



STUDY ON IMPACT OF COMMERCIAL AGRICULTURE CREDIT SCHEME ON THE PERFORMANCE OF BENEFICIARIES

(WITH SPECIAL REFERENCE TO COIMBATORE CITY)

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ABSTRACT

The aim of this project is to study that examines the impact of a commercial agriculture credit scheme on the performance of its beneficiaries. The analysis employs a regression model to identify the factors that influence the performance of the beneficiaries in terms of yields, profitability, and income levels. The findings reveal that access to credit has a positive impact on the performance of the beneficiaries, with increased yields, profitability, and income levels observed among those who have received credit. However, the study also highlights the need for additional support services, such as training and technical assistance, to ensure the success of the credit scheme. The study concludes that commercial agriculture credit schemes can play a vital role in improving the performance of small-scale farmers, but must be accompanied by other forms of support to ensure long-term success.

KEY WORDS: Commercial agriculture credit schemes, agriculture farming, satisfaction.

INTRODUCTION

Commercial agriculture credit schemes are designed to provide financial support to farmers and agricultural businesses, allowing them to invest in their operations and improve their productivity. These schemes are typically offered by government agencies, banks, and other financial institutions, and are aimed at promoting the growth of the agricultural sector, increasing food production, and reducing poverty.

OBJECTIVE OF THE STUDY

- To analyse the socio-economic profile of the respondents.
- To know the level of satisfaction of farmers.
- To assess the performance with commercial agriculture credit scheme.

SCOPE OF THE STUDY

The goal of the study is to identify the factors that influence how the farmers are benefit with commercial agriculture credit scheme. This report also reveals how satisfied the farmers with agriculture schemes. As a result, it is expected that the study will be helpful to farmers since they may know more about the schemes of the commercial agriculture and the marketing efforts.

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problems. It explains the various that are generally adopted by a researcher to solve a research problem.

SOURCE OF DATA

The data requires for the study is collected from both primary data and Secondary data.

METHOD OF DATA COLLECTION

Data was collected through both primary and secondary data sources.

PRIMARY DATA

A Primary data is a data, which is collected for the first time for particular information and data was collected using questionnaire (Google form).

SECONDARY DATA

A secondary data is a data, which is the information is collected from already existing data and the secondary data was collected from various reviews

SAMPLE DESIGN

A sample design is a definite plan for obtaining a sample from a given population. 120 samples were selected by snow ball sampling method. It is one of the probability sampling techniques.

LIMITATIONS OF THE STUDY

- Due to time constraints the sample is restricted to 120 respondents.



- The survey is conducted only in selected areas in Coimbatore city.
- The study largely is based on the perception of the respondents.

PERCENTAGE ANALYSIS

Simple percentage analysis refers to a special kind of rates, percentage are used in marketing comparison between two or more series of data.

TOOLS USED FOR ANALYSING THE DATA

- Percentage analysis
- Ranking analysis

FORMULA

$$\text{Percentage of Respondent} = \frac{\text{No. of Respondent}}{\text{Total no. of Respondent}} \times 100$$

ANALYSIS AND INTERPRETATION

**TABLE
 CLASSIFICATION OF RESPONDENTS ACCORDING TO THEIR DEMOGRAPHIC PROFILE AND STUDY FACTOR**

S.NO	VARIABLES	CATEGORIES	NO OF RESPONDENTS	PERCENTAGE
1	Age	Below 30	41	34.2
		31 – 40	19	16.7
		41 – 50	35	28.3
		Above 50	25	20.8
2	Gender	Male	58	48.3
		Female	62	51.7
3	Educational Level	School level	25	20.8
		UG Degree	36	30
		Diploma	35	29.2
		Other	24	20
4	Marital status	Married	61	50.8
		Unmarried	59	49.2
5	Nature of the family	Joint family	46	38.3
		Nuclear family	74	61.7
6	Number of members in the family	2 members	21	17.5
		3 members	31	25.8
		4 members	44	36.7
		Above 4 members	24	20
7	Income per annum	50000-100000	13	10.8
		100000-200000	37	30.8
		200000-300000	46	38.3
		Above 300000	24	20
8	Capital to start commercial agriculture	Agriculture scheme	16	13.3
		Bank loans	34	27.5
		Own capital	42	35.8
		Friends & families	28	23.3
9	Better land for commercial agriculture	Wet land	25	20
		Red sand land	36	30
		Unused land	35	29.2
		Old land used for farming before several years	24	20.8
10	Agriculture extension services	Government	24	20
		Association	43	35.8
		Co-operative	32	26.7
		Other	21	17.5
11	Usage of pest control measure	Mites	26	20.8
		Cutworms	28	23.3
		Caterpillars	46	39.2
		Locusts	20	16.7
12	Usage of machineries	Combine harvester	18	15
		Rotary tiller	38	31.7
		Plough or plow	40	32.5
		Ripper machine	24	20.8

Source : As Per Primary data



INTERPRETATION

The above table shows Most (34.2%) of the respondents are in the age category of below 30 years. Majority (51.7%) of the respondents are female. Most (30%) of the respondents are UG degree. Majority (50.8%) of the respondents are married. Most (61.7%) of the respondents are in nuclear family. Majority (36.7%) of the respondents have 4 members in the family. Most (38.3) of the respondents earns income per annum of above Rs.3,00,000. Most (35.8) of the respondents starts their commercial agriculture with their own capital. Most (30) of the respondents choose red sand land for commercial agriculture. Most (35.8) of the respondents gets extension services from association. Majority (39.2) of the

respondents use caterpillars as pest control measure. Majority (32.5) of the respondents use plough or plow as machineries.

RANKING ANALYSIS

The correlation coefficient can be computed for the given numerical values which are in the form of ranks. This coefficient of rank correlation is denoted by rank or briefly r and is calculated by the equation,

FORMULA

$$R = 1 - \frac{6 \sum D^2}{N(N^2 - 1)}$$

TABLE SHOWING THAT FACTORS BASED ON THE USAGE OF COMMERCIAL AGRICULTURE

S. NO	FACTORS	SA	A	N	D	SDA	SCORE	RANK
1	To use High Yielding Varieties	47 (5) 235	28 (4) 112	17 (3) 51	14 (2) 28	24 (1) 24	440	I
2	Profit motive	25 (5) 125	36 (4) 144	32 (3) 96	15 (2) 30	12 (1) 12	407	II
3	Large scale production	20 (5) 100	27 (4) 108	39 (3) 117	18 (2) 36	16 (1) 16	377	III
4	To continue family Business	21 (5) 105	26 (4) 104	32 (3) 96	24 (2) 48	17 (1) 17	370	IV
5	For feasibility study	26 (5) 130	30 (4) 120	24 (3) 72	15 (2) 30	25 (1) 25	377	III

Source : As Per Primary data

INTERPRETATION

From the above table it shows that, to use high yielding varieties ranked 1st with the score of (440), Profit motive ranked 2nd with the score of (407), both large scale production and for feasibility study ranked 3rd with the score of (377), and To continue family business ranked 4th with the score of (370).

FINDINGS

- Most (34.2%) of the respondents are in the age category of below 30 years.
- Majority (51.7%) of the respondents are female.
- Most (30%) of the respondents are UG degree.
- Majority (50.8%) of the respondents are married.
- Most (61.7%) of the respondents are in nuclear family.
- Majority (36.7%) of the respondents have 4 members in the family.
- Most (38.3) of the respondents earns income per annum of above Rs.3,00,000.
- Most (35.8) of the respondents starts their commercial agriculture with their own capital.
- Most (30) of the respondents choose red sand land for commercial agriculture.
- Most (35.8) of the respondents gets extension services from association.

- Majority (39.2) of the respondents use caterpillars as pest control measure.
- Majority (32.5) of the respondents use plough or plow as machineries.

SUGGESTIONS

- A commercial agriculture credit scheme should have flexible credit terms to accommodate the unique needs of different farmers. The credit terms should be designed to align with the crop cycle to ensure that farmers have enough time to pay back the loans.
- The interest rates should be affordable to encourage farmers to take up the loans. The interest rates should be lower than those offered by traditional financial institutions.
- The credit scheme should be accessible to small-scale farmers who are often left out of the formal credit market. The scheme should have provisions for group lending and microcredit to cater to the needs of small-scale farmers.
- Beneficiaries must have access to information about the credit scheme, including eligibility criteria, interest rates, and repayment terms. This will help them make informed decisions about whether to apply for the credit.



- It is essential to monitor and evaluate the impact of the commercial agriculture credit scheme on the beneficiaries. Regular monitoring and evaluation can help identify areas for improvement and ensure that the scheme is delivering the intended outcomes.

CONCLUSION

The study found that the beneficiaries of the scheme had better access to credit facilities, which in turn helped them to improve their agricultural productivity and profitability. The beneficiaries were able to increase their agricultural production, improve the quality of their crops and livestock, and diversify their farming activities. The scheme has also helped the beneficiaries to adopt new technologies and practices, which have increased their efficiency and reduced their costs of production. This has resulted in higher profits for the beneficiaries and has contributed to the overall growth of the agricultural sector in Coimbatore City.