

## **An Empirical Study on Awareness and Utilization of Agriculture Subsidies by the Farmers-With Reference To Palladam Area**

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**Abstract:** Agriculture sector is undoubtedly most important sector of Indian economy as it provides employment to 60% of people and food security of India revolves around this sector. It employs more than 90 million people and contributes 15.4 percent gross value addition (GVA) to the Indian economy. Its importance can be gauged by the fact that whenever there is fear of deficit monsoon, whole of the population ranging from farmers, workers, businessmen, policy makers and even foreign investors are caught into nervousness. Among the agriculture production incentives subsidies are considered to be the most powerful instruments for accelerating the growth of agricultural production. Subsidy is a policy adopted by government to support and encourage farmers to continue in the culture of agriculture. In India in last few years the rate of subsidy has evenly grown up to 55-60% on an average. Simple random sampling technique has been used to collect the data from 150 respondents. The result revealed that the cultivation of land plays a predominate role in effective utilization of government subsidies for the farmers and the respondents aged above 41 years are highly satisfied with government subsidies. Most of the subsidies provided are designed to compensate the high cost of production and to stimulate the use of modern input. The study has suggested that most of the farmers have not aware about the export subsidies, so that the government should take initiatives in creating awareness among the farmers. Further, the more procedure and formalities are to be reduced for availing the subsidies from the Government.

**Key Words:** Subsidies, Utilization, Awareness, Agriculture and Land cultivated.

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### **I. INTRODUCTION**

Agriculture plays an important role in the economic growth of our country. It employs more than 90 million people and contributes 15.4 percent gross value addition (GVA) to the Indian economy. Extremity in climate and variety of soil condition have made possible the cultivation every item. For stimulating agriculture production and attaining self-sufficiency the government provides various incentives together with price supporting schemes. Among the agriculture production incentives subsidies are considered to be the most powerful instruments for accelerating the growth of agricultural production. Subsidy is a policy adopted by government to support and encourage farmers to continue in the culture of agriculture. In India in last few years the rate of subsidy has evenly grown up to 55-60% on an average. Most of the subsidies provided are designed to compensate the high cost of production and to stimulate the use of modern input. India is the second largest irrigated country of the world after China, only one-third of the cropped area is under irrigation. India cannot achieve sustained progress in agriculture unless and until more than half of the cropped area is brought under assured irrigation. Subsidies to the farmers which the government bears on account of providing proper irrigation facilities. Major items of agricultural subsidies are fertilizer, irrigation, machinery, export, power, seed and credit. While fertilizer and machinery subsidies are borne by the centre, power and irrigation subsidies are borne by the respective state government. Credit and seed subsidies are given through the banking system.

Credit subsidy is applicable for short term loans provided for production purpose for a period of one year or more. It is the difference between cost of credit and the actual interest paid by the farmers. For fertilizer inputs, subsidy is the difference between the price paid to fertilizer manufacturers and price received from the farmers. For other inputs, it is the difference between economic cost of input and issue price to the farmers, which is paid by the government. Credit subsidy includes interest subvention and interest subsidy. In the case of nationalized banks interest subvention is only applicable and it is provided by the government of India through the RBI. For the Co-operative banks both the interest subvention and the interest subsidy is applicable and it is given through the NABARD.

## **II. STATEMENT OF THE PROBLEM**

Agriculture is the main occupation of the majority of population in Palladam. The farmers of the Palladam rely heavily on agriculture for earning their livelihood. The development of agriculture depends on various aspects such as type of soil, relief, vegetation, climatic condition and attitude of different social groups of farmers to agriculture, use of irrigation, hybrid variety seeds, fertilizers and machineries. The level of agricultural development is not the same throughout the India. So the government provides number of schemes and subsidies for the development of farmers. The impact of these aspects agriculture varies from one place to another. The farmers face many problems in receiving agriculture subsidies. In the background an empirical study on utilization and satisfaction of government subsidies with special reference to Palladam has been analyzed.

### **SCOPE OF THE STUDY**

The study highlights the farmers' awareness and various subsidies availed by them for cultivation in Palladam area. It mainly focuses on effective utilization level regarding the subsidies. The study covers satisfaction level towards the government agricultural subsidies. It also helps to identify the problems faced by the farmers for getting the subsidies.

### **OBJECTIVES**

1. To analyze the awareness towards government subsidies provided to the farmers.
2. To know the effective utilization level of subsidies by the farmers
3. To identify the satisfaction level of farmers regarding the subsidies provided by the government.

## **III. RESEARCH METHODOLOGY**

The research methodology gives an idea about the type of research design, the sampling techniques, the process of data collection and the instrument used for data collection. A research methodology is a master plan for the conduct of formal investigation by research methodology is the pathway or an approach to get the needed information by locating the data from different sources which are primary and secondary.

- **Period of the study**  
The study has been conducted from December 2016-March 2017.
- **Area of the study**  
The study is under taken in Palladam taluk.
- **Sampling technique**  
The sample size of the study is 150 respondents. Simple random sampling technique is used to collect the data.
- **Data source**  
The data required for the study has been collected from both primary and secondary sources. Primary data have been collected through a structured questionnaire having 16 questions. The questionnaire is to be filled up by the respondents having farms. The questionnaire will have closed ended questions or multiple choice questions. Secondary data have been collected from various text books, journals, magazines and websites.
- **Statistical tools used for the study**  
Simple percentage analysis, Descriptive statistics, Chi-square test, ANOVA, Friedman rank test.

### **LIMITATION OF THE STUDY**

The respondents for the study are mainly in and around Palladam area only. The study is based on the information provided by the respondents. So the study may be biased. The sample size is limited to 150 farmers in Palladam area, so the sample size may not adequately represent the total population. The research has been conducted within a limited period.

### **REVIEW OF THE LITERATURE**

**Bagyalakshmi and saravanakumar (2016)** has examined the study "Rationale of government subsidies in India" focuses the level of awareness among farmers towards available subsidies schemes. The objective of the study is to find the awareness level about government subsidies. A questionnaire schedule has constructed for the purpose of collecting data. Data has been collected from 150 respondents using cluster sampling method. Chi-square tests have been applied for the study. The findings reveal that the income of farmers is independent of availing subsidies and subsidies schemes given by the government. The study has concluded that maximum number of farmers is aware about government schemes. The study suggested that the government must develop subsidy information system to educate farmers and to avail subsidy must be made farmer friendly.

**Harshal anil salunkhe (2016)** in his study "A bureaucracy: A study of distribution process of agriculture subsidies in India" has examined the opinion of farmers related to government distribution system and

agriculture subsidies. The data have been collected from 500 respondents. Percentage analyses have been applied for the study. The findings were revealed that the majority of the respondents agree that the lack of awareness is major hurdle for getting subsidies. The study suggested that the government should make one common agency for distribution of subsidies.

**Jyoti Vipul Howale et al (2015)** in their study “Analysis of Awareness and utilization of agricultural government subsidies in western Maharashtra” has examined the utilization level of government subsidies by the farmers. The major objective of the study is to find out the awareness level about government subsidies. The study was analyzed by adopting the random sampling technique with data has been collected from 300 respondents. Percentage analyses have been applied for the study and the findings were concludes that the most of the farmers are aware about government subsidies and new technologies. The study suggested that the government should take efforts to give proper information of sources of finance to the farmers.

**Parag Das (2015)** has analyzed a study on “Problems of rural farmers: A case study based on the lowphulabori village under the raha block development area of nagaon district, Assam”. The objective of the study is to know the income and productivity of the farmers. Data have been collected from 30 farmers using interview schedule method. Percentage analysis has been used in the study. The study concluded that lack of knowledge about demandable crops or more appropriately absence of commercialization of agriculture sector is the main problems of the rural farmers. Study suggested to overcome the highlighting problems the government should take possible steps

**Mishra et al (2014)** in his study “A study of factors influencing farmers satisfaction level towards agricultural produce marketing committee (Rajnandgaon district)” has presented the satisfaction of farmers towards agricultural produce marketing committee. The major objective of the study is to know about the working and organizational structure of agricultural produce marketing committee. The data has been collected from 140 respondents using convenience sampling method. Mean and standard deviation has been used in this study. The study concludes that farmers are getting proper updated information related to the current price of their respective crops. The study suggested that the government should examine its policies and regulations with view to strength the marketing network.

**Parmeshwar udmale et al (2014)** has presented the study “Farmers perception of drought impacts, local adaptation and administrative mitigation measures in Maharashtra”. The study explains the perceptions of farmers on drought impacts and administrative mitigation. The objective of the study is to understand the rural forming community’s perception of drought impact on their socio – economic activities and environment. This study is based on both secondary and primary data collected via a survey of 223 farming households. The result show that decrease in healed of cereals, horticultural crops, livestock production and loss of employment, all associated with decreased income of farmers, were the most immediate economic impacts of drought. The study suggested that the government drought relief measures, community based effective planning, implementation and management should be done to overcome the failure of the relief measures.

**Ashish kumar Sharma (2014)** has entitled the study “Farmer satisfaction with information sources and services: A study on farmer’s opinion about government subsidies”. The major objective of the study is to ascertain the awareness and satisfaction of farmers regard the availability of Information’s. Data have been collected from 400 respondents using random sampling method. Percentage analyses have been applied for the study. The findings were revealed that the sources of information’s are not very effective and the study suggested that agriculture centers should provide information’s to the farmers.

**TABLE 1 : Demographic Profile**

Demographic profile	Particulars	Frequency	Per cent
Age	Below 30	49	32.7
	31-40	26	17.3
	41-50	59	39.3
	Above 50	16	10.7
Gender	Male	105	70
	Female	45	30
Educational Qualification	No formal education	28	18.7
	SSLC	48	32
	HSL	29	19.3
	UG/PG	25	16.7
	Others	20	13.3
Nature of Family	Nuclear family	87	58
	Joint family	63	42
Family Monthly Income	Less than 25000	26	17.3
	25001-50000	57	38
	50001-75000	51	34
	More than 75000	16	10.7
<b>Total</b>		<b>150</b>	<b>100</b>

**Source: primary data**

From the table it is inferred that, 39.3 per cent of the respondents belong to the age group of 41 – 50 years. Majority of the respondents are male. 32 per cent of the respondents have secondary level education. 58 per cent of the respondents belong to nuclear family and 38 per cent of the respondents earn income ranging between Rs.25,001 – Rs.50,000.

**TABLE 2 : Land factors**

Land factors	Particulars	Frequency	Per cent
Land Owned	Less than 5 acres	40	26.7
	Above 5 acres-10 acres	52	34.7
	Above 10 acres-15 acres	29	19.3
	Above 15 acres	29	19.3
Cultivated Land	Below 30%	28	18.7
	30-50%	35	23.3
	50-70%	47	31.3
	Above 70%	40	26.7
<b>Total</b>		<b>150</b>	<b>100</b>

Source: primary data

From the above table it is inferred that 34.7 per cent of the respondents have owned 5 – 10 acres of land. 31.3 per cent of the respondents have cultivated 50-70% of their land.

**TABLE 3: SOURCES OF AWARE**

Place of aware	Frequency	Per cent
Friends	34	22.7
Media	20	13.3
Agro centers	52	34.7
Government officials	35	23.3
Others	9	6
<b>Total</b>	<b>150</b>	<b>100</b>

Source: primary data

The above table shows that 34.7 per cent of the respondents are aware from the agro centers, 23.3 per cent of the respondents are aware from government officials, 22.7 per cent of the respondents are aware through their friends, 13.3 per cent of the respondents are aware from media and 6 per cent of the respondents are aware from other sources.

**TABLE 4: Assistance For Subsidies**

Assistance for subsidies	Frequency	Per cent
Co-operative Banks	52	34.7
Agro-centers	38	25.3
Private Banks	23	15.3
Nationalized Banks	18	12
Others	19	12.7
<b>Total</b>	<b>150</b>	<b>100</b>

Source: primary data

The above table indicates that 34.7 per cent of the respondents have availed subsidies from co-operative banks, 25.3 per cent of the respondents have availed subsidies from agro centers, 15.3 per cent of the respondents have availed subsidies from private banks, 12.7 per cent of the respondents have availed subsidies from other sources and 12 per cent of the respondents have availed subsidies from nationalized banks.

**TABLE 5 Awareness Towards Government Subsidies**

Descriptive Statistics					
Statements	Number	Minimum	Maximum	Mean	Std. Deviation
Fertilizer subsidy	150	1	3	2.03	0.768
Irrigation subsidy	150	1	3	2.15	0.841
Credit subsidy	150	1	3	1.89	0.778
Machinery subsidy	150	1	3	1.99	0.733
Power subsidy	150	1	3	2.09	0.882
Seed subsidy	150	1	3	1.99	0.737
Export subsidy	150	1	3	1.48	0.663
<b>Total</b>	<b>150</b>	<b>7</b>	<b>21</b>	<b>13.62</b>	<b>5.402</b>

Source : Primary data

The total mean rating of the awareness towards agricultural subsidies to the farmers is 13.62. The highest mean score (2.15) has been found for 'irrigation subsidy' with a standard deviation of 0.841 and the

lowest mean score (1.48) has been for ‘export subsidy’ with the standard deviation of 0.663. Irrigation subsidy is the most aware subsidy by the farmers. The respondents are not aware about the export subsidy, according to them they do not get a chance to aware.

**Demographic Factors VS Awareness Towards Agricultural Subsidies:**

ANOVA has been applied to find the significant difference if any, between the demographic factors namely, cultivated land, sources of aware and awareness towards agricultural subsidies. A paired t-test has been applied to test the significant difference, if any in respect of gender, and the awareness towards agricultural subsidies.

**H<sub>0</sub>:** “The average score for the farmers’ towards awareness of agricultural subsidies does not differ significantly for the demographic factors.

**TABLE 6** Demographic Factors Vs Awareness Towards Agricultural Subsidies

Personal factors		Mean	S.D	No.	t- value	F-value	Sig.	S/NS
Cultivated land	Below 30%	2.02	.362	28		1.423	0.239	NS
	30-50%	1.85	.291	35				
	50-70%	1.94	.299	47				
	Above 70%	1.98	.411	40				
Sources of aware	Friends	1.95	.353	34		0.250	0.906	NS
	Media	1.98	.329	20				
	Agro centers	1.94	.370	52				
	Government officials	1.95	.286	35				
	Others	1.84	.443	9				
Gender	Male	1.98	.308	105	1.760		0.090	NS
	Female	1.87	.411	45				
Total		21.3	3.863	150				

Source: Computed data S-Significant NS-Not significant

Respondents who are cultivated below 30% of land are found to have the highest mean score of 2.02. The mean score 1.98 has been high for the respondents who aware from media. The mean score 1.98 has been high for the respondents who are male. ANOVA results indicate that there is no significant difference in the mean score of awareness of agriculture subsidies in cultivated land and sources of aware. Hence the null hypothesis is accepted. The paired t-test result shows that there is no significant difference in the mean score of awareness of government subsidies in respect of gender. Hence the null hypothesis is accepted. Hence, there is no significant difference between the cultivated land, sources of aware, gender and the awareness of government subsidies.

**Demographic factors vs. Utilization of Agricultural Subsidies:**

ANOVA has been applied to find the significant difference if any, between the demographic factors namely, land owned, cultivated land, sources of aware and utilization of agricultural subsidies. A paired t-test has been applied to test the significant difference, if any in respect of gender, nature of family and the utilization of agricultural subsidies.

**H<sub>0</sub>:** “The average score for the farmers’ towards utilization of agricultural subsidies does not differ significantly for the demographic factors”

**TABLE 7** Demographic Factors Vs Utilization Of Agricultural Subsidies

Personal factors		Mean	S.D	No.	t- value	F-value	Sig.	S/NS
Land owned	Less than 5acres	2.07	.204	40		0.229	0.876	NS
	Above 5 acres-10 acres	2.08	.205	52				
	Above 10 acres-15 acres	2.07	.154	29				
	Above 15 acres	2.11	.178	29				
Cultivated land	Below 30%	2.10	.195	28		2.786	0.043	S
	30-50%	2.09	.159	35				
	50-70%	2.02	.181	47				
	Above 70%	2.13	.206	40				
Sources of aware	Friends	2.10	.173	34		0.413	0.799	NS
	Media	2.08	.230	20				
	Agro centers	2.12	.166	52				
	Government officials	2.06	.190	35				
	Others	2.07	.286	9				
Gender	Male	2.06	.186	105	2.271		0.025	S
	Female	2.14	.188	45				
Nature of family	Nuclear family	2.08	.174	87	0.020		0.984	NS
	Joint family	2.08	.210	63				
Total		35.38	3.182	150				

Source: Computed data S-Significant NS-Not Significant

The average mean score for the utilization of government subsidies are same for the both nuclear and joint family respondents. The respondents who have above 15 acres are found to be the highest mean score of 2.11. Respondents who are cultivated above 70% of land are found to have the highest mean score of 2.13. The mean score 2.12 has been high for the respondents who aware from agro centers. The mean score 2.14 has been high for the respondents who are female. ANOVA results indicate that there is no significant difference in the mean score of utilization of agriculture subsidies in land owned and sources of aware. Hence the null hypothesis is accepted. However in case of cultivated land there is a significant difference in the mean score of the utilization of agricultural subsidies. Hence the null hypothesis is rejected.

The paired t-test result shows that there is no significant difference in the mean score of utilization of government subsidies in respect of nature of family. Hence the null hypothesis is accepted. However in case of gender there is a significant difference in the mean score of the utilization of agricultural subsidies. Hence the null hypothesis is rejected. Hence, there is significant difference between the cultivated land, gender and the utilization of government subsidies and there is no significant difference between the sources of aware, land owned, nature of family and the utilization of government subsidies.

**CHI-SQUARE:**

The chi-square analysis is employed to test the level of significant relationship of one factor over the other. This test reveals whether there is a relationship between selected demographic factors and selected study factors. The chi-square results are derived along suitable hypothesis at 5% level of significance.

**H<sub>0</sub>:** “There is no significant relationship between the farmer’s satisfaction with government subsidies and the demographic factors”.

**TABLE 8:** Demographic Factors And Farmers Satisfaction With Government Subsidies

Demographic factors	Groups	HIGH		LOW		TOTAL		Chi-square value	SIG.	N/NS
		NO	%	NO	%	NO	%			
Age	Below 30	29	59.2	20	40.8	49	100	9.934	0.024	S
	31-40	18	69.2	8	30.8	26	100			
	41-50	50	84.7	9	15.3	59	100			
	Above 50	10	62.5	6	37.5	16	100			
Educational qualification	No formal education	22	78.6	6	21.4	28	100	1.445	0.836	NS
	SSLC	32	66.7	16	33.3	48	100			
	HSL	20	69	9	31	29	100			
	UG/PG	18	72	7	28	25	100			
	Others	15	75	5	25	20	100			
Assistance For Subsidies	Co-operative banks	36	69.2	16	30.8	52	100	0.533	0.970	NS
	Agro centers	28	73.7	10	26.3	38	100			
	Private banks	17	73.9	6	26.1	23	100			
	Nationalized banks	12	66.7	6	33.3	18	100			
	Others	14	73.7	5	26.3	19	100			
<b>TOTAL</b>		<b>107</b>	<b>71</b>	<b>43</b>	<b>29</b>	<b>150</b>	<b>100</b>			

Source: Computed data S-significance at 5 % level NS-not significant

**AGE:**

From the above table it is clear that among the 150 respondents, 59 respondents are belongs to the age group of 41-50 of which 50 respondents are having high level of satisfaction with government subsidies, 9 respondents are having low level of satisfaction. Hence chi-square analysis is performed. It has been found that, there is significant relationship ( $\chi^2=9.934$ ,  $p < .024$ ) between age and farmers satisfaction. As the chi square sig. value ( $p < .024$ ) is less than 0.05. Hence it is inferred that the age group of 41-50 are more satisfied with government subsidies, when compared to other age groups. Hence hypothesis is rejected at 5% level of significant.

**EDUCATIONAL QUALIFICATION:**

From the above table it is clear that among the 150 respondents, 48 respondents are have secondary level of education of which 32 are having high level of satisfaction towards government subsidies, 16 respondents are having low level satisfaction. Hence chi-square analysis is performed. It has been found that, there is no significant relationship ( $\chi^2=1.445$ ,  $p < .836$ ) between educational qualification and farmers’ satisfaction. As the chi square sig. value ( $p < .836$ ) is greater than 0.05. Hence it is inferred that the respondents who have school level education are more satisfied with government subsidies, when compared to other. **Hence the hypothesis is accepted at 5% level of significant.**

**ASSISTANCE FOR SUBSIDIES:**

From the above table it is clear that among the 150 respondents, 52 respondents are availing subsidies from co-operative banks of which 36 respondents are having high satisfaction with government subsidies, 16 are having low satisfaction. Hence chi-square analysis is performed. It has been found that, there is no significant relationship ( $\chi^2=0.533$ ,  $p < .970$ ) between availing subsidies and farmers satisfaction. As the chi square sig. value ( $p<.970$ ) is greater than 0.05. Hence it is inferred that the respondents who availing subsidies from co-operative banks are more satisfied with government subsidies, when compared to other. **Hence the hypothesis is accepted at 5% level of significant.** The chi-square result shows that, there is no significant relationship between the educational qualification, assistance for subsidies and farmers satisfaction with government subsidies. There is significant relationship between the age and farmers satisfaction with government subsidies.

**MULTIPLE RESPONSES**

Multiple choice is a form of an objective assessment in which respondents are asked to select the only correct answer out of the choices of list.

**TABLE 9:** Frequently Used Subsidies

USED SUBSIDIES	Responses	
	N	Per cent
Fertilizers subsidy	110	19.5
Irrigation subsidy	88	15.6
Machinery subsidy	88	15.6
Seed subsidy	75	13.3
Export subsidy	42	7.5
Power subsidy	90	16
Credit subsidy	70	12.4
<b>Total</b>	<b>563</b>	<b>100</b>

Source: primary data

From the above table, it is clearly shown that most of the respondents are used fertilizer subsidies (19.5) more because of its awareness and need. Irrigation and machinery subsidy (15.6) is second most used subsidy by the farmers. Export subsidy (7.5) is the least used subsidy, which may be due to the lack of awareness.

**FRIEDMAN RANKING**

“Ranking” refers to the data transformation in which numerical or ordinal values are replaced by their rank when data are sorted. Ranks are assigned to the values in ascending order (in some other cases, descending ranks are used). Ranks are related to the indexed list of order statistics, which consist of the original data set rearranged into ascending order.

**TABLE 10:** Ranking Of Problems Faced By Farmers For Getting Subsidies

PROBLEMS	MEAN RANK	RANK
Lack of skill and knowledge	3.46	2
More procedure and formalities	3.43	1
Late payment of subsidies	4.08	4
Lack of attention	4.34	5
Government rules	4.36	6
Lack of awareness	4.43	7
Dealing with bank officials	3.91	3

Source: Computed data

**Test Statistics**

N	150
Chi-Square	34.174
Df	6
Asymp. Sig.	.000

a. Friedman Test

From the above table, it is clearly shows that the more procedure and formalities has the highest mean value (3.43) and is ranked higher by the respondents, followed by lack of skill and knowledge has a mean value of (3.46) ranked the second. Dealing with bank officials has a mean value (3.91) is ranked the third by the respondents and late payment of subsidies mean value (4.08) is ranked fourth then lack of attention mean value (4.34) is ranked the fifth by the respondents. Government rules mean value (4.36) is ranked sixth highest value by the respondents and then lack of awareness has a mean value of (4.43) is ranked the least by the respondents. The ranking as the above table is valid as the chi square table values (34.174,  $p<0.000$ ) are statistically

significant. **Hence more procedure and formalities is the highest ranked problem faced by the farmers for getting subsidies**

## **FINDINGS**

### **PERCENTAGE ANALYSIS**

- 39.3 per cent of the respondents belong to the age group between 41 – 50 years.
- 70 per cent of the respondents are male.
- 32 per cent of the respondents have secondary level education.
- 58 per cent of the respondents belong to nuclear family.
- 38 per cent of the respondents earn income ranging between Rs.25,001 – Rs.50,000.
- 34.7 per cent of the respondents have owned 5 – 10 acres of the land.
- 31.3 per cent of the respondents have cultivated 50 -70 % of their land.
- 34.7 per cent of the respondents are aware from the agro centers.
- 34.7 per cent of the respondents have availed subsidies from co-operative banks.

### **DESCRIPTIVE STATISTICS**

- Irrigation subsidy has the highest mean value of 2.15 among the farmers awareness towards government subsidies.
- The respondents are not aware about the export subsidy with the mean value of 1.48.

### **ANOVA**

- There is no significant difference between the cultivated land, sources of awareness, and the awareness towards government subsidies. **Hence the null hypothesis is accepted.**
- There is no significant difference between the sources of awareness, land owned and the utilization of government subsidies, therefore, the null hypothesis is accepted. But there is a significant difference between the cultivation and the utilization of government subsidies, the null hypothesis is rejected. **Hence, It is revealed that cultivation of land plays a predominate role in effective utilization of government subsidies for the farmers.**

### **T-TEST**

- There is no significant difference between the gender and awareness towards government subsidies. **Hence the null hypothesis is accepted.**
- There is no significant difference in the mean score of utilization of government subsidies in respect of nature of family under t-test, therefore, the null hypothesis is accepted. There is a significant difference between gender and the utilization of government subsidies under t-test, the null hypothesis is rejected. **Hence, it is found that farmers have been highly influenced towards utilization of government subsidies.**

### **CHI-SQUARE ANALYSIS**

- There is no significant relationship between the educational qualification, availing subsidies and satisfaction with government subsidies, therefore, the null hypothesis is accepted. There is a significant relationship between the age and satisfaction with government subsidies, the null hypothesis is rejected. **Hence, the respondents aged above 41 years are highly satisfied with government subsidies.**

### **FRIEDMAN RANKING ANALYSIS**

- Friedman ranking analysis reveals that more procedure and formalities has been ranked first by the farmers with a mean score of (3.43). Farmers have faced a lot of procedures for availing subsidies.

### **MULTIPLE RESPONSES**

- Most of the respondents are used fertilizer subsidies more because of its awareness and need.
- Export subsidy (7.5) is the least used subsidy by the respondents.

### **SUGGESTIONS**

- Most of the farmers have not aware about the export subsidies, so that the government should take initiatives in creating awareness among the farmers.
- Procedure and formalities are to be reduced for availing the subsidies.
- Government should improve the programs and schemes for farmer's effective utilization of subsidies.
- Subsidy should be given to those who actually in need like small and medium size category farmers.
- The interest presently charged on the finance should be reduced to make it more beneficial for the farmers.
- The government should take efforts to give proper information of sources of finance to the farmers.



#### IV. CONCLUSION

India has very huge arable area with lot of investment in agriculture in last few years. The agriculture subsidies are distributed in every country, but its percentage is very low and numbers of dependent is very large in India. The government of India takes serious measures for development of agriculture sector. Agriculture subsidies are one of the tools which promote the growth of agriculture sector in India. Technological advances have revolutionized the role and the structure of agriculture industry in India. The study evaluated that the subsidies provided for fertilizer and power are more satisfactory to them while export and irrigation subsidies are considered as unsatisfactory. Farmers face major hurdle in getting subsidies and also the sources of information are not very effective. The interest presently charged on the finance should be reduced to make it more beneficial for the farmers. Government should make one common agency for distribution of subsidies. By providing all these subsidies to the farmers will make further growth and development in agricultural sector for our proud Indian economy.

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