



IMPACT OF BANK FINANCE ON EMPLOYMENT AND INCOME THROUGH PIGGERY ENTERPRISE IN NAGALAND

ABSTRACT

A study on impact of bank finance on employment and income through piggery enterprise in Nagaland was conducted during 2009-11. The study covered two blocks namely Medziphema and Chumukedima, the data was related aspects of piggery enterprise from 120 beneficiaries and 40 non-beneficiaries to assess the impact. The bank finance had positive impact on income with 23.01 per cent on the sample respondents through piggery enterprise even it also had positive impact on the beneficiaries groups by 33.31 per cent, the statistical analysis shows significant at 1 per cent level during t test, which is the indication of generating more mandays employment as well as positive impact on income through piggery enterprise, which will be enhancing the socio-economic status of the state people.

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INTRODUCTION

Agriculture is the lifeblood of Indian economy and economic growth is substantially influenced by growth of agriculture sector. Agriculture may be means of earning livelihood elsewhere but in India it has been a way of life. For centuries our culture, festivals, traditions and even trade and business were linked to agriculture. Even today it is common saying that the real India lives in villages. In ancient time, agriculture was considered as a pride, notable and honourable occupation. Agriculture is the mainstay of Indian economy not only in terms of contribution to gross domestic product but also the number of people dependent upon it. A high level growth of agriculture is essential both for achieving the objective of food security at macro and micro levels and also to alleviate

poverty in India, while approximately 18 per cent (at current price) of the GDP is contributed by agriculture sector almost 54 per cent of the country's population is dependent on this sector and accounts for about 12 per cent share of the country's exports (Annon, 2011).

Pig production is considered as one of the most important activities of animal husbandry especially for the improvement of economic status in the tribal areas and north-eastern region too. Pork is consumed by majority of the population in tribal areas and almost all section of the population in the north-east region, to meet the growing demands, pork production is essential. It has both market and price and can be reared in a diversified climatic condition. The pig production business is mainly in the

hand of local people. Pig production is emerging as a Sunrise Industry and acknowledge as the major transformation in bringing about the socio-economic transformation of rural poor. To meet the challenges ahead, great emphasis needs to be placed on the facilities especially financing where most of the farmers want to take up the venture lack it. With the nationalization of banks in 1969, the bank has been an instrument in the development of integrated piggery projects involving rearing pigs for parent stock, production for marketing and research purposes and for other meat processing activities.

The Piggery industry has been playing a very significant role in various socio-economic development programmes by way of providing self-employment, supplementary income and also protective food for all sections of the people of Nagaland. Such studies will help to bring out hindrances and bottlenecks and recommending a suitable institutional framework for providing adequate and timely finance to the rural poor, monetary its use in a way that leads to meaning development. But till today no concrete research has been carried out in Nagaland to investigate and find out the credit needs for piggery farming. Hence, the present study is undertaken to study the impact of bank finance on the piggery farmers in Nagaland.

RESEARCH METHODOLOGY

The present study was comprised of 160 numbers of sample respondents with piggery rearing. At the first stage, two blocks namely Chumukdima and Medziphema were selected from dimapur district by random method, while in the second stage a list of piggery respondents was prepared separately and then finally, 120 beneficiaries and 40 non-beneficiaries were selected by stratified random sampling method and stratified into 3 groups viz; Group - I (1 to 11 numbers of piggery), Group - II (12 to 22 numbers of piggery) and Group - III (23 & above), respectively by using cumulative root frequency rule. The reference data were collected during the year 2009-2011. For the income calculation cost-concepts approach to farm costing was used referred by Raju and Rao (1990) and to access the impact on employment and income, statistical methods adopted and for the validation of data mean, SD and 't' test were used for the present study.

Table 1 reveals that on pooled household the family size was 120 respondents of beneficiaries availed finance from bank, per farm households was 11.192, whereas it was 5.846 households recorded as minimum on group - I and it was maximum with 28.684 households on group - III, the trend was following the increasing trends towards the groups size, respectively; whereas the non-beneficiaries respondents was 40 with 8.50 households.

Table 1. Selected respondents of piggery enterprise in Dimapur district of Nagaland

S. No.	Category	Total Piggery	Per Farm	Respondent	Percentage
(A).	Beneficiaries				
1.	Group - I	456	5.846	78	65.00
2.	Group - II	342	14.869	23	19.17
3.	Group - III	545	28.684	19	15.83
	Pooled	1343	11.192	120	100.00
(B).	Non-beneficiaries	340	8.500	40	100.00

RESULTS AND DISCUSSIONS

Table 2 reveals that group I was having significant impact on mandays employment, earlier 43 persons were getting employment for less than 26 mandays and afterward the number was decline to 32, so 11 persons were getting more mandays employment due to bank finance facilities. Also 35 person were getting employment between 27 to 57 mandays, but after the bank finance the number increased to 46, so 11 persons were getting more mandays employment. Earlier no persons was getting employment for more than 58 mandays, even to the category no one has achieve after getting bank finance in the group. Also, non-beneficiaries was generating more mandays employment.

Also group II was having significant impact on mandays employment, earlier 4 persons was getting employment for less than 26 mandays and afterward it was found nil, which shows that 4 person were getting more mandays employment due to utilization of bank finance. Earlier 13 persons was getting employment between 27 to 57 mandays, but after the bank finance the number increased to 14, so 1 person was getting more mandays employment by shifting to next category. Earlier 6 persons was getting employment for more than 58 mandays, after getting bank finance the numbers increased to 9, it has positive impact on 3 persons for getting more mandays employment in the group. So far

non-beneficiaries group was concern there was shift towards more mandays employment. On group III, 5 persons was getting employment between 27 to 57 mandays, so 5 persons were getting more mandays employment by shifting to next category. As 6 persons was getting employment for more than 58 mandays, after getting bank finance the numbers increased to 9, so it has positive impact on 3 persons for getting more mandays employment in the group. Even it has positive impact on non-beneficiaries group regarding generating more employment.

So far pooled group was concern it has positive impact on mandays employment, earlier 47 persons was

getting employment for less than 26 mandays and afterward the numbers was decline to 32, so 15 person were getting more mandays employment due to bank finance facilities. Earlier 53 persons was getting employment between 27 to 57 mandays, but after the bank finance the numbers increased to 60, so 7 persons were enhanced their mandays employment. Also, 20 persons was getting employment for more than 58 mandays, after getting bank finance the numbers increased to 28, so it has positive impact on 8 persons for generating more mandays employment in the group. Whereas non-beneficiaries group was concern, it also has positive impact and shift towards more mandays employment due to the piggery enterprise.

Table 2. Employment and income level of sample respondent after providing finance

S. N.	Particulars	Group - I		Group - II		Group - III		Pooled		Non-beneficiaries	
		Before	After	Before	After	Before	After	Before	After	Before	After
A.	Employment (Mandays / Annum)										
1.	Low (< 26)	43	32	4	0	0	0	47	32	26	24
2.	Medium (27-57)	35	46	13	14	5	0	53	60	14	15
3.	High (> 58)	0	0	6	9	14	19	20	28	0	1
Total		78	78	23	23	19	19	120	120	40	40
B.	Income (Rs. / Annum)										
1.	Low (< 3991)	24	16	11	3	8	5	43	24	33	30
2.	Med (3992-4678)	22	20	12	18	9	11	43	49	7	9
3.	High (> 4679)	32	42	0	2	2	3	34	47	0	1
Total		78	78	23	23	19	19	120	120	40	40

Table reveals that on group I, 24 persons was getting income for less than Rs. 3391 and afterward the numbers was decline to 16, so 8 person were getting more income due to bank finance facilities. Earlier 22 persons was getting income between Rs. 3992 to Rs. 4678 mandays, but after the bank finance the numbers decreased to 20, so 2 persons were getting more income. 32 persons was getting income for more than Rs. 4679, after getting bank finance the numbers increased to 42, so it has positive impact on 10 persons for generating more income in the group. Earlier in group II, 11 persons was getting income for less than Rs. 3391 and afterward the number were decline to 3, so it has positive impact on 8 persons for generating more income due to bank finance facilities. As 12 persons was getting income between Rs. 3992 to Rs. 4678 mandays, but after the bank finance the numbers increased to 18, so 6 persons were getting more income, as no persons was getting income in the group for more than Rs. 4679, after getting bank finance the numbers

increased to 2, so it has positive impact on 2 persons for getting more income in the group. Earlier group III has 8 persons for getting income less than Rs. 3391 and afterward the numbers decline to 5, so it has positive impact on 3 persons for generating more income due to bank finance facilities. As 9 persons was getting income between Rs. 3992 to Rs. 4678, but after the bank finance the numbers increased to 11, so 2 persons were having the positive impact for getting more income in the group. 2 persons was getting income for more than Rs. 4679, after getting bank finance the numbers increased to 3, so it has positive impact on 1 person for generating more income in the group. So far non-beneficiaries group was concern there also have impact towards more income generation due to the piggery enterprise.

So far the total annual income is concern in terms of the earnings by the beneficiaries on the different group size, it also has positive impact by following the increasing trend towards more income prospects, as pooled data

has significant impact on income too, earlier 43 persons was getting income for less than Rs. 3391 and afterward the numbers declined to 24, so 19 persons were having impact on more income generating due to bank finance facilities. Also 43 persons was getting income between Rs. 3992 to Rs. 4678 mandays, but after the bank finance the numbers increased to 49, so 6 persons were getting more income in the group. Earlier 34 persons was getting income

for more than Rs. 4679, after getting bank finance the numbers increased to 47, so it has positive impact on 13 persons for generating more income in the group, it clearly shows that trend was having the positive impact and following the increasing trend towards more income generating. Even on non-beneficiaries group, it was having an positive impact towards more income due to piggery enterprise.

Table 3. Impact of Bank Finance on economic status of Piggery rearing

S. No	Parameters	Before		After		% Change	't' Test
		Mean	SD	Mean	SD		
1.	Income (Rs.)	2,838.20	535.22	4,541.20	802.83	23.01	7.20795 **
2.	Employment (Rs.)	52.70	37.02	79.02	64.58	33.31	10.4162 **

** Significant at 1 per cent level of significance.

Table 3 reveals a significant increasing trend on pooled group of piggery respondent on the income it has increasing trend with 23.01 per cent on the sample respondents after getting the bank finance, which was statistical significant at 1 per cent level of t test, it shows further piggery enterprise has more potentiality for generating more income to be explored by the farmers in the coming days. As the number of mandays of employment for the beneficiaries after providing bank finance, 33.31 per cent enhancement with regard to mandays and found to be statistical significant at 1 per cent during t test, which shows the future scope of generating more mandays employment through piggery enterprise.

CONCLUSION

It may be concluded that bank finance has positive impact on 23.01 per cent of the beneficiaries to enhance their income and further in future many more may be able to generate further more income through piggery enterprise. So far beneficiaries group are concern, they were also have positive impact on 33.31 per cent enhancement of mandays employment, which further shows the future scope of generating more mandays employment by taking up the piggery enterprise as one of the business. As many more entrepreneurs / farmers who are coming forward to start the piggery unit may be extended financial support by the banks being socially acceptable and economically feasible. To keep one piggery is not sufficient to raise employment and income level and further to generate more employment as well as income throughout the year one or two piglet (piggery) may be provided to the beneficiaries by extending micro finance required based on the performance.

Policy implications:-

The implications is based on the study viz; Veteneary and Animal Husbandry department should focus on piggery development programmes at block level by establishing veterinary hospitals, mobile clinics, development of high yield breeds, development of waste land to provide adequate grazing facilities and extension services must be strengthened in order to make the rural people aware to set up the entrepreneurs more efficient in terms of increasing their income and employment to enhance meat production / productivity through the piggery enterprise to achieve self sufficiency of the state.

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