

Report On Cost of Cultivation of Important Crops in Kerala 2008-09

Department of Economics & Statistics
Thiruvananthapuram
2010

PREFACE

The growth trend in the agricultural sector has not been consistent in Kerala.

Food crops in general have shown a decreasing trend in area and production. The

contribution of agriculture to State Income has been on the decline. For formulating

proper price policies and for achieving economic efficiency of the crop production

sector, studies on Cost of Cultivation of Important Crops in Kerala is essential. With

this end in view, this Department conducts annual study on Cost of Cultivation of

Important Crops in Kerala.

This report is based on the field study on Cost of Cultivation of Important

Crops conducted during the year 2008-09. The crops covered during this year are

Paddy (3 seasons), Coconut, Arecanut, Pepper, Banana, Tapioca, Ginger and

Turmeric.

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Smt.Juli M Joseph, Statistical Assistant Grade II in the Cost of cultivation section with

guidance of Sri.K. Asokan Additional Director. Suggestions for improvement are

solicited.

M. R. Balakrishnan Director

Thiruvananthapuram, 30-03-2010

1

CONTENTS

CONTENTS					
			Page No.		
Chapter - 1	1	General	1		
Chapter – 2	2	Results of the Survey	7		
	2.1.1	Paddy-Autumn	7		
	2.1.2	Paddy-Winter	11		
	2.1.3	Paddy-Summer	16		
	2.2	Coconut	20		
	2.3	Arecanut	23		
	2.4	Tapioca	26		
	2.5	Banana	30		
	2.6	Pepper	33		
	2.7	Ginger	35		
	2.8	Turmeric	38		

Chapter I

GENERAL

1.1 Introduction

Government of Kerala accorded sanction for conducting annual survey of cost of cultivation of important crops in the State from 1980-81 onwards vide G.O.(Rt) 466/79/plg dated 27/10/1979 The present report relates to the 29th round of survey conducted during the agricultural year 2008-09. The Department of Economics and Statistics is conducting cost of cultivation survey annually.

The crops covered under the round are given below:-

- Paddy
 - · (3 seasons)
- 2. Coconut
- 3. Tapioca
- 4. Banana
- 5. Pepper
- 6. Arecanut
- 7. Ginger
- 8. Turmeric

1.2 Objectives

The main objective of this survey was to estimate the cost of cultivation per hectare of important crops in Kerala and to compare the cost under different concepts, over a period.

1.3. Period of the Survey

The period of the survey was the Agricultural Year (July to June) 2008-09

1.4. Design of the Survey

The survey covered all the districts of Kerala by selecting 38 Taluks. From each selected Taluk, two investigator zones were selected using circular systematic sampling method.

Selection of cultivators

In selected Investigator zones, a list of cultivators growing paddy in the previous autumn season is prepared from the last year's Form I Diary connected with the EARAS works. From this, a list of 5 cultivators who are likely to be engaged in paddy cultivation during the current year are selected at random for cost of cultivation study for the autumn paddy. Similar procedure is adopted for the selection of cultivators for winter and summer paddy.

In case the cultivators selected for cost of cultivation study on Autumn Paddy possess suitable number of plots of other specified crops in stipulated area/numbers those will also be selected for the cost of cultivation study on other crops like Coconut, Pepper, Arecanut, Banana, Tapioca etc.

If sufficient numbers of suitable plots of other crops are not available with the cultivators selected for the study of Autumn Paddy, the required number of plots growing crops other than paddy will be selected from the list of wet and dry land plots of the same investigator zone in the last year. If the selected investigator zone in a Taluk does not provide the required number of plots for these crops, another Investigator zone in the same Taluk will be selected at random for selection of the remaining (required) number of plots/cultivators for the study on other crops.

The number of holdings selected for each crops in a Taluk was as follows:

1	Paddy	Autumn	10 (5 holdings each from one Investigator zone)	
		Winter	10 (5 holdings each from one Investigator zone)	
		Summer	10 (5 holdings each from one Investigator zone)	
2	Coconut		10 (5 holdings each from one Investigator zone)	
3	Arecanut		10 (5 holdings each from one Investigator zone)	
4	Pepper		5 (Minimum 2 holdings in one Investigator zone)	
5	Banana		5 (Minimum 2 holdings in one Investigator zone)	
6	Tapioca		5 (Minimum 2 holdings in one Investigator zone)	
7	Ginger		5 (Minimum 2 holdings in one Investigator zone)	
8	Turmeric		5 (Minimum 2 holdings in one Investigator zone)	

A holding is considered for the study only if it contained at least 25 cents under the crops in the case of paddy and 10 cents for tapioca, banana, ginger and turmeric. In the case of perennial crops like coconut and pepper the holdings should have 25 trees/plants of which a minimum of 50% should be bearing trees/plants.

The holding size group (small, medium and large) of a crop is determined on the basis of the area under the crops under study in the holding as shown below:

Size Group	Holding size		
	Paddy	Other crops	
Small	< 0.40 hectare	<0.2 hectare	
Medium	0.40 to < 2 hectare	0.20 to < 0.80 hectare	
Large	≥ 2 hectare	≥ 0.80 hectare	

1.5 Schedules

Five schedules were designed for the survey

Schedule -1	Selected Investigator zone		
Schedule -2	Summary of Form I Diary		
Schedule –3	List of selected cultivators		
Schedule –4	General Particulars		
Schedule –5	In this schedule, the cultivation expenses incurred for a crop in each fortnight is reported.		

1.6 Field work

Fieldwork was done in 38 selected Taluks. One Investigator is posted in each Taluk for this purpose. The investigators visited the selected holdings/cultivators every fortnight and recorded fortnightly details of agricultural operations in schedule 5. The fieldwork was supervised by Taluk Statistical Officer/Statistical Inspector at the Taluk level and Deputy Director/ District officer /other district level Officer at the District level.

1.7 Processing and Analysis of Data

The compilation and tabulation were done at district level. The state level consolidation of the data, the report writing and analysis are done at the Directorate.

1.8 Method of Estimation of Cost

(a) Concepts of Cost.

Different cost concepts, cost 'A' cost 'B1', Cost 'B' and Cost "C' have been followed in the analysis as shown below:

Cost 'A'

Cost 'A' consists of cash and kind expenses (paid out costs) actually incurred by the cultivators. This includes expenses incurred for

- i. Hired human labour
- ii. Animal labour
- iii. Machine labour
- iv. Seed/ seed lings
- v. Farm yard Manure and Chemical fertilizers
- vi. Plant protection
- vii. Land tax and Irrigation Cess
- viii. Repair and maintenance charges of implements, machinery and buildings
- ix. Interest on working capital
- x. Other expenses

Cost 'B1': Cost 'A' + Interest on fixed assets (excluding land)

Cost 'B': Cost 'B1' + interest on land value

Cost 'C': Cost 'B' + Imputed value of family labour

(b) Procedure for imputation of values of owned inputs

In the production process, certain inputs from home stocks are used. In order to estimate the cost of cultivation, it is necessary to impute the value of these inputs. The procedures used for the imputation of values of such home stock inputs are indicated below:

i	Family labour	Imputed on the basis of average wage rate per work hour of hired labour.	
ii	Owned and Exchange human labour	The rate of wages per hour for hired human labour is taken for imputing the value of own stock and exchange human labour	
iii	Owned and Exchange animal labour	The charges paid per hour for hired animal labour is taken for imputing the value of owned and exchange animal labour.	
iv	Owned and Exchange machine labour	The hire charges per hour for machine labour has been taken	
v	Implements	Repair and maintenance charges of implements	
vi	Owned seed	Farm produced (house grown) seed has been imputed at the prices prevalent in the investigator zone concerned at the time of sowing	
vii	Farm produced manure	Imputed at the rate prevalent in the zone concerned.	
viii	Interest on fixed capital	Interest on the present value of fixed assets such as land, farm, building, implements, machinery, irrigation structure, equipments and livestock (only draught animals) at the rate of 10 % per annum has been calculated.	
ix	Interest on working capital	Interest has been charged at the rate of 10% per annum on the working capital, cash and kind expenses excluding items in respect of which payments are generally made after harvest (i.e. rent, land tax etc) incurred during the period of cultivation	
X	Payments of kind	The payments in kind have been evaluated at the market prices prevalent in the locality at the time of payment. Perquisites have been included in the payments in kind calculated at the market	

prices.

(c) Allocation of joint costs to different crops

Some of the inputs used for the cultivation of one crop are common for many other crops also. For the purpose of computing the cost share of individual crops, the cost of such inputs is apportioned in the following manner.

i	Repair and maintenance charges of	In proportion to the area under the crop
	implements	
ii	Interest on fixed capital (excluding land)	In proportion to the area under the crop
iii	Interest on land value	Interest on the value of land under the
		crop

(d) Procedure for valuation of farm assets

1	Own farm buildings (cattle sheds, storage shed	Valuated at prices prevailing in the
	etc)	locality
ii	Implements and other machinery	Valuated at prevalent market prices
iii	Livestock (only draught animals)	Valuated at prevalent market prices

In calculating the cost of production of paddy crop in each season the interest on land value at the rate of 10% per annum for the period of 6 months is taken in to account. The land value is estimated at the current market rate in the different areas. There is a controversy in the assessment of land value. The land value is increasing considerably. If the actual value is taken for calculating the interest on land value, no cultivation is profitable in the State. However, there is always a tendency to under report the land value. It is therefore necessary

to evolve a method or criteria to estimate the land value reasonably while calculating the cost of cultivation of crops.

CHAPTER 2

RESULTS OF THE SURVEY

The crops selected for this round of study were paddy (autumn, winter and summer) coconut, tapioca, banana pepper, Arecanut, Ginger and Turmeric. The cost of cultivation of crops are calculated under three different cost concepts viz Cost 'A', Cost 'B', and Cost 'C' respectively.

2.1.1 Paddy- Autumn

For this study details of holding selected and area coverage are given below. The data collected from 342 holding by covering 194.40 hectares of land.

Table 1 - Area and number of holdings under autumn paddy during 2008-09

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage Area	Average Area per holding (ha)
Small	194	43.80	22.53	0.23
Medium	128	91.80	47.22	0.72
Large	20	58.80	30.25	2.94
Total	342	194.40	100.00	0.57

From the above table it can be seen that average area per holding was 0.57 hectare

Cost of cultivation

When Cost A is considered about 52 percent of cost constitutes to hired human labour, farmyard manure and chemical fertilizers accounts to 11% and Machine labour cost shares 13%.

Table 2- Cost of Cultivation per hectare of paddy (autumn) during 2008-09

		(1 01 110 00010 111 1151)
Sl	Components	Holding size Class

No		Small	Medium	Large	All Size
1	Hired human labour	16347	13695	9991	13179
2	Animal labour	437	444	7	311
3	Machine labour	3234	3383	3159	3282
4	Seed / seedlings	1326	1132	1231	1206
5	Farmyard manure and chemical fertilizers	3323	3037	2168	2840
6	Plant protection	410	425	678	498
7	Land tax and irrigation cess	167	145	327	205
8	Repair and maintenance charges of implements, machinery and building	941	374	72	411
9	Interest on working capital	1327	1204	1005	1172
10	Other expenses	1467	1954	2868	2119
11	Total cost 'A' (1-10)	28979	25793	21506	25223
12	Interest on fixed capital	5074	2378	510	2426
13	Cost 'B1' (11+12)	34053	28171	22016	27649
14	Interest on land value	69343	41282	29561	44111
15	Cost 'B' (13+14)	103396	69453	51577	71760
16	Imputed value of household labour	3573	2255	1124	2213
17	Cost 'C' (15+16)	106969	71708	52701	73973

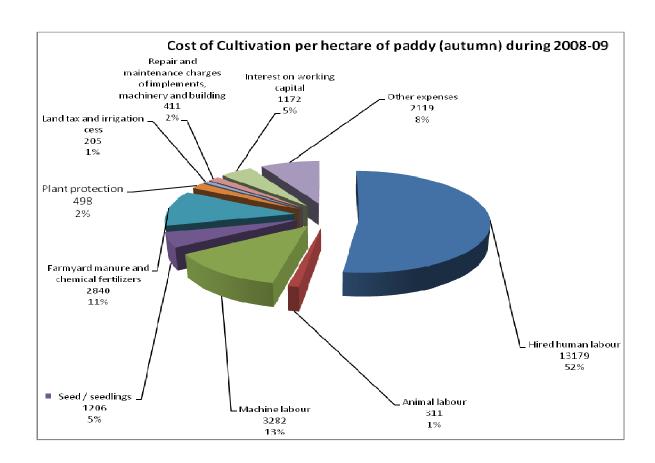


Table 3: Percentage of Hired human labour hours to total human labour hours

Sex	Holding size class			
	Small	Medium	Large	All Sizes
Male	23.33	21.85	22.07	22.32
Female	58.72	64.27	69.77	63.79
Total	82.05	86.11	91.84	86.12

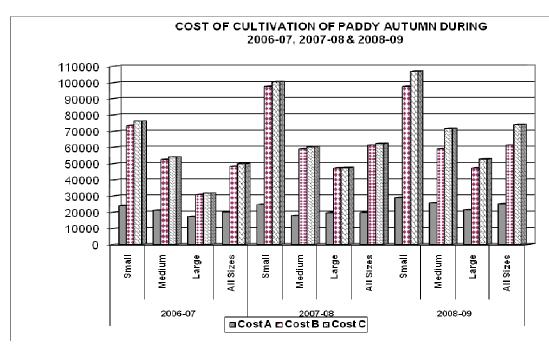
In Autumn paddy cultivation 64% of total labour hours shares to female participation.

Cost of production of paddy during 2006-07, 2007-08 and 2008-09

Table: 4 Cost of production of Autumn paddy per hectare 2006-07,2007-08 and 2008-09

Concept of cost	Year	Holding size class			
		Small	Medium	Large	All Sizes
	2006-07	23963	21194	17226	20238
Cost 'A'	2007-08	24761	17867	19712	19851
	2008-09	28979	25793	21506	25223
Cost 'B'	2006-07	73422	52446	30776	48358

	2007-08	97459	59089	47334	61245
	2008-09	103396	69453	51577	71760
	2006-07	76112	54072	31738	49938
Cost 'C'	2007-08	100492	60286	47617	62404
	2008-09	106969	71708	52701	73973



Cost of Production of paddy per quintal

Cost of production of paddy per quintal is estimated by dividing the cost of cultivation per hectare (after deducting the value of by-product per hectare from the cost of cultivation per hectare) by the quantity of paddy produced per hectare. The survey results show that during 2008-09 for producing one quintal of paddy Rs.729/- has been expended by the farmer when Cost 'A' is considered. Details are given below:

Table: 5 Per Quintal Cost of Production of Autumn paddy during 2006-07, 2007-08 &2008-09

Concept of cost Y	Year	Holding size class					
	1 Cai	Small	Medium	Large	All Sizes		
	2006-07	751	673	438	595		
Cost 'A'	2007-08	928	853	1198	986		
	2008-09	917	788	541	729		
Cost 'B'	2006-07	835	755	456	651		

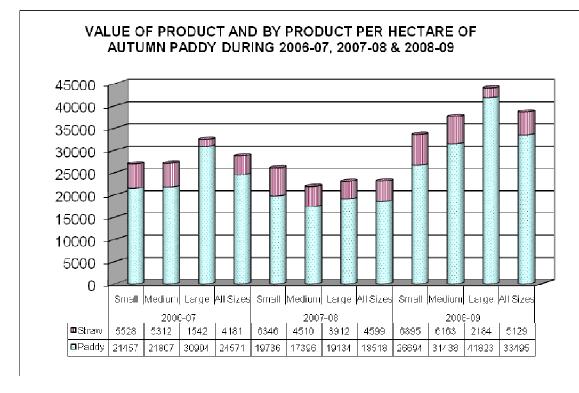
	2007-08	3650	2824	2879	3041
	2008-09	3274	2121	1301	2076
	2006-07	2384	1717	806	1467
Cost 'C'	2007-08	3764	2881	2896	3099
	2008-09	3387	2190	1329	2140

Output

The details of product and by-product of Autumn Paddy cultivation are given below.

Table: 6 Value of product and by-product per hectare of Autumn paddy during 2006-07, 2007-08 & 2008-09

Year	Product/				
	By product	Small	Medium	Large	All size
	Paddy	21457	21807	30904	24571
2006-07	Straw	5528	5312	1542	4181
	Total	26985	27119	32446	28752
	Paddy	19736	17396	19134	18518
2007-08	Straw	6346	4510	3912	4599
	Total	26082	21906	23046	23117
	Paddy	26694	31438	41823	33495
2008-09	Straw	6895	6163	2184	5129
	Total	33589	37600	44007	38624



2.1.2 Paddy-Winter

During 2008-09 Cost of cultivation study on winter paddy was conducted in 380 holdings by covering 337.70 hectare of land. Details of these holdings are given below:

Table 7 – Area and number of holdings under winter paddy during 2008-09

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage Area	Area per holding (ha)
Small	194	42.00	12.44	0.22
Medium	150	110.80	32.81	0.74
Large	36	184.90	54.75	5.14
Total	380	337.70	100.00	0.89

For the study on winter paddy cultivation during 2008-09, an area of 337.70 hectares was included. The average size of the holding was 0.89 hectares.

Cost of Cultivation

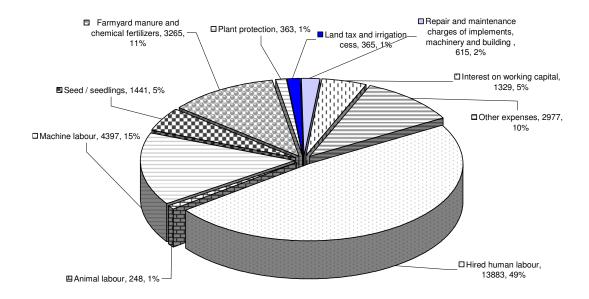
In Cost A, the major share of the cost component was hired human labour. It constitutes 48 per cent. Another two major items were farmyard manure and chemical fertilizers and machine labour. It shows to 11% and 15% respectively. Interest on working capital accounts was 5%. By considering the various cost component of winter paddy cultivation it can be seen that per hectare cost calculated as Rs.28883/-.

Table 8 – Cost of cultivation per hectare of winter paddy during the year 2008-09

Sl	Components	Holding size Class				
No	Components	Small	Medium	Large	All Size	
1	Hired human labour	18578	16186	11419	13883	
2	Animal labour	760	313	92	248	
3	Machine labour	3649	4196	4690	4397	
4	Seed / seedlings	1461	1293	1526	1441	
5	Farmyard manure and chemical fertilizers	4153	3235	3078	3265	
6	Plant protection	309	289	421	363	
7	Land tax and irrigation Cess	98	195	529	365	
8	Repair and maintenance charges of implements, machinery and building	1571	1169	62	615	

9	Interest on working capital	1528	1371	1257	1329
10	Other expenses	1650	1909	3923	2977
11	Total Cost 'A' (1-10)	33757	30156	26997	28883
12	Interest on fixed capital	4903	1617	541	1443
13	Cost 'B1' (11+12)	38660	31773	27538	30326
14	Interest on land value	47476	68154	37794	48968
15	Cost 'B' (13+14)	86136	99927	65332	79294
16	Imputed value of household labour	4018	2205	1179	1873
17	Cost 'C' (15+16)	90154	102132	66511	81167

PERCENTAGE DISRIBUTION OF "COST A" CULTIVATION PER HECTARE OF PADDY-WINTER 2007-08



Sex wise work participation in winter paddy cultivation reveals that 67% of work shared by

Female whereas 22% shared by male workers.

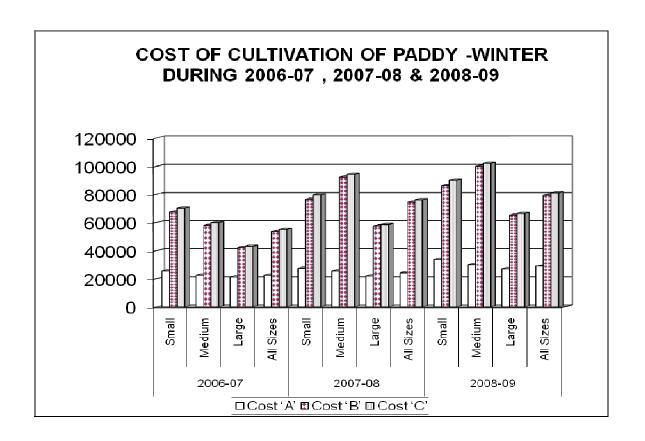
The following table reveals the percentage of hired human labours hours to total human labour hours.

Table 9 – Percentage of hired human labours to total human labour hours

Sex	Holding size class				
Sex	Small	Medium	Large	All Sizes	
Male	24.47	22.33	20.70	22.05	
Female	57.28	67.11	72.02	67.29	
Total	81.75	89.44	92.72	89.35	

Table: 10 Cost of Cultivation per hectare of winter paddy during 2006-07, 2007-08 & 2008-09

Concept	Year	Holding Size class				
of cost	1 cai	Small	Medium	Large	All size	
	2006-07	25484	22618	21283	22605	
Cost 'A'	2007-08	27321	25453	22022	24198	
	2008-09	33757	30156	26997	28883	
	2006-07	67426	57935	42304	53583	
Cost 'B'	2007-08	76506	93462	56548	74421	
	2008-09	86136	99927	65332	79294	
	2006-07	70065	59805	43065	55161	
Cost 'C'	2007-08	79531	95402	57519	76091	
	2008-09	90154	102132	66511	81167	



Cost of production of winter paddy

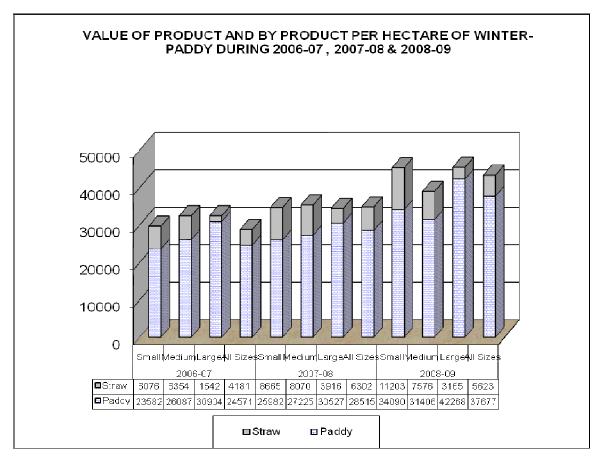
Table: 11 Per Quintal Cost of production of winter paddy during 2006-07, 2007-08 & 2008-09

Concept of	Vaan	Holding size class				
cost	Year	Small	Medium	Large	All Sizes	
	2006-07	742	657	574	638	
Cost 'A'	2007-08	701	791	877	804	
	2008-09	935	930	728	816	
	2006-07	1963	1684	1141	1512	
Cost 'B'	2007-08	1962	2866	2290	2474	
	2008-09	2385	3077	1764	2240	
	2006-07	2040	1738	1161	1557	
Cost 'C'	2007-08	2040	2926	2329	2530	
	2008-09	2496	3145	1796	2293	

Output

Table: 12 - Value of output (Rs/ha)

Year	Product/	Holding size class				
1 eai	By product	Small	Medium	Large	All size	
	Paddy	23225	24839	30297	26655	
2006-07	Straw	7686	6068	2230	4875	
	Total	30911	30907	32527	31530	
	Paddy	25982	27225	30527	28515	
2007-08	Straw	8665	8070	3916	6302	
	Total	34647	35295	34443	34817	
	Paddy	34090	31406	42268	37677	
2008-09	Straw	11203	7576	3165	5623	
	Total	45293	38982	45433	43300	



2.1.3 Paddy - Summer (Punja)

For the cost of cultivation study on summer paddy during 2008-09 the total number of holdings selected was 369. Number of holdings selected in large holding size is 41. The details of these holdings are presented below:

Table 13: Area under Summer Paddy during 2008-09

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage	Area per holding (ha)
Small	198	40.80	12.44	0.21
Medium	130	106.00	32.33	0.82
Large	41	181.10	55.23	4.42
All Size	369	327.90	100.00	0.89

The above table reveals that the total area under cultivation in the selected sample holdings covers to 327.90 hectares and the average size of a holding is 0.89 hectare.

Cost of Cultivation

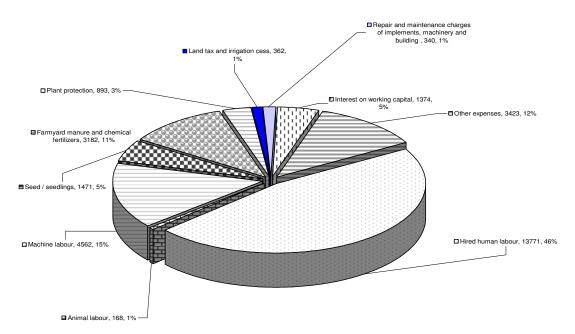
Cost of cultivation of summer paddy per hectare is estimated as Rs. 39920/- when cost 'A' is considered. Component wise holding size class details are presented below:

Table 14: Cost of Cultivation per hectare of paddy -summer during 2008-09

Sl	Components	Holding size Class				
No	Components	Small	Medium	Large	All Size	
1	Hired human labour	17600	14756	12313	13771	
2	Animal labour	575	265	18	168	
3	Machine labour	3865	4905	4521	4562	
4	Seed / seedlings	1641	1378	1486	1471	
5	Farmyard manure and chemical fertilizers	3483	3211	3097	3182	
6	Plant protection	505	622	1141	893	
7	Land tax and irrigation Cess	140	188	515	362	
8	Repair and maintenance charges of implements, machinery and building	1188	504	50	340	
9	Interest on working capital	1490	1419	1320	1374	

10	Other expenses	2125	3239	3828	3423
11	Total Cost 'A' (1-10)	32612	30487	28289	29546
12	Interest on fixed capital	4219	982	131	923
13	Cost 'B1' (11+12)	36831	31469	28420	30469
14	Interest on land value	70109	51063	34091	44131
15	Cost 'B' (13+14)	106940	82532	62511	74600
16	Imputed value of household labour	5358	2656	1176	2183
17	Cost 'C' (15+16)	112298	85188	63687	76783

PERCENTAGE DISRIBUTION OF "COST A" CULTIVATION PER HECTARE OF PADDY-SUMMER 2008-09



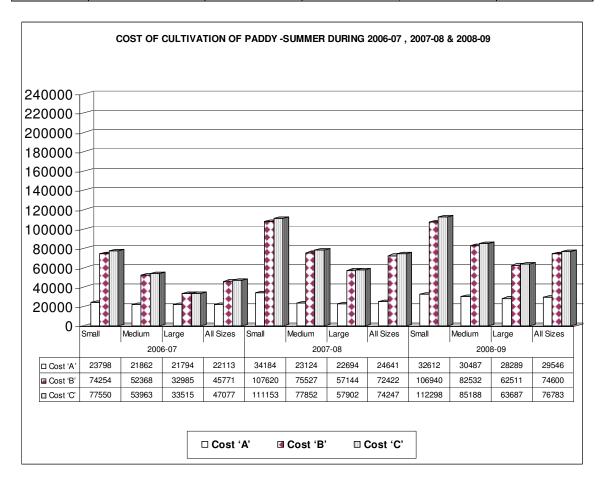
In summer paddy cultivation female labour participation accounted as 64% of the total labour hours. Details are given below:

Table 15: Percentage of hired human labour hours engaged in summer paddy

Sex	Holding size class				
Sex	Small	Medium	Large	All Sizes	
Male	23.45	22.58	21.42	22.21	
Female	52.20	62.01	70.36	63.95	
Total	75.65	84.59	91.78	86.17	

Table: 16 Cost of Cultivation per hectare of Summer paddy during 2006-07, 2007-08 & 2008-09

Concept	Year	Holding Size class				
of cost	1 cai	Small	Medium	Large	All size	
	2006-07	23798	21862	21794	22113	
Cost 'A'	2007-08	34145	23122	22685	24640	
	2008-09	32612	30487	28289	29546	
	2006-07	74254	52368	32985	45771	
Cost 'B'	2007-08	107495	75518	57123	72420	
	2008-09	106940	82532	62511	74600	
Cost 'C'	2006-07	77550	53963	33515	47077	
	2007-08	111024	77842	57881	74245	
	2008-09	112298	85188	63687	76783	



Output

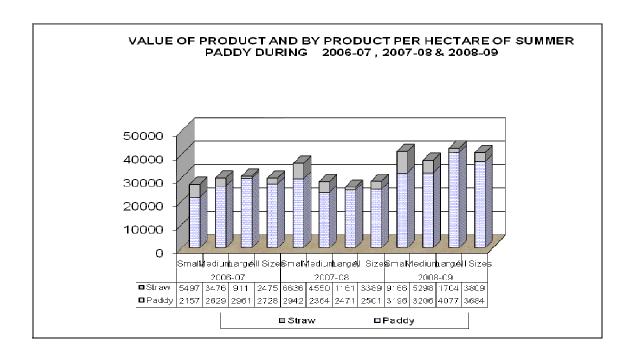
Table: 17 Per Quintal Cost of production of paddy-Summer during 2006-07 , $2007\text{-}08\ \&\ 2008\text{-}09$

Concept of	Year	Holding size class				
cost	i eai	Small	Medium	Large	All Sizes	
	2006-07	742	550	595	597	
Cost 'A'	2007-08	772	622	715	686	
	2008-09	1029	767	701	756	
	2006-07	2316	1317	900	1235	
Cost 'B'	2007-08	2426	2030	1800	2017	
	2008-09	3372	2076	1548	1909	
	2006-07	2419	1357	914	1270	
Cost 'C'	2007-08	2506	2092	1824	2068	
	2008-09	3541	2143	1577	1965	

Above tables reveal that for producing one quintal of paddy in summer season an amount of Rs.756/- is required when cost 'A' is considered. Per hectare value of product paddy is calculated as Rs.36844/- and the value of by-product viz. straw is estimated as Rs.3809/-

Table 18: Value of Out put (Rs./ha)

Year	Product/		ze class		
	By product	Small	Medium	Large	All size
	Paddy	21578	26299	29612	27281
2006-07	Straw	5497	3476	911	2475
	Total	80947	84901	78037	81478
	Paddy	29425	23648	24717	25012
2007-08	Straw	6636	4550	1161	3389
	Total	36061	28198	25878	28401
	Paddy	31964	32065	40772	36844
2008-09	Straw	9166	5298	1704	3809
	Total	41129	37363	42475	40652



2.2 Coconut

Coconut is grown in over 93 countries. Kerala's share in area as well as production of coconut in the country has been declining years after years. Still the State is known as "Kera Nadu" and it provides livelihood to over 3.5 million families in Kerala. As such data regarding the Cost of Cultivation of Coconut is significant. Details of the study conducted during 2008-09 are presented below.

Table 19: Number of Holdings and Area under coconut

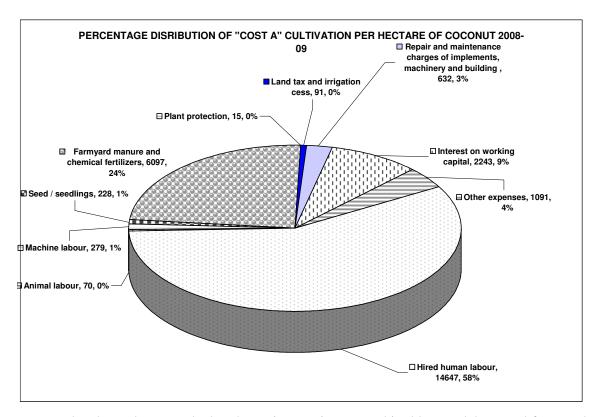
Holding size class	No of selected holdings	Area under the coconut in the sample (ha)	Percentage	Area per holding (ha)
Small	122	17.40	9.95	0.14
Medium	183	66.90	38.25	0.37
Large	74	90.60	51.80	1.22
Total	379	174.90	100.00	0.46

Cost of Cultivation

The cultivation practices and expenditure patterns of coconut tree is entirely different when compared to paddy. Details are given below.

Table 20: Cost of Cultivation of Coconut during the year 2008-09

Sl	C	***************************************	Holding s	size Class	ectare iii Ks.)
No	Components	Small	Medium	Large	All Size
1	Hired human labour	14859	16105	13522	14647
2	Animal labour	40	14	118	70
3	Machine labour	298	244	302	279
4	Seed / seedlings	137	165	293	228
5	Farmyard manure and chemical fertilizers	7343	6531	5527	6097
6	Plant protection	11	13	18	15
7	Land tax and irrigation Cess	66	87	99	91
8	Repair and maintenance charges of implements, machinery and building	1082	755	452	632
9	Interest on working capital	2412	2420	2078	2243
10	Other expenses	1436	1124	999	1091
11	Total Cost 'A' (1-10)	27684	27458	23408	25393
12	Interest on fixed capital	8762	6422	4319	5577
13	Cost 'B1' (11+12)	36446	33880	27727	30970
14	Interest on land value	482432	471319	383381	427127
15	Cost 'B' (13+14)	518878	505199	411108	458097
16	Imputed value of household labour	5168	3293	2255	2949
17	Cost 'C' (15+16)	524046	508492	413363	461046



The above data reveals that the major two inputs are hired human labour and farmyard manure and chemical fertilizers. Both of these items are accounted as 58% and 24% respectively.

The following table reveals percentage distribution of hired human labour hours to the total human labour hours.

Table 21: Percentage distribution of hired human labour hours to the total human labour hours

Sex	Holding Size Class					
Sex	Small	Medium	Large	All Sizes		
Male	69.56	66.74	68.24	67.86		
Female	5.96	12.45	13.56	11.90		
Total	75.52	79.19	81.80	79.76		

Table 22: Cost of Cultivation per hectare of Coconut during 2006-07, 2007-08 & 2008-09

Concept	Veer	Holding Size class				
of cost	Year	Small	Medium	Large	All size	
Cost 'A'	2006-07	25828	20656	20043	20775	

	2007-08	28180	24030	22251	23265
	2008-09	27684	27458	23408	25393
	2006-07	389947	243875	196045	234570
Cost 'B'	2007-08	407977	267752	255887	270200
	2008-09	518878	505199	411108	458097
	2006-07	393227	245827	197173	236201
Cost 'C'	2007-08	412741	270383	257561	272412
	2008-09	524046	508492	413363	461046

Value of output

Table 23: Value of Out put / Hectare

Product/By-	Holding Size Class				
product	Small	Medium	Large	All Sizes	
Product	41789	46146	42049	43589	
By-Product	1274	1704	1525	1568	
Total	43063	47850	43574	45157	

The table shows the value of output is Rs.45157/- per hectare.

2.3 Arecanut

Arecanut, a traditional crop of the state is also facing certain problems especially in area. Details of the area covered under this study are as follows:

Table. 24 Area and Number of holdings under Arecanut cultivation.

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage	Area per holding (ha)
Small	275	17.20	25.98	0.05
Medium	82	26.90	40.63	0.33
Large	23	22.10	33.38	0.96
All size	380	66.20	99.99	0.17

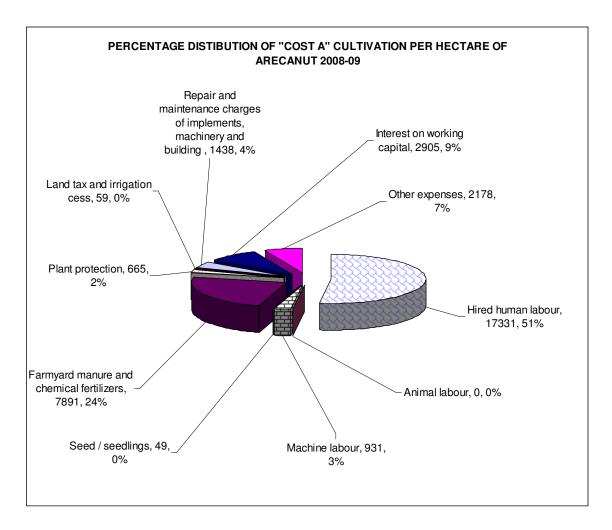
For this study 380 holdings were selected. It had an operational area of 66.20 hectare. The average size per holding was 0.17 hectare.

Cost of Cultivation

The different cost components of Arecanut cultivation is given below: Per hectare cost C expenses is worked out as Rs.364301 /-

Table 25: Cost of Cultivation per hectare of Arecanut during the year 2008-09

Sl	Commonants		Holding	size Class	
No	Components	Small	Medium	Large	All Size
1	Hired human labour	14196	17217	19982	17331
2	Animal labour	0	0	0	0
3	Machine labour	142	836	1680	931
4	Seed / seedlings	76	36	42	49
5	Farmyard manure and chemical fertilizers	7320	7870	8374	7891
6	Plant protection	681	767	526	665
7	Land tax and irrigation Cess	67	54	57	59
8	Repair and maintenance charges of implements, machinery and building	1831	1685	819	1438
9	Interest on working capital	2367	2864	3385	2905
10	Other expenses	1251	1917	3243	2178
11	Total Cost 'A' (1-10)	27931	33246	38108	33447
12	Interest on fixed capital	15250	10374	7683	10773
13	Cost 'B1' (11+12)	43181	43620	45791	44220
14	Interest on land value	440169	290330	245558	315052
15	Cost 'B' (13+14)	483350	333950	291349	359272
16	Imputed value of household labour	5180	6599	2965	5029
17	Cost 'C' (15+16)	488530	340549	294314	364301



When Cost A is considering, 51% comes under hired human labour and followed by 24% in Farmyard manure and chemical fertilizers.

The following table illustrates the work participation of arecanut cultivation. It shows that 72 per cent of the total labour hours has been shared by human labour.

Table 26: Percentage distribution of hired human labour hours to total human Labour hours

Cov	Holding size class				
Sex	Small	Medium	Large	All Sizes	
Male	58.91	49.48	66.86	57.29	
Female	9.29	15.96	17.07	15.00	
Total	68.20	65.44	83.93	72.29	

Table 27: Cost of Cultivation per hectare of Arecanut during 2006-07 2007-08 & 2008-09

Concept	Year	Holding Size class			
of cost	1 cai	Small	Medium	Large	All size
	2006-07	24399	28573	26276	26749
Cost 'A'	2007-08	25495	33056	35698	32029
	2008-09	27931	33246	38108	33447
	2006-07	361812	208031	193146	253725
Cost 'B'	2007-08	437120	283695	254868	312700
	2008-09	483350	333950	291349	359272
	2006-07	365816	212441	195313	257272
Cost 'C'	2007-08	441133	287363	256218	315693
	2008-09	488530	340549	294314	364301

Value of Out put

Table 28: Value of Out put / Hectare

The following table gives details of value of output per hectare of different holding size class. Here it shows that value of output per hectare increase according to the holding class size increases.

Holding Size Class				
Small	Medium	Large	All Sizes	
50988	58188	59419	56697	

2.4 Tapioca

Area under the crop in this study was 43 hectare which covers 190 holdings. Number of holding in large holding size class is very less. Holding size class wise details are given below.

Table 29: Area and Number of Holdings Selected

Size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage to total area of Selected holdings	Area per holding (ha)
Small	105	10.80	25.12	0.10
Medium	77	23.30	54.19	0.30
Large	8	8.90	20.70	1.11
All Size	190	43.00	100.01	0.23

The average size of a selected holding is 0..23 hectare and number of holding selected for the survey is 190.

Cost of Cultivation

When Cost A is considered per hectare cost of cultivation of tapioca is worked out Rs.38426/- . In this hired labour cost constituted 58% where as farmyard manure and chemical fertilizers shares 17% of the Cost A.

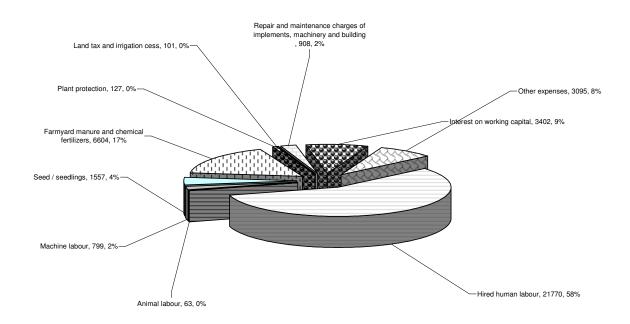
The cost of cultivation of Tapioca under different concepts is given below.

Table 30: The Cost of cultivation per hectare of tapioca during the year 2008-09

Sl	Components	Holding size Class				
No	Components	Small	Medium	Large	All Size	
1	Hired human labour	19761	22132	23332	21770	
2	Animal labour	0	0	308	63	
3	Machine labour	345	531	2069	799	
4	Seed / seedlings	1487	1476	1856	1557	
5	Farmyard manure and chemical fertilizers	7058	6911	5233	6604	
6	Plant protection	82	148	126	127	
7	Land tax and irrigation Cess	105	120	49	101	
8	Repair and maintenance charges of implements, machinery and building	1307	500	1477	908	

9	Interest on working capital	3079	3450	3679	3402
10	Other expenses	2052	3299	3864	3095
11	Total Cost 'A' (1-10)	35276	38567	41993	38426
12	Interest on fixed capital	10794	4726	1951	5713
13	Cost 'B1' (11+12)	46070	43293	43944	44139
14	Interest on land value	314808	295541	237216	288504
15	Cost 'B' (13+14)	360878	338834	281160	332643
16	Imputed value of household labour	8948	6342	2810	6285
17	Cost 'C' (15+16)	369826	345176	283970	338928

PERCENTAGE DISRIBUTION OF "COST A" CULTIVATION PER HECTARE OF TAPIOCA 2008-09



The following table shows the percentage distribution of hired human labour hours engaged in tapioca cultivation.

Table 31: Percentage distribution of hired human labour hours

Sex	Holding Size Class				
Sex	Small	Medium	Large	All Sizes	
Male	55.62	64.37	48.72	58.67	
Female	8.59	12.33	42.88	17.65	
Total	64.21	76.70	91.60	76.32	

In tapioca cultivation 76.32% of the total human labour hours has been shared by hired human labour.

Table 32: Cost of Cultivation per hectare of Tapioca during 2006-07, 2007-08 & 2008-09

A comparative statement for 2006-07, 2007-08 and 2008-09 for cost of cultivation of different concept is given below.

Concept	Year	Holding Size class			
of cost	1 cai	Small	Medium	Large	All size
	2006-07	31134	29345	37577	31606
Cost 'A'	2007-08	38537	33210	40479	36633
	2008-09	35276	38567	41993	38426
	2006-07	242207	144230	186478	197450
Cost 'B'	2007-08	362513	296610	281697	310760
	2008-09	360878	338834	281160	332643
	2006-07	251096	148888	187112	202185
Cost 'C'	2007-08	372505	302413	285091	317069
	2008-09	369826	345176	283970	338928

Value of Out put

Table 33: Value of Out put / Hectare

Holding Size Class				
Small	Medium	Large	All Sizes	
70672	89017	67964	79984	

The value of output for all holding size is comparable. Value of output from tapioca is estimated Rs.79984/- per hectare.

2.5 Banana

In the cost of cultivation study on banana 191 holdings were selected by covering an area 44.20 hectares. Details of these holdings are given below.

Table 34: Area and Number of holdings selected

Size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage to Total area	Area per holding (ha)
Small	118	10.40	23.53	0.09
Medium	62	20.30	45.93	0.33
Large	11	13.50	30.54	1.23
All Size	191	44.20	100.00	0.23

Cost of Cultivation

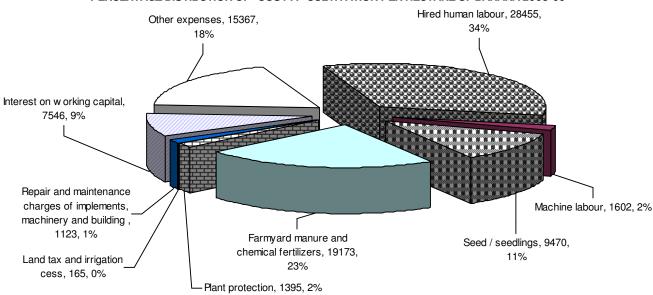
As in the case of other crops, cost of cultivation of banana is also calculated at different cost, concepts such as cost 'A', Cost 'B1', 'Cost 'B' and Cost 'C'. When Cost A is considered, cost of cultivation is Rs.84296/-.

Table 35: The Cost of cultivation per hectare of Banana during the year 2008-09

Sl	Components	Holding size Class				
No	Components	Small	Medium	Large	All Size	
1	Hired human labour	31507	31269	21663	28455	
2	Animal labour	0	0	0	0	
3	Machine labour	197	1191	3374	1602	
4	Seed / seedlings	9249	9929	8946	9470	
5	Farmyard manure and chemical fertilizers	23034	19006	16291	19173	
6	Plant protection	1203	1740	1024	1395	
7	Land tax and irrigation Cess	446	118	10	165	
8	Repair and maintenance charges of implements, machinery and building	1243	1198	911	1123	
9	Interest on working capital	8233	8008	6281	7546	
10	Other expenses	17137	16941	11515	15367	
11	Total Cost 'A' (1-10)	92249	89400	70015	84296	

12	Interest on fixed capital	12696	5215	1864	6031
13	Cost 'B1' (11+12)	104945	94615	71879	90327
14	Interest on land value	326905	249478	268028	273830
15	Cost 'B' (13+14)	431850	344093	339907	364157
16	Imputed value of household labour	17523	10401	5967	10806
17	Cost 'C' (15+16)	449373	354494	345874	374963

PERCENTAGE DISTIBUTION OF "COST A" CULTIVATION PER HECTARE OF BANANA 2008-09



In this hired human labour cost accounted as 34 per cent where as farmyard manure and chemical fertilizers cost as 23 per cent respectively of the total Cost 'A'. Seed/seedling cost constitutes to 11 % of the total cost 'A'.

In Banana cultivation male participation rate is higher than that of female. The percentage distribution of these facts are as follows:

Table: 36 Percentage distributions of hired human labour hours to the total human labour hours

Sex	Holding Size Class				
SCA	Small	Medium	Large	All Sizes	
Male	47.12	59.91	64.93	56.65	
Female	6.12	12.04	10.90	9.84	
Total	53.24	71.95	75.83	66.49	

Table 37: Cost of Cultivation per hectare of Banana during 2006-07, 2007-08 & 2008-09

A comparative statement for 2006-07, 2007-08 and 2008-09 for cost of cultivation of different concept is given below.

Concept	Year	Holding Size class				
of cost	i eai	Small	Medium	Large	All size	
	2006-07	90602	92435	70343	85371	
Cost 'A'	2007-08	96037	109350	134631	109277	
	2008-09	92249	89400	70015	84296	
	2006-07	271419	223376	155231	229731	
Cost 'B'	2007-08	446509	333663	375941	372701	
	2008-09	431850	344093	339907	364157	
	2006-07	285381	233291	160493	239386	
Cost 'C'	2007-08	460709	343881	379985	383148	
	2008-09	449373	354494	345874	374963	

Value of out put

Table 38: Value of Out put / Hectare

Holding Size Class					
Small Medium Large All Sizes					
203809	191232	231028	206181		

During 2008-09 per hectare value of output from banana cultivation is estimated out as Rs. 206181/--

2.6 Pepper

The monopoly of the state still continues in area and production of pepper. Details of the holdings selected for the study is given below:

Table 39 - Area and number of holdings selected during 2008-09

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage	Area per holding (ha)
Small	153	8.00	38.28	0.05
Medium	31	7.90	37.80	0.25
Large	5	5.00	23.92	1.00
Total	189	20.90	100.00	0.11

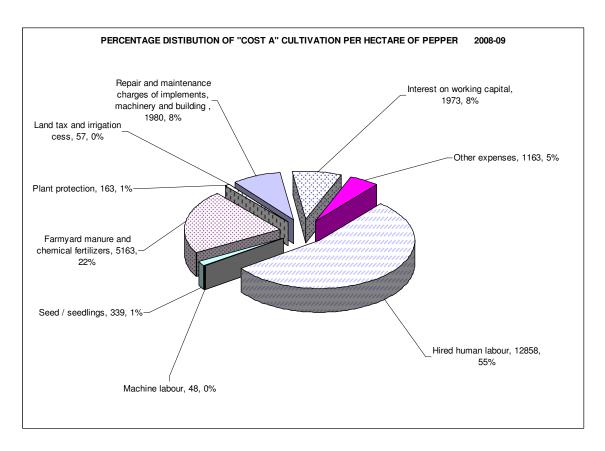
Cost of cultivation

The cultivation cost incurred for pepper is entirely different when compared to the cost of paddy and other seasonal crops. Labour cost and fertilizer cost are the two major items of expenses for pepper cultivation. Item wise expenses incurred under pepper cultivation is as follows:

Table 40: Cost of Cultivation of Pepper during the year 2008-09

Sl	Components	Holding size Class			
No	Components	Small	Medium	Large	All Size
1	Hired human labour	15347	12897	8597	12858
2	Animal labour	0	0	0	0
3	Machine labour	41	83	0	48
4	Seed / seedlings	604	268	12	339
5	Farmyard manure and chemical fertilizers	4823	4780	6368	5163
6	Plant protection	166	186	118	163
7	Land tax and irrigation Cess	69	58	36	57
8	Repair and maintenance charges of implements, machinery and building	2645	1675	1362	1980
9	Interest on working capital	2193	1963	1621	1973
10	Other expenses (Including soil condition)	946	1417	1113	1163

11	Total Cost 'A' (1 to 10)	26834	23327	19227	23744
12	Interest on fixed capital	21597	8937	3783	12673
13	Cost 'B1' (11+12)	48431	32264	23010	36417
14	Interest on land value	513455	300855	215722	363924
15	Cost 'B' (13+14)	561886	333119	238732	400341
16	Imputed value of household labour	9162	3601	944	5151
17	Cost 'C' (15+16)	571048	336720	239676	405492



The survey results reveal that out of the total human labour hours engaged in pepper cultivation 55% is shared by hired human labour. Details are given below:

Table 41: Percentage of hired human labour hours engaged in pepper cultivation

Sex	Holding size class				
Sex	Small	Medium	Large	All Sizes	
Male	48.98	59.92	65.52	55.00	
Female	5.97	16.84	26.76	12.57	
Total	54.95	76.76	92.28	67.57	

Table 42: Cost of Cultivation per hectare of Pepper during 2006-07 2007-08 & 2008-09

A comparative statement for 2006-07, 2007-08 and 2008-09 for cost of cultivation of different concept is given below.

Concept	Year	Holding Size class				
of cost	i ear	Small	Medium	Large	All size	
	2006-07	20842	16229	12524	16960	
Cost 'A'	2007-08	25122	18196	17963	21325	
	2008-09	26834	23327	19227	23744	
	2006-07	508914	267488	270463	364145	
Cost 'B'	2007-08	543078	339909	169507	399228	
	2008-09	561886	333119	238732	400341	
	2006-07	515558	270107	274144	368376	
Cost 'C'	2007-08	548845	343417	171395	403450	
	2008-09	571048	336720	239676	405492	

Value of out put

Table 43: Value of Out put / Hectare

Holding Size Class					
Small	Medium	Large	All Sizes		
57322	65053	39875	56234		

During 2006-07 it is estimated that Rs. 44389/- has been received as value of output from per hectare pepper cultivation.

During 2007-08 it is estimated that Rs. 55422/- has been received as value of output from per hectare pepper cultivation.

During 2008-09 per hectare value of output from pepper cultivation is estimated out as Rs.56234/--

2.7 Ginger

For the cost of cultivation study during 2008-09, 170 holdings were selected. Details are given below:

Table 44: Area and number of holdings under Ginger cultivation 2008-09

Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage to total Area	Average area per holding (ha)
Small	137	8.30	30.97	0.06
Medium	29	11.70	43.66	0.40
Large	4	6.80	25.37	1.70
All sizes	170	26.80	100.00	0.16

Cost of cultivation

Among the various inputs of ginger cultivation labour cost, seed/seedling, fertilizer, etc. are the most important. Details of these various inputs are presented below:

Table 45 Cost of Cultivation per hectare of Ginger during the year 2008-09

Sl	Components		Holding	size Class	-
No	Components	Small	Medium	Large	All Size
1	Hired human labour	28574	26007	40571	30428
2	Animal labour	17	21	0	14
3	Machine labour	297	2814	4150	2336
4	Seed / seedlings	23154	25257	24681	24440
5	Farmyard manure and chemical fertilizers	13784	13045	17877	14475
6	Plant protection	342	844	1459	835
7	Land tax and irrigation cess	53	55	38	50
8	Repair and maintenance charges of implements, machinery and building	2372	1198	235	1337
9	Interest on working capital	6881	7139	9560	7654
10	Other expenses	2642	3399	6859	4011
11	Total Cost 'A' (1-10)	78116	79779	105430	85580
12	Interest on fixed capital	15447	4077	273	6785

13	Cost 'B1' (11+12)	93563	83856	105703	92365
14	Interest on land value	315663	192260	86485	205722
15	Cost 'B' (13+14)	409226	276116	192188	298087
16	Imputed value of household labour	13634	7378	4333	8633
17	Cost 'C' (15+16)	422860	283494	196521	306720

PERCENTAGE DISTIBUTION OF "COST A" CULTIVATION PER HECTARE OF GINGER 2008-09

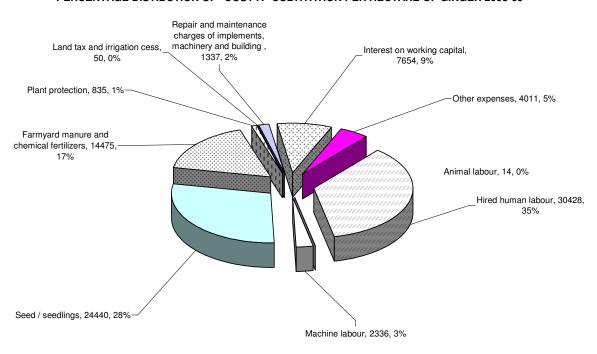


Table 46: Percentage of hired human labour hours to total human labour hours

Corr	Holding size class					
Sex	Small	Medium	Large	All Sizes		
Male	39.28	42.90	23.15	34.40		
Female	17.73	35.88	69.68	43.54		
Total	57.01	78.78	92.83	77.94		

Table 47: Cost of Cultivation per hectare of Ginger during 2006-07,2007-08 and 2008-09

A comparative statement for 2006-07, 2007-08 and 2008-09 for cost of cultivation of different concept is given below.

Concept	Year	Holding Size class					
of cost	i eai	Small	Medium	Large	All size		
	2006-07	57857	53906	95014	59694		
Cost 'A'	2007-08	73982	68976	85583	76293		
	2008-09	78116	79779	105430	85580		
	2006-07	243845	108339	299701	194238		
Cost 'B'	2007-08	350221	248169	153488	249748		
	2008-09	409226	276116	192188	298087		
	2006-07	252883	111754	303344	199438		
Cost 'C'	2007-08	363881	256081	154216	257118		
	2008-09	422860	283494	196521	306720		

Value of Out put

Table 48: Value of Out put / Hectare

Holding Size Class					
Small Medium Large All Sizes					
171444 162866 245974 186144					

The per hectare value of output received from Ginger cultivation is seen as Rs.186144/- during 2008-09.

2.8 Turmeric

Details of the holdings selected for the cost of cultivation study during 2008-09 are given below:

Table 49: Area and Number of holdings selected for Turmeric cultivation 2008-09

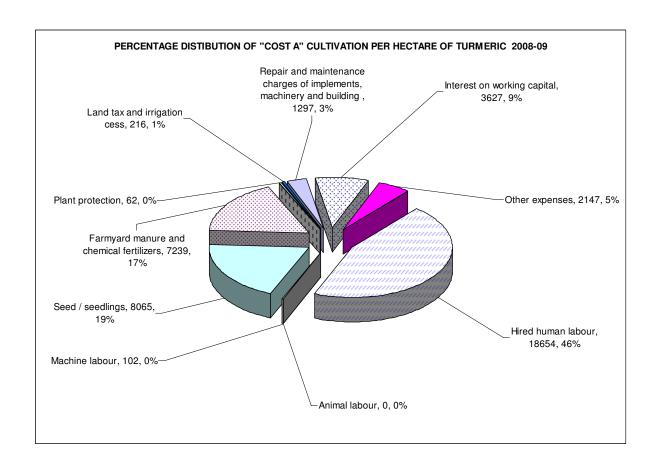
Holding size class	No of selected holdings	Area under the crop in the sample (ha)	Percentage to total area	Average area per holding (ha)
Small	116	6.40	64.65	0.06
Medium	10	2.70	27.27	0.27
Large	2	0.80	8.08	0.40
All size	128	9.90	100.00	0.08

Cost of cultivation

The cash and other kind expenses incurred under Turmeric cultivation is estimated as Rs.41409/- for one hectare. Details of these items are given below:

Table 50: Cost of Cultivation of Turmeric during the year 2008-09

S1	Components		Holding	size Class	
No	Components	Small	Medium	Large	All Size
1	Hired human labour	19236	16475	21158	18654
2	Animal labour	0	0	0	0
3	Machine labour	97	144	0	102
4	Seed / seedlings	8236	8190	6178	8065
5	Farmyard manure and chemical fertilizers	8407	5425	3459	7239
6	Plant protection	87	10	31	62
7	Land tax and irrigation Cess	301	40	99	216
8	Repair and maintenance charges of implements, machinery and building	1715	634	0	1297
9	Interest on working capital	3824	3294	3083	3627
10	Other expenses	2177	2697	0	2147
11	Total Cost 'A' (1-10)	44080	36909	34008	41409
12	Interest on fixed capital	13558	2685	210	9658
13	Cost'B1' (11+12)	57638	39594	34218	51067
14	Interest on land value	381022	245481	24710	317799
15	Cost 'B' (13+14)	438660	285075	58928	368866
16	Imputed value of household labour	13733	6823	1439	10962
17	Cost 'C' (15+16)	452393	291898	60367	379828



The following table illustrates the percentage distribution of hired human labour hours to the total human labour hours engaged in turmeric cultivation.

Table 51: Percentage distribution of Hired human labour hours to the total human hours

Cov	Holding size class				
Sex	Small	Medium	Large	All Sizes	
Male	27.11	40.82	28.95	29.26	
Female	28.58	27.36	31.58	28.63	
Total	55.69	68.18	60.53	57.89	

Table 52: Cost of Cultivation per hectare of Turmeric during 2006-07, 2007-08 and 2008-09

A comparative statement for 2006-07, 2007-08 and 2008-09 for cost of cultivation of different concept is given below.

Concept	Year	Holding Size class				
of cost	i eai	Small	Medium	Large	All size	
	2006-07	39565	29420	0	34374	
Cost 'A'	2007-08	43103	38986	0	41701	
	2008-09	44080	36909	34008	41409	
	2006-07	380944	132299	0	295590	
Cost 'B'	2007-08	397830	249181	0	347221	
	2008-09	438660	285075	58928	368866	
	2006-07	390875	138796	0	303764	
Cost 'C'	2007-08	410090	258261	0	358398	
	2008-09	452393	291898	60367	379828	

Output

The per hectare value of output received from turmeric cultivation is estimated as Rs.92117/- during the year 2008-09.

Table 53: Value of Out put / Hectare

Holding Size Class					
Small Medium Large All Sizes					
105515 65383 69189 92117					