CHAPTER-VII

FINDINGS, SUGGESTIONS AND CONCLUSIONS

This chapter is devoted to the presentation of findings, suggestions and conclusions from the research work. It consists of two sections. The first section presents, the findings of the study and subsequent section put the suggestions and conclusions for improvement of Farmers’ Club, club members and the Regional rural banks.

INTRODUCTION

The findings of the study is presented in two sections like A and B. Section A presents the findings based on the opinion of the branch managers who are prime in this research, because they gave birth to the Farmers’ Club at their branches and provide banking services to the club members, farmers, and rural mass. Club members are considered as media persons between the bank and rural farmers with their help the banks reduced their non-performing assets (NPA). Moreover, bank provides various social services to the rural farmers, through the club members. In total the banks as well as club members are mutually benefited through the club.

Section “B” relates to the members of the Farmers’ Club. The club members are getting financial assistance from NABARD for formation, and day to day operations of the clubs activities. The club members undertake social activities, assisting to the rural farmers and landless laborers as per the directions of the rural banks. The clubs assist the banks by guiding the farmers for prompt repayment of loans and dues in times to the banks. This leads the credit turnover between the rural people and makes a cordial relationship between the villagers and the banks.
7.0. A Findings of the Branch Managers

The findings based on the opinion of Branch Managers are as below:

1. Farmers’ Club is an organization of farmers with the principle of “Development through Credit”. It has been revised in the year of 2005 as “Development of rural area through credit, technology transfer, awareness and capacity building”.

2. Farmers’ Club concept is one among the twenty point economic programs, which was introduced by the then Prime Minister Smt. Indira Gandhi to uplift the rural poor,

3. In the field survey it was observed that the Farmers’ Club is the avenue for the development of farmers for obtaining facilities, subsidies and exemptions from various government departments.

4. Farmers’ Club assists the farmers to co-operate and co-ordinate among themselves to develop cordial relationship with the various departments, revolving to the farmers.

5. During the field survey it was found that members of the Farmers’ Club consult the various officials, politicians and departments for uninterrupted supply of drinking water, electricity, roads and drainage facilities for their villages, and also act as bridge between the villagers and the bank staff.

6. By the observation it was found that normally, rural people are shy in nature and they hesitate to talk to the officials of the banks and even though they need the loans, they wouldn’t go to the banks for obtaining the loans.

7. It is revealed from the field survey that, as per the government instructions, banking activities are reaching to the nook and corner of the villages. All the banks are interested to expand their business by providing various services to the rural poor.

8. The researcher observed at the time of collection of data from the Branch managers that, NABARD provides direct finance to assist the clubs in raising their own capital for survival in the further years.

9. 47.50 per cent of the branch manager’s age group is in the range of 45 - 55 years.

10. Majority of the branch managers with 50 per cent have degree qualification.
11. The majority of the Pragathi gramin bank branches, with 37 per cent were existed in between 2001-05 to cater the finance to the agricultural and allied activities and bringing more population under the fold of banking activities.

12. Majority of the branches are earning profits with 94.50 per cent.

13. 48 per cent of the branches cover on an average of 6 to 11 villages and 67 per cent of the branches covered the population in between 15001 and above.

14. 33.50 per cent of the Farmers’ Club is formed during the year 2008-09, with the intention of educating the farmers for proper and better use of credit.

15. Majority of the Pragathi gramin bank (86.50 per cent) have opened 1 to 2 Farmers’ Club in their areas, as per the directions of the NABARD.

16. From the analysis, it was found that the maximum numbers of members in the club are in between 11-20 with 62.50 per cent, which is ideal to sustain the club for long period of time.

17. Majority of the club members, belong to one village with 68 per cent and 84 per cent clubs opened Savings Banks a/c in the bank to make transactions.

18. The branches with 84 per cent provide basic level orientation training program (BLOTP) at the time of inauguration.

19. Majority (53.50 per cent) bank branches regularly, organize meet and match/educational trips in every half yearly once with 15.50 per cent.

20. Majority with 62 per cent club members, sometimes participate in acquiring knowledge about agriculture by participating in various other activities like Krishi melas, meet with experts and participated in demonstrational activities arranged by the banks.

21. Majority of the branch managers with 28.70 per cent encourages Farmers’ Club members to utilize solar energy as the cheapest means of energy for their daily life.

22. Majority of the office bearers, with 68.50 per cent have not taken any initiations for opening the self-help groups and joint liability groups in their clubs.

23. The clubs (34.91 per cent) opened the self-help groups and joint liability groups as per the directions of the NABARD.

24. The majority of the clubs with 40.87 per cent stated that hesitation in dealing with the reason for not opening the self-help groups and joint liability groups.
25. Majority of the branch staff with 63.50 per cent irregularly, attend the club meetings and interact for their mutual benefits.

26. Majority of the branch staff with 25.50 per cent did not-attended the meetings of Farmers’ Club due to lack of staff.

27. Majority of the branch managers with 42 per cent highlighted that the club members’ quorum of the meeting is up to 40 per cent.

28. Branch managers with 33 per cent educate the other changes including all the current changes to the club members in the field of agriculture, technology, marketing and banking sectors in the meeting and clear the doubts of the members in the meetings.

29. Majority of the branches with 26.13 per cent adopting advanced technology like national electronic fund transfer (NEFT) facilities in their rural branches like urban branches to the rural customers.

30. 34.50 per cent of the customers were highly satisfied with the new banking technologies of the bank.

31. Majority of the branches with 100 per cent do not provide loans directly, to the clubs for bulk purchase, because there is no such provision in the Farmers’ Club.

32. While issuing loans, majority of the branches with 59 per cent extend sometimes preferences to the club members, while lending money.

33. The majority of the branches with 32.50 per cent provided first priority to Farmers’ Club members in case of urgency.

34. The majority of the club members with 34 per cent promptly repay the debt in time.

35. Majority of branches recovery position is excellent with 39 per cent.

36. Majority of the non-performing assets position with 51.50 per cent is in the range of doubtful assets.

37. The bank branches with 68.50 per cent indicated the perception towards the necessity of Farmers’ Club.

38. Branch managers with 77.50 per cent consider the suggestions of the club members in sometimes dealing with the rural customers.

39. 34 percent branch managers rating the clubs performance as good as in their regions.
40. In the field survey it is observed that the respondents appreciated the helping hands of the club members in recovering the loans from the rural farmers.

41. Majority of the bank branches with 22.50 per cent stated that the lack of cooperation among the member’s leads to dis-functioning of the clubs.

7.1 B Findings Related to Farmers’ Club

The findings in this part relates to office bearers and members of the Farmers’ Club. As per the directions of the sponsor bank managers, the club undertakes social works, assisting women and landless labour, linking through banks, obtain training from various institutions to increase yield of production, assists the members in obtaining the loan on priority basis, provides a platform for the farmers to exchange their ideas in agriculture, motivate the farmers for attending the farmers fest. They also undertake various activities by obtaining financial assistance from NABARD. Clubs acts as a mouth piece of bank and assist in recovering the loans and dues from the fellow farmers. Clubs forms the cordial relationship between the villagers and the sponsor banks. Some of the major findings are as below.

1) Farmers enriching their knowledge through forming the clubs, under the guidance of the bank staff. Club members exchange their views and ideas in the development of agricultural activities and inculcate the habit of minimizing the expenses. Apart from this farmers get ample facilities from the government like subsidies, fixing of prices etc. Credit facilities are easily available for the club members by the bank hence, all the farmers are thinking to form the clubs and enjoy the benefits.

2) During the survey it has been observed that no female member enrolled in the Farmers’ Club.

3) During the field survey it was identified that, only finger countable female clubs are found, of which one female Farmers’ Club obtained the state level award as a “Best Club” for its activities.

4) The study observed that educated youths are gradually being attracted to form Farmers’ Club for the benefit of the members of underprivileged population of the rural areas. The researcher also observed that the maximum numbers of clubs are
not maintaining the accounts and meeting record books, those maintained are not up to the mark and the double entry system of book keeping system is not followed.

5) The maximum numbers of club members with 42.66 per cent belonging to the age group of 35-45 years.

6) Majority of the club members with 60 per cent belongs other backward categories (OBC) followed by schedule caste and schedule tribes.

7) 94 per cent of the club members are male.

8) Majority of the members with 31.67 per cent have the qualification of 10th standard.

9) Out of the total 300 club members, 65.33 per cent of families are in the range of 6 to 10.

10) Club members with 49.33 per cent belong to small type of farmers having below 5 acres of land.

11) Majority of the club respondents with 40 per cent having dry lands and cultivate their land for a particular Kharif season depending on the availability of rain.

12) Majority of the total club members with 33.33 per cent become the members of the clubs only through the influence of the bank officials, followed by fellow members of the clubs with 28 per cent.

13) Majority of the members with 64.67 per cent serves the clubs in the range of 2 to 4 years.

14) Among the 300 club member’s 116 members with 38.67 per cent extremely proud to becoming the members of the clubs.

15) Office bearers and club members with 44 per cent are satisfied with the behaviors of the bank staff towards the club members by way of helping and clarifying the doubts, and proper credit counseling.

16) Majority of the total club members with 94 per cent clubs does not fix the membership fee to become the members of the clubs.

17) Majority of the club members with 44 per cent has not fixed the membership fee, while framing the rules. In this regard the office bearers are helpless.

18) Among the 300 club members, with 90.67 per cent have obtained the basic level orientation training program that helps them to know their duties and responsibilities towards clubs.
19) Majority of the members with 81.67 per cent attended the training programs arranged by the club for its members. In the training club members with 38.67 per cent prefers three days training programs, which would not impact on their routine works.

20) Club members with 18.33 per cent failed to attend the meetings due to lack of time, communication gap repeated information and various other reasons like health problems, fairs, financial difficulties, marriage functions etc.

21) Majority of the club members with 26.07 per cent participated in Krishi melas arranged by the clubs. Members observe and understand the equipments, seeds, fertilizers, in Krishi melas. This helps them to implement in their fields to increase the growth of agriculture crops.

22) The club members with 25.67 per cent are willing to adopt new technologies in their fields by reducing the traditional methods of agriculture.

23) Majority of the members with 28.67 per cent have participated in various social-activities i.e. Blood group check up camp, blood donation camps, eye camps etc.

24) The total 300 club members with 67.66 per cent have not open self-help groups & joint liability groups in their clubs due to inadequate knowledge and fear of the monitory issues.

25) Club members with 91.67 per cent are unable to purchase agricultural inputs in bulk for their members, because the bank does not provide any direct loans to the clubs.

26) Majority of the club members with 53.67 per cent highlighted the reasons for non-bulk purchase of agriculture inputs to their club members due to the bank restrictions.

27) Majority of the club members with 47 per cent clubs helps and assists in providing the loans to their members.

28) The 27 per cent club members availed the loans in time with easily and quickly.

29) Majority of the club members with 52.34 per cent are regularly repaid the bank loans.

30) Club members with 54 per cent sometimes educate their fellow farmers in the villages on repayment of loans and dues to the bank in time and help the bank to recycle the credit.
31) 88.67 per cent clubs members helps the bank in repayment of loans, through consulting individually, when the fellow farmers fail to repay the loans to the branches.

32) The clubs members with 26.67 per cent are engaged in agricultural extension activities i.e. dairy, poultry, piggery, fisheries etc.

33) Majority of the members with 54 per cent highlighted that they were benefited in improving their economic positions.

34) Majority of the respondents with 67.67 per cent say that they sometimes invested their part of earnings either in banks or in the agricultural activities.

35) Majority of the club members with 89 per cent highlights the office bearers are not carry their routine activities properly. This has impacted the clubs performances.

36) 32.67 per cent of the members highlighted that NABARD officers are fail to cooperate and are responsible for failure of clubs.

37) Farmers’ Club members with 35 per cent pointed NABARD has to modify its rules and regulations, to improve and make clubs survive for longer period, by providing advanced agricultural knowledge to the rural development.

7.2 SUGGESTIONS

In the light of the findings of the study, the following suggestions have been made to improve the bank branches, and managers’ perception towards the improvement of Farmers’ Club activities for enhancing the rural mass and village development through social activities

1. Majority of Pragathi Gramin Bank branch managers with 50 per cent have completed their degree qualifications. It is better to have higher qualification which would benefit to handle the critical situation with techniques and promoting the rural people.

2. Maximum number of Farmers’ Club was opened in the year of 2008-09 with 33.50 per cent. This indicates that, they are not showing the positive attitudes towards the Farmers’ club in the rest of the years. Hence, it is suggested that the bank has to
take steps to open more and more in every year and educate the farmers for implementing the advanced technologies and produce quality outputs.

3. Majority of the branches covered the population between 15001 and above with 67 per cent and serves on an average of 6 to 11 villages with 48 per cent. Hence, it is suggested that the banks have to open more and more branches to reduce work pressure of the branch managers. This leads to the managers have to concentrate on the rural development schemes of NABARD.

4. It is suggested that the branch managers should voluntarily establish Farmers’ Club in each villages and provide the benefits to the farmers and enhance the economic status. Through this the country can obtain self sustain in food grains production.

5. Among the total respondents with 62.50 per cent each club have the number of members in the range of 11-20 followed by 22 per cent clubs have the members in the range of 21-30. This indicates there is no restriction in the upper limit of the numbers. Hence, it is suggested a ceiling limit of 15 which is ideal for sharing their responsibilities may be fixed.

6. Majority of the respondents with 84 per cent branch managers provide Basic Level Orientation Training Program (BLOTP) to the club members, while rest of the banks are not provided the basic training to the club members. Hence, it is suggested a basic function of the sponsor banks to provide basic level orientation training program at the initial time and convey the duties and responsibility of the members towards the clubs and society.

7. Majority of the bank respondents with 53.50 per cent conduct meet with experts/study trips to the club members once in six months (30.50%). It is suggested that the branch managers arrange quarterly meeting to the members, so that enhancement of knowledge on current agricultural field is possible.

8. Among the total bank respondents, only 28.70 per cent prefer the solar energy. Hence, it is suggested that the government and the sponsor banks have to promote and provide less operative, low cost solar home lights, water heater and solar fencing and other solar agricultural equipments, at more subsidies to the members.

9. Majority of the clubs have not interested in opening the self-help groups and joint liability groups in their areas, due to fear of financial transactions and lack of
knowledge. Hence, it is suggested that branch managers should educate them in forming such organizations and develop farmers by enlarging their financial avenues.

10. Regional Rural Banks are established with an intention of providing financial and non-financial support to the rural mass. Hence, managers must attend the meetings of the Farmers’ Club and provide update information, as a result the club members are motivated to attend meetings without fail and obtain the current information and adopt in their fields.

11. Pragathi Gramin bank assists the clubs in direct financing to purchase the bulk agriculture inputs at the time of sowing, weeding, cutting, applying pesticides and manures. If clubs purchase bulk inputs with concessional rates and distribute among themselves then automatically Farmers’ Club fragrance spreads to the farmers. Hence, NABARD has to provide this facility to the clubs through the banks.

12. It seems that clubs are opened to fulfill the norms of NABARD. Hence, it is suggested that, Pragathi Gramin Banks should use Farmers’ Club as a business facilitators for spreading the banking activities like interest subsidies, waiving of loans and state/central government schemes. The government should also use the Farmers’ Club as a platform for census and other works.

13. The Non-performing assets of the Pragathi Gramin Bank branches were in the range of doubtful assets due to Farmers’ Club. The branch managers should recover the loans before it becomes the loss assets. Hence, it is suggested that all branches open Farmers’ club, and avail the assistance in recovering the loans.

14. Pragathi Gramin Bank has to arrange more activities to the club members and motivate them to participate and implement the knowledge acquired in training, seminars and meetings. Krishi melas meet with experts etc. This helps them to improve their agricultural activities and the standard of living of the villagers.

15. Majority of the branch managers opined that the progress of Farmers’ Club is good. Hence, it is suggested that the branch managers follow-up the club activities regularly, and motivate the members to undertake various activities for their development. Managers rating the performance of the clubs as per the parameter
provided by the NABARD. By this the stakeholder aware themselves to involve in participating and operating various activities to improve their club standards.

16. Majority of the branch managers have observed the lack of co-operation and leadership quality among the members and office bearers are the major drawbacks and leads to failure of clubs. Hence, it is suggested that, branch managers should educate and develop the leadership qualities among the club members, and NABARD has to modify the rules for providing financial support up to five years and direct the sponsor banks to provide bulk loans to the clubs as well as self-help groups and joint liability groups.

17. As per the researchers view, young farmers are not showing positive attitude towards joining the Farmers’ Club. Hence, it is suggested that, the sponsors give priority to young and educated youths and motivate them to accept the challenges and accelerate the clubs activities.

18. There is no female member in the clubs. Hence, it is suggested that, the sponsor banks should include the female members in the clubs or open females’ Farmers’ Club to develop their standard of living.

19. Majority of the club members are small and middle scale farmers. The share of farmers with more land holding is very less. Hence, it is suggested that sponsors should includes, all type of farmers, while forming the Farmers’ Club.

20. 33.33 per cent of the club members are influenced by branch managers to become the members of the club. Hence, it is suggested that the clubs operate more and more activities to the benefit of the farmers and villages in attracting the farmers to join the clubs.

21. Among the 300 club members, 94 per cent clubs does not fix the membership fee for their members due to various reasons. Hence, it is suggested that either NABARD or the Sponsors has to fix the membership fee for the club members, which helps the clubs to accumulate the capital and enforce the members to voluntarily involve in the clubs activities.

22. Majority of the club members are participating in agriculture related activities. Hence, it is suggested that mere participation is not enough. The members have implement the latest cropping patterns, new crop varieties, adopt mixed cropping
and water harvesting, improved technologies and interact with the farmers and getting the feedback of activities, which helps in increasing the productivity of the agriculture.

23. Farmers are interested in adopting the modern technologies in their fields, but they fail to adopt due to various reasons. Hence, it is suggested that office bearers of the clubs, bank officials and NABARD officers should provide proper guidance and government should also provide more subsidies to those farmers in adoption of modern technologies in their fields.

24. Farmers’ Club are formed with an intension of achieving rural development, educating the rural farmers by arranging the activities like community development, animal health camp, watershed development, AIDS, child and women health care, repair and renovations of Pushkaranis and temples. It is suggested that apart from these social activities the club has to undertake consumer awareness programs, testing of adulteration of food products, provide a mass campaign about crop insurance to their crops against the loss of natural calamities, awareness about the savings etc. Apart from that it is also recommended that, the state government has to provide panchayat buildings to the Farmers’ Club offices.

25. The distribution of literature relates to:
   a. The agriculture equipments, fertilizers, seeds, vermin-composting, manure of land.
   b. The availability of loans and procedures of the banks i.e. Kisan credit card loans, crop loans, insurance for standing crops etc.
   c. Health tips to the pregnant women, child health care and AIDS awareness and
   d. Agriculture extension activities like dairy, sheep, goat, fisheries, rabbit, poultry farms etc. should be pasted and distributed through the club officers, so that the visitor/ club members can avail the loans.

26. Majority of the club members undertake only agricultural activities and only few of them are engaged in agriculture extension activities (Fishing, Sericulture, Vermin-culture etc.). Hence, it is suggested that through the club sponsors insist members to have more and more agriculture extension activities, which would enhance their economic standards.
27. Ultra small branch facility is a boon for the physically challenged, old age and widows of rural areas, so that they get their pensions on the door steps without many efforts. It is suggested to enhance the amount of withdraw from Rs. 2000 to Rs. 10,000 per day for rural people to meet agriculture related expenses, and also bring more people under the banking fold.

28. It is observed by the researcher that the Kisan credit card scheme is best for the farmers to obtain loans from the bank for purchasing the agriculture inputs at a lower rate of interest. Hence, it is suggested that the branch managers should educate the farmers through the clubs and display the literature on the notice board, and liberalize the credit policies.

29. Club members highlighted that there is a lot of communication gap between the Regional NABARD officers and PGB officials. Hence it is suggested that NABARD officers should know the local language and properly communicate with the members and proper follow-up shows the positive attitude towards the clubs.

30. Through the observation it is suggested that branch managers always, keep in touch with the office bearers and club members. Branch managers insist clubs to prepare an action plans for the forthcoming years, and pursue the farmers to undertake the activities as per the action plans.

31. Branch Manager, the officials of NABARDs and agriculture department are taking pain to open the Farmers’ Club, and are also responsible for continuous or defunct of the clubs. Therefore it is suggested to have and integrated efforts from the officials of agriculture department NABARD and Banks to promote the Farmers’ Club.

32. It is suggested that the government may use Farmers’ Club for the purpose of obtaining the information from the village’s i.e. Population, education, agriculture information, animal census, rainfalls, cultivable land, and agriculture production etc.

33. It is observed that majority of the clubs fails to carry the duties as per the guidelines of the NABARD. Hence, the researcher suggested the officer bearers should keep in touch with the NABARD, Bank, Agriculture and other officers to undertake various activities to uplift the clubs as well as villages.
34. It is suggested that, sick/defunct Farmers’ Club should properly guided by the branch managers, agriculture officers, and NABARD officers provide further financial assistance to such clubs and bring back such defunct clubs to the mainstream.

35. Finally Farmers’ Club and self-help groups are two wheels of cart. In India the strength of Self-Help Groups has reached to the apex, but the Farmers’ Club is lagged behind. Like the achievement of empowerment of women through self-help groups, the empowerment of farmers can be achieved through Farmers’ Club. Hence, it is suggested that NABARD has to revise its rules in granting direct loans to the club. Club members have to share the total loans among themselves and develop through proper utilization.

7.3 CONCLUSION

The National Bank for Agricultural and Rural Development is the apex organization that has been working in India since, July 1982 in order to extend credit facility to the agriculture and allied activities in rural areas. NABARD encourages gramin banks to promote Farmers' Club in rural areas to propagate the principle of “Development through Credit”. In Karnataka, among six Regional Rural Banks, the Pragathi gramin bank plays a vital role in the development of Farmers’ Club. The Pragathi gramin bank performs various functions in connection with the extension of financial assistance, developing knowledge and skill, involving farmers in social activities and creating awareness about social evils.

However, the study reveals that although the Pragathi gramin bank has played a vital role in development of Farmers’ Club, empowerment of farmers can be achieved through clubs by establishing better relationship. Hence, in order to strengthen the role of Pragathi gramin bank in development of Farmers’ Club, some important suggestions have been given in the study. To conclude, it can be said that the development of farmers is possible and objectives of NABARD can be effectively fulfilled through Farmers’ Club only, when the Pragathi gramin bank analyses and adopts the suggestions given in the study.
7.4 AREA FOR FURTHER RESEARCH

The present study is focused on eight districts and restricted to one Gramin Bank in the state of Karnataka. It is imperative to consider the role of Gramin Banks in forming and developing clubs in different states in order to identify the factors. These in turn, govern the success and take into account the role of Gramin Banks in the development of Farmers’ Club in different conditions.

Therefore, it is necessary to study the various roles of Gramin Banks to improve the conditions of farmers, rural artisans, and small business men and for overall development of the villagers. This research concentrates only on the Pragathi Gramin Bank of eight districts in Karnataka. The comparative study can be conducted to mark the role of Gramin Banks and NGOs in the development of clubs, with other Gramin Banks within the state or in other states. This assists to identify the performance of clubs, which is useful for the rural banks to improve their roles.

Further, research on the role of gramin banks in rural development, development of joint liability groups, post-amalgamation performance evaluation, a comparison between pre and post amalgamation performance, district-wise comparative study about the contribution of Regional Rural Bank for the development of rural areas, lending and recovery management in Regional Rural Banks or management of Non-Performing Assets etc., are the potential areas of research in this domain.