An Evaluation of Government Schemes for Agricultural Market Stabilization: A Survey-Based Study

Abstract: Agriculture forms the cornerstone of rural livelihoods in India, with a significant portion of the population dependent on farming for income and sustenance. Despite this, farmers often face the brunt of price volatility, supply chain bottlenecks, and market manipulation by intermediaries. In response, the Indian government has introduced multiple schemes, such as the Minimum Support Price (MSP), eNAM, and the Pradhan Mantri Fasal Bima Yojana, which are intended to stabilise agricultural markets and ensure fair pricing mechanisms. However, questions persist regarding the reach, accessibility, and real-world impact of these initiatives. This study investigates farmers' awareness of these schemes, the extent of their participation, and the perceived outcomes, using primary data collected through a structured survey of 100 farmers in the Namakkal district of Tamil Nadu. The research highlights a disparity between awareness and actual participation, suggesting systemic challenges in implementation, outreach, and support mechanisms. The paper concludes with evidence-based recommendations aimed at improving scheme efficacy, accessibility, and farmer inclusion.

Introduction India's agricultural sector supports nearly half of the country's workforce and contributes significantly to the nation's GDP and food security. Despite policy support and financial subsidies, the sector continues to grapple with deep-rooted challenges such as fragmented markets, exploitation by intermediaries, price volatility, and infrastructure inadequacies. These issues severely limit farmers' bargaining power and income stability. In an attempt to address these challenges, the Government of India has launched a series of schemes designed to enhance market stability and transparency. These include MSP to guarantee minimum prices, eNAM to create a unified online market platform, and crop insurance schemes like the PMFBY to safeguard against losses. While these schemes are theoretically sound and strategically important, their real impact on the lives of small and marginal farmers remains questionable, particularly at the grassroots level. This study is motivated by the need to bridge the knowledge gap between policy intention and ground reality. It aims to evaluate the practical implementation and effectiveness of these market stabilization schemes by analyzing farmers' awareness, participation levels, and feedback in the Namakkal district of Tamil Nadu

About the Paper This research is structured around a field-based empirical approach, employing a primary survey to explore how farmers in Namakkal engage with agricultural market stabilisation schemes. The objectives are threefold:

1. The objective is to assess farmers' level of awareness regarding existing government schemes aimed at market stability and price support.

2. The goal is to evaluate the participation rates and explore reasons for non-participation or dropout.
3. The aim is to gather insights into the challenges faced and the perceived effectiveness of the schemes in improving income stability and market access.

The research design includes a structured questionnaire with both quantitative and qualitative elements, allowing a comprehensive understanding of farmers' experiences. The findings are analysed in conjunction with existing literature to contextualise and validate their results. Ultimately, the paper offers policy recommendations that are grounded in farmer feedback and field realities.

Review of Literature Previous research provides valuable insights into the potential and pitfalls of India's agricultural reform initiatives. Key studies include:
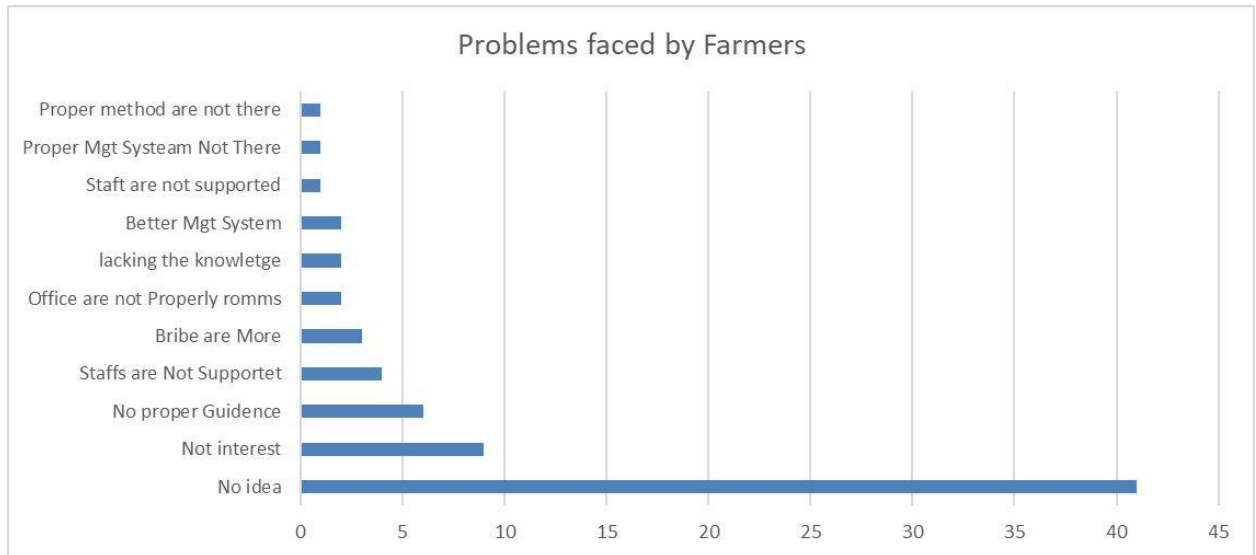
- **Gulati & Banerjee (2016)** emphasise the importance of rationalising subsidies and connecting farmers to formal markets. They advocate for investments in infrastructure and digital technologies to enhance efficiency.
- **Chand (2017)** lays out a roadmap for doubling farmers' income, highlighting the importance of price assurance, direct marketing, and reducing input costs.
- **NITI Aayog (2019)** suggests a multi-pronged strategy for agricultural transformation, including participatory governance, market reforms, and digital integration.
- **Rao et al. (2019)** and **FAO (2022)** underline the need for awareness and digital literacy, as lack of information and technological access prevents farmers from leveraging these schemes effectively.
- **Singh & Singh (2018)** propose institutional reforms with a focus on decentralisation, transparency, and stakeholder accountability.

Survey Details To assess the real-world application of government schemes, a survey was conducted with 100 full-time male farmers in Namakkal district, Tamil Nadu. The survey instrument consisted of 18 questions grouped into four sections:
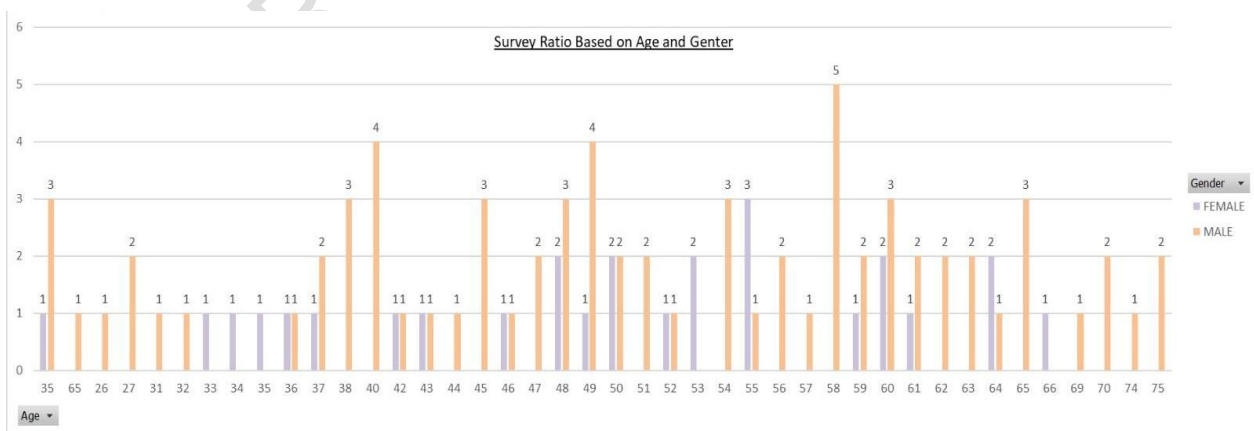
1. **Respondent Information:** Collected demographic data such as age (24–75 years), years of farming experience, land ownership, and educational background.
2. **Awareness and Participation:** Focused on farmers' knowledge of specific government schemes, how they learnt about them, and whether they had enrolled or benefited.
3. **Impact Assessment:** Evaluated perceived monetary and non-monetary benefits, satisfaction with scheme delivery, and government staff support.
4. **Suggestions and feedback:** captured and analysed open-ended responses to what improvements farmers expect, including access, digital tools, language support, and grievance redressal mechanisms.

Discussion The analysis of survey data reveals several notable trends:

72   ● **Awareness vs Participation Gap:** While 63% of farmers were aware of at least one
73   government scheme, only 38% had participated. This disparity reveals a major
74   implementation bottleneck—information alone does not lead to action without adequate
75   guidance, eligibility clarity, and procedural support.

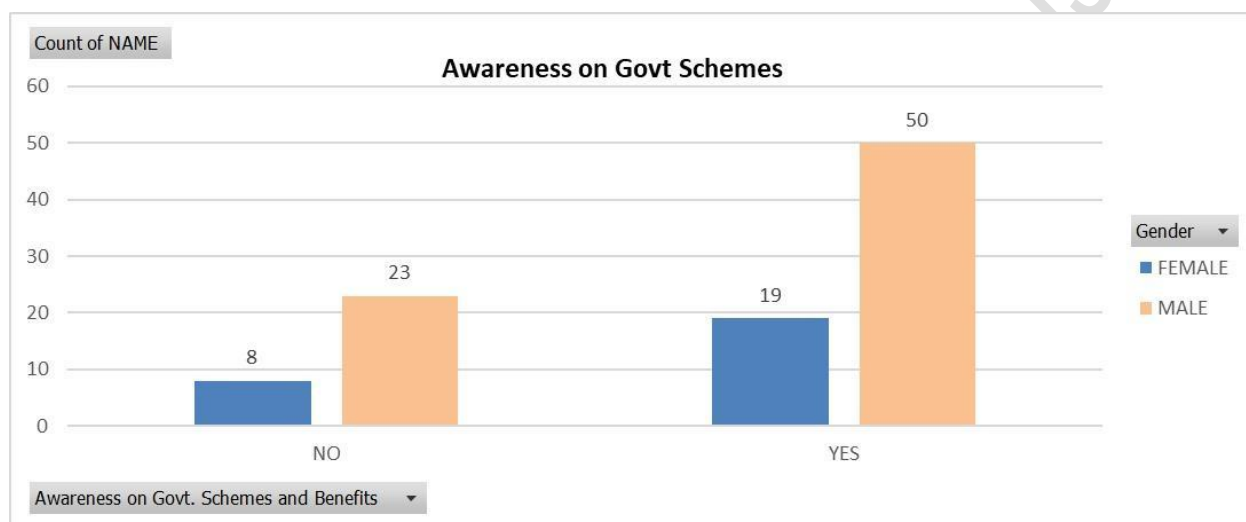Problems faced by Farmers

76

77   ● **Monetary Benefit Recognition:** 56% reported some monetary benefits, but many felt
78   these were delayed or insufficient to significantly influence income or decision-making.
79   ● **Institutional Support Weakness:** Only 42% of farmers felt supported by government
80   personnel, citing unresponsiveness, bureaucratic delays, and lack of field visits.
81   ● **Farmer Feedback Themes:**
82   ● The issue of poor visibility of schemes in rural areas persists.
83   ○ Digital tools (like ENAM) are not user-friendly or localised.
84   ○ The issue at hand is a lack of training for both farmers and local agricultural
85   officers.
86   ○ Call for improved transparency in pricing and crop procurement.

Survey Ratio Based on Age and Genter

87

88   **Results** From the collected data, the following conclusions are drawn:

89   ● **Mismatched Intent and Delivery:** While schemes exist and are theoretically effective,
90   their utility remains underleveraged due to systemic barriers like digital illiteracy,
91   language gaps, and poor coordination.
92   ● **Benefit vs Expectation Mismatch:** Monetary benefits do not match the expectations set
93   by government publicity. Many farmers felt benefits were one-time or minimal.
94   ● **Localisation Issues:** Many schemes are designed generically and lack regional
95   customisation, especially in language, crop relevance, and socio-economic context.
96   ● **Operational Challenges:** Farmers highlighted delays in application processing, lack of
97   scheme updates, and insufficient involvement of Panchayati Raj institutions and local
98   cooperatives.

Count of NAME

Awareness on Govt Schemes

Gender
■ FEMALE
■ MALE

Awareness on Govt. Schemes and Benefits

99

100   **Conclusion** The study concludes that while government schemes have the potential to bring
101   transformative change to the agricultural sector, their implementation must be strengthened
102   through systemic reforms. Key areas of improvement include simplifying application procedures,
103   increasing staff responsiveness, investing in rural digital infrastructure, and involving local
104   governance bodies in outreach. Bridging the gap between awareness and participation is crucial
105   for ensuring that the intended benefits of these schemes are fully realised. Policy frameworks
106   must integrate on-ground realities with digital advancements to ensure a more inclusive,
107   efficient, and farmer-friendly agricultural ecosystem (NABARD, 2023).

108   **Limitations   and   Challenges**
109   We conducted a survey with a limited sample size of 100 people, but we plan to increase this
110   number   in   the   future   for   further   development.
111
112   **Author Contributions**

113   Mr. Prahatheeswaran Chandrasekaran designed the study; Dr. Hemachandran Ravikumar
114   provided ideas on the final design and selection of assessment tools. Both authors were involved

115 in data collection, summarising, statistical analysis, and finalising the report. Dr. Hemachandran
116 Ravikumar provided the initial draft of the manuscript, and all considered it before making the
117 final version available.

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