

**A STUDY ON PERCEPTION TOWARDS AGRICULTURAL JEWEL LOAN SPECIAL
REFERENCE TO SIVAGANGA DISTRICT**

Ms.R.SUDHA
Doctoral Scholar,
Fatima College,
Madurai

DR.FATMIA ROSELINE MARY
Associate Professor,
Fatima College,
Madurai

Abstract

At present in India gold loans can be availed from co-operative banks, public sector banks, private sector banks and other private lenders. The private lenders process the loan in less than a couple of hours. The non-banking financial institutions and companies which is registered under RBI. The study based on the attitude of farmers towards agricultural jewel loan facility, the various factors which are considered by farmers while availing the jewel loan and the various reasons for opting gold loan. The study also identifies the various demographic factors like genders, age, income level, educational background of the farmers which have an impact in opting for availing agricultural jewel loan.

Introduction

India is second most populous country in the world with a population of more than a billion around 70% of this in rural area and living in six lakhs villages. This major portion of our population is dependent on agriculture and agriculture related activities. Always agriculture has been taken as the backbone of India's economy. Agriculture has been the traditional primary occupation in Tamil Nadu. The farmers raising crops suitable to that area based on its own resources like soil, irrigation, backward and forward linkages – for income generation. For that income generation the farmers get financial assistance from organized and unorganized agencies. The unorganized sources of finance in India include money lenders, land lords, traders, commission agents, friends, relatives and pledging the jewel for getting the financial assistance and the organized sources includes supplying credit to agriculture sector are government, co-operatives, commercial banks, regional rural banks, Reserve bank of India (National bank for Agriculture and rural development). Though there is an wide range of financial assistance are available for the farmers when need arise for the cultivators to cultivate in the land the immediate proceeding done by the farmers in pledging their own jewels by getting agriculture jewel loan at very low interest rates are they may get assistance from money lenders for proceeding the agriculture products .

Objectives of the study

- ❖ To study on farmers preference towards loan.
- ❖ To examine farmers attitude towards agricultural jewel loan.

❖ To offer suitable suggestions

Gender of the respondents

| S.No | Gender | Number of the respondents | Percent to the total |
|-------|--------|---------------------------|----------------------|
| 1. | Male | 269 | 56.04 |
| 2. | Female | 211 | 43.96 |
| Total | | 480 | 100.00 |

Age of the respondents

| S.no | Age (in years) | Number of the respondents | | Total |
|-------|----------------|---------------------------|--------|-------|
| | | Male | Female | |
| 1. | Less than 30 | 46 | 60 | 106 |
| 2. | 30.00 to 40.00 | 89 | 61 | 150 |
| 3. | 40.01 to 50.00 | 65 | 63 | 128 |
| 4. | 50.01 to 60.00 | 41 | 18 | 59 |
| 5. | Above 60 | 28 | 9 | 37 |
| Total | | 269 | 211 | 480 |

Marital status of the respondents

| S.no | Marital status | Number of the respondents | | Total |
|-------|----------------|---------------------------|--------|-------|
| | | Male | Female | |
| 1. | Unmarried | 39 | 31 | 70 |
| 2. | Married | 221 | 163 | 384 |
| 3. | Others | 9 | 17 | 26 |
| Total | | 269 | 211 | 480 |

Level of education among the respondents

| S.no | Level of education | Number of the respondents | | Total |
|-------|--------------------|---------------------------|--------|-------|
| | | Male | Female | |
| 1. | Diploma | 14 | 3 | 17 |
| 2. | School level | 21 | 69 | 90 |
| 3. | Higher secondary | 92 | 91 | 183 |
| 4. | Under graduation | 96 | 34 | 130 |
| 5. | Post graduation | 34 | 11 | 45 |
| 6. | Professional | 12 | 3 | 15 |
| Total | | 269 | 211 | 480 |

Source of investment on farming among the respondents

| S.no | Source of investment | Mean source among | | Total |
|------|----------------------------|-------------------|--------|----------|
| | | Male | Female | |
| 1. | Public sector bank | 3.6084 | 3.3011 | 1.4188 |
| 2. | Co-operative bank | 2.9083 | 3.4172 | 2.5268* |
| 3. | Friends or relatives | 3.6459 | 3.0709 | 2.6414* |
| 4. | Self help group | 3.0117 | 3.6556 | -2.6969* |
| 5. | Money lender | 3.3886 | 3.5141 | -0.6919 |
| 6. | Agricultural Traders | 3.6909 | 3.2415 | 2.4082* |
| 7. | Commission agent/Adhathiya | 3.6511 | 3.2088 | 2.3194* |
| 8. | Own | 3.2011 | 3.3969 | -0.3696 |
| 9. | Private sector Bank | 3.3414 | 3.7083 | -2.2088* |

*Significant at five percent level.

Source of information on opening account in present bank

| S.no | Source | Number of respondents in | | Total |
|------|---------------------------------|--------------------------|--------|----------|
| | | Male | Female | |
| 1. | Friends | 3.8411 | 3.3664 | 2.5411* |
| 2. | Relatives | 3.3045 | 3.7908 | -2.4082* |
| 3. | Bank staffs | 3.5166 | 3.9144 | 2.4117* |
| 4. | Local news paper | 3.0122 | 2.8668 | 0.5086 |
| 5. | Advertisement and banners | 2.9949 | 3.2344 | -0.8642 |
| 6. | Village administrative officers | 3.3088 | 3.6608 | -1.4314 |
| 7. | Bank manager | 3.1174 | 3.6709 | -2.5432* |

* Significant at five percent level.

Respondents view on important factors (IFCB)

| S.no | IFCB | Mean score among | | 't' statistics |
|------|-----------------|------------------|--------|----------------|
| | | Male | Female | |
| 1. | Service quality | 3.8479 | 3.4026 | 2.4244* |
| 2. | Trust | 3.4109 | 3.8398 | -2.4166* |
| 3. | Service option | 3.7318 | 3.7301 | 0.0974 |
| 4. | Access | 3.3894 | 3.8242 | -2.4969* |
| 5. | Economy | 3.3833 | 3.5701 | -0.5496 |

* Significant at five percent level.

Benefits of Agricultural jewel loan

| S.no | Variables in Agricultural jewel loan | Mean score among | 't' statistics |
|------|--------------------------------------|------------------|----------------|
|------|--------------------------------------|------------------|----------------|

| | | Male | Female | |
|--------------------------------------|--------------------------|--------|--------|----------|
| 1. | Simple procedure | 3.4976 | 3.8971 | -2.3944* |
| 2. | Easy access | 3.1771 | 3.6804 | -2.5919* |
| 3. | Lesser time consumption | 3.3038 | 3.8117 | -2.5089* |
| 4. | No need for collateral | 3.5186 | 3.9117 | -2.4117* |
| 5. | High value of money | 3.5141 | 3.5242 | -0.0886 |
| 6. | Lesser rate of interest | 3.4816 | 3.6117 | -0.2797 |
| 7. | Flexibility in repayment | 3.3441 | 3.8171 | -2.5088* |
| 8. | Easy repayment | 3.2996 | 3.8482 | -2.4474* |
| 9. | Proper information | 3.7184 | 3.5664 | -2.1779* |
| 10. | Safety to jewels | 3.1245 | 3.6171 | -2.5049 |
| 11. | Lesser service chargers | 3.4971 | 3.6692 | -0.4173 |
| 12. | Provision of subsidies | 3.4499 | 3.6508 | -3.996 |
| 13. | Availability of schemes | 3.2645 | 3.5233 | -1.8084 |
| 14. | No recovery formalities | 3.3089 | 3.8911 | -2.4417* |
| 15. | No legal action | 3.3242 | 3.7676 | -2.3088* |
| 16. | Enough loan amount | 3.2117 | 3.5102 | -2.4179* |
| * Significant at five percent level. | | | | |

Findings

- ❖ It shows the dominance of male in the present study.
- ❖ The analysis reveals that the age of male respondents is higher compared to female respondents.
- ❖ The analysis reveals the importance of married respondents in the present study.
- ❖ The analysis reveals that level of education among the male is higher compared to female respondents.
- ❖ The highly viewed sources of investment by male respondents are agricultural traders and commission agent/ Adhatiya. Among the female respondents, these are self help group and private sector bank.
- ❖ Among the male, the highly viewed sources are friends and bank staffs. Among the female, these are bank staff and relatives.
- ❖ The highly viewed factors by the male respondents are service quality and service options. Among the female respondents, these two factors are trust and access.
- ❖ The highly viewed variable in benefits of agricultural jewel loan by male are ‘no need for collateral’ and ‘high value for money’. Among the female respondents, these are ‘no need for collateral’ and ‘simple procedure’.

Suggestion

- ❖ Customer protection – need for reviewing of the gold loans amount.
- ❖ Farmers education and financial literacy are required to protect them.

Conclusion

Therefore it can be concluded that international gold prices and exchange rate significantly and positively affect the gold prices in India. Probability of volatility in gold prices impacting the gold loan market is low. Increase in gold prices appears to be one factor that increases the gold loans outstanding. Banking sectors in their form of their individual gold loans and agricultural jewel loan which benefits the added services to the farmers.