Zarai Tarqiati Bank Limited Credit Program Impact On Income, Expenditures And Saving Of The Agricultural Community Of District Mardan-Pakistan

Naushad Khan, Munir Khan

The University of Agriculture Peshawar, Institute of Development Studies
The University of Agriculture Peshawar, Institute of Development Studies
drkhan@aup.edu.pk

ABSTRACT: Credit play key role in the development of agriculture which further boost the income, expenditure and saving level of agriculture community which improve the investment of the farmer in their field. Seeing to its importance the study was conducted in rural area of District Mardan. The major objectives were to see the credit program impacts on income, expenditure and saving level of the beneficiaries and problems and constraints faced to credit owner in the study area. The study area consist of three tehsil namely Mardan, Thakhth Bai and Katlang. On the basis of more beneficiaries two villages from each tehsil were chosen. The total beneficiaries in the study area were 260. All were selected for the study and with the help of interview schedule data were collected from the respondents. Descriptive statistics and pair t-test were used for data analysis. The results indicates mean annual income after credit Rs.618599 and before credit Rs.356767 and difference Rs. 261833 and found the result highly significant at 5% level. The annual farming income was found after program Rs.366812 and before Rs.174781, difference Rs.192031 and found highly significant at 5% level. The annual expenditure after credit was Rs.472296 and before was Rs.248296, difference Rs.224510 and found highly significant at 5% level . The annual saving after credit program was Rs.207124 and before was Rs.113439 and difference Rs.93689 and the difference found highly significant at 5%. So all results show that credit has improve income, expenditure and saving of the sampled farmers. Large number problems and constraints were observed by taking loan from the bank by sampled farmers. The problems and constraints faced to farmers are complication of application process, non availability of loan in time, amount less than requirement, banks on more distance, high interest rate and non availability of collateral etc. On the basis of problems few recommendations were suggested for solution of problems .One window operation for loan provision is requested, on low interest rate loan should be provided to farming community and according to requirement of the farmer, banks facilities should be multiplied, banks staff cooperation is requested, monitoring cell should be promoted for check and balance for enhancing income level of the farmers in the study area.

Key Words: Credit program, Impact, Income Expenditure and Saving, Agriculture Community

INTRODUCTION

In the structural shift towards industrializations, the agriculture sector is still the largest sector of the Pakistan economy. Its contribution to labor force is 43.5%, while GDP share is 19.9% and foreign exchange is 70%. Agriculture is not only the source of food and fiber of the 190 million population of Pakistan, but also the major supplier of raw material to agro-based industries. No policy of economic development can be realized without wide based agricultural development (GoP, 2015-16). Pakistan is gifted with diversified climate and soil, hardworking men power, enormous irrigation and agricultural research system that give competitiveness and edge to our farmers, over their competitors in the international market (Khan, 2001). Pakistan‘s economy is agrarian in nature. It is the main income source of majority of population in the country. Subsistence kind of cultivation merely allows the farmers to use high quality seeds, sufficient fertilizer and improved farm implements because of non availability of credit. Generally, small farmers having low income, less saving and low capital in the study area (Saboor *et al*., 2009). Pakistan agriculture performance is low as compared to developed countries, due to a number of constraints i.e, lack of proper technologies, improved agronomic practices, crop management techniques, timely availability of water and modern inputs, marketing and supportive infrastructure, raising production Investment, volatile year to year prices hike and supply of credit (Ahmad and Battece, 1997). Our farming community consists of subsistence economy, and not capable to use high quality seeds, sufficient fertilizers and superior farm implements due to lack of finances available to them. Financing deficiency is one of the major bottlenecks for low per acre productivity in our agriculture. The matter of enhancing agricultural productivity, therefore, depends on the availability of finance and credit facilities on hand to the farmers in their respective areas (Ahmad, 2007). The study reported that good system of agriculture credit was only the solution of agriculture development, because the majority area farmers were poor and did not capable for purchasing inputs for their farming activities. The study recommended the sustainable financial system, farmer access to extension services, and pilot demonstration plot for the education of farmers and easy access to agriculture credit and good market availability for uplifting the agriculture productivity in the study area (Ochola and Kosura, 2007). The study reflected that the credit raised the inputs and fertilizer application, which enhanced the crop productivity. Thus credit had a substantial significant impact on the yield of Teff production and return. However, impact on wheat and maize production was found non-significant due to low quality seed application. And return was also found less than the Teff crop due to low price. So, quality of seed and price are the significant factor for agricultural development and considered low profitability due to low output price and high input Investment of agricultural production in the study area

(Matsumoto and Yamano, 2010). Agricultural credit is a significant financial support that a small farmer can get in order to bridge the gap between his income and spending on farming. Agricultural finance is an essential component in the growth of this sector. Farming not only requires improved seeds, fertilizer and modern implements, but also requires liquid capital for financing the harvesting, transport of products to the markets and other similar farm operations (Iqbal *et. al*, 2003). Agricultural credit is a public requisite for agricultural development in Pakistan. The policy makers and bankers suggest agricultural finance only way of eliminating the two major hindrance of Pakistan's rural economy, correspondingly low per acre yield and enormous losses due to non recovery of credit. It gives to farmer's financial and social identity in the community (Anka, 1992). There are two major sources of agricultural finance in Pakistan i.e, institutional and non-institutional. Among institutional sources Zari Tarkiati Bank Limited (ZTBL), commercial banks, cooperatives and domestic private banks are very well known, while in non-institutional finance friends, neighbors, and professional money lenders are included (Idress and Ibrahim, 1993). The high priority was given by government to ensure the timely availability of finance to farmers for achieving higher productivity and had shown increasing trend over the years, which was increased from Rs.42852 million to Rs.166344.86 million during 1998 to 2010 by the government. It was being provided through ZTBL, Commercial Banks, Cooperatives and Domestic Private Banks. Table 1 (Appendix-A) indicates the supply of agricultural credit by institutions in different years. For small and landless farmers, it is very difficult to avail the institutional credit due to lack of collateral and complex procedure followed by various banks. Therefore, to benefit the maximum number of farming communities, a finance program shall be started without collateral system in the study area (Ahmad, 2007). The agricultural credit is a pertinent vehicle for improved efficiency among small scale farmers. Mbata (1991) evaluated the role of institutional credit and its impact on small scale farmers in Rivers State, Nigeria. The results of the investigation showed that despite high interest charged, small farmers were found profitable but the bureaucratic procedures for the institutions, untimely payments, high interest rates and absence of banking facilities in rural areas were found major bottlenecks, to credit extension and promptly loan distribution was recommended for increase in agriculture productivity. The unavailability of financial resources to farmers in the developing countries is one of the major constraint in increasing farm production. The importance of agricultural credits, especially from the institutional source is widely recognized as the effective tool to enhance agricultural productivity. Short-term agricultural credit by Zarai Taraqiati Bank has positive effects on wheat, gram and livestock production. Based on the encouraging response of the farmers towards credit program and timely repayment by the farmers, for increasing production per unit area, ZTBL should expand the short term credit program and increase the credit limits, so that large number of farmers could benefit from the credit program of the bank (Khan e*t al*., 2007). Agricultural Development Finance Corporation was established in 1952 and promoted to Agricultural Development Bank of Pakistan (ADBP) in 1957. Later on, it was upgraded to ZTBL on December 14, 2002. Presently, ZTBL has 31 Zonal Offices, 9 Audit Zones and 355 branches in Pakistan. Five branches are working in District Mardan namely Zarai Taraqiati Bank Mardan, Rustam, Katlang, Takhth Bai, and Shergarh. The present ZTBL well known schemes are Supervised Agriculture credit, Fertilizer Credit Scheme and Ever Green Credit Scheme etc. Its types are short term, medium term and long term. Short term loan is given for seed, fertilizer etc, for one year while, medium term for purpose of tractor, trolley, plough etc. for five years and long term loan is provided to farmers for the purpose of building construction more than five years (Syed, 2015). The major objectives of the study are to see the credit program impacts on income, expenditure and saving level of the beneficiaries and problems and constraints faced to credit owner by bank in the study area

1. MATERIAL AND METHODS

The study of the universe was District Mardan which consist of three tehsil namely Mardan, Thakhth bai and Kattlang . On the basis of more beneficiaries' of ZTBL from each tehsil two villages namely Gujar Garhi, Rustam, Lundhwar, Sharegarh, Katlang and Jamal Garhi were respectively selected. The total number in these villages were 260. All were selected for the study and with the help of interview schedule data were collected from the respondents. Descriptive statistics and paired t-test were used for data analysis.

2. RESULTS AND DISCUSSION

Age Wise Distribution

Age shows the life expectancy of the respondents and pure food increase the life expectancy of the people which also avoid different diseases and make the immunity of the body stronger than those areas, where the food is deficient and impure. Todaro (1997) was the opinion that age, per capita income and literacy rate are the basic indicators of development. Age also affect the credit utilization in the study area.Table 2 (Appendix-A) Indicates Age wise Distribution of the Sample Respondents in the Study Area. According to the table, in up to-40 years age category, in Gujar Garhi, Rustam, Lundkhwar, Shergarh, Katlang and Jamal Garhi the respondents frequencies were 03, 11, 10, 08, 16 and 09 respectively, while the total respondents strength in this category was 57 . Such age, is considered the skill learning age, because in this stage the people obtain training and knowledge about the field situation, and try to find job for their livelihood for the future. On the other hand, in 41-60 age category, the Gujar Garhi, Rustam, Lundkhwar, Shergarh, Katlang and Jamal Garhi the respondents frequencies were 30, 14, 17, 16, 45, and 29 respectively. However the total respondents' number was 151. Hence, this age category is very crucial for the economic development, people are mature and perform their duties energetically and also keep interest in their jobs and try to save and invest for future sustainability of their livelihoods. Despite the fact that, in the above 60 age category, the respondents in Gujar Garhi, Rustam, Lundkhwar, Shergarh, Katlang and Jamal Garhi frequencies were 07,03,13 , 06. , 09 and 14 respectively, while the total respondents were 52. From the discussion, it is concluded that the respondents' belonging to age

category 41-60 years were found more than the other categories age and was followed by up to 40 years age category. While in the age group above 60 years the numbers of respondents' were found less than the remaining categories. Finally the data concluded that the study had included more young and energetic respondents and appreciate the selection of the banker. However, on the other hand the data reflected that the credit had provided to the young professional and energetic farmers for the more efficient utilization of the credit, which shows the efficiency of the ZTBL in the study area.

Literacy Status

Literacy means reading and writing capability of the people of an area. It plays crucial role in the growth of an economy in the country as well as in the world. It is considered the main indicator of development. Literate persons try to understand the reasons of the problems and its solution, which is the main indicator of the development for a community. The overall literacy rate of Pakistan is 58%. While on the provincial basis, the literacy rate in Sind and Punjab is 60%, which is followed by KP 52% and 46% Baluchistan (GoP, 2012-13). Table 3(Appendix-A) reveals the village wise literacy status of respondents' in District Mardan. According to the table the number of literate persons in Gujar Garhi were 10.77%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 9%,11.15%,9.23%, 21.92% and 14.61% respectively, while total number of literate persons were 77%. The illiterate respondents' in Gujar Garhi were 4.62%, while Rustam, Lundkhwar, Shergarh, Katlang and Jamal Garhi were 1.54%, 4.23%, 2.31%, 5% and 5.38% respectively and total illiterate respondents' were 23%. The highest number of literate persons was in Katlang followed by Jamal Garhi and the lowest number was in Rustam and Shergarh. The study reflected that most of the respondents' were literate and because of this the respondents' easily understand the basic idea of the questions asked during interview. The highest number of literate people of the area had mostly accessed to ZTBL for credit and its best utilization as compared to the illiterate respondents' of the study area. Similarly, Himayatullah (1995) reported that illiteracy is a factor, which creates problems for acceptance of new ideas, and on account of illiteracy most farmers did not benefit from the credit scheme in the past. Such situation is also present in the study area where some obstacles faced to farmers for adaptation of modern technology due to their illiteracy. Figure.4.3 shows the graphic picture of the Literacy status of the respondents in the Study Area.

Education Level

Table 4 (Appendix-A) Indicates Distribution of Sample Respondents by Education Level in the Study Area. According to the table, the primary level in Gujar Garhi frequency was 03 while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 00, 01, 03, 06 and 08 respectively, while the total was frequency was21. The middle education coverage in Gujar Garhi Frequency was 08, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi respondents were 05, 03,02, 10, and 06, respectively and the total frequency was 34. The secondary school pass number in Gujar Garhi frequency was 12, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 07,12, 06,19, and 10 respectively, while the total frequency was 66 . The intermediate level number in Gujar Garhi was 03 while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi frequencies were 05, 04, 05, 11, and 04 respectively, while the total was 32 . The total Graduate, in Gujar Garhi was 02and Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi Frequencies were 05%, 06, 06, 09, and 08, respectively while the total frequency was 18%. The total master level number, in Gujar Garhi was zero while in Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 02, 03 02,02 and 02 respectively, while the total frequency was 11. The study concludes that in primary level the highest level frequency was observed in Jamal Garhi followed by Katlang, while the lowest frequency was found in Rustam. In middle level the highest frequency was found in Katlang and was followed by Gujar Garhi, while the lowest frequency was found in Shergarh. In secondary pass level the highest frequency was found in Katlang and was followed by Gujar Garhi and Lundkhwar. In intermediate level the highest number was observed in Katlang and was followed by Rustam and Shergarh, but the lowest number was found in Gujar Garhi. In Graduate Level the highest number was observed in Katlang and was followed by Jamal Garhi, while the lowest number was found in Gujar Garhi. In Master level the highest number was found in Lundkhwar and was followed by all, except Gujar Garhi, where no Master level degree holder was found. However, in overall the highest number was found in secondary pass level followed by graduate level, while in lowest number was found in Master level and was followed by Primary level Shergarh, but lowest number was found in Gujar Garhi. In Graduate level the highest number was observed in Katlang and was followed by Jamal Garhi, while the lowest number was observed in Gujar Garhi. In Master level the highest number was found in Lundkhwar and was followed by all, except Gujar Garhi, there was no Master level found. In overall the highest number was found in secondary pass level and was followed by Graduate level, while the lowest number was found in Master level followed by Primary level. Zuberi (1989) observed that any strategy design to increase productivity in the agricultural sector must include investment in human capital, particularly, in primary and secondary education, while in the present study few respondents have also utilized credit in their family education improvement, so, education play crucial role in proper loan utilization, while its return will be received in future. Similarly, Okoboi et al. (2012) study, graphical result revealed that the education level and access to extension services had positive effects on the profit of the farmer but no significant effect on the yield, but in the present study education has a great role in the enhancement of agricultural productivity and income. Figure.4.4 shows the graphic view of the Distribution of Sample Respondents by Education Level in the Study Area.

Family Size Distribution

Different families have different sizes and it has positive or negative effects on the family income, health, education etc. If the independent members of the families are more than the dependent members then earning and saving will be more, which play crucial part in the investment of the

household and development chances of the family is high. Therefore sizes and structure of the family has great role in the utilization of credit in different ways in the study area. Table 5 (Appendix-A) Reflects Family Size Distribution of Respondents in the Study Area. According to the table, out of 23.08% in 01-05 category family size in Gujar Garhi the number was 1.92%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 3.46%, 3.85%, 3.46%, 6.92%, and 3.08% respectively. In 6-10 category, out of 56.92% the number in Gujar Garhi was 11.54%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 6.54%, 9.23%, 5%, 14.62%, and 10% respectively. In11-15 category, out of 10.77% the number in Gujar Garhi was zero percent, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0.77%, 1.15%, 0.77%, 3.46%, and 04.62% respectively. Out of 6.54%, in 16-20 category, family size in Gujar Garhi the number was 1.15%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0%, 0.77%, 1.54%, 1.54%, and 1.92% respectively. Out of 2.69%, in 21-25 category, family size in Gujari Garhi was 00.77%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0%, 0.38%, 0.77%, 0.38% and 0.38% respectively. However, In overall the highest number was in category 06-10 family size, and was followed by category 01-05 family size, while the lowest category was 21-25 family size and was followed by 16-20 category. The data finally concludes that categories1-05 and 6-10 family size, both coverage was 80% and the remaining categories only 20%.

Family Type

Family type is also a variable that affect the development process. In the family type the extended family, joint, nuclear and single family are well known, in the study area. These families' structures are linked with the developmental activities and have positive and negative impacts on the overall performance of the families and village. Table 6 (Appendix-A) Shows Family Type Distribution of the Respondents in the Study Area. According to the table, in Gujar Garhi, out of 40, the extended families number was 4 nuclear family 12 and Joint family number 23 while single number was found 1. Similarly, in Rustam, in total, out of 28 frequency, the extended family number was 3 nuclear family 13 and joint family 11, while single number was 1. However, in Lundkhwar, out of 40 frequency extended family number was 9, nuclear family 18 while joint family 12 and single family number was 1. In Shergarh, out of 30, the extended family number was 5 nuclear family 17 while joint family 8 and single number was found zero percent. On the other hand, in Katlang, out of 70 the extended family number was 8, nuclear family 39 and joint family 22 while single number was 1. Similarly, in Jamal Garhi, out of 52, extended family number was 5 nuclear family 19, and joint family 28 while single number was found zerot. In all family types the highest number was found in nuclear family and was followed by joint family, and the lowest number was observed in single and extended families. However, in Gujar Garhi and Jamal Garhi the highest number was found in joint family, while in other villages the number in nuclear family were more than the others. The number in single family, in Jamal Garhi and Shergarh was found zero. The data shows that most of the respondents of the study area, belong to the joint and nuclear families. It means that in the traditional farming system, the dependence of farmers were on the extended families, because of the requirement of more human labor in the fields, while in the modern farming system, the literate farmers have dependence on modern machineries' which resulted in the transformation of extended families towards the nuclear and joint families in the study area. Figure.1 indicates the graphical view of the Family Type Distribution of the Respondents in the Study Area

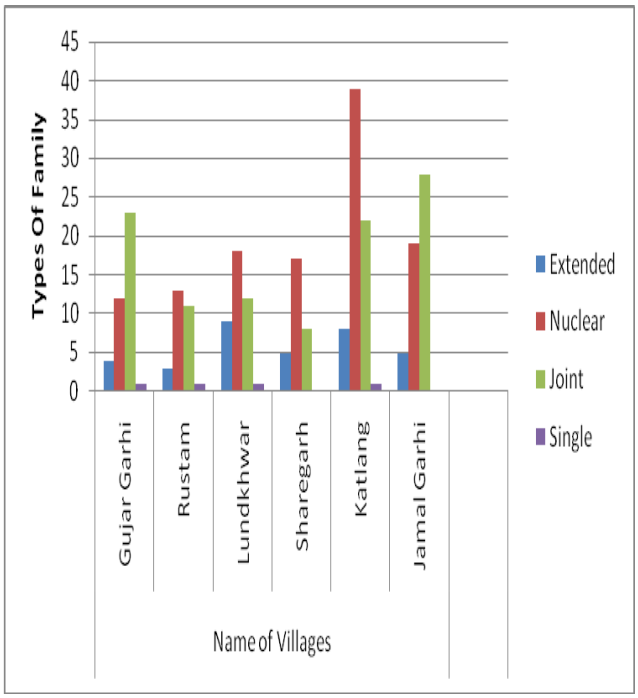


Figure 1 *Family Type Distributions of the Sample Respondents in the Study Area*

Occupational Distribution of the Family Members

Occupation status plays crucial role in the development of family and country. The well known occupations of the respondents in the study area were business, government service, and privates' services, while some members of the respondents' family had gone abroad for their livelihood for earning the foreign remittances. These occupations earning, improve the socio economic condition of the family and give high status in the rural societies. Table 7(Appendix-A) shows the occupation status of family members of the Sample Respondents, in the study area. According to the table, in Gujar Garhi the family members in farming was sixty, business and government service in each was eight, private service seven and foreign was seven, while the total number was ninety, which make 15% out of 582. Similarly, in Rustam the farmers number was 40, business number was 13, Government service number was 3, while private and foreign number in each was one, even as the total number in all were 58, while coverage in percentage was 10%. Though in Lundkhwar the farmer number was 50, business 5, Govt service 17, in private service the number was 7 and foreign 10, while the total number was 89. In Shergarh the farmer total number was 36, while in siness the number was 16, in Government Service number was 12, in foreign number was 4, but total number was 68 and coverage in all were 12%. In Katlang the total

farmer's number in the family was 100, in business 11, in Government Service 21, private service was 35, in foreign the number was 12, while total in all was 167 and percent coverage was 29%. In Jamal Garhi the number of the farmer was 70, in business the number was 11, in Government service the number was 15, in private services the number was 2, in foreign the number was 12, while total number in this village was 110 and total coverage was 19%. The total employee number in the study area was 582. The farmers' number in total villages was 61%, business 13%, Govt services 14%, private service number 3% even as foreign number was 9%. So, the study shows that in rural area 61% depend on agriculture and 39% engage with other sectors of the economy. Such circumstances also existed in the developing country of the world. In developing countries majority of the people are based on agriculture, where as in developed countries majority of the people depend on industries. Therefore, their per capita income is more than the developing countries, where the people enjoy the life more easily than the developing countries, because of their maximum per capita income. Figure.2 shows the graphical picture of the occupational status of family members of the respondents in the study area.

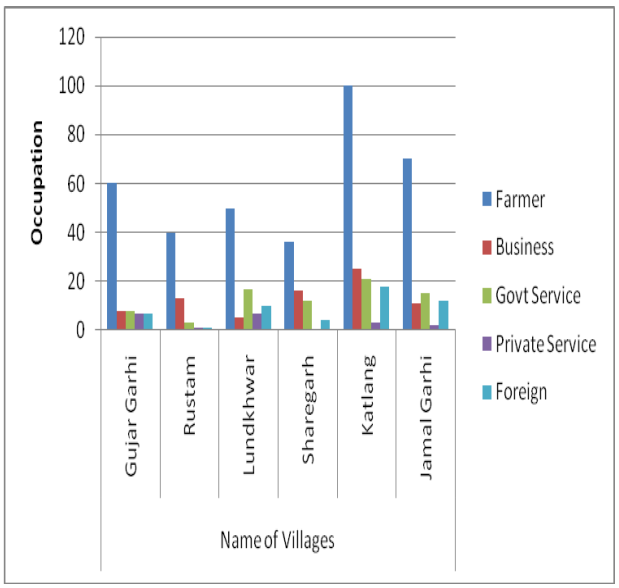


Figure.2*Occupational Status of Family Members*

Tenure Status of Sample Respondents in the Study Area

Tenure Status meaning, ownership of the person regarding land in the country and shows the right for its utilization and selling in the country. In the study area three type of tenure status were present, such as owner, owner cum tenant and tenant. Owner is a that status, where all land is owned by a person and who has right for its utilization and selling on any one in the country, while owner cum tenant has his own land while some land has taken from others on lease or share and the last one is the tenant, where only they have right for its utilization and have no right for selling or for collateral purpose in loan obtaining from the bank. Tenure status play important role in the economic development of a country. The person who has own land, so he use that land as collateral and obtain loan from the bank, while tenant have no rights to use as collateral for obtaining loan from the bank. In this study loan was not given to tenants due to landlessness, since tenants have been debarred from the present study. Table 8(Appendix-A) reflects village wise tenure status of the respondents in the study area. According to the table, in Gujar Garhi, out of 15.39%, owners were 14.62% and owner cum tenants 0 .77%. in Rustam out of 10.77%, owners were 10% and owner cum tenants were 0.77%, in Lundkhwar, out of 15.39, owner were 15.39% and owner cum tenant was zero percent, in Shergarh, out of 11.53%, owners were10.76% and owner cum tenant 0.77%, in Katlang out of 26.92%, owners were 26.54% and owner cum tenant was 0.38%, while in Jamal Garhi, out of 20%, owners were 18.08% and owner cum tenants were 1.92%. The discussion concludes that most of the respondents in the study area were owners' i.e. 95.39% and owner cum tenant 4.61% and no credit were given to tenants in the study area. Malik, (1989), Muhammad and shah (1981) studies also supported by this research that tenant farmer had no access to the institutional credit. They concluded that this problem was seen, but no one had worked for the solution of this problem in the past, so, still the problem is there in the study area and bank had not given the credit to tenant farmers, while gave loan to those, who had land and good relationship with the bank staff. If such type situation is at hand, then how the agricultural productivity will be improved in the study area and how to solve the problem of food crises in Pakistan. The data of the table concluded that majority of the land holders fall in the category of 0.1-05 hectares, while the remaining 10% are those, who are the owner of the highest categories of land holding. Figure.3 also reflects the graphic picture of Tenure status of Sample respondents in the study area.

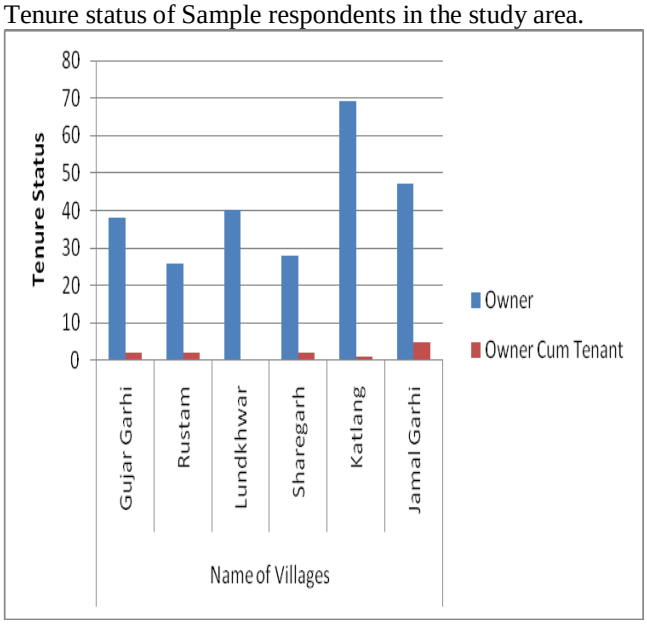


Figure. 3 *Tenure Status of Sample Respondents in the Study Area*

Various Size of Land Holdings

It is the theory that large size land owners have more productivity and less land owners have less productivity, while the situation in the study area, is different due to more Investment per hectare. More land owners have less productivity per hectare and less land owners have also less productivity per hectare, but the medium land owner have more productivity in the study area. The main reason

behind the less productivity was Investment, when the Investment was more, then the more land owners could not fulfill the requirement of the field, which can push the production, because of this, they cannot purchase the inputs for their land in time and due to high Investment fail in adoption of modern technology and achieved less productivity from their land, while low land holder also due to less land do not take interest in their land cultivation and get low productivity from their land and majority work in other sector of the economy, to earn money for their livelihood in the study area. Table 9 (Appendix-A) indicates Various Size of land Holding in Hectare of the Respondents in the Study Area. In Gujar Garhi the respondents' number, in 0.1-05 hectares category were 14.62%, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 8.85%, 13.08%, 10.71%, 23.46% and 19.23% respectively. However the total was 90%. in 5.1-10 hectares category the Gujar Garhi respondent number was 0.38% while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0.76%, 0.76%, 0.76%, 3.08% and 0.38% respectively, while the total was 6.12%. In 10.1-15 hectares category in Gujar Garhi the respondents number was 0.38 %, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0.38 %, 0.76%, 0.00%, 0.38% and 0.00% respectively, while the total was 1.90%. In Category 15.1-20 hectares, in Gujar Garhi the respondents number was zero percent, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0.38%, 0.38%,0.00%, 0.00% and 0.38% respectively, however the total was 1.14%. In above 20 hectares category, the respondents number in Gujar Garhi was zero percent, while Rustam, LundKhwar, Shergarh, Katlang, and Jamal Garhi were 0.38%, 0.38%, 0%, 0% and 0% respectively, but the total was 0.76%. Finally, from the discussion, it was concluded that 90% respondents in the study area were in 0.1-5 hectares category, while the remaining 10% were spread in other land size categories but in the 5.1-10 hectares category the respondent number was 6.12 %, in 10.1-15 hectares category the respondents number was 1.90%, in 15.1-20 hectares category the respondents number was 1.14% while in above 20 hectares category the respondents number was only 0.76%. In 10.1-15 hectares category no respondents was found in Shergarh and Jamal Garhi while in 15.1-20 hectares category in Gujar Garhi, Shergarh and Katlang no respondents were found. On the other hand in above 20 hectares category, in Gujar Garhi, Shergarh, Katlang and Jamal Garhi the number of respondents were found zero. So, the study indicates that the maximum land holders were found only in Rustam and Lundkhwar. Figure 4.11 reflects the quick graphical view of the Various Size of land Holdings in Hectare of the Respondents in the Study Area

Types of Agricultural Credits

Agriculture credit is a loan which is provided to farmer by bank for purchasing inputs for their farming productivity. Among these, short term, medium term and long term are the well known types of the credit. Short term credit is a that loan which is provided for short period less than one year, such type loan is given for the purchase of inputs for crop production, while medium term loan is provided for less than five years, for the purpose of livestock, and tractor, thresher, Plough etc. The long run loan is provided for 5-10 years for the purpose of building construction, poultry farming etc. In the study area the total amount given to respondents was Rs.59120000. In which the share of the short term was 16%, Medium term 79% and long term was counted 5%. Table 10(Appendix-A) indicates village wise type credit availed by respondents' in the study area. According to table, in Gujar Garhi the short term respondents' number was 5%, medium term was 10%, while long term was zero percent, but total were 15%. In Rustam the short term respondents' number was 5%, medium term was also 5% and long term was 0.38% but total were 11%. But in Lundkhwar the short term respondents' number was 8%, medium term was 7% and long term respondents were zero percent while the total was 15%. In Shergarh the respondents number in short term was 5%, medium term was 6%, long term respondents was only 0.38 while the total respondents number was 12% while in Katlang the respondents' number in short term was 12%, medium term was 15%, and long term respondents' number was 0.76% while total respondents number was 27%. In Jamal Garhi the short term respondents' number was 10%, medium term was 10%, and long term respondents' number was 0.38 while total respondents number was 20%. In total the respondents' number in short term was 45%, medium term respondents number was 53%, and long term respondents number was 2%, while total respondents number was 100 percent. Gul and khan (1993) study results showed that most of the credit in the area was obtained by influential and absentee landlords. The collateral system was found complicated. They observed that, loan return to bank by small farmers was found better than large farmer and found some bottleneck in agricultural development. The present study is also supported by past research. Figure.4 shows the graphical situation of the Types of Agricultural Credits in Study Area.

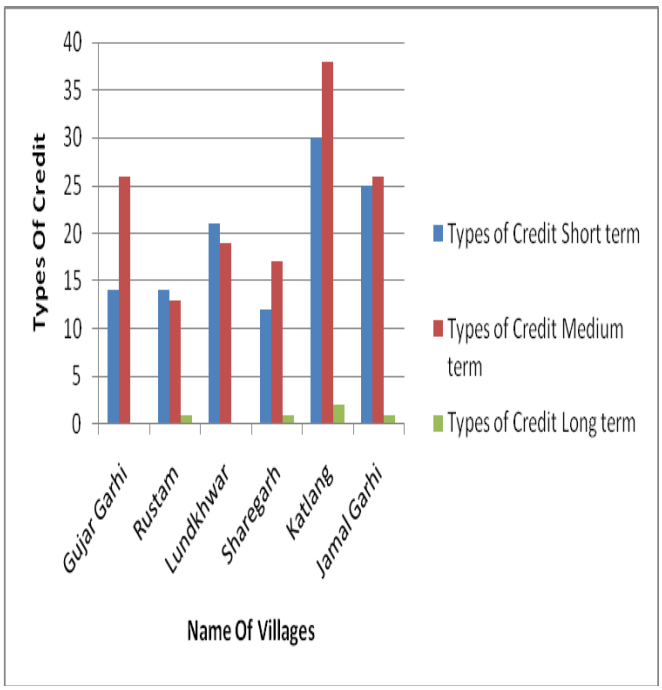


Figure .4 *Types of Agricultural Credits in Study Area*

Credit Utilization by Sampled Household

After obtaining loan the farmers spent the loan in various channel, so some amount was not spent on the target objectives. Table 11(Appendix-A) depicts the Credit Utilization by Sample Households in the Study Area. According to the table, 80% respondents' had spent the loan on farming items and 20% on non farming items. However, out of 80% ,in farming 8% respondents' had spent the credit on cultivation ,18% on seeds, 18% on fertilizer,13% on pesticides, 5% on weedicides, 3% on leveling, 6% on irrigation, 3% on livestock, 1% on poultry farming , 1% on tractor, while 2% respondents on Land purchasing respectively. While out of 20% on non farming 5% respondents had spent the credit in business, 3% on purchasing viza, 1% spent on marriage ceremony, 4%, utilized the credit in foods, 1% spent in education, 2% in medicine, 1% in litigation, 2% gave to friends as a help, 1%, used in debt. It is concluded from the discussion that 80% respondents have used the loan in farming activities, while 20% spent on non farming activities. The total activities were counted 709, while the farming was 558 activities and the non farming was only 151 activities. Finally the discussion shows that maximum credit was used by respondents' in the farming activities and only 20% was used in non farming activities, which had positive effects on the agricultural productivity. Figure.5 indicates the graphical picture of the table.

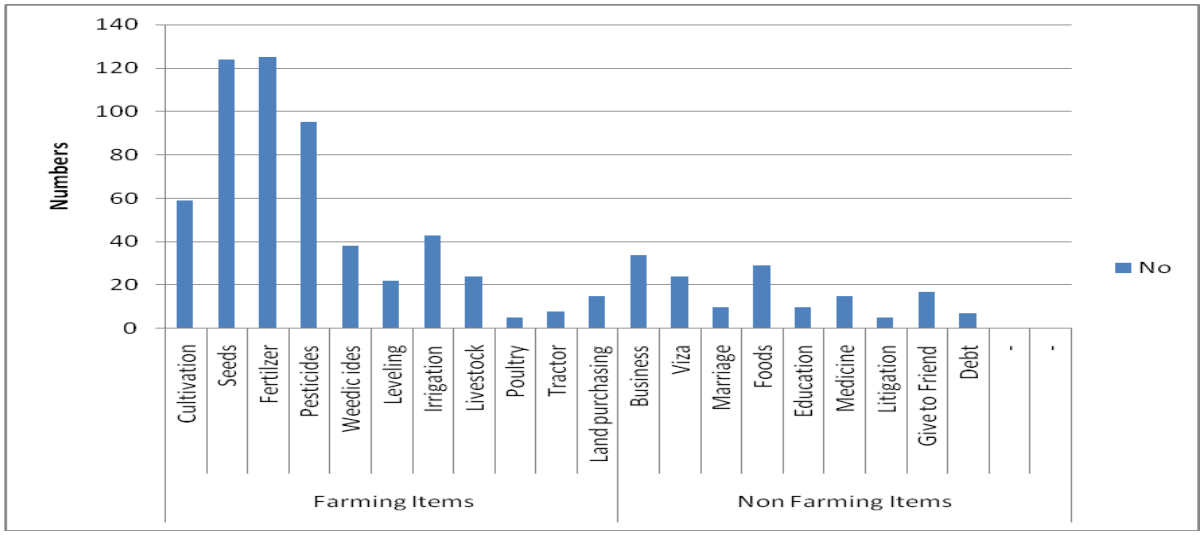


Figure.5 *Credit Utilization by Sampled Households*

Credit Effects on Agricultural Yield

The credit was spent on farming and non farming activities. Majority respondents used the credit in farming activities, while few of them utilized in non farming activities. Sometime credit spending on non farming activities affect the agriculture productivity negatively in short run, while in long run positively. Similarly, some respondents had used the credit on purchasing Viza and in business, so in short run their productivity of agriculture did not enhanced, while latter on the business and remittances return was started then the income of respondents moved upward which had increased the purchasing power of inputs of the respondents which resulting more agricultural productivity in the long run and shows the credit effects positive on credit community in the study area. Table 11 (Appendix-A) indicates Credit Effects on Agricultural Yield on the Respondents Farms in the Study Area. According to the table, in Gurjar Garhi 15% respondents' reported that the credit effect was positive on the crop production, while in that village 0.38% claimed that the effect of the credit, on the agriculture sector was found negative. In Rustam village 7% respondents told that the effect on agricultural Yield was positive while 4% claimed that the effect on the agricultural output was negative, but In Lundkhwar 8% respondents reported that the effects on agricultural sector was positive while 7% told that the effects was negative . In Shergarh 7% respondents reported that the effects on the agricultural productivity was positive while 5% told that the effects was negative on productivity of agriculture. In village Katlang 21% claimed that the effects on agricultural Yield were positive, while 6% told that the effect was negative on agriculture production. In village Jamal Garhi 17% reported that the effect on agricultural was positive while 3% go against the positive effects. The result finally concluded that 75% respondents claimed that a credit effect, on agriculture productivity was positive while 25% reported that the effect on agricultural productivity was negative. Ashfaq and Khan (2012), Mbata (1991), Azid (1993) claimed that agricultural credit was considered as a pertinent vehicle for enhancing agricultural productivity among small scale farmers and stressed that credit provision is essential for purchasing of inputs and modern technology to small scale farmers' for boosting agricultural productivity. The present research is also supported by these statements, which was proved in different era and situation. Figure.6 reflects the graphical view of the table

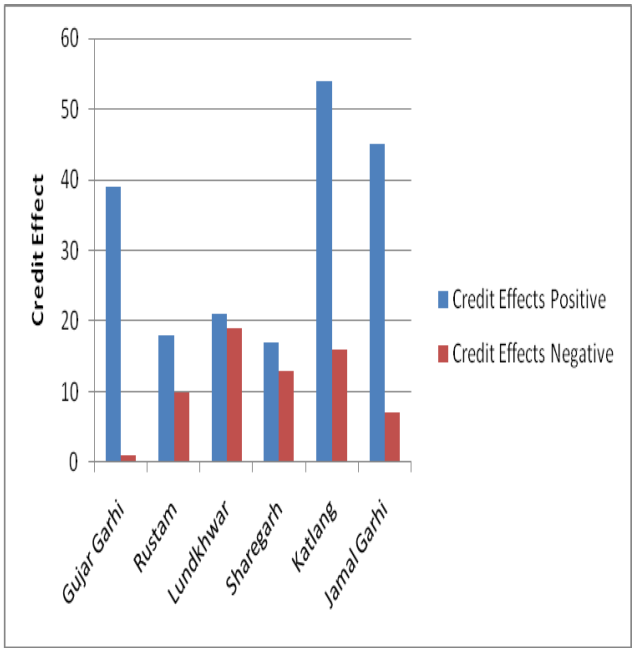
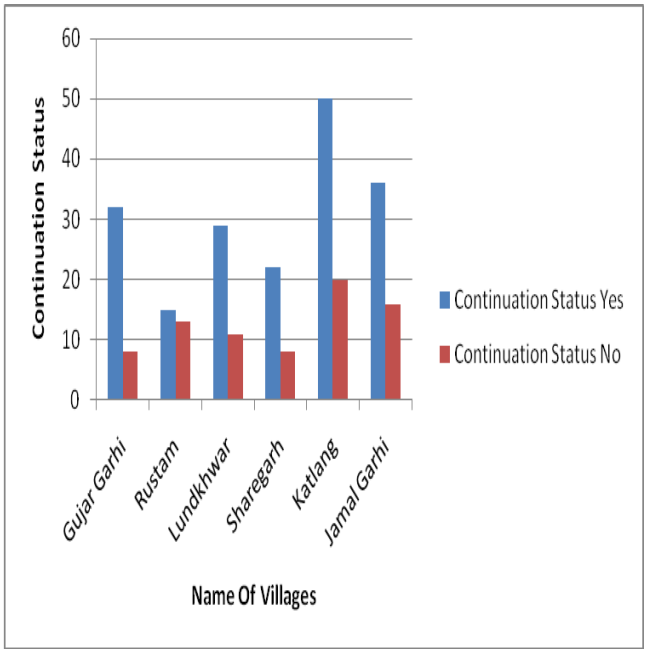


Figure.6 *Credit Effect on Agricultural Yield*

Status of the Credit of the Respondents in the Study Area

Continuation status means, how many years the respondents have continued their credit. Some respondents were able to pay back the inputs of the loan taken, while some cannot deposit the whole amount in the bank and kept the loan status continued and the bank renewed the case year wisely. Majority respondents were observed in continuation status in the study area. They deposited the interest rate year wisely while did not pay the whole amount to banks which deceived to the State bank of Pakistan and other funded organization and shows the positive effects of the credit and also deceived to the author in some situation. Table 13 (Appendix-A) indicates village wise continuation status of the respondents in the study area. According to the table, in Gujar Garhi 12% had continued the credit, while 3% had discontinued, but the total coverage, in overall was 15%. In Rustam village 6% had continued the credit and 5% had stopped the loan, due to some problems, while the total coverage in overall was 11%. In lundkhwar the continuation status was 11%, and discontinuation status was 4% while in overall the status was 15%. In Shergarh the continuation status was 9% and the stopping status was 3%, while in overall, the coverage was 12%. In Katlang the continuation status was 19%, while stopping status was 8% and in overall, the status was 27%. In Jamal Garhi the continuation status was 14% and stopping situation was 6% and in overall, the total status was 20%. Finally, it is concluded that 71% had continued the loan and 29% had discontinued the loan due to some problems. Anka (1992) discussed the historical perspective of agricultural credit in Pakistan such as credit policies and procedures, credit allocation, loan security and loan repayment etc. Measures were suggested to handle the loan recovery. He found that supervised credit was a necessity for agricultural development in Pakistan. It was only the source of uplifting the rural economy, while due to low per acre yield the small farmers failed in recovery of loans by banks, which latter on become defaulter of the bank. Such type circumstances are also existed in the study area and due to low per hectare productivity 25% had discontinued the loan from the bank which is given in the table. This theory is also supported by the present research. Figure.7 shows the graphical situation Status of the Credit of the Sample Respondents in the Study Area



Categorized Annual Income After and Before Credit Program of ZTBL

Total income is that income which comes from all source of the respondent. This income has crucial role in the enhancement of agricultural productivity. The total income of the respondent comes from the farming, business, government services, private service and from foreign remittances etc, which play crucial part in the development of agriculture. If the income of the respondent is more, then they can purchase modern inputs of the farming activities in time and obtain more output from their farm. Table 14 (Appendix-A) shows Annual income After and Before Credit of the Sample Respondents in the study area. In Gujar Garhi, in income category Rs.5000-Rs.100000, after credit the respondents number was 1 and before credit was 13 and difference was -12, in income category Rs.100001-Rs.300000, the respondents number after credit was 13 and before credit was 18 and difference was -10, in income category Rs.300001-Rs.500000, the respondents number after credit was 10 and before credit was 8 and difference was 2, in income category Rs.500001-Rs.700000, the respondents number after credit was 8 and before credit was 1 and difference was 7, in income category above-Rs.700000 the respondents number after credit was 8 and before credit was 1 and difference was 7. However, in Rustam, in income category Rs.5000-Rs.100000, the respondents number after credit was zero and before credit was 4 and difference was -4, in income category Rs.100001-Rs.300000, the respondents number after credit was 8 and before credit was 18 and difference was -10, in income category Rs.300001-Rs.500000, the respondents number after credit was 9 and before credit was 4 and difference was 5, in income category Rs.500001-Rs.700000, the respondents number after

credit was 4 and before credit was 1 and difference was 3, in income category above-Rs.700000, the respondents number after credit was 8 and before credit was 1 and difference was 6. On the other hand in Lundkhwar, in income category Rs.5000-Rs.100000, the respondents number after credit was 1 and before credit was 8 and difference was -7, in income category Rs.100001-Rs.300000, the respondents' number after credit was 10 and before credit was 16 and difference was -6, in income category Rs.300001-Rs.500000, the respondents number after credit was 9 and before credit was10 and difference was -1, in income category Rs.500001-Rs.700000, the respondents number after credit was 6 and before credit was 1 and difference was 5, in income category above-Rs.700000, the respondents number after credit was 14 and before credit was 5 and difference was 9. In Shergarh, in income category Rs.5000-Rs.100000, the respondents' number after credit was 1 and before credit was 2 and difference was -1, in income category Rs.100001-Rs.300000, the respondents number after credit was 6 and before credit was 9 and difference was -3, in income category Rs.300001-Rs.500000, the respondents number after credit was 6 and before credit was 6 and difference was zero, in income category Rs.500001-Rs.700000, the respondents number after credit was 5 and before credit was 8 and difference was -3, in income category above-700000, the respondents' number after credit was 12 and before credit was 5 and difference was 7. Though, in Katlang, in income category Rs.5000-Rs.100000, the respondents number after credit was 1 and before credit was 7 and difference was -6, in income category Rs.100001-Rs.300000, the respondents number before credit was 16 and after credit was 31 and difference was -15, in income category Rs.300001-Rs.500000, the respondents number after credit was 20 and before credit was 13 and difference was 7, in income category Rs.500001-Rs.700000, the respondents number after credit was 15 and before credit was 6 and difference was 9, in income category above Rs.700000 the respondents number after credit was 18 and before credit was 13 and difference was 5.While in Jamal Garhi in income category Rs.5000-Rs.100000, the respondent number after credit was 1 and before credit was 7 and difference was -6, in income category Rs.100001-Rs.300000 the respondents number after credit was 10 and before credit was18 and difference was -8, in income category Rs.300001-Rs.500000, the respondents number after credit was 15 and before credit was 11 and difference was 4, in income category Rs.500001-Rs.700000, the respondents number after credit was 10 and before credit was 6 and difference was 4, in income category above Rs.700000, the respondents' number after credit was 16 and before credit was 10 and difference was 6.Hence, in total in income category Rs.5000-Rs.100000 the respondents number after credit was 5 and before credit was 41 and difference was -36, in income category Rs.100001- .

District Wise Mean Income, Expenditure and Saving After and Before Credit,

Table 16 (Appendix) indicates the District wise mean of Annual income, Farming, Expenditure and Saving After and Before credit in the Study Area. According to the table, after credit the mean total annual income of the respondents after credit was Rs.618599 and before credit was Rs.356767, difference was Rs.261833; increase was 73%, while t-value was 12.522 and p-value was .000. The hypothesis was rejected and the result was found highly significant at .05 level, which show that credit had increased the total annual income of the respondents in the study area. Arif (2001) and Javed *et al. (2006)* told that the farmers obtained credit for purchasing inputs, which had increased per acre productivity of the crops, vegetables and livestock, which had improved the income level of the farmer in the study area. This statement is also supported by present research.The farming annual income mean of the respondents' was Rs.366812 and before credit, was Rs.174781, difference was Rs.192031, increase was 110%, while degree of freedom was 259 and p-value was .001. The hypothesis was rejected and the result was found highly significant at .05 level, which shows the effect of the credit positive on the farming income of the respondents.The mean annual expenditure of the respondents after credit was Rs.472806 and before credit was Rs.248296, difference was Rs.224510; increase was 90%, while t-value was 8.857 and p-value was .000. The hypothesis was rejected and the result was found highly significant at .05 level which show that after credit the total expenditure was increased due to credit utilization in farming sector and with other business activities.The mean annual saving of the respondents after credit was Rs.207124 and before credit was Rs.113439, difference was Rs.93685, increase was 82%, while t-value was 5.236 and p-value was .000. The hypothesis was rejected and the result was found highly significant at .05 levels. It also shows that after credit the saving of the respondents were increased and the effect of the credit was found positive on the credit community. AKRSP (1997) and Waqar (2002) reported that due to proper utilization of credit monthly savings of all the respondents were found more than before credit. However, in this research the saving increase was also found more than before, which shows the credit effects positive on the respondents. Finally the study concluded that the credit had been brought the positive change in the living standard of the beneficiaries of the credits and increased total annual income annual farming income, annual expenditure and annual saving enormously, which shows that credit provision to farmer had improved their income, along with life style and enhanced agriculture productivity in the study area. These all are called developmental factors, because expenditure increase the demand of the world, which latter on give incentive to producer, then producer established new plants for surplus demand. However, through this ways new employments are generated, which solve the problems of the unemployment in the country. On the other hand, saving increase the capacity of investment in the country and reserve of the state bank, which increase the industries and the value of the rupees respectively, in the world economy, which make the country strengthen and powerful in the future. Figure 13 shows District wise mean of total annual income, annual farming income, annual expenditure and annual saving after and before credit, differences, % changes of the study area

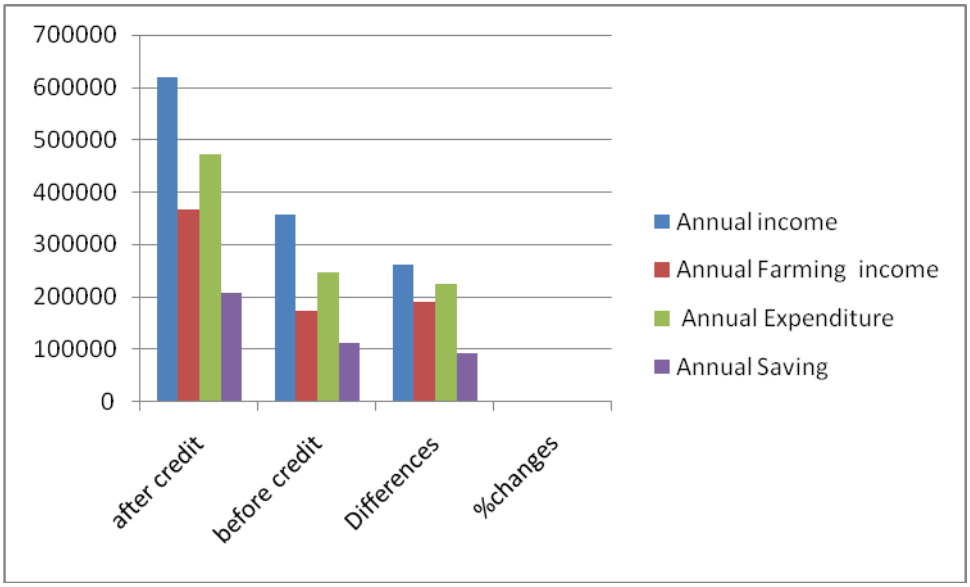


Figure 10 *District wise mean total annual income, annual farming income, annual expenditure and annual saving after and before credit, differences, % changes of the study area*

Problems and Constraints Faced by Sample Respondents in Taking Credit by ZTBL in the Study Area

The problems and constrained are the hurdles, obstacles and difficulty faced by farmers in taking credit. Table 16 (Appendix) depicts the problems and constrained faced by farmer in taking credit. According to the table, in Gujar Garhi 38% respondents highlighted the problems of getting loan late, while 83% respondent claimed complicated passbook preparation process by Patwari, but 53% respondents reported the non availability of collateral in the study area. Hence 25% respondents claimed the non cooperation of bank staff with farmers, while 88% respondents reported fewer amounts than the requirement and bank away from the residential area but 62% respondents told on average basis about the all problems. However, in Rustam 79% reported lately payment, 96% Complication of passbook preparation, 89% non availability of collateral, 46% non cooperation of the bank staff, 89% amount less than requirement, 11% claimed bank away from the residential area while 68% on average basis report about the all mentioned problems. On the other hand in Lundkhwar 55% told that the payment did not meet to them in time, 67% reported about complication process about passbook preparation, 63% non availability of collateral, 43% non cooperation of bank staff. They told that they met to us in rude behaviors and gave no lift to them, 58% respondents claimed fewer amounts than the requirement, 68% respondents told about bank away from the residential area while 59% on average basis claimed all the problems in the study area. While, in Sharegarh 43% told about late payment of loan, 47% claimed about the complication process of the passbook preparation, 47% non availability of collateral in the study area, 40% non cooperation of bank staff, 43% less amount than the requirement, 23% claimed bank away from the residential area while on average basis 41% claimed all the problems in the study area. Though, in Katlang 66% told that the amount of loan met to them lately, 47% claimed the passbook preparation, non availability of collateral, non cooperation of bank staff, less amount than the requirement each, 41% claimed the bank is situated in the remote area while on average basis 60% farmers claimed all the problems in the study area. Hence in Jamal Garhi 71% told that the bank did not pay the amount in time, 65% complication process of passbook preparation, 58% non availability of collateral, 52% claimed the non cooperation of the bank staff, 54% reported less amount than requirement, 62% claimed bank away from the residential area, while on average basis 60% claimed all the mentioned problems in the study area. However, in total 60% on average basis claimed late payment, 65% complication process of passbook preparation, 57% non availability of collateral in the study area, 43% non cooperation of the bank staff, 60% claimed the amount less than the requirement, 51% claimed the bank away from the residential area while in total 56% claimed all the mentioned problems in the study area. Mbata (1991), Muhammad and shah (1981) and Salami (1980) reported that bureaucratic procedures for the institutions, untimely release of funds, high interest rates and absence of banking facilities in rural areas were major bottlenecks to credit extension and also noted that the loaning system of credit institution was not based on the actual need of the farmers. They further told that resourceful farmer obtained more loan than small and landless farmers according to their requirement and found monitoring cell failure in the study area respectively.Such types of hurdles were also recorded in the study area, which had blocked the developmental activities of the respondents and as like developed countries, our farmers cannot get the same productivity in the study area. These theories also support the present research. Figure 4.26 indicates the graphical picture of the table.

3. CONCLUSION AND RECOMMENDATION

The study finally concluded that credit of ZTBL supply increase the purchasing power of the farmers for inputs which boosting agriculture production in the study area. They sell the agricultural products in the market and receive money which further improve expenditures and saving of the household. The saving increase the

investment activity in agriculture production and in other business activities of the farmers. The impact fell on the food, children education, marriage cermoney and on house structure which finally make them a khan of the area while due to few problems i.e complicated process of the loan, less than their requirement, lack of payment in time, lack of bank staff cooperation, bank more distance, lack of collateral make this business unfavorable and instead of benefits, the credit owner become defaulter of the Bank.On the basis of problems the study recommended one window operation for loan provision to credit owner, credit supply to tenant without collateral, according to requirement loan facility farmer, in time availability of loan and marketing facility provi to farmer in the study area for boosting income level of farmer in the study area.

5. REFERENCES

[1]. Ahmad, M., and G.C, Battese 1997. A Probit Analysis of the Incidence of the Cotton Leaf Curl Virus in Punjab, Pakistan' The Pakistan Development Review 36:155-169.

[2]. Ahmad, M. 2007. Evaluation of AKRSP' Micro Credit Program on Agriculture and Enterprise Development in District Astore, Northern Areas. Faculty of rural Social Sciences, M.Sc (Hons) Thesis Agric: KP, AUP.

[3]. Anka, A.M.L. 1992. Analytical Report on Supervised Agricultural Credit, its Problems Prospects and Suggestions for Implementation in Pakistan' Journal of Rural Development and Administration.24 (1):137-147.

[4]. Ashfaq, M. and Khan H.(2012). "Determinants of Credit off Take in Informal Credit Market.(A case study of village Regi District Mardan)"Thesis M.Phil(Economics). Institute of Development studies Faculty of Rural Social Sciences Agricultural University Peshawar-Pakistan.

[5]. District Census Report of Mardan, 1998. Population Census organization Statistics Division, Govt. of Pakistan Islamabad.

[6]. Govt of Pakistan Economic Surveys (1998-2009). Economic Affairs Finance Division, Islamabad

[7]. Govt of Pakistan Economic Survey (2009-2010). Advisory Wing Finance Division, Islamabad.

[8]. Gul. S and M.N. Khan. 1993. A critical assessment of the supervised credit scheme of the Agricultural Development Bank of Pakistan: A case study of Mardan District. Journal of Rural Development and Administration 25(2):119-126

[9]. Himaytullayh. 1995. Agricultural Credit Availability and requirement in Pakisttan: A detailed Analysis .Journal of Rural Development and Administration. 27(4):67-76

[10]. Idrees, M. and M. Ibrahim. 1993. Agricultural Credit role in the Development of Agriculture. Journal of Rural Development and Administration 25(4): 64-74

[11]. Khan N. Jan I. Rehman M. Latif M. Ali A. Khan J. 2007. The Impact of Micro-Credit on Livestock Enterprise Development in District Abbottabad, A case of SRSP Micro Credit Program, Sarhad J. Agric, 23 (4): 1205-1209.

[12]. Khan N. Jan I. Rehman M. Mehmood A. Ali A. 2007. The Effects of Short Term Agricultural Loans Scheme of Zari Taraqiati Bank on Increase in Farm Production in District Karak, Sarhad J. Agric, 23 (4): 1285-1290.

[13]. Matsumoto, T., and T. Yamano, 2010. "The Impact of Fertilizer Credit on Crop Production and Income in Ethiopoia". GRIPS Discussion Paper 10-23. National Institute for Policy Studies 7-22-1 Roppongi,Minato-ku, Tokyo, Japan 106-8677. P.1.

[14]. Mbata, J.N. 1991. An Evaluation of institutional Credit and its Role in Agricultural Production in Rivers State, Nigeria, Savings and Development Supplement Vo.1:5-2.

[15]. Ochola S.A., and W. Kosura 2007. "Case study on Tobacco cultivation and possible alternative crops-Kenya". Institute for Natural Resources and Technology Studies(INRS) Page -23

[16]. Okoboi G., J. Muwanga and T. Mwebaze, 2012. "Use of Improved Inputs and Its effects on Maize yield and Profit in Uganda"College of Business and Management Science, Makeree University ,P.O.Box 702, Kampala, Uganda.Scholarly Peer Reviewed Vol.12 No.7.

[17]. Iqbal M. et.al, 2003. The Impact of Institutional Credit on Agricultural Production in Pakistan. The Pakistan Development Review.42:4 Part III (Winter 2003)pp. 469-485.

[18]. Muhammad, W. 2003. An Investigation into Effectiveness of Micro-Credit Program of AKRSP' A Case Study of Three Villages of Sub-Division Hunza District Gilgit, M.Sc(Hons) Thesis, Department of Agricultural Economics and Rural Sociology. KP, AUP.

[19]. Saboor, A., M.,Hussain and M. Munir, 2009. "Impact of Micro Credit in Alleviating Poverty: An Insight from Rural Rawalpindi Pakistan". Deptt. of Agri. Eco. Univ. of Agriculture, Faisalabad-Pakistan. Pak J. Life soc. Sci. 7(1):90-97

[20]. Salami. K.A. 1988. Impact of Formal Agricultural Credit on small Farm Development in the Ashanti Region of Ghana. Eastern Africa Economic Review. 4(2):1-8.

[21]. Todaro, C.P., 1997. Economic Development Sixth Edition. British Library Cataloguing- in-Publication Data. Longman London and New York. Wale, Pole 1982. Statististics.

[22]. Zuberi, H.A. 1989. "Production Function, Institutional Credit and Agricultural Development in Pakistan" The Pakistan Development Review 28:1, 43-56.

5 APPENDIX

Table 1 *Supply of Agricultural Credit by Institutions (1998-2010) (Rs. In Million)*

Year	ZTBL	Commercial Banks	Cooperatives	Domestic Private Bank	Total Amounts	Percent Change
1998-99	30176.00	7236.00	5440.00	-	42852.0	28.3
1999-00	24423.90	9312.50	5951.2	-	39687.6	-7.4
2000-01	27610.00	12055.00	5124.2	-	44789.2	12.8
2001-02	29108.00	17486.10	5273.7	578.5	52446.3	17.1
2002-03	29270.20	22738.6	5485.4	1424.5	58918.7	12.3
2003-04	29933.07	33247.45	7563.54	2701.80	73445.86	24.6
2004-05	37408.84	51309.78	7607.82	12406.82	108732.91	48.0
2005-06	47594.14	67967.40	5889.49	16023.38	137474.40	26.4
2006-07	56473.05	80393.18	7988.06	23976.16	168830.45	22.8
2007-08	66938.99	94749.29	5931.45	43940.92	211560.66	25.3
2008-09	45399.87	74364.60	3538.89	28557.24	151860.60	9.6
2009-10	48986.53	85177.16	3530.02	28641.15	166344.86	9.5

Source: *Pakistan Economic Surveys (1998-2010).*

Table 2 *Age Wise Distribution of Sampled Respondents in the Study Area*

Age	Name of sampled village						Total
	Gujar Garhi	Rustam	Lundkhwar	Shergarh	Katlang	Jamal Garhi	
	Freq.	Freq.	Freq.	Freq.	Freq.	Freq.	No.
Up to 40	03	11	10	08	16	09	057
41-60	30	14	17	16	45	29	151
Above- 60	07	03	13	06	09	14	52
Total	40	28	40	30	70	52	260

Source:- *Field Survey 2012*

Table 3 *Literacy Status of the Sample Respondents in the Study Area*

Literacy Status	**Name of sampled villages**												**Total**	
	Gujar Garhi		**Rustam**		**Lund Khawar**		**Shergarh**		**Katlang**		**Jamal Garhi**			
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
Literate	28	10.77	24	09.23	29	11.15	24	09.23	57	21.92	38	14.61	200	77
Illiterate	12	04.62	04	01.54	11	04.23	06	02.31	13	05.00	14	05.38	060	23
Total	40	15.39	28	10.77	40	15.38	30	11.54	70	26.92	52	20.00	260	100

Source:- *Field Survey 2012*

Table 4 *Family Size Distribution of Respondents in the Study Area*

Family Size	Name of sampled villages						Total
	Gujar Garhi	Rustam	Lund Khwar	Shergarh	Katlang	Jamal Garhi	
	Freq.	Freq.	Freq.	Freq.	Freq.	Freq.	Freq.
01-05	05	09	10	09	18	08	060
06-10	30	17	24	13	38	26	148
11-15	00	02	03	02	09	12	028
16-20	03	00	02	04	04	05	017
21-25	02	00	01	02	01	01	007
Total	40	28	40	30	70	52	260

Source:- *Field Survey 2012*

Table 5 *Family Type Distribution of the Respondents in the Study Area*

Name of Village	Type of family				Total
	Extended	Nuclear	Joint	Single	
	Freq.	Freq.	Freq.	Freq.	Freq.
Gujar Garhi	4	12	23	01	40
Rustam	3	13	11	01	28
Lundkhwar	9	18	12	01	40
Shergarh	5	17	08	00	30
Katlang	8	39	22	01	70
Jamal Garhi	5	19	28	00	52
Total	34	118	104	04	260

Source:- *Field Survey 2012*

Table 6 *Occupational Status of Family Members of the Sampled Respondents in the Study Area*

Name of Village	Occupation										Total	
	Farmer		Business		Govt Service		Private Service		Foreign			
	No	%	No	%	No	%	No	%	No	%	No	%
Gujar Garhi	060	10	08	01	08	01	07	01	07	01	090	015
Rustam	040	07	13	02	03	01	01	.002	01	.002	058	010
Lundkhwar	050	09	05	01	17	03	07	01	10	02	089	015
Shergarh	036	06	16	03	12	02	-	-	04	01	068	012
Katlang	100	17	25	04	21	04	03	01	18	03	167	029
Jamal Garhi	070	12	11	02	15	03	02	01	12	02	110	019
Total	356	61	78	13	76	14	20	03	52	09	582	100

Table 7 *Tenure Status of Sampled Respondents in the Study Area*

Name of Village	Tenure status				Total	
	Owner		Owner Cum Tenant			
	No	%	No	%	No	%
Gujar Garhi	038	14.62	02	0.77	040	015.39
Rustam	026	10.00	02	0.77	028	010.77
Lundkhwar	040	15.39	00	0.00	040	015.39
Shergarh	028	10.76	02	0.77	030	011.53
Katlang	069	26.54	01	0.38	070	026.92
Jamal Garhi	047	18.08	05	1.92	052	020.00
Total	248	95.39	12	4.61	260	100.00

Source:- *Field Survey 2012*

Table 8 *Various Size of land Holdings in Hectare of the Sample Respondents in the Study Area*

Name of village	Size of Land										Total	
	0.1-05		5.1-10		10.1-15		15.1-20		Above 20			
	No	%	No	%	No	%	No	%	No	%	No	%
Gujar Garhi	38	14.62	01	0.38	01	0.38	-	-	-	-	40	15.38
Rustam	23	08.85	02	0.76	01	0.38	01	0.38	01	0.38	28	10.77
Lundkhwar	34	13.08	02	0.76	02	0.76	01	0.38	01	0.38	40	15.39
Shergarh	28	10.71	02	0.76	-	-	-	-	-	-	30	11.54
Katlang	61	23.46	08	3.08	01	0.38	-	-	-	-	70	26.92
Jamal Garhi	50	19.23	01	0.38	-	-	01	0.38	-	-	52	20.00
Total	234	90.00	16	6.12	05	1.90	03	1.14	02	0.76	260	100.0

Source:- *Field Survey 2012*

Table 9 *Types of Agricultural Credits in the Study Area*

Name of village	Types of Credit						Total	
	Short term		Medium term		Long term			
	No	%	No	%	No	%	No	%
Gujar Garhi	14	5	26	10	0	0.00	40	15
Rustam	14	5	13	5	1	0.38	28	11
Lundkhwar	21	8	19	7	0	0.00	40	15
Shergarh	12	5	17	6	1	0.38	30	12
Katlang	30	12	38	15	2	0.76	70	27
Jamal Garhi	25	10	26	10	1	0.38	52	20
Total	116	45	139	53	5	2.00	260	100

Source:- *Field Survey 2012*

Table 10 *Credit Utilization by Sampled Households in the Study Area*

Farming Activities	**No**	**%**	**Non Farming Activities**	**No**	**%**	**Total Activities**
Cultivation	59	8	Business	34	5	93
Seeds	124	18	Viza	24	3	148
Fertilzer	125	18	Marriage	10	1	135
Pesticides	95	13	Foods	29	4	124
Weedic ides	38	05	Education	10	1	48
Leveling	22	03	Medicine	15	2	37
Irrigation	43	06	Litigation	05	1	48
Livestock	24	03	Give to Friend	17	2	41
Poultry	5	01	Debt	07	1	12
Tractor	8	01	-	-	-	08
Land purchasing	15	02	-	-	-	15
Total	558	80	Total	151	20	709

Table 11 *Credit Effects on Agricultural Yield on the Respondents Farms in the Study Area*

Name of village	Credit Effects				Total	
	Positive	%	Negative	%	No	%
Gujar Garhi	39	15	01	0.38	40	15
Rustam	18	07	10	4.00	28	11
Lundkhwar	21	08	19	7.00	40	15
Sharegarh	17	07	13	5.00	30	12
Katlang	54	21	16	6.00	70	27
Jamal Garhi	45	17	07	3.00	52	20
Total	194	75	66	25	260	100

Table 12 *Status of the Credit of the Sample Respondents in the Study Area*

Name of Village	Continuation Status				Total	
	Yes	%	No	%	Number	%
Gujar Garhi	32	12	8	3	40	15
Rustam	15	06	13	5	28	11
Lundkhwar	29	11	11	4	40	15
Shergarh	22	09	8	3	30	12
Katlang	50	19	20	8	70	27
Jamal Garhi	36	14	16	6	52	20
Total	184	71	76	29	260	100

Source:- *Field Survey 2012*

Table 13 *Category Wise Annual income After and Before Credit of the Sample Respondents in the study area*

Name of village	Income categories															Total	
	5000-100000			100001-300000			300001-500000			500001-700000			Above-700000				
	A	B	D	A	B	D	A	B	D	A	B	D	A	B	D	A	B
Gujar Garhi	1	13	-12	13	17	-5	10	8	2	8	1	7	8	1	7	40	40
Rustam	0	4	-4	8	18	-10	9	4	5	4	1	3	7	1	6	28	28
Lundkhwar	1	8	-7	10	16	-6	9	10	-1	6	1	5	14	5	9	40	40
Shergarh	1	2	-1	6	9	-3	6	6	0	5	8	-3	12	5	7	30	30
Katlang	1	7	-6	16	31	-15	20	13	7	15	6	9	18	13	5	70	70
Jamal Garhi	1	7	-6	10	18	-8	15	11	4	10	6	4	16	10	6	52	52
Total	5	41	-36	63	109	-46	69	52	17	48	23	25	75	35	40	260	260

Source:- *Field Survey 2012*

Table 14 *Descriptive Statistics of Annual Income After and Before Credit of the Respondents in the Study Area*

Items	Name of Villages												Total		Average	
	Gujar Garhi		Rustam		Lundkhwar		Shergarh		Katlang		Jamal Garhi					
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Mean	473	263	572	310	666	346	782	443	559	348	707	424	3759	2135	626	356
Minimum	100	011	142	80	955	90	95	86	103	60	40	50	1435	377	239	63
Maximum	2480	2000	1831	1600	2244	1300	322	1600	1500	1051	3170	1600	11547	9151	1924	1525
SD	401	347	412	286	554	304	659	314	343	261	607	359	2978	1871	496	312

Source:- *Field Survey 2012*

Table 15 *District Wise Mean Annual Income, Farming income, Expenditure and Saving After and Before Credit, of the Sampled Respondents in the Study Area*

Particular Items	after credit	before credit	Differences	%changes	Degree of freedom	t. value	p.value
Annual income	618599	356767	261833	73	259	12.522	.000
Annual Farming income	366812	174781	192031	110	259	3.247	.001
Annual Expenditure	472806	248296	224510	90	259	8.857	.000
Annual Saving	207124	113439	93685	82	259	5.236	.000

Table 16 *Problems and Constraints Faced by Sample Respondents in Taking Credit by ZTBL in the Study Area*

Name of village	Type of Problems												Average	
	I		II		III		IV		V		VI			
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Gujar Gari	15	38	33	83	21	53	10	25	35	88	35	88	25	62
Rustam	22	79	27	96	25	89	13	46	25	89	03	11	19	68
Lundkhwar	22	55	27	67	25	63	17	43	23	58	27	68	24	59
Shergarh	13	43	14	47	14	47	12	40	13	43	07	23	12	41
Katlang	46	66	33	47	33	47	33	47	33	47	29	41	35	49
Jamal Garhi	37	71	34	65	30	58	27	52	28	54	32	62	31	60
Total	155	60	168	65	148	57	112	43	157	60	133	51	146	56

Source:- *Field Survey 2012*

I=Non Availability of credit in time, II=Complication of passbook preparation by Patwari, III=Non availability of Collateral, IV=Non-Co operation of Bank Staff, V=Amount less than requirement, VI=Bank away