



A Study on Viability of Tenant Farming in Rayalaseema Region of Andhra Pradesh

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ABSTRACT

The study was conducted in Kurnool district of Andhra Pradesh. The total cost of cultivation per hectare for *kharif* paddy, *kharif* sorghum, *rabi* paddy and *rabi* bengal gram was Rs 85,609.00, Rs 40,068.28, Rs 65,295.90 and Rs 46,401.32 on owned farms respectively and it was Rs 81,216.11, Rs 37,452.97, Rs 63,423.36 and Rs 44,184.07 on the tenant farms for the corresponding crops. The proportion of working costs in the total cost ranged from 56.14 per cent to 65.86 per cent on owned farms and 57.36 to 66.48 per cent on tenant farms for the crops under study. The returns per rupee of investment were estimated. They stood at Rs 0.25, Rs 0.26, Rs 0.39 and Rs 0.22 on owned farms and Rs 0.32, Rs 0.36, Rs 0.46 and Rs 0.30 on tenant farms for the above crops.

Key words : Cost of cultivation, Returns, Tenant farms, Owned farms.

Land tenure is one among the several factors that influence agricultural production. Hence, it requires a thorough study in the context of the present day condition of agrarian structure. Tenancy is a transitional step between the landless labour and owner- occupancy. Tenancy is the outcome of defective agrarian structure and excessive pressure on agricultural land. In India the tenancy is associated with poverty and maldistribution in the use of resources. In the process of change over it has contributed marginally for the increase of productivity and improvement of living conditions of tenants and their families. However, in most of the situations the tenants are exploited by the landlords for their benefits. In addition in view of the insecurity of tenure due to competitive situation, even the most efficient tenants loose interest in agriculture and live always in fear of eviction.

MATERIAL AND METHODS

The study was carried out in Kurnool district of Andhra Pradesh where 1 lakh tenant cultivators exist. Two mandals viz., Sirivella and Owk were purposively selected for the present study based on the maximum number of tenants. Two villages from each mandal with highest number of tenants were selected. All the farmers in selected villages were listed out and divided into two categories viz., pure owner cultivators and Pure tenant cultivators. From each village, 20 farmers consisting of 10 pure owner cultivators

and 10 pure tenant cultivators were selected at random. Thus, the total sample constitutes 40 pure owner cultivators and 40 pure tenant cultivators. The total number of respondents selected for the purpose of the study was 80. The primary data were collected by the survey method through a well-designed schedule for the agricultural year 2012-2013. The study was conducted to examine costs and returns on owned and tenant farms.

RESULTS AND DISCUSSION

On an average, the cost of cultivation of *kharif* paddy, sorghum, *rabi* paddy and bengalgram was Rs 85,609.00, Rs 40,068.28, Rs 65,295.90 and Rs 46,401.32 per hectare on owned farms and Rs 81,216.11, Rs 37,452.97, Rs 63,423.36 and Rs 44,184.07 on tenant farms respectively. (Table 1)

Among the various operational costs, manures and fertilizers, machine power and human labour accounted for larger proportion of the total costs on owned and tenant farms. The share of these input factors for *kharif* paddy, sorghum, *rabi* paddy and bengalgram was 54.01, 42.43, 47.56 and 32.07 per cent on owned farms respectively and 55.07, 43.65, 49.54 and 32.65 per cent on tenant farms for the corresponding crops. Rental value of owned land was the major cost component under fixed costs. It accounted for 30.66, 37.44, 35.41 and 32.33 per cent for *kharif* paddy, sorghum, *rabi* paddy and bengalgram on owned farms and 32.32, 40.05, 36.46 and 33.95 per cent on tenant farms respectively.

Table 1. Cost of cultivation of crops on owned and tenant farms (rupees per hectare).

S.No.	Particulars	Owned Farms				Tenant Farms			
		Kharif		Rabi		Kharif		Rabi	
		Paddy	Sorghum	Paddy	Bengalgram	Paddy	Sorghum	Paddy	Bengalgram
I. Operational Costs									
1.	Human labour	13,037.50 (15.23)	4,070.50 (10.16)	11,389.00 (17.44)	3,613.75 (7.79)	12,724.25 (15.66)	3,795.95 (10.13)	11,173.75 (17.62)	3,529.75 (7.99)
i.	Owned	4,462.50 (5.21)	1,662.50 (4.15)	3,972.50 (6.08)	1,487.50 (3.20)	8,006.25 (9.85)	2,485.00 (6.63)	7,393.75 (11.66)	2,318.75 (5.25)
ii.	Hired	8,575.00 (10.02)	2,408.00 (6.01)	7,416.50 (11.36)	2,126.25 (4.59)	4,718.00 (5.81)	1,310.75 (3.50)	3,780.00 (5.96)	1,211.00 (2.74)
2.	Cattle labour	1,494.00 (1.74)	2,100.00 (5.24)	600.00 (0.92)	3,900.00 (8.40)	918.00 (1.13)	1,896.00 (5.06)	450.00 (0.71)	3,660.00 (8.28)
i.	Owned	1,320.00 (1.54)	1,800.00 (4.49)	600.00 (0.92)	3,300.00 (7.11)	918.00 (1.13)	1,800.00 (4.80)	450.00 (0.71)	3,000.00 (6.79)
ii.	Hired	174.00 (0.20)	300.00 (0.75)	-	600.00 (1.29)	-	96.00 (0.26)	-	660.00 (1.49)
3.	Machine power	14,846.00 (17.34)	8,140.00 (20.31)	12,850.00 (19.68)	4,750.00 (10.24)	15,129.00 (18.63)	8,080.00 (21.57)	12,911.00 (20.36)	4,390.00 (9.94)
i.	Owned	3,400.00 (3.97)	1,875.00 (4.68)	3,875.00 (5.93)	1,925.00 (4.15)	-	-	-	-
ii.	Hired	11,446.00 (13.37)	6,265.00 (15.63)	8,975.00 (13.75)	2,825.00 (6.09)	15,129.00 (18.63)	8,080.00 (21.57)	12,911.00 (20.36)	4,390.00 (9.94)
4.	Seed	2,033.94 (2.38)	945.00 (2.36)	1,772.70 (2.71)	4,537.50 (9.78)	1,866.00 (2.30)	892.50 (2.38)	1,716.72 (2.71)	4,565.00 (10.33)
5.	Manures and fertilizers	18,354.50 (21.44)	4,793.31 (11.96)	6,815.00 (10.44)	6,516.65 (14.04)	16,880.00 (20.78)	4,476.64 (11.95)	7,335.00 (11.56)	6,506.00 (14.72)
i.	Manures	7,000.00 (8.18)	2,858.31 (7.13)	-	2,916.65 (6.28)	5,250.00 (6.46)	2,986.64 (7.97)	-	3,266.64 (7.39)
ii.	Fertilizers	11,354.50 (13.26)	1,935.00 (4.83)	6,815.00 (10.44)	3,600.00 (7.76)	11,630.00 (14.32)	1,490.00 (3.98)	7,335.00 (11.56)	3,240.00 (7.33)
6.	Plant protection chemicals	4,975.00 (5.81)	1,439.00 (3.59)	4,626.75 (7.08)	4,668.00 (10.06)	4,905.00 (6.04)	1,715.00 (4.58)	4,595.25 (7.24)	4,739.35 (10.73)
7.	Interest on working capital	1,642.21 (1.92)	644.62 (1.61)	1,141.60 (1.75)	839.57 (1.81)	1,572.66 (1.94)	625.68 (1.67)	1,145.44 (1.81)	821.73 (1.86)
	Total variable costs	56,383.15 (65.86)	22,492.43 (56.14)	39,195.05 (60.03)	28,825.47 (62.12)	53,994.91 (66.48)	21,481.77 (57.36)	39,327.16 (62.01)	28,212.87 (63.85)
ii. Fixed Costs									
1.	Land revenue	450.00 (0.53)	50.00 (0.12)	450.00 (0.69)	50.00 (0.11)	-	-	-	-
2.	Depreciation	1,150.75 (1.34)	1,150.75 (2.87)	1,150.75 (1.76)	1,150.75 (2.48)	470.00 (0.58)	470.00 (1.25)	470.00 (0.74)	470.00 (1.06)
3.	Rental value of owned land / rent paid for leased in land	26,250.00 (30.66)	15,000.00 (37.44)	23,125.00 (35.41)	15,000.00 (32.33)	26,250.00 (32.32)	15,000.00 (40.05)	23,125.00 (36.46)	15,000.00 (33.95)
4.	Interest on fixed capital	1,375.10 (1.61)	1,375.10 (3.43)	1,375.10 (2.10)	1,375.10 (2.96)	501.20 (0.62)	501.20 (1.36)	501.20 (0.79)	501.20 (1.13)
	Total fixed costs	29,225.85 (34.14)	17,575.85 (43.86)	26,100.85 (39.97)	17,575.85 (37.88)	27,221.20 (33.52)	15,971.20 (42.64)	24,096.20 (37.99)	15,971.20 (36.15)
	Total costs	85,609.00 (100.00)	40,068.28 (100.00)	65,295.90 (100.00)	46,401.32 (100.00)	81,216.11 (100.00)	37,452.97 (100.00)	63,423.36 (100.00)	44,184.07 (100.00)

Note: Figures in parentheses indicate percentage to the total cost

Table 2. Output and returns on owned and tenant farms (per hectare).

S.No.	Particulars	Unit	Owned Farms				Tenant Farms			
			Kharif		Rabi		Kharif		Rabi	
			Paddy	Sorghum	Paddy	Bengalgram	Paddy	Sorghum	Paddy	Bengalgram
1. Yield in physical units										
a.	Main product	Quintals	65.62	30.52	69.37	17.20	66.02	30.86	70.56	17.50
b.	By-product	Tractor loads	5	2.5	5	-	5	2.5	5	-
2. Yield in monetary units										
a.	Main product	Rs	1,04,116.62	45,780.00	87,845.30	56,760.00	1,04,750.63	46,290.00	89,351.53	57,750.00
b.	By-product	Rs	3,250.00	5,000.00	3,250.00	-	3,250.00	5,000.00	3,250.00	-
3.	Gross returns	Rs	1,07,366.62	50,780.00	91,095.30	56,760.00	1,08,000.63	51,290.00	92,601.53	57,750.00
4.	Cost of cultivation	Rs	85,609.00	40,068.28	65,295.90	46,401.32	81,216.11	37,452.97	63,423.36	44,184.07
5.	Net returns	Rs	21,757.62	10,711.72	25,799.40	10,358.68	26,784.52	13,837.00	29,178.17	13,565.93
6.	Returns per rupee of investment	Rs	0.25	0.26	0.39	0.22	0.32	0.36	0.46	0.30

From Table 2 it is evident that on an average, the yield of *kharif* paddy, *kharif* sorghum, *rabi* paddy and *rabi* bengalgram was in the order of 65.62, 30.52, 69.37 and 17.20 quintals on owned farms, while the same on tenant farms was 66.02, 30.86, 70.56 and 17.50 quintals per hectare respectively for the above said crops.

On an average, the selected owner cultivators realized a gross income of Rs1,07,366.62, Rs 50,780.00, Rs 91,095.30 and Rs56,760.00 from *kharif* paddy, *kharif* sorghum, *rabi* paddy and *rabi* bengalgram respectively and for tenant farmers the corresponding values were Rs 1,08,000.63, Rs 51,290.00, Rs 92,601.53 and Rs57,750.00. The net income was Rs 21,757.62, Rs 10,711.72, Rs 25,799.40 and Rs 10,358.68 on owned farms for the above crops and the respective figures for tenant farms were Rs 26,784.52, Rs 13,837.00, Rs 29,178.17 and Rs13,565.93. The returns per rupee of investment were estimated; they stood at Rs 0.25, Rs 0.26, Rs 0.39 and Rs 0.22 on owned farms and Rs 0.32, Rs 0.36, Rs 0.46 and Rs 0.30 on tenant farms for the crops under study. From the foregoing analysis, it is clear that all the measures of farm income were higher on tenant farms compared to owned farms. The studies of Majumder *et al.* (2009), Laha and Kuri (2009), Subrata Kundu (2011) confirm results.

SUMMARY AND CONCLUSIONS

- Cost of cultivation per hectare for all the crops studied was relatively higher on owned farms.
- Productivity was relatively higher on tenant farms compared to owned farms.
- All measures of income were higher on tenant farms over owned farms.
- Net returns per quintal of output were higher on tenant farms over owned farms.
- The returns per rupee of investment were estimated to be higher on tenant farms compared to owned farms.

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