DIGITAL TRANSACTIONS AND THEIR IMPACT ON THE UNORGANISED AGRICULTURAL SECTOR WITH REFERENCE PUNE DISTRICT

Dr. Sudarshan Arjun Giramkar

Professor, HSBPVT'S, Parikrama Institute of Management, Kashti, Ahmednagar.

Dr. Vijay N Patil

Principal, HSBPVT'S, Parikrama College of Engineering, Kashti, Ahmednagar.

Abstract: - Digital India is one of the outstanding ways of promoting digital technology in India which makes it different in the Global world. Digital India marks the public usage of digital money as a necessity in its place of choice. Smartphone equipment boosts the usage of the internet and network procedures. It encourages the handlers to get access to digital transactions through numerous apps. It leads a quick growth in digital transactions in use. This study tries to find out the usage of digital currency for transactions and its impact on the unorganized Agriculture sector in the Pune District. Most of the consumers, in and around the town are familiar with smartphone technology and the usage of digital currency. Accepting digital currency in the Agriculture market is the biggest challenge for them. Thus, this study highpoint some of the challenges in the acceptance and practice of digital currency in agriculture. The data were collected from several unorganized farmers in Pune District. It is found that most of the farmers are not happy with the acceptance and usage of digital transactions. Some of the farmers felt uncertain about the digital currency transactions and have to bear some extra charges in the profit part of the deal. The convertibility of liquid cash in the case of digital currency appears to be determined by the banks. The study concluded that the digital currency for the transactions is a satisfactory one for the professional but at the same time, flexibility is a question due to the lack of governing regulator. There are numerous determinants of Digital India in an unorganized sector that have been a prime need of time for an open discussion.

Keywords: Digital currency, unorganized agriculture sector, insecure, adaptability, etc.

1. Introduction

Digital India imitative has dramatically evolved in transforming societies, cultures, and economies in India. The use of IT applications and Internet technology in various has been able to influence a larger section of society. Digital transmission persuaded IT development, which increases productivity, competitiveness, socio-economic growth, and human welfare by different sectors of the economy, and there begins the digital divide in the use, access, skills, and others (Saundarjya, 2005). There seems to be an inequality between the people who are associated with the unorganized sector and where information technology is still a less popular and debatable issue.

Unorganized agriculture is the largest and main player in the overall Indian economy. The majority of the Indian population is dependent on agriculture and allied businesses. Agriculture is the backbone of the rural Indian economy. Digitalization and the smartphone revolution brands a positive shaking among the public. Plenty of applications are provided that numerous services to the end users. Throughout the last few years, there is a revolution

in equipment alterations that no need to retain the own wallet. Most smartphone users are expected to buying through online. Customer perception impacts the old-style farmers to accept plastic currencies, like debit cards, Credit cards, cash, and cheques in the market. It hints to them to receive digital currencies that transfer through apps like Paytm, Phone pay, PayPal, Google pay, etc. In the older days, there was no chance for a customer to compare the products and figure out the substitutes. But after the entry of some big firms in the online marketplace and revolution in the smartphone technology, the consumers' attitude focused on the online agriculture market. The online market delivers multichannel supply and it provides merchandise comparison and recommendation of alternatives. Digital currency is electronic money, which translates physical currency into electric money by way of keeping it in digital wallets. Upkeep of the money in the digital wallet helps the customer to get more offers and instant cashback on every single payment. It attracts consumers to get entree to digital wallet apps. The smartphone and various network updates in technologies and especially the online agriculture market in rural areas lead customers and smartphone operators to access the digital wallet. This acceptance is mostly welcomed by the customers because even without bringing cash and cards they can use money through digital ways and accessing it from any place. Nowadays farmers are also adopting newer technology for their transactions. In the Pune District, most of the Farmers are accepting digital mode payments through apps like Paytm, Mobikwik and Airtel pay, and recently Google pay.

Overview of the Indian Agriculture Sector:-

1.1 Agriculture plays a vital role in India's economy. 54.6% of the total workforce is engaged in agricultural and allied sector activities as per the Census 2011 and accounts for 17.8% of the Indian Gross Value Added for the year 2017-18. Given the importance of the agriculture sector, the Government of India has taken several steps for its development in a sustainable manner. Steps have been taken to improve the income of farmers

1.2 As per the Land Use Statistics 2016-17, the total geographical area of the country is 328.7 million hectares, of which 139.4 million hectares is the reported net sown area and 200.2 million hectares is the gross cropped area with a cropping intensity of 143.6%. The net area sown works out to 42.4% of the total geographical area. The net irrigated area is 68.6 million hectares.

1.3 Agriculture Gross Value Added (GVA): As per the provisional estimates of Annual National Income released by the Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation, the agriculture, and allied sectors contributed approximately 17.8% of India's GVA.

1.4 The Agriculture and Allied Sector witnessed marginal growth of 0.6 % in 2015-16 followed by a substantial recovery of 6.8 % in 2016-17 that fell by almost a % to 5.9 % in the following year, 2017-18.

1.5 Capital Formation in Agriculture and Allied Sectors: Gross Capital Formation (GCF) is an indicator of the level of investment activity in the sector. Concerning GVA in the sector, Gross Capital Formation in the sector has been fluctuating during the last 5 years with a major fall experienced in 2015-16 to 14.7 percent from 17.7% in 2013-14. The indicator has since recovered and has improved to 16.4 % in 2017-18.

2. Review of literature

As for the effect of industrial structure optimization. Digital inclusive finance reduces information asymmetry and transaction costs, thereby improving the efficiency of resource allocation and boosting the optimization and upgrading of the agricultural structure **(Chava et al., 2013).**

Marc Wiefel (2015) stated that the traditional Farmers should change their traditional frames of reference and ways of working. Because of the consumers focus shifting from store-based to multichannel mindset.

NEC Corporation (2016) stated that the digital environment has made it essential for the Farmers to provide added value to the consumers to survive in the market. Hence, it is necessary to adopt the consumer-centric modelling

business method with the latest technology

Capgemini consulting (2017) reported that consumers are expecting the Farmers to serve a higher function in the form of digitalisation and new technologies than simply selling the products.

3. Statement of problem

The study aims to know the awareness and impact levels of traditional and unorganized farmers in the adoption of digital mode currencies for their transactions. Due to changes in the new age technology, the adoption of digital mode transactions become essential in the field of the agriculture sector. In the adoption, the Farmers face many challenges in the field of transactions. Thus, this study tries to figure out the impact of the unorganized agriculture sector on the acceptance of digital currency for transactions.

4. Objective of the study

1. To know the awareness level of farmers about the usage of electronic money.
2. To know the opportunities and challenges to implement digital transaction.
3. To know the impact and satisfaction level in the adoption of digital currency.

5. Limitations of the Study

The study has the following limitations:

1. The study on digital transactions and its impact on the Indian agriculture sector is limited to just Pune district; as such, it is not a pan-India study;
2. As the present study was conducted during November/December 2017, i.e., after one years of the announcement of demonetisation, by seeking opinions/perceptions of the farmers on various aspects of demonetisation and its implications on their daily lives, including digital payments, agricultural operations, the respondents might have recalled issues while answering the questionnaire;
3. In order to obtain a ringside view, the study was unable to collect the information from the managers/officers of cooperative societies or banks in rural areas, who form part of important stakeholders in agriculture and allied sectors.

6. Hypothesis

H01: There is no significant association between type of business and awareness level.

H02: There is no significant relationship between type of business and impact level.

H03: There is no significant relationship between size of the business and the satisfaction level.

7. Methodology

This paper is based on both Primary and Secondary data. The study is based on primary data, collected from farmers in the Pune District using a random sampling technique with the help of a structured questionnaire. Secondary data are collected from previous studies and other reliable sources like various journals books, and online magazines. The unorganized Sector and Digital India initiative both are a very vast and recent theme of research that covers only a few dimensions.

8. Sampling design

The sample size comprises different types of farmers with their land holding capacity. A sample of 112 respondents was considered for the study to find out the impact and satisfactory level of the farmers in the adoption of digital currency in business.

TABLE 1- Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
0.823	0.820	38

The above Cronbach's Alpha reliability shows that the data are reliable at 0.820, which states that present data are reliable.

9. Results and discussion

1. Among the 112 respondents, 38 are farmers having more than 50 acers of land holding, 32 farmers having 20 to 30 acers of land holding, 32 farmers having 10 to 20 acers of land holding, 6 are farmers having 5 to 10 acers of land holding, and 4 are farmers having below 5 acers of land holding.
2. Among the respondents, 28 Farmers are in the field 10 to 15 years in the agricultural business, 26 are in the field more than 20 years in the agricultural business, 24 are in the field 5 to 10 years in the agricultural business, 22 are in the field 15 to 20 years in the agricultural business, and 12 farmers are in the field below 5 years in the agricultural business.
3. Majority of the farmers are medium level Farmers with the monthly turnover of below Rs. 45000, 38 are big Farmers with monthly turnover above Rs. 45000, and 12 Farmers are in small level with the monthly turnover below Rs. 20000.

TABLE 2- Correlation between the Type of the farmer and the Awareness Level of farmers

Particulars		Aware on Latest Technology in the digital payments	Aware on Digital Wallets	Aware on secure payment	Aware on the mode of transaction	Aware on Liquidity of Digital currency
Type of the business	Pearson Correlation	-.144	-.091	-.015	-.025	-.021
	Sig. (2-tailed)	.288	.503	.913	.856	.877
	N	112	112	112	112	112

There is no significant relationship between type of the farmers and awareness level of Farmers about the digital currency and digital transaction. Hence, the null hypothesis is accepted.

TABLE 3- Relationship between Type of farmers and Impact of Adoption of Digital Currencies

Particulars		Sum of Squares	df	Mean Square	F	Sig.
Easy to operate	Between groups	10.561	8	2.640	1.399	.248
	Within groups	96.279	102	1.888		
	Total	106.839	110			
Increase in customer approach	Between groups	16.953	8	4.238	2.412	.061
	Within groups	89.601	102	1.757		
	Total	106.554	110			
Expansion of business	Between groups	4.459	8	1.115	.819	.519
	Within groups	69.380	102	1.360		
	Total	73.839	110			
Loss of money	Between groups	4.113	8	1.028	.658	.624
	Within groups	79.726	102	1.563		
	Total	83.839	110			
Doubt in the payment	Between groups	3.015	8	.754	.453	.770
	Within groups	84.825	102	1.663		
	Total	87.839	110			

There is no significant relationship between type of farmers and impact level towards adoption and acceptance of digital currencies. Hence, the null hypothesis is accepted.

TABLE 4-Relationship between type of farmers and Satisfaction in the Adoption of Digital Currencies

Particulars		Sum of Squares	df	Mean Square	F	Sig.
Easy access	Between groups	3.085	4	1.542	1.207	.307
	Within groups	67.754	106	1.278		
	Total	70.839	110			
Safety and security	Between groups	.755	4	.378	.260	.772
	Within groups	76.959	106	1.452		
	Total	77.714	110			
Increase transactions	Between groups	3.367	4	1.683	1.230	.301
	Within groups	72.562	106	1.369		
	Total	75.929	110			
Growth in business	Between groups	.057	4	.029	.023	.977
	Within groups	65.657	106	1.239		
	Total	65.714	110			
Conversion of cash	Between groups	3.115	4	1.557	1.018	.368
	Within groups	81.099	106	1.530		
	Total	84.214	110			

There is no significant relationship between type of the farmers and satisfaction level of farmers in the adoption of digital currencies. Hence, the null hypothesis is accepted.

9. Suggestions

We should keep pushing for digitization to progress. We should focus on expanding the coverage of digitalization, give priority to solving the shortcomings of insufficient financial inclusion coverage, and on this basis, continue to strengthen the depth of its use and the degree of digitalization, to provide more diverse and efficient digitalization to agricultural people.

The study shows that the adoption of digital currencies does not make that much impact in the unorganized agriculture sector. The usage of technology is not adopted properly and fully. Most Farmers are not accepting digital currencies most of the time even if there is an option of fear of security issues and easy conversion of cash. The study recommended that steps need to be taken to enhance growth through technology by advising their customers to utilize digital transactions.

10. Conclusion

The unorganized sector is a source of livelihood and employment for many throughout the world. It is seen that alternative policies for minimizing the vulnerability issues of this sector in developing countries like India always come to the forefront. As it is related to livelihood security, the portent of the unorganized sector is surrounded by intense academic debate, and several competing explanations are offered to explain the basis of rights to earn livelihood security.

It is concluded that even with the adoption of new technology and digitalization, there is a lack of effective utilization. This study shows that Farmers are forced to adopt new technology due to customers' requirements but the effective

utilization is not there to enhance their business growth. Further, there is no such impact on the unorganized Agriculture sector. The Farmers should take the necessary steps to convert their business into the digital world.

11. Reference

1. Annual Reoprt 2017-18 Department of Agriculture, Co-operation and Farmers welfare.
2. P, Nair, Prema. & Mathiyalagan, N. (2008). Revamping Organizations Through ICT Rat Race At Workplace. Mass Communicator, pp. 14-26
3. Jawed Akhtar, S. M. & Alam, M. M. (2017), "Financial Inclusion in India: An Analysis of SHG--Bank Linkage Programme," Finance India, Vol. 31 No. 1, pp. 279-288.
4. Joshi, M., &Rajpurohit, V. P. (2016), "Awareness of Financial Inclusion: An Empirical Study," Int. Jr. of Multidisciplinary, Vol. 1 No. 6, pp. 1-6
5. Kumar, P. (2015), "An Analysis of Growth Pattern of Cashless Transaction System," Int. Jr. of Research in Business Mgmt. (IMPACT: IJRBM), Vol. 3 No. 9, pp. 37-44.
6. Kapoor, A. (2014), "Financial inclusion and the future of the Indian economy," Futures, Vol. 56 No. February, pp. 35-42.
7. Rao, S.R., & Naresh, S. (2017), "Challenges and Prospects of Cashless Economy in India," International Journal & Magazine of Engineering, Technology, Management and Research, Vol. 4 No. 10, pp. 304-309.
8. http://www.ijsrp.org/research-paper-0315/ijsrp-p3981.pdf
9. https://www.nec.com/en/global/solutions/enterprise/pdf/Whitepaper_20160331_EN.pdf
10. https://www.accenture.com/t20170628T051101Z__w__/us-en/_acnmedia/PDF-52/Accenture-Strategy- DD-Painting-Digital-Future-POV-v2.pdf
11. https://www.accenture.com/t20161012T220904Z__w__/us-en/_acnmedia/PDF-34/Accenture-Energy- Rushad-Chinoy-Video-Transcript.pdf