.00
<b>9.</b>	<b>Extension contact</b>			
I	Low	Below 8.25	3	3.00
Ii	Medium	8.26 to 13.75	78	78.00
Iii	High	Above 13.75	19	19.00
	<b>Total</b>		100	100.00
<b>10.</b>	<b>Risk orientation</b>			
I	Low	Below 4	00	00.00
Ii	Medium	5 to 8	45	45.00
Iii	High	Above 8	55	55.00
	<b>Total</b>		100	100.00

**Table 2: Multiple regression analysis of personal, socio-economic and psychological characteristics of respondents with their level of attitude towards crop loan**

Sl.No	Independent variables	Regression coefficient ('b')	Standard error	't' value
1	Age	-0.2900	0.0664	-4.3639**
2	Education	3.3133	0.4530	6.9150**
3	Land holding	0.4817	0.1789	2.6922**
4	Annual income	-1.666	5.2971E-06	-3.1452**
5	Social participation	-0.5749	0.2807	-2.048*
6	Irrigation status	-0.0920	0.3303	-0.2787
7	Cropping pattern	-0.0507	0.6841	-0.0741
8	Mass media exposure	0.7290	0.2142	3.4024**
9	Extension contact	-0.4746	0.2498	-1.8996
10	Risk orientation	1.4933	0.8053	1.8543

$R^2 = 0.83$

'F' value = 45.61\*\*

\*\* Significant at the 0.01 level

\* Significant at the 0.05 level

### CONCLUSION

The finding of multiple regression analysis revealed that among selected variables for level of attitude towards crop loan namely education, land holding and mass media exposure were found to be contributing positively and significantly to the level of

attitude towards crop loan, this shows that as the positive contribution of above mentioned variables increases level of attitude towards crop loan improves, While the variables age, annual income and social participation are having negative influence or contribution on the level of attitude towards crop loan.

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