



A Study on Impact of Agriculture Banking on Farmers

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ABSTRACT

Agricultural quarter has been driven as secondary quarters as opposed to primary. Author has conceptually offered throughout this newsletter the need for banking quarter to reflect on consideration on enhancing their lending schemes. The primary goal of the writer is to cognize on those banks statistics do not appear to be sufficiently helping the Priority quarter lending, which successively is going to very own large effect on the rural quarter itself. The elements like department operations, wide variety of branches in rural region economic inclusion and its effect, credit score deposit ratio, lending rules, RBI policy, sectoral improvement and different elements are analyzed with empirical proof and statistical relevance. Authors are of opinion that agricultural quarter desires greater interest from union authorities and additionally they have to watch how their rules are carried out in banks. More researchers need to pressure their educational and inquiry to suggest how rural branches at micro degree functions. Authors are given their very own tips and conclusions supported the statistical statistics amassed from exceptional dependable sources. financial institution that lends cash to farmers for prolonged intervals of some time and fees them much less hobby than different kinds of banks: Stakeholders in agriculture have pressed the govt. to decide the newly proposed agricultural financial institution.

Key Words: - Agricultural, Farmers, Stakeholders

INTRODUCTION

The Indian enterprise begins to evolve from 18th century. First financial institution of India changed into began out in 1770 "Bank of Hindustan" and its attend liquidate in 1829-32. Then after 2nd Indian financial institution of India hooked up in 1786 "General Bank of India". India has no long past records of banking because of in India Barter Trading Method been used. It's the strategy which directs alternate of services and products for different items and services. Barter buying and selling kept away from use of cash. Then after cash got here in Indian buying and selling marketplace then human beings wish the banking services. However, despite the Establishment of Bank of Agriculture, its effect in connection with Agricultural financing is minimally felt. Furthermore, to impact the occasion of the rural financial system care worn that "the regeneration of low degree of output, low income, low financial savings and funding which characterised the rural regions should first be damaged thru huge injection of credit score assistance. For credit score markets to carry out their position and features correctly particularly in fixing rural zone problems, there is the demanding situations of meal safety is at country wide, regional, neighbourhood or family levels.

OBJECTIVE OF STUDY:

- To examine and enhance the Satisfaction Level of farmers on Agricultural Banking.
- To find out the banking habits from the rural people. To know about the rural poor from the money lenders.

SCOPE OF THE STUDY:

The scope of the study is to process and flow of activities while processing a loan application in scheduled banks. It also includes the factors that can be taken in to consideration when providing credit to a credit seeker. The present study expected to produce some important findings and conclusion which may help the state financial corporations to formulate policies and programs to manage credit risk of state financial corporations effectively. This will go in the improvement of performance of state financial corporations.

- It covers the key performing bank in public and private banking sector.
- The project has been from the angle of SBI bank.
- The study only covers SBI bank in Palakkad dist.

RESEARCH METHODOLOGY:

Primary data:

Primary data has been collected through personal interview by direct contact method. The method which was adopted to collect the information is 'personal interview' method. Personal interview and discussion was made with manager and other personnel in the organization for this purpose

Secondary data:

The research was undertaken with the aim of getting an eagle's view of how SBI manage the credit risk. We would select the conclusive method in which we would go for descriptive research design. Descriptive research design is more structured and formal in nature. The objective of these studies is to provide a comprehensive and detailed explanation of the phenomena under study . descriptive research, used often in social sciences and market research, is the study of how a particular group, person, or thing behaves. Observations are noted without influence.

REVIEW OF LITERATURE

- I. **Suryawansi** (1978) in his paper 'Credit Requirements Availability and its Gaps' determined that massive farmers obtained a bigger proportion of mortgage superior with the aid of using distinctive monetary organizations and the proportion of co-operatives changed into the maximum. It changed into additionally determined that non-public cash creditors were, nonetheless gambling a critical position in providing rural credit score and the share of borrowings from this supply changed into better in case of small farmers.
- II. **Kulkarni** (1979) in his have a look at titled, "Development Responsibility and Profitability of Banks" confused upon social obligations of the banking sector. He changed into of the view that seeking out income maximization most effectively changed into now no longer genuine profitability of banks as social blessings bobbing up out of financial institution operations can not be ignored. He determined that whilst pleasurable the social responsibility, banks ought to try and make the fundamental banking enterprise as a hit as possible, lessen cost, enhance banking device and boom the general profitability.

DATA ANALYIYS

AWARE OF PRODUCT OFFERED BY SBI

S.NO	OPINION	NO. OF RESPONDENTS	PERCENTAGE
1	Yes	63	52.5
2	No	57	47.5
	Total	120	100

INTERPRETATION:

The above table indicates, from the total respondents taken for the study 52.5% of the respondents says YES and 47.5% of the respondents says NO.

BANK PREFERRED FOR INVESTMENT

S.NO	BANKS	NO. OF RESPONDENTS	PERCENTAGE
1	SBI	54	45
2	Canara Bank	21	17.5
3	IDBI Bank	14	11.6
4	Punjab National Bank	31	25.8
	TOTAL	120	100

INTERPRETATION:

The above table indicates that, out of the total respondents taken for the study, 34.2% of the respondents are investing in bank account, 36.7% of the respondents are investing in mutual fund, 15.0% of the respondents are investing in stock markets, 14.2% of the respondents are investing in other investments.

INVESTING THE MONEY

S.NO	INVESTMENT	NO. OF RESPONDENTS	PERCENTAGE
1	BankAccount	41	34.2
2	Mutualfunds	44	36.7
3	Stockmarket	18	15
4	Others	17	14.2
	TOTAL	120	100

INTERPRETATION:

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FINDINGS:

- Most of the respondents (52.5%) are aware of product offered by SBI bank.
 - The study says that majority of the respondents (45%) prefer SBI bank for making investment.
- The study says that majority of the respondents (36.7%) of the respondents invest their money in mutual funds.

SUGGESTIONS:

- **Expand the irrigation area:** Using the credit facility farmers able to expand the area of irrigation in farm. It also increases production of crops. They are able to take all three-season crop. E.g. Drip irrigation.
- **Use of Machinery:** Farmers use machinery in farming activity which helps do work accurately and in proper time. Farmers save their efforts and time by using machinery. E.g. Harvester, Tractor equipment's etc.
- **Storage Godown:** Farmers are able to develop the storage facility in their area. It is beneficial to them to store the crop for better price and supply in market as per requirement. NABARD has separate schemes for agricultural go down.
- **Processing units:** Now a day's farmer concentrates on food processing.

CONCLUSION

In India farmers do not appear to be economically strong as like overseas countries. For that purpose in our united states farmers want right credit score deliver to make bigger their preferred of living. It's definitely relied on the enlargement or will increase the meeting and decreases the meeting cost. When farmers undertake new era but as cognizance on natural farming. Farmers want credit score deliver from authorize reasserts like banks and cooperative societies in low rate according to unit. Now a ninety three day's close to approximately 70 credit score line deliver furnished through authorize reasserts we might want to make bigger it close to approximately a hundred pc. Banking and cooperative society need to lessen the paper upload credit score and mortgage facility. Overall banking facility is essentially beneficial for farmers.