

**FINANCIAL ANALYSIS OF INTERCROPPING SYSTEMS OF COCOA
(*Theobroma cacao* L.) IN MATALE DISTRICT**

M.M.I.K. Marasinghe and Y.M. Wickramasinghe

Department of Agricultural Systems, Faculty of Agriculture, Rajarata University of Sri Lanka, Puliyankulama, Anuradhapura, Sri Lanka

Minor export crops constitute an important sub-sector of the economy of Sri Lanka. Among the minor export crops, cocoa is grown mainly as an intercrop. This study examined the financial aspects of intercropping systems of cocoa in Matale district. The study was based on primary data collected from 70 farmers who have adopted intercropping systems of cocoa and the farmers were sampled using a random sampling technique. Data were collected using a structured questionnaire and analyzed using descriptive statistics and budgetary analysis. The results revealed that, the majority (90%) of the farmers are male and older than 50 years, with farming experience of more than 21 years. Among the respondents, 66% were full time farmers while majority of the cocoa farms were less than 5 acres in extent. Minor export crops and the plantation crops were the crop types that most prominently intercropped with cocoa and cocoa/pepper and cocoa/pepper/coconut which were the most popular crops in intercropping. Results of the budgetary analysis revealed that, the cocoa/minor export crops/plantation crops category was the most profitable category. That produced a net income of Rs. 177,981.80 per acre. Resource use efficiencies were also higher in this system. Returns to land and capital were Rs. 220,894.59 per acre and 5.67, respectively and were 16 % and 15% higher than the corresponding values of the system when it was least profitable. Main factors that motivated farmers to adopt intercropping were shade created by the crops used in intercropping, high income, income security, increased overall productivity of land and the soil fertility improvement. Though intercropping was profitable, high level of pest attack was a major constraint faced by the farmers. Farmers have controlled damages caused by animals using air rifles. Free supply of planting materials also has motivated farmers.

Keywords: Cocoa intercropping, Financial aspects, Income, Pest attack