Research Paper

Costs, returns and profitability of cotton based farming system as a whole in Maharashtra

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ABSTRACT : Investigation regarding cotton based farming system was carried out during the year 2010-2011. About 32cotton growers were selected randomly from eight villages of Himayatnagar tehsil of Nanded district. Data were collected by personal interview method with the help of pretested schedule. Data were related to all crops and livestocks on cotton based farming system. The result revealed that area under all crops was 4.29 hectares in which shares of cotton crop was 44.75 per cent. Net profit from all crops was Rs. 86598.08 in which the share of cotton was 61.08 per cent. Net profit all livestocks was Rs. 12472.40 in which shares of crossbred cow was found to be 69.74 per cent. Thus, in relation to farm business as a whole, net profit was found to be Rs.99025.78. Regarding per hectare efficiency, cotton crop showed the highest net profit and output input ratio as compared to other crops in cotton based farming system.

INTRODUCTION

The 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 total liability and resulting in net worth. The income statement analysis which shows changes in business receipt and expense.

This information needs to be studied, mainly because of cropping pattern followed by the cultivators is governed by many factors like socio-economic condition. 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 input utilization, so as to increase the productivity per unit of area. The comparative economics of various crops gives an idea about their profitability which would help the farmer for allocation of resources to maximize returns from the farm as a whole.

MATERIALS AND METHODS

The study was conducted in Nanded district of Maharashtra. Multistage 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 highest area under cotton. In the third stage, eight villages were selected from the tehsil on the basis of highest area under cotton production. The selected villages were namely Bhorgadi, Dhanora, Jawalgaon, Karla, Savna, Sarsam, Siranjani and Sonari. In the four stage, four 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. The techniques like tabular analysis, arithmetic mean and ratio were used to analyze the data. As per the cropping pattern, costs, returns and profit were calculated. In other words, as per area under crop or per field costs, returns and profit of all crop were estimated. For