

A Study on Financial Analysis and Performance of Agricultural Production System of Selected Commodities in Maharashtra

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Abstract

Every state plays a major role in India's economic development. Know Top 3 Crop Producing States in India Uttar Pradesh is the top agricultural state in India with state-level crop production including millets, rice, sugarcane, food grains and many others. Attracting and growing businesses strengthens our economy by providing locally produced goods and services. Strong businesses pay taxes for important services like schools, roads, fire and police. Economic progress is possible without development. That means an increase in GDP, but most people see no real improvement in living standards. This may be due to: Economic growth can only benefit a small percentage of the population. Without a good understanding of economics, people may unknowingly make irrational decisions. For example, people buy goods when they buy them, even if they don't normally buy the goods, even at the sale price. Economics helps to eliminate these errors by teaching the right decision making

Key words: Agricultural production, economic system, development, employment, analysis and performance etc.

Introduction:

India ranks 142 in the list of per capita income among 197 countries of the world. This information has been revealed in the data released by the International Monetary Fund. India's per capita income is very low among the countries considered to be the largest economy in the world. An economy is a system in which finite goods and services are produced, distributed or traded, and consumed by various agents within a given geographical area. Economic agents include individuals, businesses, organizations, or governments. The sluggish GDP growth can be attributed to the aggressive rate hike by the Reserve Bank of India to curb high inflation levels in the country. Apart from these factors, slowdown in exports and consumer demand has contributed to the decline. As a result of inflation, the purchasing power of households decreases as prices rise. Inflation affects various sectors of the economy, favorable to some and unfavorable to others. There are many possible causes of a weak economy, from domestic political factors to global market conditions. Regardless of the proximate causes, high levels of unemployment, debt or inflation can weaken the economy by reducing consumer discretionary spending.

Problems of the Study:

Agricultural management is the study of how agribusiness can be maximized by applying economic principles and managerial skills to the various processes of production and financial organization of the agricultural sector. Like the management of other industrial organizations, the agricultural manager also has to use the available resources sparingly to achieve the planned goals. Other industries have little control over the conditions under which they operate. But due to factors like weather, rainfall, pest infestation, changes in prices in agriculture, the agricultural manager feels the anxiety of uncertainty and has to make decisions according to the frequently changing situation. As the effects of these factors are found in different forms in different parts of the world, the problems of agricultural management are varied and in relation to these problems it is the responsibility of every farmer to make the right decisions for maximum benefit by making adequate use of the available productive factors.

Objectives of the Study:

1. To study the effects of Indian agricultural productivity on the farming class.
2. To study the effects of nature and changes in crop composition on the economic conditions of farmers.
3. To study Indian agricultural productivity patterns and present status.

Significance of the Study:

Productivity of agriculture is the ability of agriculture to produce. Productivity per hectare per person and per capital Productivity is high when agricultural output is high. Conversely, when output is low, productivity is low. Agricultural productivity is important to increase agricultural production. In countries where introduction is available on a large scale, agriculture is practiced extensively. In countries with limited land area, intensive cultivation is practiced in which agricultural productivity is important. Where the productivity of agricultural land is high, high production with low labor capital gives low productivity of agriculture, no surplus production with the help of labor capital.

Scope of the Study:

Markets In developing countries, the agriculture sector fulfills the growing population's need for food grains as well as raw materials required for various industries. There is a difference between agricultural production and agricultural productivity. Among the various factors required for farming, farmers first need fertile land and then water. Agriculture is possible if water is abundant and the most important factor for agriculture is that manpower is available in large quantities and the crops can be maintained at that time.

Period of the Study:

While studying the agricultural productivity in Maharashtra and the actual guaranteed price to the farmers in the market, it includes the factors required for actual production. While studying the productivity of agricultural commodities and actual output in agriculture the researcher has completed the member research assuming the year 2022-23.

Limitation of the Study:

The relationship between holding area size and agricultural productivity has been expressed by agronomists in various ways. The more fertile the land, the more productive it is. In some places the natural fertility is high and in some places it is low and although the soil texture is low, it is possible to increase the productivity of the land based on changes in the proper use of fertilizers and biological techniques. Land productivity and irrigation facilities appear to be the limitations of this current production. Due to the lack of various technologies, it is not possible for the farmers to practice farming in modern ways, so the increasing productivity of agriculture is less compared to others.

Research Methodology:

While studying agricultural productivity and agronomy, the researcher has used many secondary research methods including research papers, journals, newspapers, articles, reference books, serial books, annual reports, government reports, audio videos, images, statistical reports, library, etc.

Research Method:

While studying the agricultural productivity and agronomy the researcher has completed the member research using descriptive analysis method.

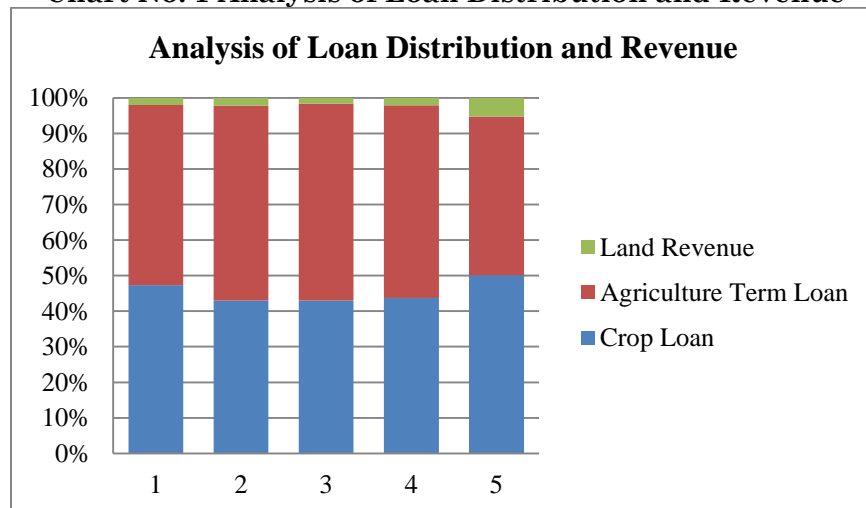
Results and Discussion:

While using the available production factors, the agricultural manager has to make decisions as to what should be the ratio in their combination. How much to spend for the destruction of vermin, how much to spend on capital to increase the productivity of the land, what kind and how much fertilizer to use for the land, these decisions have to be taken by looking at the available capital supply.

Table No. 1 Analysis of Loan Distribution and Revenue (in Crore)

Particulars	2018-19	2019-20-	2020-21	2021-22	2022-23
Crop Loan	49,251	42,453	53,049	46,285	38,083
Agriculture Term Loan	52,837	54,163	68,153	57,365	33,905
Land Revenue	2,088	2,155	2,063	2,200	4,000
Coefficient	0.1954	0.1546	0.2367	0.1465	0.1796
Std. dev.	0.312	0.265	0.874	0.648	0.549
Total	104,176	98,771	123,265	105,850	75,988

Source: Economic Survey of Maharashtra, 2022-23

Chart No. 1 Analysis of Loan Distribution and Revenue

India's economy is agrarian. The pre-independence dependence on agriculture has now reduced. But the development of agriculture sector is important for the overall economy of the country. The development of agriculture sector is a help for the development of industry and service sectors of the country. As agriculture is the basic and major industry of India, agriculture plays a unique role in the Indian economy. In developing nations like India, where the means of livelihood is provided, agriculture as well as agriculture-related activities and industries need to be developed. The multi-year five-year plan will reduce the number of people dependent on agriculture even as industrial and economic development takes place, but since India's economic development is heavily dependent on agricultural development, agriculture will continue to play an important role in the future. Government revenue is largely dependent on India's agricultural income. If agriculture fails in a given year, it also has a significant impact on the government budget. If the income of farmers decreases, it also has a negative impact on industry and trade.

Table No. 2 Nominal per Capita State Income (Actual Performance) (In crore)

Year	Per Capita State Income
2018-19	1,82,865
2019-20	1,89,889
2020-21	1,83,704
2021-22	2,15,233
2022-23	2,42,247

Source: Economic Survey of Maharashtra, 2022-23

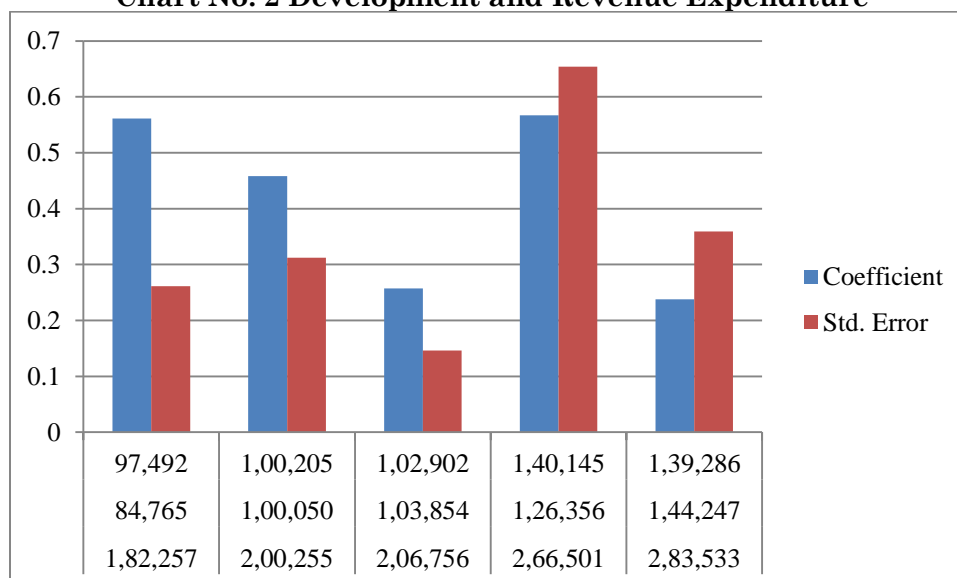
Most of the people in a country like India work in the agricultural sector. They have to depend on agriculture sector for their livelihood. Although employment is being provided in the agricultural sector, the standard of living of the people has not improved. Migration of seasonal employment is a problem in the agricultural sector. Lack of self-employment opportunities, lack of vocational and technical education, joint family system, lack of scientific approach, etc., the increasing population in rural areas is dependent on agriculture, hence the importance of the agricultural sector. The raw material required for the industry is available from agriculture, among which is cotton oil seed, the industry depends on inputs from many agricultural sectors.

Table No. 3 Development and Revenue Expenditure (in Crore)

Year	Development expenditure	Revenue Expenditure	Actual Difference	Coefficient	Std. Error
2018-19	1,82,257	84,765	97,492	0.561	0.261
2019-20	2,00,255	1,00,050	1,00,205	0.458	0.312
2020-21	2,06,756	1,03,854	1,02,902	0.257	0.146
2021-22	2,66,501	1,26,356	1,40,145	0.567	0.654
2022-23	2,83,533	1,44,247	1,39,286	0.238	0.359

Source: Economic Survey of Maharashtra, 2022-23

Chart No. 2 Development and Revenue Expenditure



Supply of raw materials- Indian agriculture supplies the raw materials required for various industries through the agricultural sector. In this, products like sugarcane, cotton, oilseeds, rubber are supplied from the agricultural sector to the industrial sector. Indian

Agriculture The task of supplying food to the growing population of India is carried out by the agricultural sector. The agricultural development policy of the Government of India is primarily designed to achieve self-sufficiency and self-reliance in food production. Looking at the historical background of Indian agriculture sector, it seems that Indian agriculture was traditional and subsistence type. This mainly focused on the production of food crops. Due to this, agriculture was not viewed from a commercial point of view. After independence, the Indian government has made efforts to develop the agricultural sector through economic planning.

Conclusion:

Agriculture plays an important role in the economic development of the country. Agriculture is viewed as a sector that supplies raw materials for industrial development to meet the primary needs of the country's population. Agriculture plays a major role in the country's economy as agriculture is seen as the major source of livelihood while 74 % of the country's total population lives in rural areas. Direct and indirect livelihood depends on agriculture and allied business. The livelihood of the people living in the rural areas is dependent on the produce from agriculture. The supply of food grains to the people is largely from the agriculture sector and to supply the Indian people with food grains, agriculture takes a large number of crops including wheat, rice, sorghum, millet, pulses, oilseeds, etc. as subsidies. The animal husbandry business has started a white revolution due to artificial insemination and the agriculture sector is being considered in a big way to provide subsidies to the huge population. Agriculture sector provides fodder for livestock and hence many people depend on livestock for their livelihood.

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