

## Is Cotton a Real Cash Crop ? Cotton Growing Farmer's Perspectives



### Management

**KEYWORDS :** Cash Crop, Cotton, Farmer's Perspectives

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#### ABSTRACT

*This Research Paper is based on the Cotton Growing Farmer's Perspectives about cotton as this crop in real sense a cash crop. A cash crop is an agricultural crop which is grown for sale for profit. The Indian cash crop refers to those crops grown generally for money. Fiber crops form the most important Indian cash crop and Cotton is one of the notable Indian cash crops which account the maximum profit among all the cash crops in India. . India is the second largest cotton producer and consumer. Cotton is one of the principal crops of India and plays a vital role in the country's economic growth by providing substantial employment and making significant contributions to export earnings. The main objective of this paper was to check the status of cotton crop as a cash crop in present scenario. The Research Paper is based on Primary data collected from 120 cotton growing farmers' perspectives in structured Questionnaire.*

#### I. INTRODUCTION:

A cash crop is an agricultural crop which is grown for sale for profit. It is typically purchased by parties separate from a farm. The term cash crop is applied exclusively to the agricultural production of plants; animal agriculture is not a part of the terminology. The term is used to differentiate marketed crops from subsistence crop, which are those fed to the producer's own livestock or grown as food for the producer's family. In earlier times cash crops were usually only a small (but vital) part of a farm's total yield, while today, especially in the developed countries, almost all crops are mainly grown for revenue. In least developed countries, cash crops are usually crops which attract demand in more developed nations, and hence have some export value.

The Indian cash crop refers to those crops grown generally for money. Cash Crop in India forms the strong base over which the Indian trade and commerce flourish both within and outside the country. Earlier these cash crops were grown in small scale but today these are grown in large scale and form a major contribution to the nation's economy. Fiber crops form the most important Indian cash crop and Cotton is one of the notable Indian cash crops which account the maximum profit among all the cash crops in India. In Central India Cotton is considered as a major cash crop.

India was the center of the cotton industry for over 3000 years. This all began in the Indus Valley region. In the Old World cotton was first cultivated in Mohenjo-Daro and Harappa. Major crops cultivated in Mughal India also included 'Cash Crop'. In that period cash crops were popularly known as "High-Grade Crops", chiefly grown for the market. Sugarcane and Cotton were the two most popular crops belonging to the category of Cash Crops. Indian Cotton had a long Trade history as well as Economic importance as compared with rest of the world. From the beginning Indian Cotton was superior in Quality and Quantity than the other countries.

#### COTTON SCENARIO OF INDIA:

India produces finest and beautiful cotton fabrics since time immemorial. India, being the earliest country in the world for

domesticated cotton production and manufacture of cotton fabrics, has led today's first in cotton cultivated area and second in production among all cotton producing countries in the world next to China.

India is the 15th largest economy in the world. The textile sector contributed about 14% of Industrial Production, 4% of the GDP and provided direct employment to over 33 million people. The textile sector is the second largest provider of employment after agriculture.

Cotton is one of the principal crops of India and plays a vital role in the country's economic growth by providing substantial employment and making significant contributions to export earnings. The cotton cultivation sector not only engages around 6 million farmers, but also involved another about 40 to 50 million people relating to cotton cultivation, cotton trade and its processing.

India is the second largest cotton producer and consumer. The textile industry accounted for 14.4% of the country's export earnings as of 2008.

The Government of India fixes the Minimum Support Price for cotton and in this price several government agencies like Cotton Corporation of India and Maharashtra State Co-operative Cotton Growers' Marketing Federation procure cotton.

In India, cotton crop is grown throughout the country. However, there are nine major cotton producing states, viz. Punjab, Haryana, Rajasthan, Madhya Pradesh, Maharashtra, Gujarat, Andhra Pradesh, Karnataka and Tamil Nadu. These states contribute about 90% to the National cotton production. Based on cotton cultivation, India is divided into three major zones.

- A) North zone (Punjab, Haryana and Rajasthan),
- B) Central zone (Madhya Pradesh, Maharashtra and Gujarat)
- C) South zone (Andhra Pradesh, Karnataka and TamilNadu).

#### STATE WISE PRODUCTION OF COTTON: (Production in lakh bales of 170 kgs)

STATE	2007-08	2008-09	2009-10	2010-11	2011-12
Punjab	20.00	17.50	14.25	16.00	17.00
Haryana	15.00	14.00	14.75	14.00	16.00
Rajasthan	9.00	7.00	11.00	9.00	15.00
North Total	44.00	39.00	40.00	39.00	48.00
Gujarat	110.00	90.00	98.00	103.00	115.00
Maharashtra	62.00	62.00	63.00	82.00	85.00
Madhya Pradesh	20.00	18.00	15.00	17.00	18.00

Central Total	192.00	170.00	176.00	202.00	218.00
Andhra Pradesh	46.00	53.00	52.00	53.00	55.00
Karnataka	8.00	9.00	9.00	10.00	14.00
Tamil Nadu	4.00	5.00	5.00	5.00	5.00
South Total	58.00	67.00	66.00	68.00	74.00
Orissa				2.00	2.00
Others	1.00	2.00	1.00	2.00	2.00
Loose Lint	12.00	12.00	12.00	12.00	12.00
Grand Total	307.00	290.00	295.00	325.00	356.00

Source- As per Cotton Advisory Board, (Cotton Corporation of India.)

These zones differ from each other in soil type, topography, irrigation facilities, species cultivated etc. The north zone occupies only 21 per cent of the area but contributes more than 25 per cent of the production as the entire area is irrigated and varieties limited to only hirsutum and desi. The central zone is mainly rainfed, occupying more than 56 per cent of the total area but contributing less than 50 per cent to the total production and is characterised by rampant proliferation of hybrids. The south zone is typical of all types of cotton viz., irrigated and rainfed, hybrids (inter & intra specific and desi & American) and varieties (desi and American).

#### COTTON SCENARIO OF MAHARASHTRA:

Maharashtra accounts for about 34% of the area under cotton and about 20% of cotton production in the country. 30 lakh families who are spread over in 22000 villages in the economically backward regions of Vidarbha and Marathwada of Maharashtra depend upon cotton cultivation. Most of these are small and marginal farmers. About 96% of the cotton area is rainfed. The crop is grown in kharif season and sowing is generally done with the onset of monsoon. The crop is generally grown on black cotton soil characterized by the presence of titanium oxide.

The cotton growing area is divided into four major regions.

- (i) Vidarbha region,  
(Yoetmal, Amravati, Akola, Buldana, Washim, Wardha and Nagpur),
- (ii) Marathwada region,  
(Nanded, Hingoli, Parbhani, Aurangabad and Jalna)
- (iii) Khandesh region  
(Jalgaon, Dhule and Nandurbar)
- (iv) Deccan Canal area.  
(Ahmednagar & Satara)

#### I. OBJECTIVES OF THE STUDY:

1. To Study the Perspectives of Cotton Growing Farmers towards Cotton as a Real Cash Crop.
2. To Study the satisfaction of Cotton Growing Farmers towards Cotton Crop Production.
3. To Study the Suggestions and Expectations of Cotton Growing Farmers to improve present Cotton Condition.

#### III. RESEARCH METHODOLOGY:

##### Research Design:-

It is a descriptive research study which is concerned with describing the various characteristics like Cropping pattern, Cash Crop preferences and Satisfaction towards Cotton Cash Production of Cotton Growing Farmers.

##### Sampling Design:-

It is a definite plan for obtaining a sample from a decided population. The decided population is Cotton Growing Farmers.

##### Place of Study:-

This study was conducted in the Cotton Growing Farmers of Bhusawal Tahasil in Jalgaon District of Maharashtra. (India)

##### Sampling Unit:-

The sampling unit is the area or field from where the sample will be collected. In this study the sample units are Cotton Growing Farmers of Jalgaon District of Maharashtra.

##### Sampling Size:-

Sample of this study was planned 150 Cotton Growing Farmers

those produced Cotton in last year. But practically 120 questionnaire was collected from 150 distributed, so sample size was considered as 120.

#### Data Collection:-

The collected data should be appropriate & adequate, hence to be collected by two methods i.e. Primary and Secondary.

The Primary data was collected directly by the researcher from 120 respondents (Cotton Growing Farmers).

The Secondary data was collected from Text Books, Journals and Websites.

#### Research Instrument:-

Structured Questionnaire based on fifteen questions was designed and interviewed the Cotton Growing Farmers from selected area.

#### II. DATA ANALYSIS:

##### Table: - 1.

##### Occupational Profile of farmers.

Profile	No. of Respondents	% of Respondents
Farmer	84	70
Service + Farmer	16	13
Business + Farmer	20	17

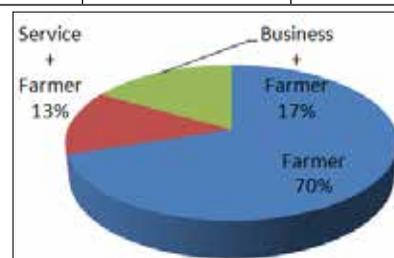


Fig. 1 Occupational Profile of farmers

Findings: - Farming is the full time occupation of 70% farmers while 17% are doing Business & farming. Only 13% service professionals are doing farming.

##### Table-2. Landowners and Landless Farmers.

Parameter	No. of Respondents	% of Respondents
Landowner	106	88
Landless	14	12

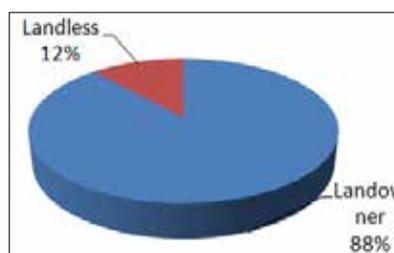
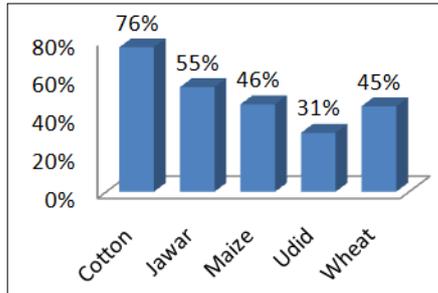


Fig.2 Landholding of Farmers

Findings: - Farming is mainly done by Landowners which are 88% as compared with 12% Landless farmers.

**Table:-3. Cropping Pattern of Farmers.**

Crop	No. of Respondents	% of Respondents
Cotton	92	76%
Jawar	66	55%
Maize	56	46%
Udid	38	31%
Wheat	54	45%

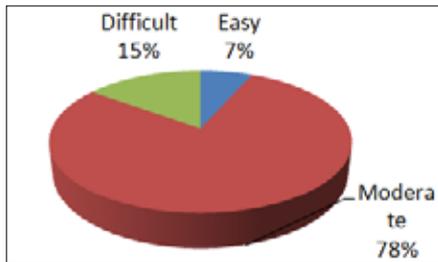


**Fig.3 Cropping Pattern**

Findings: - In the cropping pattern 76% farmers cultivating Cotton, 55% Jawar, 46% Maize, 45% Wheat and 31% farmers are cultivating Udid.

**Table:-4. Availability of Farm Inputs.**

Parameter	No. of Respondents	% of Respondents
Easy	08	7
Moderate	94	78
Difficult	18	15

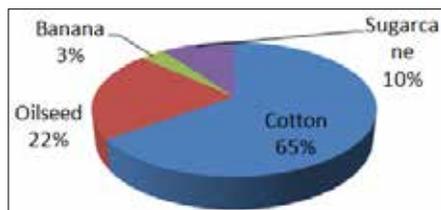


**Fig.4 Availability of farm Inputs**

Findings: - The availability of required Farm Inputs is moderate saying 78%, while 15% respondents say it's very difficult and 7% says it's easy.

**Table:-5. Cash Crop Preference of Farmers.**

Crop	No. of Respondents	% of Respondents
Cotton	78	65
Oilseed	26	22
Banana	04	3
Sugarcane	12	10

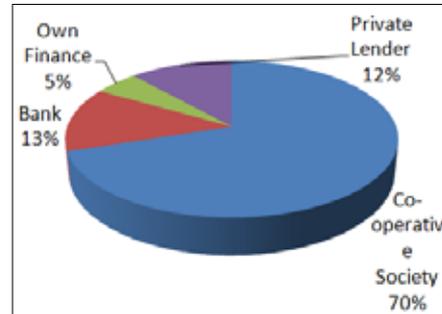


**Fig.5 Cash Crop Preference**

Findings: - In the selected area 65% farmers are preferred cotton as cash crop followed by 22% preferred oilseed, 10% preferred Sugarcane and 3% preferred Banana.

**Table: - 6. The Source of Finance for Farm Cultivation.**

Source	No. of Respondents	% of Respondents
Co-operative Society	84	70
Bank	16	13
Own Finance	06	5
Private Lender	14	7



**Fig. 6 Source of Finance**

Findings: - Finance is the important input for farming activity. 70% farmers used co-operative Societies as their source of finance while 13% used Banks, 7% takes loans from Private Lenders and only 5% farmers are using Own Finance as their source of finance.

**Table: - 7. Last years Cotton Production Parameters.**

	Product Quality	No. of Respondents	% of Respondents
1	Good	44	37%
	Medium	54	45%
	Average	22	18%
2	Selling Price		
	Good	04	3%
	Medium	12	10%
3	Market Demand		
	Good	06	5%
	Medium	18	15%
	Average	96	80%



**Fig. 7 Last Years Cotton Quality, Selling Price and Market Demand**

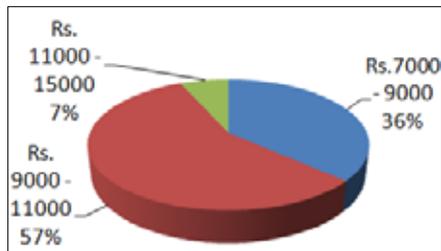
Findings: - 1) The 45% farmers consider as their cotton quality was medium while 37% consider cotton quality was good and 18% consider average cotton quality.

2) The 70% farmers are saying as there was a very less Selling Price, 10% says medium Selling Price for Cotton and only 3% farmers say Good.

3) The 80% farmers blaming that there was no demand in the market for cotton and 15% blame medium Demand while 5% catch good market Demand for their cotton.

**Table: - 8. Production Cost of Cotton per acre.**

Production Cost	No. of Respondents	% of Respondents
Rs.7000 - 9000	44	36
Rs. 9000 - 11000	68	57
Rs. 11000 - 15000	08	7

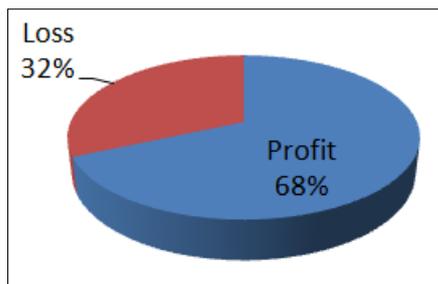


**Fig 8 Production Cost of Cotton**

Findings: - The Production cost of 57% farmers was Rs. 9000 to 11000 per Acre, 36% farmer's Production Cost was Rs. 7000 to 9000 per Acre with some 7% farmers having higher production cost of cotton i.e. Rs. 11000 to 15000 per Acre.

**Table:-9. Profit or Loss Earned in Cotton Production.**

Parameter	No. of Respondents	% of Respondents
Profit	82	68
Loss	38	32

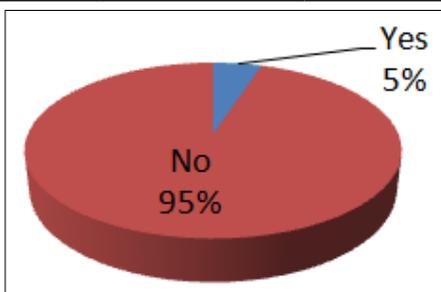


**Fig 9 Profit or Loss Earned in Cotton Production**

Findings: - Total 68% farmers consider cotton crop in profit but not up to expected profit. While 32% farmers say cotton crop production is in loss.

**Table:-10. Satisfaction of Farmers from Cotton Crop Production.**

Parameter	No. of Respondents	% of Respondents
Yes	06	5
No	114	95



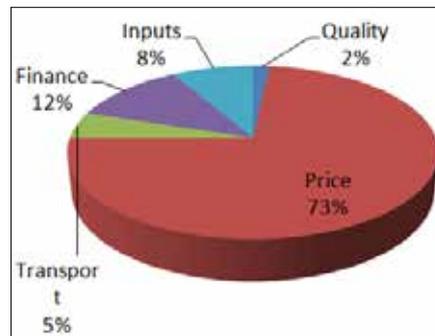
**Fig 10 Satisfaction of Farmers from Cotton Crop Production**

Findings: - The 95% farmers are not satisfied with Cotton Crop Production, while 5% are satisfied.

**Table:-11. Problems of Cotton Growing Farmers.**

Problems	No. of Respondents	% of Respondents
Quality	02	2

Price	88	73
Transport	06	5
Finance	14	12
Inputs	10	8



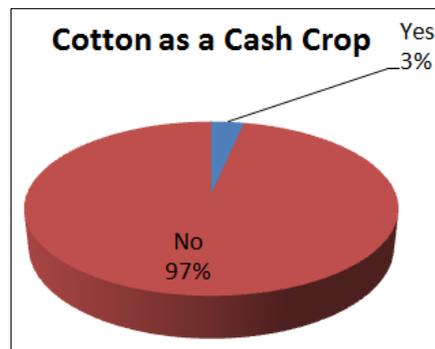
**Fig 11 Problems of Cotton Growing Farmers**

Findings: - Most of the farmers are not satisfied due to following various problems-

73% say Price is the main problem, while 12% farmers facing Finance as problem, 8% facing Proper Inputs is a problem, 5% facing Transportation as a problem and 2% faced Quality of produced Cotton.

**Table:-12. Farmer's consideration towards Cotton as a Cash Crop.**

Consideration	No. of Respondents	% of Respondents
Yes	04	3
No	116	97



**Fig 12**

Findings: - From the above all experience 97% Farmers are not considering Cotton as a Cash Crop and only 3% farmers consider Cotton as a Cash Crop.

**VI. CONCLUSION:**

1. The 97% farmers are not considering Cotton as a Cash Crop because their expectations from this cotton crop as a Cash Crop was not fulfilled now a days due to various problems in the present Marketing situation.
2. The value of cotton as a Cash Crop was reduced by the problems such as Price, Finance, Availability and Quality of Farm Inputs, Transportation to Market and Quality of Produced Cotton. All these problems show that there is a gap in present marketing system.
3. The maximum i.e.95% farmers are not satisfied with cultivation of Cotton crop. These are not satisfied due to various problems in production as well as not getting expected financial returns from this Cotton Crop.
4. All the suggestions collected from Cotton Growing Farmers are concern with Market Price of Cotton, Quality & Availability of Inputs, Finance for Cultivation and Transport to Market.
5. All the expectations of Cotton Growing Farmers are concentrated on Good Market Price for Cotton crop which help them for better financial condition.

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