

A Study of Financial Analysis of Paddy (Rice) Farming with Special Reference to Selected Farmers in Shahuwadi Taluka**Prof. Dattatray Vishwas Nalage**Department of Commerce and Management
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Tal.- Shahuwadi, Dist. - Kolhapur**Introduction :**

Rice production in India is an important part of the national economy. India is one of the world's largest producers of white rice and brown rice, accounting for 20% of all world rice production. Rice is India's pre-eminent crop, and is the staple food of the people of the eastern and southern parts of the country. Rice is one of the chief grains of India. Rice is the basic food crop and being a tropical plant, it flourishes comfortably in hot and humid climate. Rice is mainly grown in rained areas that receive heavy annual rainfall. Rice grows on a variety of soils like silts, loams and gravels.

Shahuwadi Taluka in Kolhapur district is especially known as high irrigated up to 60% to 80%. In this Taluka out of 27080 hector field, the field of rice crop is 14300 hector. The present study on rice farming has been conducted with the financial analysis.

Statement Of Problem:

The major problems of rice farming are of availability of credit, problem of apportionment of cost and resources utilization in important manner. It is also difficult to measure the financial performance of rice farmers because they are not maintaining proper accounting record. As per the need the present study is confined to a study of raising fund, cost of production and its profitability and a study of management and working capital management of rice farming.

Significance Of The Study:

The present study is on the topic of financial analysis of rice farming. It is useful to the respective farmers for making proper financial management and helpful to keep accounting record whenever necessary. The farmers may make use of this study for adopting proper methodology of cost ascertainment and consequently the measurement of profitability and efficiency. It may also assist to banks and financial institutions to understand the feasibility of rice farming.

Objectives Of The Study:

- 1) To estimate to cost of cultivation and price of Paddy (Rice).
- 2) To examine the factors influencing in pricing of Paddy (Rice).
- 3) To analyze the financial performance of Paddy (Rice) farming with reference to risk and return, profitability and efficiency.
- 4) To suggest remedies to the problem in Paddy (Rice) farming.

Methodology:

Data collection: The study is based on primary as well secondary data, collected through sample survey and personal interview. The secondary data are also used for study.

- a) **Primary data :** The primary data would be collected by using structured questionnaires, interviews and non-participative observation.
- b) **Secondary data :** The secondary data collect through books, research paper, articles and various web sites and various government institutions.

Selection of sample:

a) **Area of the study:** ShahuwadiTaluka is selected as the study area for present investigation, which is one of the semi-developed Taluka in Kolhapur district. Shahuwadi Taluka is situated in the Western Ghats. ShahuwadiTaluka is situated on the bank of rivers named Warana, Kasari, kadavi, Kanasa, Shali and Ambardi.

b) **Villages:** From the ShahuwadiTaluka three villages namely Bhedasgaon, Sarud, and Nerle purposively selected. These villages have been selected on the basis of rice cultivation as these villages are largest cultivators of rice in this Taluka.

Table 1: SELECTION OF VILLAGES

Taluka	Selected Villages	Population	Rice Farmers
	Sarud	6723	420
Shahuwadi	Bhedasgaon	4075	330
	Nerle	2327	235

(Source: Grampanchayat Sarud, Bhedasgaon and Nerle.)

b) **Farmers :** In the selected village’s complete census of rice cultivating households was taken. Above villages have top position by cultivation area of rice farming.

Table 2: SELECTION OF SAMPLE

Villages	Rice Farmers	Sample
Sarud	420	20
Bhedasgaon	330	20
Nerle	235	20
Total	985	60

Analysis And Interpretation:

Analysis of the data and interpretation of the data by collecting through survey and interviews of farmers and secondary data are done as follows.

Table 3: ATTITUDE TO PADDY FARMERS IN SHAHUWADI TALUKA

Sr. no.	Statement	No of Respondents		Percentage (%)	
		Yes	No	Yes	No
1	Do you take a land on rent?	12	48	20	80
2	Do you sell a rice?	-	60	-	100
3	Do you take a loan ?	32	28	53.33	46.66
4	Do you save the money ?	60	-	100	-
5	Do you have a bank account ?	60	-	100	-
6	Do you make a transport expenses ?	50	10	83.33	16.66
7	Do you maintain any accounting records?	-	60	-	100
8	Do you take a ‘Kissan’ credit card ?	53	7	88.33	11.66
9	Do you take a crop insurance ?	-	60	-	100
10	Could paddy production has increased to the last year ?	22	38	36.66	63.33
11	Do you sell a paddy?	52	8	86.66	13.33

As per table no.3 find that 80% respondents are not take a land on rent of other farmers. But only 20% respondents are take a land on rent of other farmers. It means maximum respondents are not take land on rent.

As per table no.3 shows that 100% respondents are not sale rice. It means respondents are sale only a paddy. Above table shows that 86.66% respondents are sale a paddy to the others and only 13.33% respondents are not sale paddy because it's all paddy use to own consumption.

As per table no.3 shows that 100% respondents are save the money. It means maximum respondents are save the money. Besides 100% respondents have a bank account. But only 16.66% respondents are not incurred a transport expenses on paddy farming. Above table shows that 100% respondents are not maintain any accounting records related to the paddy farming. Above table shows that 88.33% respondents have a 'Kissan credit card'. But only 11.66% respondents don't have a 'Kissan credit card' facilities.

Above table shows that 100% respondents are not take a 'Crop Insurance' of the insurance companies. It means farmers don't have proper information about the crop insurance scheme. Therefore 36.66% respondents are says that; paddy production is increased compare to the last year. But 63.33% respondents are also says that; paddy production is not increased compare to the last year. It means maximum respondents are said that; paddy production is not increased compare to the last year.

Table 4: CLASSIFICATION OF PADDY PRODUCTION

Sr. no.	Particulars	Classification	No of respondents	Percentage (%)
1	Seeds quality	Good	60	100
		Medium	-	-
		Bad	-	-
		Total	60	100
2	Paddy production	0 – 50 Bags	43	71.66
		50 – 100Bags	13	21.66
		100 – 150 Bags	3	5
		150 – 200Bags	1	1.66
		Total	60	100
3	Income of paddy sell	0 – 20000	28	53.84
		20000 – 40000	7	13.46
		40000 – 60000	14	26.92
		60000 – 80000	0	0
		80000 – 100000	1	1.92
		100000 - 120000	1	1.92
		120000 - 140000	1	1.92
		Total	52	100
4	Own consumption paddy	0-10Bags	20	33.33
		10-20Bags	28	46.66
		20-30Bags	10	16.66
		30-40Bags	2	3.33
		Total	60	100

As per table no.4 shows that 100% respondents are use good quality seeds of the paddy cultivation of paddy. It means maximum or all respondents are used good quality seeds of paddy.

As per table no.4 shows paddy production in bags. Above table shows that 71.66% respondents are 0 to 50 bags of paddy production taken in paddy field. Therefore 21.66% respondents are 50 to 100 bags of paddy production taken in paddy farm. Besides 5% respondents are extent 100 to 150 bags of paddy production in taken in our paddy farm. And only 1.66% respondents are takes extent 150 to 200 bags of paddy production in our paddy field. It means maximum respondents are takes extent 0 to 50 bags of paddy production in paddy farm.

Above table shows 52 farmers out of 60 farmers are sales paddy in market. Above table shows that 53.84% respondents are sales paddy under Rs. 0 to 20,000 only out of whole paddy production. Therefore 13.46% respondents are sales paddy between Rs. 20,000 to 40,000. Besides 26.92% respondents are sales paddy extent Rs. 40,000 to 60,000. But only 1.92% respondents are sales paddy extent Rs. 80,000 to 1,00,000. And 1.92% respondents are sales paddy extent Rs. 1,00,000 to 1,20,000 and Rs. 1,20,000 to 1,40,000 respectively. It means maximum respondents are sales paddy under Rs. 20,000.

Table 5: PADDY ACCOUNT

Dr.			Cr.		
(1 acre)					
Particular	Amount (Rs)	Percent age %	Particular	Amount (Rs)	Percent age %
Land purchased	0	0	Paddy sales	22100	91.70
Seeds	1000	4.14	Sales of Podder	2000	8.29
Weeding	2800	11.61			
Hire human labour	2800	11.61			
Bullock labour	800	3.31			
Manures and Fertilizers	2400	9.95			
Land development	2000	8.29			
Irrigation expenses	-	-			
Electric charges	700	2.90			
Chemical expenses	500	2.07			
Loan interest	1200	4.97			
Transport expenses	800	3.31			
Purchase of other equipment	600	2.48			
Other expenses	-	-			
Profit	8500	35.26			
Total	24100	100	Total	24100	100

As per table no.5 shows paddy account of farmers. In this table shows average one acre land and 36 bags of paddy in one acre, averagely 10 bags paddy out of 36 bags paddy farmers are keeps in home for own consumption of family.

Above table shows cost of cultivation, profit and sales of paddy and podder for one acre. In this table shows 4.14% are cost of seeds for one acre. Therefore 11.61% of amount is incurred on weeding by the farmers in one acre and also 11.61% of amount is paid to the hire human labour and

3.31% amount paid to the bullock labour. It is also 8.29% amount is incurred on land development of paddy farm and also 9.95% amount are incurred on the manures and fertilizers.

Above table shows that 2.90% amount incurred on electric charges also 2.07% amount are incurred on chemical. It is also paid 4.97% amount to the loan interest and also 3.31% amount is incurred on transport expenses. And only 2.48% amount is incurred on purchasing of the farm equipment.

Above table shows that 35.26% profit earned in one acre paddy land. It means maximum amount are incurred on the weeding, hire labour and manures and fertilizers and also land development. Farmers are earned 91.70% amount to the sell a paddy in market and also earned 8.29% amount to the sell a podder.

It means the farmers are earned profit between 30% to 40% amount. It means that all farmers in Shahuwadi taluka are profitable.

Findings:

- 1) In Shahuwadi taluka farmers are don't sell rice.
- 2) Only 53% farmers are take a loan by bank and other ways.
- 3) It was observed that the Sarud, Bhedasgoan and Nerle villages farmers are not maintain any accounting records related to the paddy farming and other crops.
- 4) In Sarud, Bhedasgoan and Nerle villages farmers are not taken a 'Crop insurance', because farmers are no idea about the crop insurance.
- 5) Mostly of farmers in Shahuwadi taluka are in under 40 to 50 years age old.
- 6) There are 5 to 10 family members in 48.33% farmers of Sarud, Bhedasgaon and Nerle villeges.
- 7) In Sarud, Bhedasgoan and Nerle villages most of farmers are holding land area extent 0 to 5 acres.
- 8) Only 20% farmers in Sarud, Bhedasgoan and Nerle villages are take land on rent.
- 9) Therefore 71.66% farmers in Sarud, Bhedasgoan and Nerle villages are used 0 to 2 acres land for paddy cultivation.
- 10) All farmers in Sarud, Bhedasgoan and Nerle villages are used good quality seeds of paddy for cultivation of paddy.
- 11) In Sarud, Bhedasgoan and Nerle villages are required 75 to 80 workers in 1 acre paddy farming.
- 12) Most of farmers in Sarud, Bhedasgoan and Nerle villages are taking a loan by giving the mortgage of own land.
- 13) The paddy farmers in Sarud, Bhedasgoan and Nerle villages are earned profit between 30% to 40% amount.

Suggestions:

- 1) Various farmers are literate or ill-literate, they do not maintain the records of cost of paddy and any crops average return etc. therefore agriculture department of Shahuwadi panchayat samiti should be open aresearch department.
- 2) Agriculture department of Shahuwadi panchayat samiti should guide and give proper information to the paddy farmers through the about how to paddy cultivations techniques use in paddy farm, so that cost of paddy cultivation would be reduced.
- 3) Agriculture department of Shahuwadi panchayat samiti should guide and gives proper information about the modern cultivations techniques use in paddy farming to the paddy farmers in Shahuwadi taluka.

- 4) The insurance companies should guide and gives proper information to the farmers about the crop insurance and explained it's advantages.

Conclusion:

The present concluded of the study are based on the field work, sample survey and secondary data, discussion with the farmers and observation of the researcher while conducting the survey.

In this project studied that the cultivation cost of the paddy and return on paddy sales in market. Paddy farmers are not get the fixed and reasonable price for and rice. Most of the farmers in Sarud, Bhedasgoan and Nerle villages are paddy cultivates less than 2 acres paddy crop and very few farmers are cultivates more than 4 acres of paddy crop.

The farmers do not maintain records regarding cost of paddy and any crop. Most of the farmers are takes maize crop after the paddy crop. In case of majority of the farmers are taken per acre paddy yield is in the of 35 to 37 bags , the average per acre paddy production yield is 36 bags , because of rainfall, land quality, quality of fertilizers and personal attention to paddy crop are the factors which affect to the paddy yield per acre. In this 3 villages 20% farmers are taken the land on rent.

All farmers in Shahuwadi taluka are using good quality of seeds of paddy. I observed that only 50% farmers are taken loan. In this project all concepts are stated in briefly.

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