

Performance of soybean based farming system as a whole with net worth and income statements

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ABSTRACT

Present study was conducted during 2010-11 in Latur district of Maharashtra. About 32 soybean based farms were randomly selected from eight villages of Udgir tehsil of Latur district. Data were collected by personal interview method by using pretested schedule. Results revealed that gross cropped area was 4.25 hectares. It was observed that in *Kharif*, proportionate area under soybean was the highest as 44.47 per cent. While in *Rabi* season, the highest proportionate area was under wheat (10.35%). In summer season, highest area was under groundnut (4.72%). The net sown area on farm was 3.11 hectares and double cropped area was 1.14 hectares. Cropping intensity was found to be 136.65 per cent. It was also observed that herd size of buffalo enterprise was found to be 0.71 in number, and that of crossbred cow enterprise was 0.57 in number. The results revealed that, current asset was Rs. 288265.43 followed by that of medium term asset (Rs. 37020) and long term asset (Rs. 784049). Thus, total asset was found to be Rs. 1109334.43. The amount of current liability was Rs. 85000 while medium term liability was Rs. 230000 and long term liability was zero. Thus, total liability was found to be Rs. 315000. Hence, net worth or equity was Rs. 794334.43. With respect to income statement, gross cash income was Rs. 272845.40 and amount of total receipt was Rs. 350784.73. Gross cash expense was Rs. 140591.37 while a total expense was Rs. 182732.85. Amount of net cash income was Rs. 132254.03 and net farm income was Rs. 16805191.

KEY WORDS : Soybean, Farming system, Asset, Liability, Equity

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Farm business analysis may involve the all farm enterprises. It includes balance sheet analysis which indicates an account of total asset and total liability of the farm business as a whole. More specifically, net worth is the statement of the financial position of a farm business at a particular time in year. It also includes income statement analysis which shows summary of receipts and gains minus expenses and losses during a year on farm. The overall profitability of farm depends upon the income achieved from

overall farm activities. The farm business income gives an idea about the net income received from various enterprises, taken together as per the areas under crop enterprises and as per herd sizes of dairy enterprises. Farm business analysis gives an idea about the profitability of the farm as a whole.

In Latur district of Maharashtra, soybean is highly important crop in cropping pattern as compared to other crops. Hence, in Latur district most of the farmers are running soybean based farming system in order to earn higher profit. Farmers are running the farming system on commercial point of view by growing other pulses, cereals and cash crops along with milch animals. They are also giving importance to net worth statement in order to understand the position of asset, liability and equity of farm. Finally, they are interesting to know net cash income during the year from farm business as a whole. Thus, they are also giving importance to income statement on their farming system. By keeping in view the

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