Agriculture is the main source of national income and the performance of the agricultural sector influences the pace of the growth rate of the Indian Economy. Many farmers who adopted organic farming methods early in this period were motivated by reasons relating to the health and safety of their families, consumers, and livestock, and by idealistic convictions about soil and land stewardship. In this context, the present study tries to analyze the economic performance of organic agriculture and modern agriculture systems and compare them. The study revealed that farm business income from organic agriculture is greater than that from modern agriculture in the case of coconut, arecanut, paddy and sugarcane.

Objectives of the study
From the review of studies with regard to economic dimensions of organic agriculture, it is noted that only a few studies made comparative analysis. Even these studies attempted to examine this issue for a limited number of annual crops. In this context, the present study tries to analyze the economic performance of organic agriculture and modern agriculture systems and compare them.

Methodology
The present study is based on primary data collected from the growers practicing modern farming system and organic farming system in selected districts of Southern Karnataka, India. Mysore and Mandya districts have been selected for the present study. The study covered 50 farmers practicing Organic Farming System. In order to make a comparative study a control group of 50 farmers practicing modern agriculture were selected from the same villages. The criteria for selection of these farmers are that they represent the same characteristic of organic farmers in terms of socio-economic background, geographical location and crops grown. Economic performance of any system could be analyzed by analyzing the costs and returns. In this context, the present study, relative economic performance of organic and modern agriculture is analyzed in terms of Farm Business Income (FBI) with two annual crops and two perennial crops.

Results and Discussion:
Farm Business Income (FBI)
Farm Business Income (FBI) is one of the indicators to measure the economic profitability of an agriculture farm. It has been chosen to understand the relative economic profitability of organic farming and modern farming systems in the production of selected crops. FBI is the difference between the gross returns and Cost A.
In this analysis, Cost A, is found to be relevant as all the growers are owner cultivators. Gross returns include returns from main products and by-products valued at market price. Cost of cultivation per acre during 2004-05 seasons was calculated for two perennial crops (Coconut and Arecanut) and two annual crops (Paddy and Sugarcane). Cost structure of the annual crops differs from the cost structure of annual crops like paddy and sugarcane. In the case of perennial crops like coconut and arecanut, the costs are spread over the other inter crops grown in the garden. Since the labour requirement is only at particular intervals like at the time of manuring and harvesting, generally the growers who are owning both wetland and garden also draw labour from those who are employed in the cultivation of other annual crops. Due to those differences the costs incurred in the production of annual crops are those that are incurred in the production of that particular crop only. But in the case of perennial crops, they are shared costs. Similarly, perennial costs have more fixed costs and less variable cost in the form of labour. Due to this cost structure of the perennial crops (coconut and arecanut) and annual crops (paddy and sugarcane) is presented separately.

Farm business income under Organic Agriculture System (OFS) and Modern Farming System (MFS) in the production of perennial crops (coconut and arecanut) and Annual crops (Paddy and Sugarcane) are presented in table 1.

Table 1: Farm Business Income of Perennial and Annual Crops under organic and modern farming system

| Variables  | Coconut | Arecanut | Paddy | Sugarcane |
|------------|---------|----------|--------|-----------|
| Gross Returns | OFS 22,596 | MFS 14,245 | OFS 33,600 | MFS 26,370 | OFS 15,764 | MFS 14,250 | OFS 51,428 | MFS 47,089 |
| Cost A | OFS 8,579 | MFS 6,916 | OFS 15,749 | MFS 14,382 | OFS 10,968 | MFS 9,274 | OFS 30,225 | MFS 31,679 |
| Farm Business Income (FBI) | OFS 1,4017 | MFS 7,330 | OFS 17,851 | MFS 11,988 | OFS 4,796 | MFS 4,976 | OFS 21,203 | MFS 15,410 |

Source: Survey Data

The table 1 indicates that FBI from organic agriculture in the production of coconut, Arecanut and paddy are much higher than that from modern agriculture, though there are differences in Cost A. In the cease of coconut FBI under organic farming is double than that from modern cultivation. The difference is mainly due to larger difference in gross returns. Gross returns from coconut is Rs.22,596 under organic agriculture and Rs.14,245 under modern agriculture. Gross returns are higher due to higher yield and higher price received. Cost A, under organic farming system is higher by Rs.1,663 per acre. In the case of Arecanut the cost difference is Rs.1,367 per acre. However, FBI from Arecanut under organic farming is higher by Rs.5,863 per acre compared to FBI under modern farming system. The larger variation in the FBI could be observed in the production of Sugarcane, which is a commercial crop. In the production of Paddy, FBI under organic farming is marginally lower i.e., by Rs.180. Cost A, under organic agriculture is higher by Rs.1,694 per acre. However a gross return is higher by Rs.151 per acre. But in the case of sugarcane, FBI from organic cultivation is higher by Rs.5,793 per acre. In the case of sugarcane, cost of cultivation under organic cultivation is relatively low. It is lower by Rs.1,454 per acre. Gross returns are higher under organic agriculture.

The data clearly shows that organic agriculture is economically profitable. It has double advantage to the grower; it provides greater returns to the growers at present and ensures the sustainability of these returns in future by protecting the fertility of the soil.

Summary and Conclusion

Organic agriculture is economically profitable compared to modern agriculture. The study revealed that farm business income from organic agriculture is greater than that from modern agriculture in the case of coconut, arecanut, paddy and sugarcane. It was observed that in the case of perennial crops (Coconut and Arecanut), cost of cultivation under organic farming is more compared to modern cultivation. This is due to higher cost of purchasing organic inputs and depreciation charges on agricultural implements owned by organic farmers. But net returns from organic farming is more because yield per acre and price per unit of organically produced arecanut and coconut are higher. In the case of annual crops (Paddy and Sugarcane) less difference in yield could be observed. In the case of Paddy, net returns from organic agriculture is marginally low due to higher cost of cultivation. In the case of sugarcane more difference could be observed in the price per unit and gross returns per acre. Though average yield under organic farming is more, the variation in yield is also more. Variation in yield is more under organic agriculture in the case of Coconut and Areacanut. But in the case of Paddy and Sugarcane the variation in yield under organic farming is less. It has been observed that cost of cultivation under organic farming is more in the present context, though the Farm Business Income from organic agriculture is more due to higher yield and price. It is mainly due to the purchase of organic manure by the growers. Efforts should be made to encourage farmers to keep livestock to produce on farm organic inputs in order to reduce the cost of organic manures.