



Research Paper

Economic analysis of mint cultivation in Madhepura district of Bihar

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Paper History :

Received : 30.06.2020;

Revised : 03.07.2020;

Accepted : 05.08.2020

ABSTRACT : The present study of mint variety-CIM-Karnti demonstrated for cultivation of Madhepura district of Bihar. Mint is an essential oil bearing plant. Oil and its derivatives are extensively used in food, pharmaceutical, perfumery and flavouring industry. During the study period, 55 farmers of mint cultivation have been demonstrated on the farmer's field of five villages under Madhepura district of Bihar during 2018-19. The primary data were collected from the selected farmer's field. Simple analytical tools and technique has been used for data analysis and for carried out the cost of cultivation according different cost concepts. The multiple linear production function was used to evaluate the resource use efficiency in the production of mint. It was observed that medium level adoption of mint cultivation has been found higher followed by high and low level adoption. The total cost of cultivation and gross return has been found Rs. 52,804 /- and Rs. 1, 59,268/- ha⁻¹, respectively. The net return on cost A₁ C, Rs. 1,06,464/- and Rs. 90,640/-ha⁻¹. The benefit cost ratio has been observed 2.02 and 1.32 at cost A₁ and Cost C, respectively. The independent variables like sucker and nursery raising, manures and fertilizers and distillation charges were positive indicating significant impact on the returns from mint crop in the study area. Thus, profitable returns through cultivation of mint may attract large number of farmers to cultivate this crop to enhance their income and employment in the study area with integrated farming traditional crops.

KEY WORDS : Economics of mint, Cost, Returns, Adoption

HOW TO CITE THIS PAPER : Sharma, Ram Suresh, Kumar, Sanjay, Kumar, Deepak and Srivastava, R.K. (2020). Economic analysis of mint cultivation in Madhepura district of Bihar. *Internat. Res. J. Agric. Eco. & Stat.*, **11** (2) : 127-131, DOI : 10.15740/HAS/IRJAES/11.2/127-131. Copyright@2020:Hind Agri-Horticultural Society.

INTRODUCTION :

Medicinal and aromatic plants (MAPs) are receiving considerable attention all over the world because of their vast untapped economic potential, especially in the use of herbal medicines (Kumar *et al.*, 2008 a and b). The *Mentha arvensis* (menthol mint) is an important essential oil bearing crop, de-mentholated oil and specific terpene fractions there of are widely used in food, flavour,

pharmaceutical and cosmetic industries (Singh and Khanuja, 2007). *Mentha* is an aromatic herb, which also goes by the name Japanese pudina in India. Steam distillation and filtration of dried *Mentha arvensis* leaves produces mentha oil, which can be processed to yield menthol and other derivatives. Oil and its derivatives are extensively used in food, pharmaceutical, perfumery and flavouring industry. Mint is cultivated in a large area in

the Indo-Gangetic Plains in the states of Punjab, Haryana, Uttarakhand, Uttar Pradesh and Bihar, with maximum area cultivation in Uttar Pradesh. The major districts in Uttar Pradesh where this crop is being cultivated are Badaun, Bareilly, Shahjahanpur, Pilibhit, Lakhimpur Kheri, Barabanki and Ambedker Nagar etc (Kumar *et al.*, 2011). This crop was introduced in Madhepura district of Bihar by CSIR-Central Institute of Medicinal and Aromatic Plants (CSIR-CIMAP) in a under CSIR-Aroma Mission. The present study was focused on the following aspects of the mint cultivation: Adoption pattern of production technology, socio-economic status and resource structure of the farmers and benefit and cost analysis of mint cultivation at Madhepura district of Bihar.

MATERIALS AND METHODS :

The demonstrations were conducted on 55 farmer's field in five villages of Madhepura, district Bihar during the year 2018-19. The recommended package of practices (PoP) for mint cultivation developed by CSIR- Central Institute of Medicinal and Aromatic Plant (CIMAP), Lucknow were demonstrated through hand on training on the farmer's field. The primary data were collected from the selected farmer's on adoption pattern and profit of mint cultivation. To examine the cost and returns of mint cultivation, simple analytical tool and technique has been used for data analysis method was followed. The economics was worked out by comparing costs and returns at different stages of economic life. The Multiple Linear Production function was used to evaluate the resource use efficiency in the production of mint cultivation.

Multiple linear production function:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \dots + \beta_n X_n$$

α = Intercept

X_1 = Human manpower charges (Rs./ha)

X_2 = Machine/Tractor (Rs./ha)

X_3 = Suckers (Rs./ha)

X_4 = Manure and fertilizer (Rs./ha)

X_5 = Irrigation (Rs./ha)

X_6 = Distillation charges (Rs./ha)

X_7 = Transportation charges (Rs./ha)

RESULTS AND DATA ANALYSIS :

The results obtained from the present investigation as well as relevant discussion have been summarized under following heads :

Adoption pattern of improved production technology of mentha cultivation:

It is observed from the study that 45.46 per cent farmers shown their strong interest in the adoption of the cultivation practices of mint due to the economic return and market availability of the final produce of the crop *i.e.* essential oil. It is recommended that this crop is now being well adopted by the sample farmer at high adoption rate.

Socio-economic and resource structure of study areas:

Data from the selected farmers were collected and analysed in respect of average family size, literacy status, occupation, caste, average land holding, cropping pattern, average farm assets etc. are discussed in Table 2. This table revealed that the overall average family size was found 3.58 persons, literacy status of family member was 80.87 per cent, More than two third of population of the study area was solely dependent on agriculture. The average land holding of the sample farmers were found as 2.39 hectares. Mint, vetiver, satavar and lemongrass occupied an important position in the cropping pattern by representing about 23.68 per cent area during the year. The major investment was made by the farmers on the farm asset like farm building, irrigation structure, tractor, farm equipment and distillation units etc.

Cost structure of mint cultivation:

Cost structure of mint cultivation calculated at current price prevailing in market has been presented in

Table 1 : Adoption pattern of improved production technology of mentha growers		(n=55)
Categories of adoption level	Frequency	Cumulative frequency
Low level adoption	15 (27.27)	15
Medium level adoption	25 (45.46)	40
High level adoption	15 (27.27)	55
Total	55 (100.00)	-

Table 3. The observed operation cost of mint cultivation was found to be Rs. 52804/- ha⁻¹ as a four months crop. In operation cost, the maximum share was of irrigation charges (23.84 %), followed by Suckers and nursery raising (17.28%), manures and fertilizers (14.28 %) and hired manpower charges (14.16 %), respectively.

Table 2 : Socio-economic profile of the farmers

Particulars	Averages
Average family size (No.)	3.58
Literacy status of family members (%)	80.87
Occupation (%)	Agriculture 86.79
	Allied sector (dairy plus services) 13.21
Caste composition (%)	General 3.64
	Other backward castes 94.55
	Schedule tribal castes 1.82
Average landholding (ha)	2.39
Cropping pattern (%)	76.32
Agriculture crops (%)	Paddy 37.04
	Wheat 14.15
	Maize 18.25
	Potato 4.89
	Mustred 1.99
Medicinal and Aromatic crops (MACs) (%)	23.68
MACs (%)	Satavar 0.79
	Lemongrass 0.53
	Vetiver 5.82
	Mint 16.54
Average farm assets Rs. (farm building, irrigation structure, farm equipment and distillation units) Rs.	246382

Table 3: Cost structure of mint cultivation in Madhepura district of Bihar

Particulars	Amount (Rs.)	(Rs. ha ⁻¹)
Hired manpower charges	7478	(14.16)
Machine /Tractor	4907	(9.29)
Suckers and nursery raising	9124	(17.28)
Manures and fertilizers	7502	(14.21)
Irrigation	12578	(23.82)
Distillation charges	7401	(14.02)
Transportation	2028	(3.84)
Interest on working capital @7%	1786	(3.38)
Cost A1	52804	(100.00)
Rent paid in leased land	-	
Cost A2	52804	
Interest on fixed capital assets@12%	1413	
Cost B1	54217	
Rental value of own land	8333	
Cost B2	62550	
Cost of family labour	6078	
Cost C	68628	

Returns from mint cultivation:

The costs and returns from mint cultivation are presented in Table 4. It was found that the farmers have got 110 kg of mint oil from ha⁻¹ of land, which amounted to total return Rs. 1,59,268/- ha⁻¹. The net return over different costs A₁, A₂, B₁, B₂ and C were Rs. 1,08,300/-, Rs. 1,08,300/-, Rs. 1,05,600/-, Rs. 97,266/-, Rs. 91,188/- ha⁻¹, respectively. The B : C ratio over cost A₁ and C were found 2.02 and 1.32. Thus, profitable returns through cultivation of mint may attract large number of farmers to cultivate this crop to enhance their income and employment in the study area with integrated farming traditional crops.

Estimated resource use efficiency for mint cultivation:

The estimated resource use efficiency in mint

production is presented in Table 5. The determination of regressions co-efficient's (R²) value was estimated at 0.764 which indicates 76 per cent of the variations in mint yield, were influenced by the explanatory variables included in the model. The independent variables like sucker and nursery raising, manures and fertilizers and distillation charges were positive indicating significant impact on the returns from mint crop in the study area. The transportation charges were negative significant at 1 per cent (p<0.01) it implies that increase the production and decrease the transportation charges.

Marketing of mint oil:

The important marketing channels involved in the mint oil marketing system were found to be as under:

Channel-I: Producer- Local buyers- Industry

Table 4 : Net return over cost		(Rs. ha ⁻¹)
Particular	Amount (Rs.)	
Oil production (kg)	110	
Price rate (Rs./kg)	1450	
Total return	159268	
Net return over cost	-	
Cost A ₁	106464	
Cost A ₂	106464	
Cost B ₁	105051	
Cost B ₂	96718	
Cost C	90640	
B-C ratio		
Cost A ₁	2.02	
Cost A ₂	2.02	
Cost B ₁	1.94	
Cost B ₂	1.54	
Cost C	1.32	

Table 5: Estimated production factors for mint cultivation				
Variables	Co-efficients	Standard error	t Stat	P-value
Intercept (α)	12320.998	6374.126	1.933	0.059
Manpower charges (X ₁)	1.935	1.350	1.433	0.158
Machine /Tractor (X ₂)	4.900	4.440	1.104	0.275
Suckers and nursery raising (X ₃)	0.837*	0.442	1.896	0.064
Manures and fertilizers (X ₄)	3.969**	1.685	2.356	0.023
Irrigation (X ₅)	-0.343	0.375	-0.915	0.365
Distillation charges (X ₆)	10.543***	3.407	3.094	0.003
Transportation (X ₇)	-14.375***	6.528	-2.202	0.033
R ²	0.764			
N	55			

Figures in parenthesis are standard errors * ,** and *** indicate significance of values at P=0.1, 0.05 and 0.01 level of probability, respectively

Channel - II: Producer -Industry.

It was observed that about 80 per cent of mint growers used Channel-I and only 20 per cent used Channel- II to sell their produce at study area. It is, therefore, apparent that local buyers act as middle man in this trade slicing away a major portion of the profit which may have gone to the producer. It is, therefore, imperative to link the producers directly with the user industries to ensure better market price to the producers.

Conclusion:

It is concluded from the study that the major source of livelihood of the farmers has been found agriculture and allied activity. The farmers' are inclining to adopt new crops and technologies for their livelihood improvement. The mint cultivation was found to be profitable for the selected farmers of the study area. The mint crop is also well fitted between the traditional cropping patterns as a summer (zaid) season crop. However, it was recommended from the present study that the mint cultivation can be promoted in study area. So the cultivation of this crop improves their livelihood life.

Acknowledgement:

The authors are thankful to Director, CSIR-CIMAP for providing guidance and support to conduct this study. We thank the all farmers co-operate during study and demonstrations. The work is under CSIR-Aroma mission project.

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