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A study on Constraints Faced by the Coconut Farmers in Availing Agricultural Input Subsidies in Kozhikode District of Kerala

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Abstract: ***Coconut is an important plantation crops in the Kozhikode district of Kerala. Input subsidies are the subsidies received for the inputs by the farmers. Farmers in the Kozhikode district were availing the various input subsidies from different institution such as State Department of Agriculture and farmers' welfare, Kerala State Electricity Board and Banking institutions. But the farmers are facing several constraints for availing the input subsidies. This study focuses the major constraints faced by the coconut farmers in availing the input subsidies. The timely availability of subsidized input was the major constraints faced by the beneficiaries of Keragramam scheme whereas complex procedure was the major constraint faced by the beneficiaries of both electricity and credit subsidy.***
Keywords: Constraints, Credit subsidy, Electricity subsidy, Keragramam

I. INTRODUCTION

Coconut (*Cocos nucifera*) is commonly known as 'Kalpavriksha' as well as 'God's gift to Humanity'. The state of Kerala is known as the "Land of Coconut Trees".

The area under coconut cultivation was 0.771 million ha in Kerala during 2016-17.The production and productivity of coconut during 2016-17 were 7,448 million nuts and 9,664 nuts ha^{-1}, respectively. However, the productivity of coconut was low compared to other neighboring states of coconut cultivation, such as Tamil Nadu, Karnataka and Andhra Pradesh. Kozhikode is one of the district in Kerala that has a maximum area under coconut (1,19,064 ha), so it was selected for study. (Government of Kerala, 2017).

The Coconut sector in the state has faced a number of challenges such as low and fluctuating productivity, lack of planting material, poor management of coconut garden etc.

Therefore, farmers had availed the various input subsidies for coconut farming. The farmers were availing inputs at subsidized rate as a part of the Coconut Development Scheme "Keragramam", which was implemented in 2014-15 by the State Department of agriculture. The general input subsidies availed by the farmers were electricity subsidy of Kerala State Electricity Board and credit subsidy of Banking institutions.

The beneficiaries had faced several constraints in availing those input subsidies. In this context, the present study is undertaken to analyse the constraints faced by farmers in availing these input subsidies.

According to Thangam (2012), the lack of required quantity at the time of need was the major constraints faced by the beneficiaries in accessing the input subsidies which was reported by 45 per cent of the total number of respondents. The non- availability of required brands and the complex procedure were also the constraints reported by 15 and 12 per cent of the respondents.

Salunkhe (2017) found that the subsidies had a positive impact on agricultural sector in Jalgaon district by reducing their cost of production. The major problem was that the farmers did not receive the subsidies in the required time. The study suggested that the Government should provide the subsidies to farmers at the right time and every subsidy programme should aim to reduce the cost of production and increase farmers' profit.

Farmers had faced many problems in availing the subsidies such as lengthy documentation procedure, lesser quantity, sub- standard quantity of subsidized inputs, timeliness of subsidy and its misallocation. Lack of adequate infrastructure, lack of staff, lack of funds and information facilities were the major problem encountered extension staffs in the disbursement of subsidies (Anand and Kaur, 2018).

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II. MATERIALS AND METHODS

The study was conducted in Balussery and Koduvally blocks of Kozhikode district. This study was based on primary data, collected from (≤2ha) and 40 large farmers(>2ha). To identify the constraints faced by the farmers in availing the different input subsidies, the beneficiaries were asked to rank the constraints related to the availability of subsidy through Keragramam scheme, credit subsidy and electricity subsidy. The rank was converted into percent position by using the following formula.

$$Percent\ position = \frac{100\ (R_{ij} - 0.5)}{N_j}$$

Where R_{ij} = Rank given for i^{th} constraint by j^{th} farmer.
N_j = Number of constraints ranked by the j^{th} farmer (Garrett, 1969)
The per cent position of each rank was converted to the Garrett score. The score of the individual respondent for each constraints were added. The sum value of scores and the mean values of score is calculated. The mean score for all the constraints were arranged in ascending order and the constraints having highest mean value is considered to be the most important constraints.

III. RESULTS AND DISCUSSION

All the small farmers were availing input subsidies from the Keragramam scheme whereas large farmers were not eligible for the scheme. 25 per cent of small farmers and 30 per cent of large farmers have received the electricity subsidy. Overall, 27.5 per cent of the total farmers were getting the electricity subsidy. Almost, 36.25 per cent of the total farmers were benefited credit subsidy from banking institutions, of which 25 per cent were small farmers and 27.50 per cent were large farmers. The distribution of respondents based on source of input subsidies is given in the table 1.

Table 1 Distribution of respondents based on source of input subsidies

S. No.	Particular	Small farmers	Large farmers	Total
1	State department of agriculture (Keragramam)	40 (100)	-	40 (100)
2	Electricity subsidy	10 (25)	12 (30)	22 (27.5)
3	Credit subsidy	18 (45)	11 (27.5)	29 (36.25)

Note: Figures in parentheses indicates percentage to total

In the present study, the small farmers who were the beneficiaries of Coconut development scheme “Keragramam”, the Government of Kerala had faced the number of constraints in availing the input subsidies. The results are given in table 2. The major constraints faced by the beneficiaries of Keragramam was that farmers received the inputs under subsidized rate only on the late season. So, untimely availability of subsidized inputs under the subsidy scheme was the major constraints faced by the beneficiaries with the Garrett’s score of 71.05, followed by limited quantity of inputs (58.43), inadequacy of subsidies (53.88), delay in release of subsidy amount (49.78) and complex procedure to avail (48.65). The other constraints faced by the beneficiaries of Keragramam were low capacity to buy (48.60), viability of subsidy scheme (47.85), lack of information (42.73), no fixed place of sale of subsidized inputs (39.55) and improper quality of inputs (38.05).

Table 2. Constraints in availing input subsidies under “Keragramam” scheme

S. No.	Constraints	Garrett’s score	Rank
1	Lack of information	42.73	8
2	Limited quantity of inputs	58.43	2
3	Inadequacy of subsidies	53.88	3
4	Low capacity to buy	48.60	6
5	Untimely availability of subsidized inputs	71.05	1
6	Complex procedure to avail	48.65	5
7	Improper quality of input	38.05	10
8	Delay in release of subsidy	49.78	4
9	Viability of subsidy scheme	47.85	7
10	No fixed place for sale of subsidized inputs	39.55	9

The constraints faced by the beneficiaries in availing the credit subsidies are presented in table 3. Complex procedure was one of the most important constraint faced by the beneficiaries with the Garrett's score of 57.30, followed by timeliness of credit (53.69), limitation of credit (52.28) and duration of credit (50.52). Repayment procedure and rate of interest were the least important constraints faced by the beneficiaries of credit subsidy.

Table 3. Constraints in availing credit subsidy

S. No.	Constraints	Garrett's score	Rank
1	Complex procedure	57.30	1
2	Rate of interest	37.31	6
3	Credit limit	52.28	3
4	Timeliness of credit	53.69	2
5	Duration of credit	50.52	4
6	Repayment procedure	47.90	5

The constraints of the farmers in availing the electricity subsidies are furnished in table 4. Complex procedure was the most important constraints faced by the respondents in availing electricity subsidy. The Garrett's score obtained was 63.82. Followed by the irregular supply of electricity (50.86) and poor quality electricity (35.32) were the second and third constraints as ranked by the beneficiaries of electricity subsidies.

Table 4. Constraints faced by the farmers in availing electricity subsidy

S. No.	Constraint	Garrett's score	Rank
1	Complex procedure	63.82	1
2	Irregular supply of electricity	50.86	2
3	Poor quality electricity	35.32	3

IV. CONCLUSION

It was reported that farmers faced a number of problems in availing various input subsidies provided by the government. A proper understanding of the constraints faced by the beneficiaries of each subsidies helps in taking the appropriate policy measures to overcome such constraints. The timely availability and limited quantity of subsidized input were the major constraints faced by the beneficiaries under Keragramam scheme whereas complex administrative procedure was the major constraint faced by the beneficiaries of both electricity and credit subsidy.

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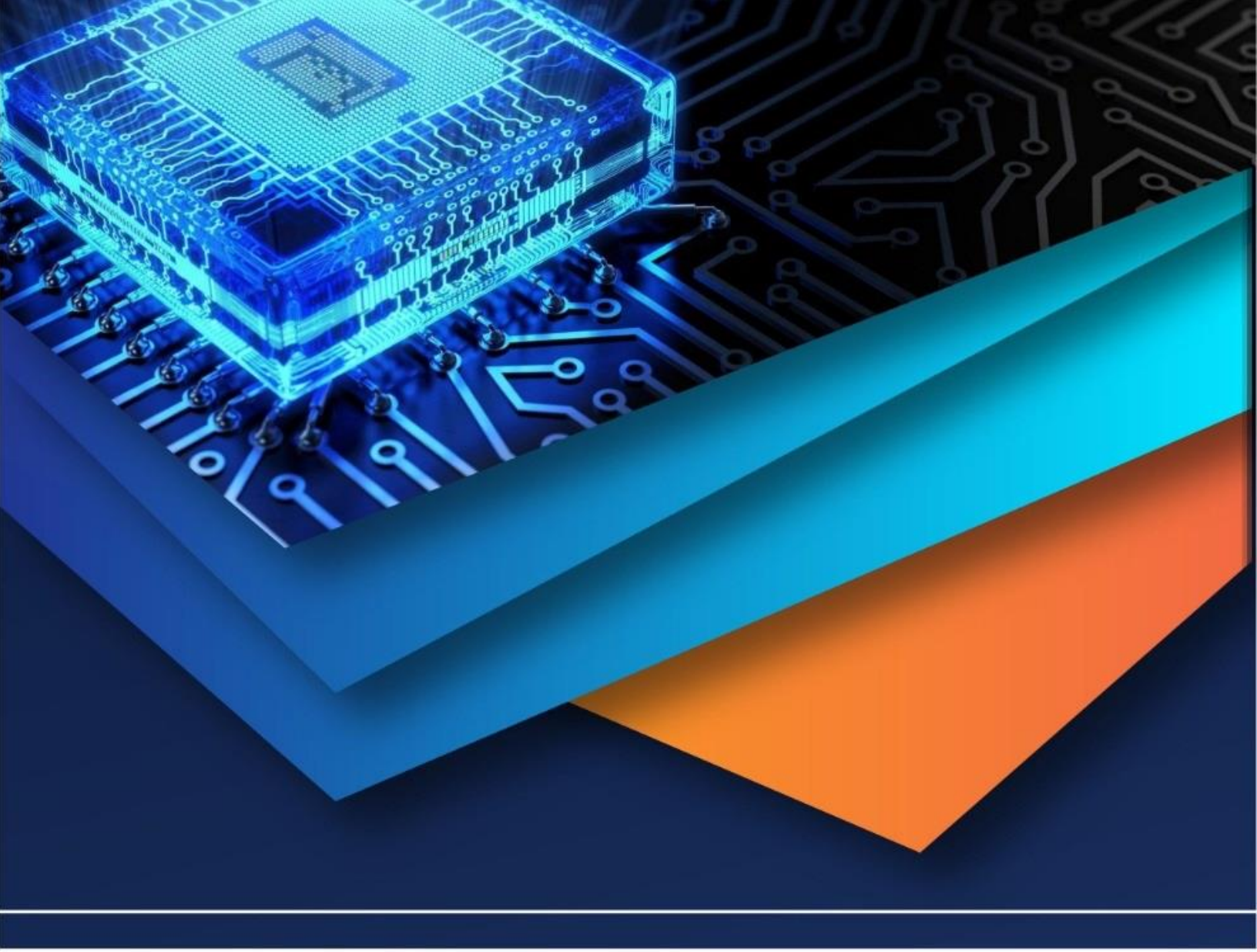

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