

Socio-Economic Characteristics of Farmers on Access to Agricultural Credit in Tripura

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Received: 14 Feb., 2020

Revised: 17 Apr., 2020

Accepted: 25 May, 2020

Abstract

Institutional agricultural credit has played a significant role widespread adoption of modern production technologies and promotion of private investments on farms through its increasing as well as cheap supply in the past. The present study was conducted in West Tripura district of Tripura to analyse the socio-economic characteristics of the borrowers in the district. 120 sample farmers were selected using multistage random sampling technique for detailed analysis. Information on demographic and socio-economic characteristics like age, sex, education level, land use, etc. by borrowers were collected by survey method using pretested schedules. From the socio-economic study of the farmer it could be observed that majority of the farmers of the state are literate, experienced and interested in the timely agricultural credit utilization and repayment. The household considered for the study in West Tripura District had the highest percentage of the male population (51.49%) than that of the female population (47.58%). Cultivation was the primary occupation for 55.82 per cent of the sample population and secondary occupation for 29.17 per cent of sample population.

Keywords: Agricultural credit, Socio-economic characteristics, borrowers

Agriculture continues to be the key industry and also forms the basis for a way of life for perhaps two-thirds of worlds' households. Agriculture being the work of physical, socio-institutional and techno-economic factors, which are dynamic in nature, keeps on changing with the essential objective of increasing production and generation of food grain surplus (Pal *et al.* 2003). The traditional system of farming, in the process of transformation in the modern agriculture, which itself is undergoing rapid changes, has added a new dimension to agriculture. Credit is said to be the lifeblood of agriculture and thus, the need for timely and adequate farm finance is obvious. One of the main objectives of

the bank nationalization was to extend the credit facilities to all segments of the economy and, also, to mitigate regional imbalances in its availability. The development of agriculture is more subordinate on banking sector since 80 per cent of farmers are small and marginal, who are incapable to save and invest due to their low levels of income.

Socio-economic profile of a farmer reflects his state of mind towards developing of timely credit

How to cite this article: Ray, P. and Das, B. (2020). Socio-Economic Characteristics of Farmers on Access to Agricultural Credit in Tripura. *International Journal of Inclusive Development*, 6(1): 11-15.

Source of Support: None; **Conflict of Interest:** None



repayment. It appears that, how much he is competent of doing his agricultural work based on his age, caste, education, family size, income, occupation, landholding, etc.

METHODOLOGY

Selection of the Study Area

The study was conducted in the West Tripura district of Tripura. A multi-stage random sampling technique was used to draw a sample. A list of farmers availing bank loans from different financial agencies was prepared in consultation with the Manager, Lead Bank office of the district. The district comprised of three sub-divisions namely Sadar, Jirania, and Mohanpur with 9 development blocks. The farmers were found to be scattered over all the blocks in three subdivisions. For the detailed investigation, one development block from each subdivision was selected purposively based on the higher concentration of farmers availing bank loans. Accordingly, 3 development blocks namely Dukli, Old Agartala, and Mohanpur were selected. Two villages from each selected block namely Maheshkhala and Bikramnagar from Dukli block, Khayerpur and D.C. Para from Old Agartala block and Bijoynagar and Kalagachiya from Mohanpur block were selected randomly. 20 farmers from each selected village were finally selected using a random sampling technique. The selected households were again stratified into marginal, small and medium households based on their size of operational holdings as given in Table 1.

Table 1

District	Block	Villages	Sample household No.
West Tripura	Dukli	Maheshkhala	20
		Bikramnagar	20
	Old Agartala	Khayerpur	20
		D.C. Para	20
	Mohanpur	Bijoynagar	20
		Kalagachiya	20

In addition to the selection of households, 20 numbers of lenders were selected randomly to understand the banking procedure of obtaining a loan by the borrowers and problems and constraints faced by the bank official during the disbursement of farm finance to the borrowers.

Collection of Data

The primary data were collected from the sample households and the bank official with the help of two specially designed pre-tested schedule. Secondary data were collected from the lead bank of the selected district. The collected data were processed and tabulated separately for different size groups of farmers.

To analyse the data the tabular analysis and percentage analysis was used.

RESULTS AND DISCUSSION

Demographic characteristics of the study area

West Tripura district is an administrative district of Tripura state in India. The district headquarters are located at Agartala. As of 2012, it is the most populous district of Tripura (out of 8). While Tripura as a whole lies approximately between the north latitude 22 degrees 56' and 24 degrees 32' and between longitude 91 degrees 0' and 92 degrees 20' east, the West Tripura district lies approximately between latitude 23 degrees 16' to 24 degrees 14' north and longitude 91 degrees 09' east to 91 degrees 47' east. The West Tripura District is bounded by Bangladesh in the north and west by Khowai district in the east and by Sepahijala district in the south. The total area of the district before 2012 was 3544 km² but with effect from 21 January 2012, four more new districts were created making a total of 8 districts in the state and hence West Tripura district reduced to 983.63 km².

The district is comprised of three Sub-Divisions namely Sadar, Jirania, and Mohanpur with 9 (nine) Development Blocks in these Sub-Divisions. For purpose of the detailed investigation, one Development Block from each Sub-Division was selected purposively. From Sadar and Jirania Sub-Division Dukli Block and Old, Agartala Block was selected respectively. Mohanpur Block was selected from Mohanpur Sub-Division. It is well recognized that the economic conditions of the rural family are highly influenced by the socio-economic background of the farmers and their family members and thus the analysis was done. The district is having higher male population (50.51%) than the female population (49.49%) during the period of study. The literacy rate of the district is 96.53 per cent.

Distribution of population according to sex and age composition

Distribution of sample population according to age and sex across farm size groups is given in Table 2. Total population covered by the study was 604. The age group between 15-59 years, which can be considered as the potential labour force accounted for 65.72 per cent of the total population. Similar pattern was also observed across farm size. The population with age between 15-59 years varied from 62.77 per cent in marginal farms to 73.79 per cent in medium farms. The percentages of population below 15 years and with age of 60 and above were found to be 21.85 per cent and 12.43 per cent, respectively. Among the farm sizes, marginal farm recorded the highest population below 15 years (22.64%) while medium farm recorded the lowest (20.00%). In case of population with age of 60 years and above, highest was observed in marginal farm (14.59%) and lowest in medium farms (6.21%). The selected farmers of the study area were also classified according to sex and it was found that out of total population, 51.49 per cent were male and 48.50 per cent were female population. Among the farm size, male population varied from 49.19 per cent in small farms to 53.11 per cent in medium

farms. Similarly, the female population ranged from 46.89 per cent in medium farms to 50.81 per cent in small farms.

Distribution of population according to educational qualification

Educational standard of different size groups of loan beneficiaries stated in Table 3 showed that out of a total of 604 persons, 96.03 per cent were literate. 39.07 per cent were with educational level upto primary standard, 46.85 per cent were upto higher secondary standard and 10.11 per cent were graduate and above. Only 3.97 per cent of farmers were illiterate. A similar trend was also observed across different farm sizes. The analysis thus revealed that the farming community of the study area, in general, was having educational level amenable to any kind of development programme. The highest percentage of literate was found in case of medium size group of farmers (96.56%). The highest percentage of illiterate was found in case of small size group of farmers.

Distribution of sample population according to working status

The participation of people in economic pursuit depends on the availability of family workers,

Table 2: Distribution of sample beneficiaries according to age, sex w.r.t. different size group of farmers

Size group of farmers	No. of beneficiaries	Total population	Sex		Age composition (Years)		
			Male	Female	Population below 15 years	Population between 15 and 59 years	Population of 60 years and above
Marginal	56	274 (100)	143 (52.18)	131 (47.82)	61 (22.64)	172 (62.77)	41 (14.59)
Small	38	185 (100)	91 (49.19)	94 (50.81)	42 (22.70)	118 (63.78)	26 (13.52)
Medium	26	145 (100)	77 (53.11)	68 (46.89)	29 (20.00)	107 (73.79)	8 (6.21)
Total	120	604 (100)	311 (51.49)	293 (48.50)	132 (21.85)	397 (65.72)	75 (12.43)

Figures in parentheses indicate percent to total population.

Table 3: Distribution of sample beneficiaries according to education w.r.t. different size group of farmers

Size group of farmers	No. of beneficiaries	Total population	Literate				Illiterate
			Total	Up to primary	Up to Higher secondary	Graduate and Above	
Marginal	56	274 (100)	263 (95.99)	123 (44.89)	116 (42.33)	24 (8.77)	11 (04.01)
Small	38	185 (100)	177 (95.68)	69 (37.29)	89 (48.10)	19 (10.29)	8 (04.32)
Medium	26	145 (100)	140 (96.56)	44 (30.34)	78 (53.79)	18 (12.47)	5 (03.44)
Total	120	604 (100)	580 (96.03)	236 (39.07)	283 (46.85)	61 (10.11)	24 (03.97)

Figures in parentheses indicate percent to total population.

volume of work to be done and the economic resources. The working status of a person is determined according to his participation in various agricultural operations besides household works and other productive and non-productive pursuits. Table 4 shows that out of a population of 604 persons, there were 356 (58.94%) full time worker, 125 (20.70%) part-time worker and 123 (20.36%) non-workers. Among the marginal farmers, 63.13 per cent were full-time workers, 23.35 per cent were part time workers and 13.52 per cent were non-workers. In the small size group, full time workers, part time workers and non workers constituted 59.45, 19.49 and 21.09 per cent of the total population, respectively. Similarly, in the medium size group, the percentage of the full time, part time and non workers were 50.34, 17.24 and 32.42 per cent respectively.

Occupational pattern of the beneficiaries

Table 5 shows the occupational pattern of the beneficiaries. Cultivation was the primary occupation for 55.82 per cent and secondary occupation for 29.17 per cent of the total beneficiaries. The

agricultural and non agricultural labourer was the primary occupation for 20 per cent and secondary occupation for 30 per cent of the total beneficiaries. Livestock and allied activity was the primary occupation for 10.84 per cent and secondary occupation for 12.50 per cent of the total beneficiaries. Salaried jobs, small business activities were the primary occupation for 13.34 per cent and secondary occupation for 28.33 per cent of the total beneficiaries. Similar pattern was also observed among various size groups.

Farm structure of the beneficiaries engaged in crop production

Farm structure includes the total operational holding of a farmer and the land utilization pattern. Land used for cultivation, homestead land, own land, leased in and leased out land is also included.

Table 6 shows the distribution of land holding of beneficiary farmers where crop production was the primary source of livelihood. On an average, the operational holding was found to be 1.19 ha which varied between 0.45 ha in marginal farmers and 2.55 ha in medium farmers. The relative share of

Table 4: Distribution of sample population according to working status w.r.t. different size group of farmers

Size group of farmers	Total population	Full time worker			Part time worker			Non worker		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Marginal	274 (100)	101 (36.86)	72 (26.27)	173 (63.13)	41 (14.96)	23 (8.39)	64 (23.35)	11 (4.03)	26 (9.49)	37 (13.52)
Small	185 (100)	60 (32.43)	50 (27.02)	110 (59.45)	22 (11.89)	14 (7.56)	36 (19.49)	7 (3.78)	32 (17.29)	39 (21.09)
Medium	145 (100)	43 (29.65)	30 (20.68)	73 (50.34)	17 (11.72)	8 (5.52)	25 (17.24)	9 (6.23)	38 (26.20)	47 (32.42)
All groups	604 (100)	204 (33.77)	152 (25.17)	356 (58.94)	80 (13.25)	45 (7.45)	125 (20.70)	27 (4.47)	96 (15.89)	123 (20.36)

Figures in parentheses indicate percent to total.

Table 5: Distribution of sample beneficiaries according to occupational pattern w.r.t. different size group of farmers

Size group of farmers	Total no. of beneficiaries	Primary occupation				Secondary occupation			
		Cultivation	Agril. & non agril. labourers	Livestock & allied activities	Others	Cultivation	Agril. & non agril. labourers	Livestock & allied activities	others
Marginal	56 (100)	31 (55.35)	16 (28.57)	5 (8.92)	4 (7.16)	12 (21.42)	23 (41.09)	6 (10.71)	15 (26.78)
Small	38 (100)	23 (60.52)	4 (10.52)	6 (15.78)	5 (13.18)	11 (28.94)	13 (34.21)	5 (13.15)	9 (23.7)
Medium	26 (100)	13 (50)	4 (15.38)	2 (7.69)	7 (26.93)	12 (46.15)	-	4 (15.38)	10 (38.47)
All groups	120 (100)	67 (55.82)	24 (20.00)	13 (10.84)	16 (13.34)	35 (29.17)	36 (30.00)	15 (12.50)	34 (28.33)

Figures in parentheses indicate percent to total.

Table 6: Farm structure of the beneficiary farmers availing crop loan

Size group of the farmers	Total no of household	Total operational holding (Ha)	Owned land (Ha)	Leased in (Ha)	Leased out (Ha)	Cultivated land (Ha)	Homestead land (Ha)
Marginal	56	25.17 (100) [0.45]	20.77 (82.52) [0.37]	4.40 (17.48) [0.07]	—	23.59 (93.72) [0.42]	1.58 (6.28) [0.03]
Small	38	51.07 (100) [1.34]	46.12 (90.31) [1.21]	6.10 (11.94) [0.16]	1.15 (2.25) [0.03]	46.87 (91.78) [1.23]	4.20 (8.22) [0.11]
Medium	26	66.21 (100) [2.55]	63.26 (95.54) [2.43]	5.11 (7.72) [0.07]	2.16 (3.26) [0.08]	59.94 (90.53) [2.31]	6.27 (9.47) [0.24]
Total	120	142.45 (100) [1.19]	130.15 (91.37) [1.08]	15.61 (10.96) [0.13]	3.31 (2.32) [0.03]	130.40 (91.54) [1.09]	12.05 (8.46) [0.10]

Figures in () indicate percent to total; Figures in [] indicate average amount per farm.

own land, leased in land and leased out were found to be 91.37, 10.96 and 2.32 per cent of the average land holding of the beneficiaries. Per cent share of own land was as high as 95.45 per cent by medium farmers and as low as 82.52 per cent by marginal farmers. Similarly, leased in land share was highest (17.48%) by marginal farmers and lowest by medium farmers (7.72%). On the other hand, leased out land was found only in case of small (2.25%) and medium farmers (3.26%).

The relative share of cultivated land and homestead land in the average holding of all farms were found to be 91.54 per cent and 8.46 per cent respectively. Per cent of cultivated land was as high as 93.72 per cent in marginal farms and as low as 90.53 per cent in medium farms. As regard to homestead land, it was highest (9.47%) in medium farms and lowest (6.28%) in marginal farms.

CONCLUSION

The household considered for the study in West Tripura District had the highest percentage of the male population (51.49%) than that of the female population (47.58%). The highest concentration of family members (65.72%) was observed in the age group between 15 to 59 years for all farms taken together. It was found that out of the total population, about 96.03 per cent were literate

and 3.97 per cent were illiterate. Proportion of population with education up to higher secondary level was more (46.85%) in the sample population. In the study area, most of the sample population belongs to the working group with 33.77 per cent male workers and 25.17 per cent female workers. Cultivation was the primary occupation for 55.82 per cent of the sample population and secondary occupation for 29.17 per cent of sample population. The highest percentage (93.72%) of cultivable land to total land was found in case of marginal size groups.

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