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AN ECONOMIC ANALYSIS ON MARKETING OF POTATO (KUFRI SURYA) IN BADAUN DISTRICT, UTTAR PRADESH

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ABSTRACT

The study titled "An Economic Analysis on Marketing of Potato (Kufri Surya) in Badaun District, Uttar Pradesh" focused on the marketing dynamics of Kufri Surya potatoes in Badaun district, specifically in Bilsi and Dataganj blocks. Kufri Surya, a high-yielding, early maturing variety developed by the Central Potato Research Institute, is known for its excellent adaptability to diverse agro-climatic conditions and is favored for its processing potential, particularly for chips and fries. The research identified four marketing channels in the region: Farmer → Commission Agent → Wholesaler → Retailer → Consumer, Farmer → Wholesaler → Retailer → Consumer, Farmer → Retailer → Consumer, and Farmer → Consumer. The total marketing cost per quintal of Kufri Surya potatoes was ₹500, with transportation, storage, packaging, commission fees, and miscellaneous expenses contributing to the overall cost. The study also analyzed the price spread and marketing margins across these channels. In the Farmer → Commission Agent → Wholesaler → Retailer → Consumer channel, the producer's share was 50%, while in the Farmer → Consumer channel, it increased to 86.7%. As the number of intermediaries decreased, the producer's share in the consumer's rupee increased, with a reduction in price spread and improvement in marketing efficiency. The findings emphasized the benefits of reducing intermediaries in the marketing chain, which led to higher profitability for producers. These results provide valuable insights for enhancing the marketing efficiency of Kufri Surya potatoes in the region.

Keywords: Kufri Surya, Marketing Channels, Price Spread, Producer's Share, Marketing Efficiency

INTRODUCTION

Kufri Surya was a high-yielding, early maturing variety of potato developed by the Central Potato Research Institute, Kufri, Himachal Pradesh. This variety was specifically bred for its excellent adaptability to diverse agro-climatic conditions, particularly in the northern and northeastern regions of India. Kufri Surya was characterized by its round to oval shape, smooth light brown skin, and white flesh. The variety was highly valued for its high dry matter content, making it particularly suitable for processing into potato chips and fries, which contributed to its demand in the processing industry. Kufri Surya also exhibited a high level of resistance to common potato diseases, which made it an attractive choice for farmers looking for a resilient and productive crop. Additionally, the variety's early maturity allowed for a

shorter cultivation cycle, making it beneficial for farmers seeking faster returns on their investment. The variety's productivity and quality were key factors in its widespread adoption in commercial potato cultivation. Over time, Kufri Surya became a preferred variety among both farmers and processors due to its suitability for a wide range of soil types and its ability to withstand varying climatic conditions. The variety's popularity in the market, coupled with its resilience and adaptability, helped to establish Kufri Surya as a significant variety in the potato industry, especially in areas where climatic challenges were prominent. Its contribution to the potato industry was notable, offering both economic and agronomic benefits to its stakeholders.

RESEARCH METHODOLOGY

The methodology for selecting the district, blocks, villages, and respondents involved a combination of purposive and random sampling. The Badaun district was chosen to minimize inconvenience and time constraints for the investigator. Within the district, Bilsi and Dataganj blocks were selected based on the high number of respondents engaged in potato cultivation. A list of villages was created for each block, and five percent of these villages, which had a high concentration of potato farmers, were randomly chosen. From these villages, a comprehensive list of potato farmers was compiled, categorized into five landholding size groups: Marginal (less than 1 hectare), Small (1-2 hectares), Semi-medium (2-4 hectares), Medium (4-10 hectares), and Large (more than 10 hectares). A total of 200 farmers were randomly selected using proportionate random sampling. In addition, five wholesalers, five distributors, and ten retailers were chosen to examine marketing costs, margins, price spread, producer's share in consumer rupees, and marketing efficiency in the region. Primary data was collected through a specifically designed schedule, while secondary data was sourced from books, journals, reports, and records from district and block headquarters. Data was gathered through survey methods involving direct personal interviews with respondents. Statistical tools were applied to analyze the data, and the results were presented based on the agricultural year 2024-2025.

Analytical Tools

1. ***Cost of Marketing:***

$$C = Cf + Cm1 + Cm2 + Cm3 + ... + Cmn$$

2. ***Margin of Market:***

$$AMI = Pri - (Ppi + Cmi)$$

3. ***Spread in Price:***

Marketing Cost + Market Margin

4. ***Efficiency of Marketing:***

$$= \frac{\text{Price received by producer}}{\text{Marketing Cost + Marketing Margin}}$$

5. ***Producer's Share in Consumer Rupee:***

$$\frac{\text{Price received by the farmer}}{\text{Retail price paid by the consumer}} \times 100$$

RESULTS AND DISCUSSION

Table 1: Marketing Costs at Each Stage (Average per Quintal)

Cost Component	Cost (INR)	Percentage of Total Marketing Cost (%)
Transportation	150	**30%**
Packaging	100	**20%**
Storage	125	**25%**
Commission Fees	75	**15%**
Miscellaneous Expenses	50	**10%**
Total Marketing Cost	**500**	**100%**

Table 1: The given table provides a breakdown of the average marketing costs per quintal for Kufri Surya potato. The highest proportion of the total marketing cost was attributed to transportation, which accounted for ₹150 or 30% of the total marketing expenses. Packaging followed with a cost of ₹100, representing 20% of the total, while storage expenses amounted to ₹125, making up 25% of the overall cost. Commission fees, paid to intermediaries, contributed ₹75 or 15%, and miscellaneous expenses, including other minor costs, were ₹50, which comprised 10% of the total marketing cost. In total, the marketing cost per quintal of Kufri Surya potato was ₹500. This cost structure highlights the significant role of logistics (transportation and storage) in the marketing process, along with the relatively smaller but still important roles played by packaging, commission fees, and other miscellaneous expenses. These cost components were crucial for understanding the price spread and margins for Kufri Surya potatoes in the market.

Table 2: Marketing Margin and Price Spread Across Channels

Marketing Channel	Consumer Price (INR/kg)	Producer Price (INR/kg)	Price Spread (INR)	Marketing Margin (INR)	Producer's Share (%)
Farmer → Commission Agent → Wholesaler → Retailer → Consumer	20.00	10.00	10.00	7.00	**50.0%**
Farmer → Wholesaler → Retailer→ Consumer	18.00	11.00	7.00	5.00	**61.1%**
Farmer → Retailer → Consumer	16.00	12.00	4.00	3.00	**75.0%**
Farmer → Consumer	**15.00**	**13.00**	**2.00**	**1.00**	**86.7%**

Table 2: Outlines the marketing margin and price spread across different marketing channels for a product, with a focus on the price received by both the consumer and the producer. In the Farmer → Commission Agent → Wholesaler → Retailer → Consumer channel, the consumer price is ₹20 per kg, while the producer receives ₹10 per kg, resulting in a price spread of ₹10 and a marketing margin of ₹7. The producer's share in this channel is 50%. In the Farmer → Wholesaler → Retailer → Consumer channel, the consumer price is ₹18, with the producer receiving ₹11, leading to a price spread of ₹7 and a margin of ₹5, giving the producer a share of 61.1%. The Farmer → Retailer → Consumer channel shows a consumer price of ₹16, a producer price of ₹12, a price spread of ₹4, and a margin of ₹3, with the producer's share at 75%. Finally, in the Farmer → Consumer channel, the consumer price is ₹15, the producer price is ₹13, resulting in a price spread of ₹2 and a marketing margin of ₹1, with the producer receiving 86.7% of the consumer's rupee. These findings highlight the increasing producer's share and decreasing price spread as the number of intermediaries in the marketing chain reduces.

CONCLUSION

The study on the marketing of Kufri Surya potatoes in Badaun district, Uttar Pradesh, revealed important insights into the marketing processes and economic dynamics involved. It was found that multiple marketing channels were operating in the region, with the price spread and marketing margin varying across these channels. As the number of intermediaries decreased, the producer's share in the consumer's rupee significantly increased. In the direct-to-consumer channel, the producer's share reached 86.7%, while in the channel involving multiple intermediaries, it was much lower, at 50%. The breakdown of marketing costs highlighted transportation, storage, and packaging as the largest contributors to total expenses. Additionally, the marketing efficiency improved with fewer intermediaries, signaling the advantages of a shorter supply chain. The study also underscored the importance of improving direct market access for producers to enhance their income and reduce the price spread. By reducing unnecessary intermediaries, producers could capture a larger share of the consumer price. These findings are crucial for policymakers and stakeholders in the agricultural sector to consider when formulating strategies aimed at improving the economic well-being of potato farmers and optimizing the marketing structure in the region. Further research could explore ways to streamline the supply chain and enhance marketing efficiencies to benefit both producers and consumers.

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