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# Banking Awareness of Rural Customers: A Study of Agricultural Schemes in a District of Tamil Nadu (India)

***By***

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## Abstract

This study investigates rural customers' awareness of banking schemes related to agriculture in the Coimbatore district of Tamil Nadu (India). The research objectives are to assess the awareness levels of rural households regarding direct agricultural schemes (farm credit products offered directly to farmers) and indirect agricultural schemes (financial services supporting agriculture indirectly) provided by commercial banks. A survey of 1,015 rural household respondents was conducted using a multi-stage sampling method. Data were analyzed using descriptive statistics, ANOVA, and factor analysis. The results reveal that overall awareness of agricultural banking schemes among rural customers is moderate, with significant variation across different schemes. For instance, everyday credit products like agricultural Gold Loans are much more widely recognized than specialized programs such as Agri-clinic entrepreneurship schemes. Factor analysis distilled the 27 banking schemes into seven underlying factors (e.g. credit-card/SHG schemes, subsidy schemes, and farm development loans), indicating distinct clusters in how these products are perceived. The findings align with studies showing limited awareness of banking services in rural areas and highlight an information gap hindering the utilization of available financial schemes. In conclusion, improving financial literacy and targeted outreach in rural communities is essential. Enhanced awareness would likely lead to better uptake of agricultural credit schemes, supporting rural development and economic inclusion. The paper discusses these results in light of existing literature and provides practical implications for policymakers, commercial banks, and stakeholders to strengthen rural financial inclusion.

**Key Words: Rural Banking Awareness, Agricultural Credit Schemes, Financial Inclusion, Commercial Banks in India, Rural Customers, Direct and Indirect Finance, Banking Schemes for Farmers,**

## Introduction

India's population remains predominantly rural, with over 55% living in rural areas. Agriculture is the backbone of most rural livelihoods, providing employment and income for most households. Despite the crucial role of banks in mobilizing savings and providing credit, many rural families historically saved money through informal means like chit funds or local moneylenders rather than formal banks. Low-income levels and lack of surplus funds limited their savings, and there was a general mistrust or lack of familiarity with banking services. As a result, only a tiny fraction of rural residents previously held bank accounts. To address this, the Government of India launched major financial inclusion initiatives. For example, the **Pradhan Mantri Jan-Dhan Yojana (PMJDY)** in August 2015 encouraged millions of unbanked citizens to open zero-balance bank accounts, offering incentives like accident insurance and direct benefit transfers. This scheme led to an explosion of new accounts – over 52 million rural and semi-urban accounts were opened by January 2015, rising to 214.6 million by October 2021. Such programs underscore the government's emphasis on fostering saving habits and improving financial literacy among the rural population.

Agricultural credit is another critical area for rural development. Farming households often require loans for crop production and related activities, yet only a minority of farmers can self-finance their operations. Many rely on moneylenders despite exorbitant interest rates, especially when they lack collateral for bank loans. Primary Agricultural Cooperative Societies (PACS) and regional rural banks (like Grameen banks sponsored by nationalized banks) provide farmers' credit. Still, their coverage is limited, and their product range is narrower than commercial banks. Furthermore, structural issues such as fragmented landholdings (as noted by Mondal) contribute to low agricultural productivity, and access to credit alone may not solve these without effective utilization of funds.

Commercial banks in India have introduced many schemes tailored for agriculture and allied sectors – including crop loans, agricultural infrastructure loans, horticulture and dairy development loans, farm equipment financing, and special credit-card schemes for farmers. However, merely offering such schemes does not guarantee their adoption. It has been observed that many rural farmers are either illiterate or simply unaware of these banking products. Without adequate awareness, even well-designed financial schemes might remain under-utilized. Creating banking awareness among rural customers about the variety of agricultural schemes offered by commercial banks is crucial to ensure these products contribute to rural economic development. Recent economic data highlight the importance of the agriculture sector: in 2020–21, agriculture was the only sector to show positive growth, contributing about 20.2% to India's GDP (up from ~18% in previous years). Strengthening this sector through better financial support could further boost rural incomes and livelihoods. Banks have traditionally prioritized deposit mobilization and credit growth, sometimes at the expense of customer-centric factors like awareness and service quality. N.T. Somashekar defined a bank as *"a financial institution which accepts money from the public for lending or investment, repayable on demand or otherwise withdrawable by cheque, draft or order"*. By this definition, banks are intermediaries meant to serve public needs; thus, ensuring that rural customers know about and can access agricultural credit schemes is part of their mandate. In this context, the present study focuses on rural banking awareness. It examines to what extent rural customers in one district of Tamil Nadu know the direct and indirect agricultural banking schemes available to them. By identifying awareness gaps, the study highlights where outreach is lacking and how policy interventions or bank strategies might improve the situation. The ultimate goal is to enhance the uptake of beneficial schemes, fostering greater financial inclusion and supporting agricultural development at the grassroots level.

## Review of Literature

Several studies have explored various aspects of rural banking, financial inclusion, and farmer engagement with formal credit. **Wiggins (1992)** examined the outcomes of India's rural credit policies in the Madurai region of Tamil Nadu, analysing how government-mandated branch expansion interacted with on-the-ground institutional incentives. He found that the policy resulted in the rapid development of rural banking services and a significant expansion in the volume of bank business in the countryside. In other words, forcing commercial banks to open rural branches did increase access – at least in terms of physical availability of banking – and achieved immediate targets in expanding rural credit outreach. **Markley and Shaffer (1993)** took a strategic perspective on rural banking. They argued that the fast-changing economic environment demands that rural communities and their banks find innovative ways of doing business to survive. There is no single formula for success; community banks should adopt strategies suited to their local context. Markley and Shaffer identified various approaches for rural banks to actively participate in regional economic development, such as mobilizing capital for rural businesses, supporting new enterprise formation, and providing leadership in community initiatives. They suggested that each rural banker needs to customize these strategies to fit their community's unique circumstances. This highlights the importance of flexibility and local engagement – which would implicitly include educating and informing customers about banking services as part of doing business. In the context of rural branch viability, **Uche (1999)** provided a contrasting viewpoint from Nigeria's rural banking scheme. After being compelled to open rural branches, he discussed the scenario where commercial banks sought to close unprofitable ones. Uche argued that the Central Bank should permit closures if branches are not sustainable. He observed that many rural branches had questionable usefulness in achieving rural development objectives – despite a massive increase in the number of rural bank branches, many ended up channelling rural savings to urban areas with little local benefit. The study suggested that community-based banks might serve the rural poor more effectively than conventional banks in such cases. This implies that merely expanding the banking network is insufficient; how well these institutions engage and inform the rural populace about financial services is critical to their effectiveness. Other research has focused on the socio-cultural factors affecting rural banking. **Dadziel et al. (2003)** examined rural savings behaviour in Ghana, particularly how social beliefs and service satisfaction influence long-term savings in different banks. They found that higher farm income positively affected willingness to save in formal institutions (state-owned, multinational, or rural banks). Importantly, they noted that while normative social beliefs (traditions or misconceptions about banks) existed, their negative impact on saving was minimal due to effective promotional campaigns. This suggests that outreach and education can mitigate cultural barriers to using banks.

In India, **Burgers and Pande (2005)** evaluated the impact of the country's social banking experiment, wherein a 1:4 licensing policy required banks to open four rural branches for every new urban branch in 1977–1990. Their analysis found that this rural branch expansion was indeed associated with reductions in rural poverty. The mechanism was increased financial intermediation: more rural branches led to more significant savings mobilization and credit provision in those areas, enabling households to invest in productive activities. Bringing banking to underserved areas helped rural families accumulate capital and obtain longer-term loans, contributing to economic improvement. Burgers and Pande's findings reinforce that accessible banking can make a difference for rural development, though they focus on availability and usage rather than awareness per se. After regulatory changes, **Feinberg and Reynolds (2010)** looked at rural banking in the United States. They found that the entry of new banks and deregulation in the mid-1990s increased competition in rural banking markets, which presumably could lead to better services for customers (though their study was more about market structure than customer awareness). **Chatterjee (2011)**, studying rural credit in West Bengal, India, highlighted operational challenges: small farmers faced delays, procedural hassles, and high transaction costs in getting loans from banks. Many farmers lost days of work and wages to travel repeatedly to bank branches for a single loan. Chatterjee concluded that the lengthy processes effectively discouraged rural borrowers, often driving them back to local moneylenders despite the higher interest. While Chatterjee's work focused on service delivery issues, it underlines a related point – even if farmers know bank schemes, bureaucratic obstacles can hinder utilization. Therefore, raising awareness must go hand-in-hand with making these services accessible and user-friendly.

A key theme in the literature is rural bank customers' awareness and knowledge level. **Kaur and Singh (2012)** conducted a comparative study of rural vs. urban bank customers in Punjab to see how education and location affected awareness of banking services. They discovered a significant disparity: rural customers exhibited a much lower understanding of many banking services, especially loan products and electronic banking services, than their urban counterparts. Educational background did influence awareness to some extent, but the location (rural/urban) was an even more powerful determinant. In their sample, even educated rural customers were less aware of banking offerings than urban customers. Moreover, Kaur and Singh found that the primary sources of information about banking for rural people were informal – with bank staff being the most important source, followed by friends/relatives and then television. This finding is telling: it suggests that frontline bank employees play a critical role in disseminating information in rural areas, a role that could be leveraged further to improve awareness. Similarly, in Ghana, **Binfoh and Antwi (2013)** (as reported in their study) observed an "information gap" in the rural financial market. Through surveys of customers and non-customers of a rural bank, they concluded that banks were not effectively communicating information about their services. Many people lacked the essential knowledge needed to access credit, partly due to ignorance and illiteracy in the community. The result was that even those who could benefit from bank loans or accounts remained non-customers simply because they were not informed or could not understand the processes. Binfoh and Antwi's work underscores the importance of outreach: it is not enough for banks to *offer* credit; they must also ensure that potential users are *aware* of these offerings and understand how to utilize them. The above literature shows that while considerable research exists on rural banking expansion, service challenges, and even comparisons of customer awareness, a specific gap remains. Prior studies indicate that banks' efforts often did not fully reach the intended beneficiaries. For example, various authors note that despite a proliferation of rural schemes and branches, poor awareness and understanding could limit the actual uptake and impact on rural communities. It has been suggested that banks sometimes fail to *realize the importance of reaching out* to educate rural customers about available products. Farmers' illiteracy and ignorance of bank schemes often prevented them from taking advantage of formal financial services.

## Research gap

This study addresses that gap by concentrating on the awareness aspect: rather than proposing new banking products for rural markets, it investigates whether the rural population is even aware of the **existing agricultural schemes** provided by commercial banks and to what degree. Doing so shines light on the "last mile" problem of financial inclusion – bridging the knowledge and information gap between banks and rural customers.

## Methodology

## Objectives and Hypotheses

Based on the identified research gap, the study was designed with the following key objectives:

- **Objective 1:** To assess the awareness level of rural customers regarding **direct agricultural schemes** offered by commercial banks (i.e., loan and credit products directly related to farming and agriculture).
- **Objective 2:** To examine the awareness level of rural customers about **indirect agricultural schemes** offered by commercial banks (i.e., financial services and schemes that support agriculture indirectly, such as finance for allied activities or credit through intermediaries).
- **Objective 3:** Suggest various practical implications from the study's findings.

In line with these objectives, the study also explored whether awareness levels vary significantly across different demographic groups. The following null hypotheses were formulated:

- **$H_{01}$:** There is no significant difference in rural customers' awareness levels of agricultural schemes based on their age groups.
- **$H_{02}$:** There is no significant difference in awareness levels of agricultural schemes between male and female rural customers.
- **$H_{03}$:** There is no significant difference in awareness levels of agricultural schemes among rural customers with different educational backgrounds.

These hypotheses were intended to test whether factors like age, gender, or education influence how aware a person is of banking schemes. (Note: The primary focus of the analysis, however, is on overall scheme-wise awareness; demographic comparisons are a secondary aspect.)

## Sampling and Data Collection

The study was conducted in **Coimbatore District**, located in Tamil Nadu, a region with a mix of agricultural and industrial activity. A multi-stage sampling procedure was adopted to ensure broad coverage of the rural population. In the first stage, the Coimbatore district was purposively selected for its agricultural significance within the state. All twelve district development blocks (panchayat unions) were included in the second stage to capture geographic diversity. In the third stage, two village panchayats with the highest population were chosen from each block using stratified random sampling. This yielded 24 villages across the district. In the final stage, 50 rural households from each selected village were approached for the survey, aiming for an initial sample size of 1,200 households. Only one respondent was surveyed per household (preferably the person most knowledgeable about the family's banking activities), and respondents had to be of legal age to hold a bank account. Out of 1,200 distributed questionnaires, 1,015 were completed with valid responses, which became the final sample for analysis. This large sample provides a robust data set for understanding awareness levels in the rural population.

Data were collected through a structured questionnaire administered in person. The questionnaire included sections on the respondents' demographic profile, familiarity with various agricultural banking schemes, and whether they had used or benefited from them. Given the literacy constraints in rural areas, the survey was often administered orally by trained field investigators in the local language (Tamil) to ensure comprehension of the questions and response options.

## Variables and Measurement

The core focus of the survey was on 27 specific agricultural banking schemes offered by commercial banks. Of these, 19 were direct agricultural schemes (direct loans or credit programs for farmers and farming activities), and 8 were indirect agricultural schemes (schemes that finance agriculture-related activities through intermediaries or support services). These schemes ranged widely, including: credit cards for farmers (e.g., Kisan Credit Card), self-help group (SHG) lending programs, crop loans through joint liability groups, various subsidy-linked loans for fisheries, venture capital assistance programs for agribusiness, general credit cards, Agri-clinic and agribusiness centre loans, bio-gas and farm infrastructure loans, dairy and livestock development loans, farm machinery loans, gold loans for agriculture, among others. For clarity in analysis, the 27 schemes were conceptually grouped into seven categories (or "dimensions") based on their nature: (1) Credit Card and SHG Schemes, (2) Venture Capital and Subsidy Schemes, (3) Agri-Business Loans and Card Schemes, (4) Agriculture and Dairy Loan Schemes, (5) Farm Development and Gold Loan Schemes, (6) Working Capital and Agro-Processing Loans, and (7) Farm Machinery and Livestock Loans. This grouping was later validated through factor analysis but was initially used to organize questions in the survey so that respondents could consider similar schemes together. **Awareness Level Measurement:** Respondents were asked to rate their awareness of the 27 schemes. A five-point Likert-type scale was used, with the following anchors: **1 = "Not at all aware"**, **2 = "Not aware"** (meaning they have heard the name but know almost nothing about it), **3 = "Just aware"** (have some basic idea of what it is), **4 = "Partially aware"** (know a fair amount but not in depth), and **5 = "Fully aware"** (have thorough knowledge of the scheme). These self-reported awareness scores for each scheme constitute the primary data for analysis. It is important to note that "awareness" in this context was defined for respondents as knowledge of the scheme's existence and purpose, not necessarily personal usage. Thus, a farmer who knows about a particular loan product but hasn't used it would rate their awareness accordingly.

## Data Analysis Techniques

The collected data were analysed using both descriptive and inferential statistical techniques. First, **descriptive statistics** (mean and frequency distribution of awareness scores) were computed to understand which schemes are generally well-known and which are not. Then, to address the objectives:

- A one-way **Analysis of Variance (ANOVA)** was employed to test for significant differences in mean awareness scores across the various schemes. Given the scale of measurement, this essentially checks if specific schemes have statistically higher awareness than others on average. Separate ANOVA tests were conducted for direct schemes (19 groups) and indirect schemes (8 groups). In each case, the null hypothesis was that there is no difference in awareness among the schemes. A significant F-statistic would indicate that some schemes are significantly more recognized than others, warranting further examination of which rank highest or lowest. As we will see, the ANOVA results were significant for both direct and indirect schemes, leading to rejecting the null hypotheses and justifying a closer look at the mean scores.

- To extract underlying patterns from the awareness data, an Exploratory Factor Analysis (EFA) was performed on the 27 scheme awareness variables. This helps identify latent dimensions – for example, if respondents are aware of specific schemes, they are also likely to be mindful of others, suggesting grouping. Before running the factor analysis, the suitability of the data was confirmed using the **Kaiser-Meyer-Olkin (KMO) measure** and **Bartlett's test of sphericity**. The KMO value in our study was 0.88, well above the minimum recommended threshold of 0.5, indicating sampling adequacy. Bartlett's test was significant ($p < 0.01$), which means the correlation matrix was not an identity matrix, and factor analysis was appropriate. Additionally, the reliability of the awareness scale was verified using **Cronbach's Alpha**. The overall scale (all 27 items) achieved an alpha of 0.921 , indicating excellent internal consistency in responses – respondents' awareness ratings across schemes were consistent enough to be treated as a coherent set of measures. After confirming these conditions, factor analysis (using principal component extraction with varimax rotation) was conducted to see how the schemes cluster into factors expected to correspond to the thematic groupings noted earlier.

- The hypotheses regarding demographic differences (age, gender, education) in awareness were tested using appropriate statistical tests (t-tests or ANOVA as applicable) on composite awareness scores (e.g., overall mean awareness across all schemes or subsets). These results are mentioned briefly to the extent that they yielded notable findings.

The following section presents the results of the data analysis, integrated with a discussion relating these findings to the literature reviewed earlier. This combined "Results and Discussion" approach helps highlight where our study's outcomes align with or diverge from existing research.

## Results and Discussion

## Awareness of Direct Agricultural Schemes

Tables 1&2 summarize rural respondents' awareness of the 19 direct agricultural schemes banks offer (direct loans and credit programs for farmers). The awareness scores ranged from an average of **3.07** (on the 1–5 scale) at the low to **3.61** at the high end. This indicates that, on average, rural customers have between "just aware" and "partially aware" knowledge of these schemes. The ANOVA for these 19 schemes was significant ($F = 17.21$, $p < 0.01$), confirming that some schemes are significantly better known than others. The most well-known direct scheme was the **Gold Loan for Agriculture**, with a mean awareness score of 3.61, ranking 1st among the direct schemes. This implies that many rural respondents have at least a partial understanding of agricultural gold loans, likely because gold loans are a familiar financial product in Indian rural society (farmers often pledge gold jewellery to obtain credit). The next highest was the Produce Loan (a crop produce marketing loan) with a mean of 3.54. Following closely, the Kisan Credit Card (KCC) scheme – including variants like the Krishi Mitra card and Kisan Suvidha – had an average awareness of 3.44, making it the third most recognized. KCC is a flagship credit program for farmers in India, so it is not surprising that awareness is relatively high.

**Table.1**

**ANOVA results of direct agriculture scheme**

| SOURCE | DF | S S | M S | F |
|---|---|---|---|---|
| Between groups | 18 | 336.015 | 18.667 | 17.21* |
| Within groups | 19284 | 20897.610 | | |

**- Significant at 1 % level

**Table 4.4.1.1b**

**Mean awareness score on direct agriculture scheme**

| Direct Agriculture Schemes | Mean Awareness score | Rank |
|---|---|---|
| Kisan credit card scheme/ Krishi mitra credit card scheme/ Kisan 7uvidha scheme | 3.44 | **3** |
| Produce loan | 3.54 | **2** |
| Providing finance for raising crops through joint liability | 3.42 | **4** |
| Self Help Groups (SHG)//Lending to micro credit groups | 3.36 | **8** |
| Tissue culture loan / Acqua culture loan / Hortic culture loan / Flori culture loan / Seri culture loan / Mush room culture loan / Apiculture loan | 3.42 | **5** |
| Gold loan for agriculture | 3.61 | **1** |
| Kisan takkal | 3.32 | **9** |
| Farm development loans / Farm house loans | 3.39 | **6** |
| Tractor loans and Farm machinery loans / Financing second-hand tractors / Agricultural loans against hypothecation of vehicle | 3.37 | **7** |
| Central sector scheme for boosting seed production | 3.26 | **13** |
| Pump set/ minor Irrigation loans | 3.30 | **12** |
| Poultry & duck rearing / Seep/ Goat rearing loan / Bullock / Camel / Cart loan / Piggery loan | 3.26 | **14** |
| Dairy loans and raising crossbreed heifers | 3.32 | **10** |
| Tree-borne oil seeds | 3.23 | **15** |
| Debt swapping scheme for farmers | 3.11 | **18** |
| Loans for purchase of agricultural lands | 3.30 | **11** |
| High-tech agriculture loans | 3.18 | **17** |
| Agri-clinic and agribusiness centers(ACABC) | 3.07 | **19** |
| Biogas plant loans | 3.20 | **16** |

These findings agree that more straightforward or long-established credit products (such as gold loans or KCC, which have been widely promoted) tend to penetrate rural customers' awareness more effectively.

On the lower end, the least known scheme was the Agri-Clinic and Agri-Business Centres (ACABC) scheme, with a mean awareness of only 3.07, ranking last (19th). This scheme, which encourages agricultural graduates to start Agri-ventures (providing them subsidized credit and training), appears to have minimal recognition among the general farming community. Other low-awareness direct schemes included high-tech agriculture Loans (mean ~3.18) and Debt Swapping for Farmers (mean ~3.11), which also scored toward the bottom of the list. The relatively poor awareness of these specialized schemes suggests a gap in outreach; these products might not have been advertised or explained well to the rural masses, or they may target a niche audience. These results strongly echo findings from earlier studies. The generally moderate awareness levels and particularly low awareness of specialized loans are consistent with Kaur and Singh's (2012) observation that rural customers have low awareness of many banking services and incredibly advanced credit schemes. In their Punjab-based study, even essential loan products were not widely known in rural areas, and our data from Tamil Nadu shows a similar pattern – widespread schemes like KCC are known to some extent. Still, more complex programs like venture capital assistance or Agri-clinic loans remain obscure. The implication is that the breadth of products offered by banks is not matched by the breadth of knowledge among the target users, a point also underscored by the **research gap** identified in our literature review: banks may not effectively reach out to inform customers about these schemes . As Binfoh and Antwi (2013) noted in Ghana, simply making a product available does little good if information about it fails to reach the potential beneficiaries. Our findings provide concrete evidence of such an information shortfall in the Indian context – numerous direct lending schemes exist on paper, but many farmers remain only vaguely aware of them. Furthermore, the prominence of the Gold Loan in awareness rankings highlights the role of familiarity and cultural context. Gold loans are traditional and straightforward – a farmer can understand pledging gold for cash quickly, and many might have experienced it directly or indirectly. In contrast, a scheme like ACABC requires knowledge of a government program aimed at Agri-entrepreneurship, which a typical farmer might not encounter unless proactively informed. This disparity suggests that banks and policymakers need tailored communication strategies for different products. Everyday products might gain organically, but specialized schemes require targeted awareness campaigns. This observation aligns with Markley and Shaffer's (1993) argument that rural banks must innovate how they engage customers; a one-size-fits-all approach won't work. Each scheme might need a unique outreach strategy to reach its intended audience.

## Awareness of Indirect Agricultural Schemes

The analysis (Table 3 &4) of the eight indirect agricultural schemes (which involve financing through intermediaries or for ancillary activities) also showed a significant difference in awareness across schemes (ANOVA $F = 6.20$, $p < 0.01$). Overall, the average awareness scores for indirect schemes ranged from **3.11** to **3.45**, which is a similar mid-level awareness range as observed for direct schemes. Among the indirect schemes, the General Credit Card (GCC) – a credit facility often provided to rural micro-entrepreneurs and farmers for general credit needs – had the highest awareness with a mean score of 3.45, ranking 1st. This suggests that respondents were relatively more familiar with the concept of a general-purpose credit card for rural borrowers, possibly because it is somewhat analogous to the well-known Kisan Credit Card or simply because the term "credit card" (even in a general sense) is familiar. The second most known was the Capital Investment Subsidy Scheme for Godowns/Cold Storage & Agro-Processing Units, with an average awareness of 3.34. This scheme provides subsidized loans for building storage and processing facilities. Its awareness might be higher because government agricultural departments have publicized such schemes and occasionally reach farmers' groups or local entrepreneurs. Close in awareness were the Working Capital Loan schemes for input dealers and farm machinery dealers (mean ~3.28, rank 3) and the Financing to Self-Help Groups (via NGOs/MFIs) for on-lending (mean ~3.26, rank 4-5 tie). These involve credit indirectly – the former through providing working capital to those who supply farmers and the latter through microfinance intermediaries to reach SHGs. The presence of SHG lending in this list is notable; rural respondents might know about SHG-linked loans due to the popularity of self-help groups in many villages (often women's savings groups).

**Table 3**

**ANOVA Results of Indirect Agriculture Scheme**

| SOURCE | DF | S S | M S | F |
|---|---|---|---|---|
| Between groups | 7 | 89.008 | 9.889 | 6.20* |
| Within groups | 8112 | 12929.490 | 1.594 | |

*- Significant at 1 % level

**Table 4**

**Percentage of Awareness of Indirect Agriculture Scheme**

| Indirect Agriculture Schemes | Mean Awareness score | Rank |
|---|---|---|
| General credit card | 3.45 | **1** |
| Capital investment subsidy- Scheme for construction of godown or cold storage / Food & Argo processing units | 3.34 | **2** |
| Financing to commission agents against book debts | 3.26 | **4** |
| Working capital limit to fertilizer dealers / Working capital limit to allied activity input dealers / Working capital limit to farm machinery dealer (Drip/sprinkler irrigation) | 3.28 | **3** |
| Estate purchase loans | 3.17 | **6** |
| Finance to NGOs/MFIs for on- lending to SHG's | 3.26 | **5** |
| Subsidy schemes for fisheries development (NFDB) | 3.15 | **7** |
| Schemes for agribusiness development through venture capital assistance by small farmers agribusiness consortium. (SFAC) | 3.11 | **8** |

**Source: Primary data**

The least known indirect schemes were the Subsidy Scheme for Fisheries Development (by NFDB) with a mean of 3.15, and at the very bottom, the Venture Capital Assistance Scheme by SFAC for agribusiness development, with a mean awareness of just 3.11. These two being at the bottom is unsurprising – both are pretty specialized (fisheries and venture capital in agriculture) and target narrower groups (fisherfolk and Agri-entrepreneurs, respectively). A typical farmer not involved in fishing or high-scale agribusiness might have never heard of these unless there were specific outreach programs in the area.

In reflecting on these results, we see a pattern where more generic or widely applicable financial schemes (like the General Credit Card or broad subsidy for storage facilities, which many farmers cooperatives might utilize) have greater awareness, whereas niche schemes languish in obscurity. This pattern agrees with prior research that identified information asymmetry as a significant issue in rural finance. Binfoh and Antwi's (2013) concept of an "information gap" is mirrored here: specific opportunities (like venture capital for small farmers) remain effectively outside the consideration set of rural customers due to lack of information. Potential benefits (like a subsidy or a low-interest loan for a fishery project) might go unclaimed. At the same time, farmers continue to rely on more expensive or less optimal credit sources. It's also worthwhile to compare the relative awareness of direct vs. indirect schemes. Direct schemes, being more immediately relevant to farmers' personal needs (crop loans, livestock loans, etc.), might be expected to have higher visibility on average. Our data shows that both categories had similar mid-range awareness, but the top direct schemes (Gold loan, KCC) scored higher than the top indirect scheme (GCC). This suggests that direct farm credit products still lead to awareness penetration. Indirect schemes often work behind the scenes (e.g., a farmer might benefit from an NGO on-lending scheme without knowing the bank financed that NGO). Therefore, unless farmers directly participate in such a program, they might not see the bank's role. This insight indicates that banks might not actively advertise indirect schemes to the general public, possibly focusing only on the partner organizations (like MFIs or dealers). While that may be a reasonable approach, it means the end beneficiaries remain less informed about the broader spectrum of financial support available. From a policy standpoint, moderate awareness levels across direct and indirect schemes highlight a challenge to achieving full financial inclusion. The government and RBI have pushed banks to increase credit to agriculture (priority sector lending requirements, etc.). Still, the impact will be muted if the intended clients are only dimly aware of many schemes. Our findings reinforce the conclusions of earlier rural banking experiments: simply opening rural branches or creating schemes is not enough. Wiggins (1992) documented the successful expansion of rural banking infrastructure, but these successes can only go so far if farmers do not know about the services in the first place. Uche's (1999) critique comes to mind – many rural branches in Nigeria did little more than funnel deposits out, failing to serve local development truly . In our context, one could argue that many rural bank branches in India may be under-serving their communities not because they don't offer the right products, but because insufficient effort is made to educate customers about them. This is a subtle but essential facet of rural banking efficacy.

## Factor Analysis of Awareness Dimensions

An exploratory factor analysis (table 5,6,7, &8) was conducted to interpret further the awareness data, which yielded seven distinct factors corresponding closely to the predetermined scheme groupings. Each factor represents a cluster of schemes that tended to be known (or not known) together by respondents. In essence, these factors can be thought of as underlying dimensions of awareness:

- **Factor 1: "**Credit Card and SHG Schemes" – This factor had high loadings from schemes like the Kisan Credit Card, Produce Loan, Joint Liability Group crop finance, and SHG-based lending. These schemes all involve credit via cards or group-based mechanisms. The factor accounted for about 10.7% of total variance, indicating it's a significant theme in awareness.

**Table 5**

**KMO and Bartlett's Test**

| **Kaiser-Meyer-Olkin** | **Measure of sample adequacy** | **0.88** |
|---|---|---|
| Bartlett's test of Sphericity | Approx. Chi-square | 12925.09 |
| | DF | 351.00 |
| | Sig | 0.00 |

**Table 6**

**Reliability statistics- direct and indirect agriculture schemes**

| **Cronbach's Alpha** | **No. of items** | **No. of variables** |
|---|---|---|
| 0.921 | 1015 | 27 |

We interpret this as respondents who knew about one of these credit instruments often knew about the others, perhaps because these are frequently discussed in financial literacy programs or by bank field officers. It reinforces that KCC and SHG financing are central in the rural credit narrative.

- **Factor 2: "**Venture Capital and Subsidy Schemes" – This was defined by schemes like Fisheries Development Subsidy (NFDB), on-lending to SHGs via NGOs/MFIs, Agribusiness Venture Capital by SFAC, and Kisan Takkal (emergency credit). It also explained roughly 10.4% of the variance. This grouping is interesting – it combines some niche schemes (venture capital, fisheries) with a broader one (SHG on-lending). The common thread is that these are specialized or second-tier financing schemes often involving subsidies or intermediaries. The fact that they form a factor suggests that some respondents (perhaps the more financially aware or those linked to cooperative societies) have heard of most of these specialized programs. At the same time, the general populace has not (hence, these schemes go together in awareness).

- Factor 3: “Agri Business Loans and Card Schemes” – Schemes loading here included the General Credit Card, Agri-Clinics and Agri-Business Centres (ACABC), Biogas Plant Loans, and Hi-Tech Agriculture Loans. Accounting for about 10.3% variance, this factor groups entrepreneurial and innovative loan schemes. Including the General Credit Card with ACABC and hi-tech loans implies that some farmers have an entrepreneurial bent or are part of training programs where they learn about multiple such initiatives. However, these schemes were not the most known overall so that this factor might represent a smaller knowledgeable group.

## Table 7

**Results of level of awareness about various agriculture schemes offered to farmers by the banks**

| | Farmers Schemes | FACTORS | | | | | | | Comm-nality |
|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| 1 | Kisan credit card scheme/ Krishi mitra credit card scheme/ Kisan suvidha scheme | **0.75** | 0.20 | 0.18 | 0.06 | 0.10 | 0.13 | 0.09 | 0.67 |
| 2 | Produce loan | **0.71** | 0.11 | 0.13 | -0.04 | 0.14 | 0.275 | 0.13 | 0.63 |
| 3 | Providing finance for raising crops through joint liability | **0.67** | 0.17 | 0.04 | 0.13 | 0.29 | 0.18 | 0.11 | 0.63 |
| 4 | Self Help Groups (SHG)//Lending to micro credit groups | **0.76** | 0.13 | 0.03 | 0.20 | 0.22 | 0.10 | 0.13 | 0.71 |
| 5 | Tissue culture loan / Acqua culture loan / Hortic culture loan / Flori culture loan / Seri culture loan / Mush room culture loan / Apiculture loan | 0.31 | 0.06 | 0.04 | 0.20 | **0.68** | 0.17 | 0.09 | 0.65 |
| 6 | Gold loan for agriculture | 0.28 | -0.01 | 0.03 | 0.13 | **0.69** | 0.23 | 0.15 | 0.65 |
| 7 | Kisan takkal | 0.33 | **0.64** | 0.23 | 0.12 | 0.42 | -0.06 | 0.07 | 0.58 |
| 8 | Farm development loans / Farm house loans | 0.20 | 0.36 | 0.25 | -0.06 | **0.59** | 0.06 | 0.22 | 0.64 |
| 9 | Tractor loans & Farm machinery loans / Financing secondhand tractors / Agricultural loans against hypothecation of vehicles | -0.04 | 0.17 | 0.30 | -0.11 | 0.44 | -0.01 | **0.58** | 0.66 |
| 10 | Central sector scheme for boosting seed production | 0.04 | 0.43 | 0.34 | 0.02 | 0.17 | -0.02 | **0.52** | 0.61 |
| 11 | Pumpset/ minor Irrigation loans | 0.23 | 0.13 | 0.08 | 0.24 | 0.08 | 0.10 | **0.73** | 0.69 |

| | Farmers Schemes | FACTORS | | | | | | | Comm-nality |
|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| 12 | Poultry & Duck Rearing / Sheep/ Goat rearing loan / Bullock / Camel / Cart loan / Piggery loan | 0.23 | 0.09 | -0.02 | 0.31 | 0.09 | 0.18 | **0.67** | 0.65 |
| 13 | Dairy loans & raising crossbreed heifers | 0.14 | 0.01 | 0.08 | **0.69** | 0.06 | 0.15 | 0.42 | 0.70 |
| 14 | Tree-borne oil seeds | 0.15 | 0.16 | 0.05 | **0.71** | -0.07 | 0.19 | 0.30 | 0.69 |
| 15 | Debt swapping scheme for farmers | 0.01 | 0.28 | 0.18 | **0.71** | 0.10 | 0.07 | 0.04 | 0.64 |
| 16 | Loans for purchase of agricultural lands | 0.07 | 0.11 | 0.39 | **0.61** | 0.32 | 0.02 | -0.08 | 0.65 |
| 17 | High-tech agriculture loans | 0.09 | 0.12 | **0.67** | 0.38 | 0.25 | 0.04 | -0.01 | 0.68 |
| 18 | Agri clinic & Agri business centers (ACABC) | 0.13 | 0.21 | **0.72** | 0.20 | 0.03 | 0.09 | 0.01 | 0.63 |
| 19 | Biogas plant loans | 0.26 | 0.16 | **0.71** | 0.11 | -0.04 | 0.03 | 0.24 | 0.66 |
| 20 | General credit card | -0.04 | -0.04 | **0.79** | -0.05 | 0.11 | 0.26 | 0.13 | 0.72 |
| 21 | Capital investment subsidy- Scheme for construction of godown or cold storage / Food & agro processing units | 0.21 | 0.00 | 0.16 | -0.02 | 0.16 | **0.81** | 0.18 | 0.78 |
| 22 | Financing to commission agents against book debts | 0.25 | 0.26 | 0.21 | 0.18 | -0.01 | **0.68** | 0.10 | 0.67 |
| 23 | Working capital limit to fertilizer dealers / Working capital limit to allied activity input dealers /Working capital limit to farm machinery dealers (Drip/sprinkler irrigation) | 0.19 | 0.34 | 0.06 | 0.26 | 0.20 | **0.60** | 0.01 | 0.63 |
| 24 | Estate purchase loans | 0.15 | 0.41 | 0.04 | 0.35 | 0.29 | **0.51** | -0.05 | 0.66 |
| 25 | Finance to NGOs/MFIs for on-lending to SHGs | 0.16 | **0.73** | 0.04 | 0.19 | 0.18 | 0.16 | 0.09 | 0.67 |
| 26 | Subsidy schemes for fisheries development (NFDB) | 0.19 | **0.78** | 0.08 | 0.16 | 0.06 | 0.12 | 0.10 | 0.70 |

| | Farmers Schemes | FACTORS | | | | | | | Comm - nality |
|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| 27 | Schemes for agribusiness development through venture capital assistance by small farmers agribusiness consortium. (SFAC) | 0.11 | **0.67** | 0.18 | 0.09 | -0.04 | 0.19 | 0.19 | 0.57 |
| Eigen value | | 2.90 | 2.81 | 2.79 | 2.66 | 2.26 | 2.21 | 2.19 | 17.82 |
| % variance explained | | 10.74 | 10.42 | 10.32 | 9.86 | 8.36 | 8.19 | 8.11 | 65.99 |
| Cumulative % Variance explained | | 10.74 | 21.16 | 31.48 | 41.33 | 49.69 | 57.88 | 65.99 | |

- **Factor 4: "**Agriculture and Dairy Loan Schemes" – Comprised of schemes like Tree Crop (oil seeds) loans, Debt Swapping for farmers, Dairy development loans, and Loans for land purchase. Each loaded around 0.70 on this factor, contributing ~9.9% variance. These are conventional agriculture enhancement loans. The factor suggests that awareness of one often went with awareness of others, perhaps because they're usually promoted together under agricultural development programs or discussed in farming circles.

## Table 8

**Clustering of level of awareness about various agriculture schemes offered to farmers by the banks**

| Factor | Schemes offered to farmers by the banks | Rotated factor loadings |
|---|---|---|
| I (10.74%) | Kisan credit card scheme/ Krishi Mitra credit card scheme/ Kisan Suvidha scheme -1 | **0.75** |
| | Produce loan-2 | **0.71** |
| | Providing Finance for raising crops through joint liability-3 | **0.67** |
| | Self Help Groups (SHG)//Lending to microcredit groups-4 | **0.76** |
| II (10.42%) | Kisan takkal-7 | **0.64** |
| | Finance to NGOs/MFIs for on-lending to SHG's-25 | **0.73** |
| | Subsidy schemes for fisheries development (NFDB)-26 | **0.78** |
| | Schemes for agribusiness development through venture capital assistance by small farmers agribusiness consortium. (SFAC)-27 | **0.67** |

| Factor | Schemes offered to farmers by the banks | Rotated factor loadings |
|---|---|---|
| III (10.32%) | Hi-tech agriculture loans-17 | **0.67** |
| | Agri clinic and Agribusiness Centres (ACABC) -18 | **0.72** |
| | Biogas plant loans-19 | **0.71** |
| | General credit card-20 | **0.79** |
| IV (9.86%) | Diary loans and raising cross-breed heifers-13 | **0.69** |
| | Tree borne oil seeds-14 | **0.71** |
| | Debt swapping schemes for farmers-15 | **0.71** |
| | Loans for purchase of agricultural lands-16 | **0.61** |
| **Factor** | **Schemes offered by the banks** | **Rotated factor loadings** |
| V (8.36%) | Tissue culture loan / Acqua culture loan / Hortic culture loan / Flori culture loan / Seri culture loan / Mush room culture loan / Apiculture loan-5 | **0.68** |
| | Gold loan for agriculture-6 | **0.69** |
| | Farm development loans/farm house loan-8 | **0.59** |
| VI (8.19%) | Capital investment subsidy- Scheme for construction of godown or cold storage / Food & agro processing units-21 | **0.81** |
| | Financing to commission agents against book debts-22 | **0.68** |
| | Working capital limit to fertilizer dealers / Working capital limit to allied activity input dealers / Working capital limit to farm machinery dealer (Drip/sprinkler irrigation)-23 | **0.60** |
| | Estate purchase loans-24 | **0.51** |
| VII (8.11%) | Tractor loans & Farm Machinery loans / Financing Secondhand tractors / Agricultural loan against hypothecation of vehicle-9 | **0.58** |
| | Central sector scheme for boosting seed production-10 | **0.52** |
| | Pumpset/ minor Irrigation loans-11 | **0.73** |
| | Poultry & Duck Rearing / Seep/ Goat rearing loan / Bullock / Camel / Cart loan / Piggery loan-12 | **0.67** |

- **Factor 5: "**Farm Development and Gold Loan**"**—This factor had a Gold Loan for agriculture and composite categories like Tissue culture/aquaculture/horticulture/Horti-/Flori-culture loans and Farm development/house loans loading on it. It explained ~ an 8.4% variance. Despite its high individual awareness, gold loans are here, indicating that those who paid attention to farm development schemes also knew about gold loans (likely because they are ubiquitous). It may also reflect a general awareness of credit for improving farm assets or working capital.
- **Factor 6: "**Working Capital and Agro-Processing Loans" – Schemes here included Capital investment subsidy for storage/processing, Financing to commission agents (trade credit), working capital for input dealers/machinery dealers, and Estate Purchase loans. Explaining ~8.2% variance, this factor groups schemes related to agriculture's supply chain and infrastructure. It again probably corresponds to a subset of respondents involved in or informed about agricultural marketing and input supply – possibly traders or those in cooperative leadership, rather than average small farmers.
- **Factor 7: "**Farm Machinery and Livestock Loans"—The final factor included Irrigation/Pump set loans, Livestock (poultry, sheep, etc.) loans, Tractor/Vehicle loans for agriculture, and Seed production schemes. It accounted for about an 8.1% variance. This grouping groups the mechanical and livestock-related awareness, which makes sense because someone interested in buying a tractor might also inquire about pump set loans or livestock loans. In contrast, someone who does not need these might ignore them all.

The factor analysis corroborates our earlier categorization and indicates that rural awareness of schemes is **not random**; it has a structure. People tend to learn about schemes in clusters, likely through the channels they are exposed to. For example, an SHG or farmers' club farmer might be exposed to information about KCC, SHG loans, and related subsidies (hence Factors 1 and 2 awareness). A progressive farmer interested in new tech might learn about Agri-clinic, biogas, and hi-tech loans together (Factor 3). Someone dealing with dairy or land issues might know that set (Factor 4), and so on. This insight has practical value: to improve awareness, interventions can be tailored by factor. If a particular farmer already knows one scheme in a factor, that can be the entry point to educate them about the others in that cluster. Relating this to literature: none of the reviewed studies dealt with factor analysis of awareness, but the general idea that awareness comes via specific channels and associations resonates with Kaur and Singh's finding about sources of awareness. They found bank staff and peer networks to be key sources. We can infer that if a bank's field officer is proactive in a village, the villagers might become aware of multiple schemes that officer promotes – creating a cluster of awareness attributable to that source. On the other hand, if mass media (like TV or radio) discussed a particular scheme (say KCC), people might know that one but not others unless there was a programmatic effort to link them. The clustering implies that improving awareness might be most effective if done thematically – educating about groups of related products rather than in isolation.

In summary, the results paint a picture where: (a) awareness of agricultural banking schemes among rural customers is moderate on average and unevenly distributed across schemes; (b) well-publicized, straightforward schemes have higher awareness than specialized, complex ones; (c) these findings are consistent with earlier research that highlighted low financial awareness in rural areas and the challenges it poses.; and (d) there are discernible patterns in how awareness is acquired, which can inform strategies to spread knowledge more effectively. Before moving to the implications, here is a brief note on the hypotheses about demographic differences: Statistical tests on awareness scores across different demographic segments (age, gender, education levels) showed only modest differences. There was no substantial evidence that older vs. younger farmers differed significantly in awareness, nor was there a significant gender gap in overall awareness; both males and females in the sample were equally likely to be aware (or unaware) of various schemes. Education level did show a slight positive correlation with awareness – respondents with higher education tended to have heard of more schemes – but even among those with only primary education, the relative ranking of scheme awareness was similar. These results mirror Kaur and Singh's finding that while education helps, the rural location factor dominates. In our study, since all respondents are rural, education's influence is present but constrained by the overall limited exposure in rural environments. This again emphasizes that the rural context – access to information, outreach by banks, and peer networks – largely determines awareness levels. Thus, interventions to raise awareness must permeate the rural social fabric, reaching people of all ages, genders, and educational backgrounds.

## Implications of the Study

The findings of this study have important implications for policymakers, commercial banks, and other stakeholders who are working toward improving rural financial inclusion and the effectiveness of agricultural schemes:

- **Bridging the Information Gap:** It is evident that a gap exists between the existence of banking schemes and rural customers' awareness of them. Policymakers (such as the Ministry of Finance and RBI) should recognize that launching a scheme is only half the battle – the success of rural credit programs hinges on awareness. Resources must be allocated for subsidy or credit disbursement, financial literacy, and publicity campaigns in rural areas. For example, concurrent awareness drives through village meetings, local language media, and community leaders should be mandated when introducing an agricultural loan scheme. This aligns with the experience in Ghana, where promotional campaigns helped counteract social belief barriers to using banks. In the Indian context, leveraging networks like Krishi Vigyan Kendras (farm science centers), agricultural extension officers, and Panchayati Raj institutions can help disseminate information about banking schemes to the last mile.

- **Role of Commercial Banks and Staff:** Commercial banks, being the implementers of these schemes, have a direct role in increasing awareness. The study highlights that bank staff are a crucial source of information for rural customers. Therefore, banks should invest in training their field staff and branch personnel in rural areas to be knowledgeable about all agricultural schemes and proactively communicate their benefits to customers. Every interaction with a rural customer is an opportunity to educate. For instance, when a farmer comes to deposit money or withdraw cash, bank staff can take a few moments to inform them about a relevant scheme (say, a crop loan or a dairy loan, depending on the farmer's background). Banks could organize financial literacy camps or "banking melas" in villages to showcase available schemes. Such initiatives echo the strategies suggested by Markley and Shaffer (1993) – rural banks need to become more active participants in their communities' development. Banks foster inclusion by providing leadership in spreading financial knowledge and can expand their customer base and loan uptake in the long run.

- **Customized Communication Strategies:** The factor analysis revealed that awareness tends to cluster; this suggests that themes can tailor marketing and communication. Stakeholders should develop targeted messaging around each cluster of schemes. For example, for the "Credit Card and SHG" cluster (Factor 1), communication can emphasize how Kisan Credit Cards, joint liability group loans, and SHG loans work, perhaps through success stories of local farmers who benefited from these. For the "Farm Machinery and Livestock" cluster (Factor 7), demonstration camps showing how to avail tractor loans or dairy loans, possibly in partnership with equipment vendors or veterinary departments, could be effective. By addressing related schemes together, banks can educate farmers on a suite of options relevant to their needs, improving the likelihood that at least one scheme catches the interest of each attendee. This thematic approach ensures a more holistic understanding – a farmer might attend an event for tractor loans but leave also knowing about pump-set loans and livestock finance, for example.

- **Policy Support for Awareness Programs:** Government agencies and regulators should possibly make it a part of the compliance for priority sector lending that banks achieve specific awareness benchmarks in rural areas. Like there are targets for loan disbursement, there could be targets or requirements for conducting financial literacy workshops or producing informational materials in local languages. The RBI and NABARD (National Bank for Agriculture and Rural Development) could collaborate to monitor and support these knowledge dissemination efforts. Indeed, schemes like the National Strategy for Financial Education (NSFE) exist; our study underlines the need to specifically include awareness of government-sponsored agricultural schemes as a priority area in such strategies.

- **Inclusion of Local Stakeholders:** Other rural stakeholders – such as non-governmental organizations (NGOs), community-based organizations, and local cooperatives – should be integrated into the awareness-building process. NGOs and microfinance institutions working closely with communities can be valuable information messengers. For instance, an NGO involved in farmer training can include sessions on available agricultural bank loans. The study found that many are unaware of even beneficial schemes; if those who work on rural development disseminate this knowledge, it could empower farmers to approach banks. In Ghana's case, lack of information kept many people from becoming bank customers; in India, NGOs can help convert such non-customers into customers by educating them on why and how to use formal finance instead of informal lenders.

- **Simplifying Access and Processes:** While our study focused on awareness, the literature (e.g., Chatterjee, 2011) reminds us that awareness alone is insufficient if availing schemes is arduous. Therefore, an implicit implication is that banks and policymakers must also work on simplifying the application procedures for these schemes. If farmers find schemes too complicated to use, awareness will not translate into actual uptake. Streamlining documentation, speeding up loan processing times, and perhaps using technology (like online applications or mobile banking, where feasible) can enhance the effectiveness of increased awareness. Policymakers might consider one-stop facilitation centres for rural credit, where farmers can get information and help apply for multiple schemes in one place. By reducing the friction in accessing credit, the benefit of awareness drives will be fully realized in greater participation.

- **Monitoring and Feedback:** Finally, monitoring awareness levels as a metric of progress in financial inclusion is essential. Banks or independent bodies can periodically conduct surveys like this one to gauge which schemes are well known and which are lagging. This feedback loop can help adjust policies – if specific schemes remain obscure despite being potentially useful, perhaps their design or promotion strategy needs rethinking. Additionally, feedback from the field can highlight misconceptions that need to be addressed. For example, if farmers know a scheme but have incorrect information about it (which our survey did not precisely capture but is a possibility), that would require corrective information campaigns.

In conclusion, enhancing rural customers' banking awareness is critical to ensuring agricultural finance schemes achieve their intended impact. The practical insights from this study urge a multipronged approach: educate the customers, engage the bankers, and enable the process. Doing so will help rural households better utilize formal financial services for agriculture, reducing their reliance on informal sources and improving their economic well-being. Ultimately, higher awareness and usage of these schemes will contribute to broader rural development and financial inclusion goals in India.

## Limitations of the Study

While the study provides valuable insights into the awareness of agricultural banking schemes among rural customers in Tamil Nadu, it is not without limitations. First, the study is geographically confined to the Coimbatore district, and the findings may not be generalizable to other rural regions with differing socio-economic profiles, agricultural practices, or banking outreach. Second, the awareness levels were self-reported, which may be subject to recall bias or overestimation by respondents. Third, the study did not delve into the actual utilization or impact of the schemes, which is essential to evaluate the effectiveness of awareness in translating into action. Finally, the cross-sectional design limits the ability to observe changes in awareness over time or in response to specific interventions.

## Future Research

Future studies could broaden the geographic scope to include multiple districts or states, allowing for comparative analysis across rural contexts. Longitudinal research could track the evolution of awareness and its impact on scheme utilization over time. Additionally, incorporating qualitative methods such as focus groups or interviews could uncover deeper behavioural and perceptual barriers to banking access that surveys alone might miss. Further research may also explore the role of digital banking tools and mobile outreach in enhancing awareness, particularly in post-pandemic rural India. Evaluating the effectiveness of specific awareness-building campaigns or financial literacy programs would offer practical insights for policymakers and banks.

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