



Research Paper

Economic performance of cotton based farming system in Maharashtra

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Paper History :

Received : 21.05.2012;

Revised : 16.06.2012;

Accepted : 20.07.2012

ABSTRACT : The present study was conducted during 2010-11 in Nanded district of Maharashtra. About 32 cotton growers were randomly selected from eight villages of tehsil Himayatnagar of Nanded district. Data were collected by personal interview method by using pre-tested schedule. The results revealed that, current asset was Rs. 258295.00 followed by that of intermediate asset (Rs. 43806.00) and long term asset (Rs. 115243.12) Hence, total asset was Rs. 417344.12. The amount of current liability was Rs. 129000.00 in which the intermediate liability was Rs. 26000.00. Hence, net worth or equity was Rs. 262344.12. In income statement, gross income was Rs. 237461.00 and amount of total receipt was Rs. 248164.00. Gross cash income Rs.109351.29, total expense was Rs.147672.05. Amount of net cash income Rs.128109.71 and net farm income was Rs. 100491.95. In ratio analysis, current ratio was 2.00 followed by that of intermediate ratio (1.95), net capital ratio (2.69), current liability ratio (0.49), debt. value ratio (0.59), equity value ratio (0.63), operating ratio (0.46), fixed ratio (0.16) and gross ratio 0.62.

KEY WORDS : Cotton, Asset, Liability, Ratio analysis

HOW TO CITE THIS PAPER : Kauthekar, P.U., Pawar, B.R., Chivare, S.A. and Mane, A.L. (2012). Economic performance of cotton based farming system in Maharashtra, *Internat. Res. J. agric. Eco. & Stat.*, 3 (2) : 271-274.

INTRODUCTION

Farm business analysis is the process of retrieving, organizing, processing and analyzing information used in farm business decision making. It is a critical ingredient in management of farm. The analysis process should begin with consideration of the business as a whole. Farm business analysis may involve either the whole farm or a single enterprise. Whole farm analysis considers business futures that affect the entire business. It includes balance sheet analysis which shows changes in total asset and liability and resulting in net worth.

The income statement analysis shows changes in business receipt and expenses. This information needs to be studied, mainly because of cropping pattern followed by the livestock pattern on farm. Such study would help research workers to understand the present day technology adopted by the farmers and suggest new change either in cropping pattern or livestock pattern, so as to increase the productivity per hectare or per animal. Comparative economics of various crops gives an idea about their profitability which would help

the farmer for allocation of scarce resources at the end major objective of farmer is to maximize returns from the farm as a whole. Every farmer runs his farm business by application of farm management principles. Such commercial study will be more useful in policy making. By considering many aspects, the following study has been undertaken

MATERIALS AND METHODS

Multi-stage sampling design was used in selection of district, tehsil, villages and cotton growers. In first stage, Nanded district was selected purposively. In the second stage, Himayatnagar tehsil was selected on the basis of higher area under Bt. cotton. In the third stage, eight villages were selected from given tehsil on the basis of higher area under Bt. cotton production. The selected villages were namely Bhorgadi, Dhanora, Jawalgaon, Karla, Savna, Sarsam, Siranjani and Sonari. In the four the stage, four Bt. cotton growers were randomly selected from each of the villages. The cross sectional data were collected from 32 cotton growers with the help of pre-tested schedule for the year 2010-2011.