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ECONOMICS OF PADDY CULTIVATORS IN ANDHRA PRADESH-A STUDY OF GUNTUR DISTRICT

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ABSTRACT:

This paper is to analyze the cost and return of the paddy cultivation in coastal Andhra Pradesh. This paper is based on the primary data of 100 sample respondents are selected on simple random sampling method. The sample households are selected from Krapa village of Kollure mandal in Guntur district of Andhra Pradesh. This paper collected the

information about the cost of cultivation, income from the paddy cultivation.

The cost of cultivation of paddy in the study area is 1783/- per quintal because of increasing the price of all inputs. Basically paddy is a labour intensive crop, now a days the wages are hiked and labours are not available at the time of harvesting stage due to MGNREGA works and migration of labours from other districts. Shortage of labour has a reason to introduce the mechanization in transplantation and harvesting of paddy. Today the price of all fertilizers like urea, 20-20, DAP, and other complex fertilizers prices are increased 120 per cent. Majority of suicides farmers are tenant or marginalized farmers in Andhra Pradesh. It's covered 50 to 60 per cent of the sown area. The rental value of lease in land is in bag and cash is 30 bags and Rs 20000/- per annum. The tenant farmer are face high rent of land and he is insecure the owners to continue his tenancy in future. All the inputs prices are increased and the same way the prices of the entire consumer good also increased like vegetables, cereals, pulses, oil, and onions. Today the price of rice increased Rs15/- to 45/- rupees and it leads to increasing the consumption expenditure. This is a mystery the farmers sold their output with less price in the same he purchased with can paid high price in the market. All these things are pushed the farmers in to debt crisis and majority of farmers are depended on the money lenders, traders and commission agent for credit and this is leads to increasing the indebtedness then its leads to distress. The status of suicides victims was poor and which belongs to tenants, marginal and small farmers who could not sustain frequently price stock.

KEYWORDS: Andhra Pradesh, Crop Holiday, Cost of Cultivation, Paddy and Crisis.

INTRODUCTION

India has the largest paddy output in the world. The paddy cultivation plays a major role in socio-cultural life of rural India.

Andhra Pradesh is historically known as the "Annapurna", Andhra Pradesh stands 6th in area, 3rd in production, and 2nd in productivity and contributes nearly 12 per cent. During the year 2017-18 in Andhra Pradesh, Paddy production in the Kharif season was 112.64 Lakh MT and

in the Rabi season was 103.64 Lakh MT, totaling to 216.28 Lakh MT. East & West Godavari districts alone contributed 61.05 Lakh MT. The reasons cited by farmers for declaring a Crop Holiday include Reason:

- Late release of canal water.

- MSP is lower than the actual cost of production.
- High cost of labour and inputs on accounts of High cost of cultivation.
- Non-availability of labour in peak season of agricultural operation due to MGNREGS.
- Non availability of Institutional Credit and quality inputs in time.
- Insufficient storage space
- Poor drainage maintenance.
- Delayed settlements of crop insurance.

OBJECTIVES AND METHODOLOGY

This paper is to analyze the economics of the paddy cultivation in costal Andhra Pradesh. This paper is base on the primary data of 100 sample respondents are selected on simple random sampling method. The sample households are selected from Krapa village of Kollure mandal in Guntur district of Andhra Pradesh. This paper collected the information about the cost of cultivation, income from the paddy cultivation

RESULTS AND DISCUSSIONS:

This paper mainly focus on the why the farmers have to decided to take a crop holiday and analyze the cost and returns of the paddy peasants in the study area

COST OF CULTIVATION:

The economics of cultivation of paddy in study area is 1783/- (Table-1) per quintal because of increasing the price of all inputs .Basically paddy is a labour intensive crop, now a days the wages are hiked and labours are not available at the time of harvesting stage due to MGNREGA works and migration of labours from other districts .Shortage of labour has a reason to introduce the mechanization in transplantation and harvesting of paddy. These are very popular in other than Andhra Pradesh and also some part of Andhra Pradesh. Another important input is fertilizers in the cultivation. Today the price of all fertilizers like urea,20-20, DAP, and other complex fertilizers prices are increased 120 per cent .The cost fertilizers is 30 per cent of the total cost. Another input is pesticides in the markets most of the pesticides are duplicate in this circumstance the farmers are not identified whether it is quality or not he purchase and applied but the crops are not saved from the insects. In this reason the yield was decreased, its genuine problem every farmer are faced in all the regions of Andhra Pradesh. The traders are miss guidance by the farmers because he doesn't know which the quality of goods is, his decision is depended on traders in the market and co-farmers, because majority of cultivators are illiterates. The farmers are not followed the government extension services.

Another constrain of the cultivation is tenancy rate. It is common not only Andhra Pradesh and also in India. Majority of suicides farmers are tenant or marginalized farmers in Andhra Pradesh. It's covered 50 to 60 per cent of the sown area. The payment of rent for leased in land is a choice of the farmer, the number of bags of paddy gives as rent to the owner and rent paid to cash. In this study observed the prevailing rates in bag and cash is 30 bags and Rs 20000/- per annum. The tenant farmer are face high rent of land and he is insecure the owners to continue his tenancy in future.

Another important constrain is formal credit facility, there is need credit to meet both consumption as well as production purpose. Now a day All the inputs prices are increased and the same way the prices of all the consumer good also increased like vegetables, cereals, pulses, oil, onions. Today the price of rice increased Rs15/- to 45/- rupees and it leads to increasing the consumption expenditure. This is a mistory the farmers sold their output with less price in the same he purchased with can paid high price in the market .All these thinks are pushed the farmers in to debt crisis and majority of farmers are depended on the money lenders, traders and commission agent for credit and this is leads to increasing the indebtedness then its leads to suicides. Many states including Punjab, Andhra Pradesh, Karnataka, Maharashtra and kerala have recorded a spurt in distress driven suicides among the farmers. The status of suicides victims was poor and which belongs to tenants, marginal and

small farmers who could not sustain frequently price stock. With mountain debt burden along with the rising risk in production and price fluctuation leading to low remuneration. It is no wonder that a lot of distress is generated among the farmers. The incidence of indebtedness among the farm households was highest in Andhra Pradesh (82 per cent)

Table-1 Input wise Cost of Cultivation in Paddy
(Values in Rupees)

Farming .Category	Marginal	Small	Semi-Medium	Medium& Large	Total
land preparation	415	494	500	600	500
Machined labour	1938	2155	1800	1628	1845
Bullock labour hired	1200	1250	1200	1000	1195
Seeds	2500	2200	2000	1900	2200
Fertilizers	5395	5524	4500	4700	5358
Manure hired	923	1022	750	900	920
Pesticides	2643	2703	2200	2443	2473
Hired labour	7688	7981	7782	7588	7832
Owned labour	2687	2454	2120	2589	2473
Irrigation	998	938	850	978	950
Transport cost	597	678	450	350	480
Interest on working capital	1415	1550	1225	1125	1250
Rent value of lease in land	10091	9632	11292	10000	9500
Rental value of owned land	8016	8440	7526	8026	8119
Interest on fixed capital	1202	1266	1102	1315	1133
Depreciation	355	364	300	400	360
Marketing charges	200	100	150	200	180
Miscellaneous charges	641	623	450	300	632
Total	48904	49375	46197	46042	47400

Source: Sample survey

INCOME FROM THE CULTIVATION OF PADDY

The data in the table -2, shows the gross income, cost of cultivation, net income and per cent of change of the sample respondents. It's observed that the gross income from the paddy cultivation is Rs 43700 per acre. The intra size group reveals that the gross income is increasing with increasing the firm size. The gross income is found to be high in medium and large farmer. The income from the paddy cultivation is found to be negative which is accounting for - 8.47 per cent, only the semi medium, medium and large farmers are found a positive return to scale. But the net income is very low among the two farming category. This table clearly concluded that the cost of cultivation found to be increased with increasing the farm size. The net income from the cultivation among the marginal and small farm is found to be negative,

Table- 2 Gross and Net Income from the Paddy cultivation
(Values in Rupees)

Farming Category	Gross income of Paddy	Cost of Cultivation	Net Income	% of Change
Marginal	39012	48904	-9892	-25.36
Small	42475	49375	-6900	-16.24
Semi-Medium	47250	46197	1053	2.23
Medium and Large	48590	46042	2548	5.24
Total	43700	47400	-3700	-8.47

Source: Sample Survey

SUGGESTIONS:

1. As, NREGS is affecting the agricultural operations as the labour are engaged by this programme. NREGS
2. Programme should be linked up with agricultural operations like transplantation, weeding, harvesting etc., will solve the problems of farmers.
3. FCI/State procurement agencies to procure Paddy produce on the lines of States of Chattisgarh and Punjab and export policy to be announced early i.e., before March.
4. Supply of subsidized (at 70%) subsidy suitable machines for cultivation to all categories of farmers.
5. Additional bonus per quintal Paddy is to be announced by the State Government.
6. Ensuring availability of quality inputs like fertilizer/pesticides/seed

CONCLUSION:

Andhra Pradesh is historically known as the "Rice Bowl of India", Andhra Pradesh stands 6th in area, 3rd in production, and 2nd in productivity and contributes nearly 12% of the national rice production. This paper is concluded that The cost of cultivation of paddy in costal Andhra region is 1783/- per quintal because of increasing the price of all inputs. Basically paddy is a labour intensive crop, now a days the wages are hiked and labours are not available at the time of harvesting stage due to MGNREGA works and migration of labours from other districts. Shortage of labour has a reason to introduce the mechanization in transplantation and harvesting of paddy. Today the price of all fertilizers like urea, 20-20, DAP, and other complex fertilizers prices are increased 120 per cent. The cost fertilizers is 30 per cent of the total cost. Majority of suicides farmers are tenant or marginalized farmers in Andhra Pradesh. It's covered 50 to 60 per cent of the sown area. The rental value of lease in land is in bag and cash is 30 bags and Rs 20000/- per annum. The tenant farmer are face high rent of land and he is insecure the owners to continue his tenancy in future. All the inputs prices are increased and the same way the prices of the entire consumer good also increased like vegetables, cereals, pulses, oil, and onions. Today the price of rice increased Rs15/- to 45/- rupees and it leads to increasing the consumption expenditure. This is a mistory the farmers sold their output with less price in the same he purchased with can paid high price in the market. All these thinks are pushed the farmers in to debt crisis and majority of farmers are depended on the money lenders, traders and commission agent for credit and this is leads to increasing the indebtedness then its leads to suicides. Many states including Punjab, Andhra Pradesh, Karnataka, Maharashtra and kerala have recorded a spurt in distress driven suicides among the farmers. The status of suicides victims was poor and which belongs to tenants, marginal and small farmers who could not sustain frequently price stock.

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