

Economic Analysis of Sugarcane Cultivation

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ABSTRACT

The total (cost C) for sugarcane planted crop was higher at Rs. 1, 13,117.30 on large farms compared to small farms (Rs. 1, 06,672.62) indicating positive relationship with the size of the holding. Cost A₁ (Rs. 96,017.30) and A cost B (Rs. 1, 13,117.30) were found to be higher on large farms than on small farms (Rs. 79,132.62 and Rs. 97,052.62) reflecting a direct relationship with the farm size. The cost C for ratoon crop was Rs. 76,827.50, Rs. 80,986.15 and Rs. 78,906.82 on small, large and combined farms respectively. The cost of production of a tonne of sugarcane planted and ratoon showed inverse relationship with the size of the holding as it was Rs. 1,015.92 and Rs. 777.99 on small farms and Rs. 1,005.48 and Rs. 762.21 on large farms. The net income from sugarcane planted and ratoon increased from Rs. 6,727.38 and Rs. 29,822.50 on small farms to Rs. 8,382.70 and Rs. 33,763.85 on large farms respectively. The break-even analysis indicated that the break-even output per hectare in the cultivation of sugarcane planted and ratoon was 78.12 and 39.10, 77.50 and 37.69 and 77.87 and 38.64 tonnes on small, large and pooled farms respectively.

Key words : Cost of production, Net income.