Abstract

The agricultural sector is a significant sector of India. More than 60% of populations of the country is depends on agricultural sector. India has huge agricultural area with good production but growth agricultural sector only 4% and contribution in GDP is only 16%. Development of agricultural sector government provides financial support to farmers in direct and indirect form. This financial support called as subsidy. Agricultural subsidies are the hottest issue of debate in the world. More than twenty years every county gives a big percent of subsidies to the agricultural sector for development agricultural sector. And some kind development is happening in agricultural sector, we have lot proof of this growth. But now every country tries to reduce the level of agricultural subsidies for reducing the burden on the economy. What exactly happens regarding agricultural subsidies? Subsidies are really harmful to the economy? These are big questions towards the country.

The objectives of research are, to study nature of government subsidy to agricultural sector. To study structure, procedure, distribution and hurdles of government subsidies for farmers in Jalgaon District. To study impact of the government subsidies to agricultural sector in Jalgaon District. To find out the growth of agricultural sector in Jalgaon District with help of government subsidy. The study is based on quantitative research methodology. Quantitative research uses surveys of individuals and compiles the results into a chart, graph or other type of report. Quantitative research is useful in evaluating attitudes or views on certain topics. The sample is collected through the survey method. The area of research is Jalgaon District & the total sample size is 500. The researcher has used convenient sampling method because of the total population of farmers is near about 415865. For testing the hypothesis statistical measures like Mean, Mode, Median, correlation, regression, standard deviation, variance, ratio and Minitab software are used. This study contains seven chapters.

The researcher has found that the farmers in District are receiving subsidy from bank, Fertilizer Company & electricity board. The famers in District are not satisfied with bureaucratic distribution process of Government for agricultural subsidies and facing hurdles for getting agricultural subsidy. The major hurdle faced by farmer for getting subsidy is lack of awareness. There is a leakage in subsidies in distribution system.
The lack of effective distribution management, corruption & poor government policy are major leakages in distribution system. The amount of subsidies directly transfers to farmers account and farmers expect direct subsidy for farming as compared to indirect subsidy from Government. Few percent of farmers are getting subsidy for agricultural allied business in Jalgaon District like goat farming & poultry farm. The agricultural subsidies are more beneficial to fertilizer industry as compared to agricultural sector. The agricultural subsidies are really helpful in reducing farmers suicides. The agricultural subsidies are helpful for growth of agricultural sector in Jalgaon District. The agricultural subsidy does not make farmers lazy. The farmers in Jalgaon District obtain subsidy from government office by self efforts or with help of friend, relative & agent in Government offices. Government policy is not fair regarding the credit distribution. Due to lack of proper implementation subsidies are not reached to farmers. The non eligible farmers get benefits of government subsidy. The government fails to maintain proper accounting & audit distribution of subsidies to farmers. The numbers of cultivators in India have decreased from 2001 to 2011.

The subsidies make a positive impact on the agricultural sector of Jalgaon District. The subsidy helps farmers for reducing his cost of production. But the problem of bureaucratic process subsidy is not reaching to farmers on time. The government should improve the distribution process and reduce the leakage in the distribution system. Most of the farmers in Jalgaon District are marginal & small. They are getting less amount of subsidy for farming. Due to less amount of subsidy they are not reducing their cost of production. And after yielding good crops they are gaining good profit. The amount of subsides directly transfers to farmers account and farmers expect a direct subsidies for farming as compare to indirect subsidy from the Government. A few percent of farmers are getting subsidies for agricultural allied business in Jalgaon District. Agricultural subsidies are helpful for the growth of agricultural sector in Jalgaon District. The agricultural subsidy does not make farmers lazy.