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MARKETING OF PADDY IN GONDA DISTRICT UTTAR PRADESH

Gulab Chand Verma[1] and Jayant Zechariah[2]

[1]P.G. Research Scholar and [2]Assistant Professor

Department of Agricultural Economics

Sam Higginbottom University of Agriculture, Technology and Sciences, Naini, Prayagraj

Corresponding author: gcverma894@gmail.com

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ABSTRACT

The study analyses the socio-economic profile of paddy farmers in Gonda district, Uttar Pradesh, and evaluates the marketing channels, costs, margins, price spread, and marketing efficiency. Primary data was collected through structured surveys and personal interviews, while secondary data was sourced from government and agricultural institutions. Various marketing channels were examined to assess price realization and intermediary involvement. Key findings indicate significant price fluctuations due to climatic conditions and demand variations, leading to farmer vulnerabilities. Cost analysis reveals that intermediaries contribute to high marketing expenses, reducing farmer profitability. The study recommends contract farming, cooperative marketing, and digital platforms to enhance market efficiency. Additionally, government interventions such as subsidies and infrastructure development can strengthen the paddy industry. The research underscores the need for improved storage, branding, and export facilitation to maximize farmers' earnings and ensure the sustainable cultivation of paddy.

Keywords: Paddy, Contract farming, Cooperative marketing, Market infrastructure, Export potential.

INTRODUCATION

The Indian paddy sector in 2023-24 has been influenced by a mix of factors such as weather conditions, government policies, technological developments, and market dynamics. Paddy, a staple food crop for India, is crucial for both food security and the economy. The major paddy-producing states in India are West Bengal, Uttar Pradesh, Punjab, Andhra Pradesh, and Bihar. In 2023-24, the weather played a significant role in shaping the production scenario. While some regions, especially in the south, received good monsoon rains, other parts of India, particularly in the north and central regions, experienced delayed and below-average rainfall. Such weather inconsistencies directly affect paddy growth, leading to uneven crop yields. Despite these challenges, the area under paddy cultivation in 2023-24 remained relatively stable. While some farmers in water-scarce regions opted for more water-efficient crops, government interventions like the Minimum Support Price (MSP) system, direct benefit transfers, and subsidies for irrigation ensured that paddy remained a preferred crop in key regions. The MSP for common paddy was set at ₹2,040 per quintal, while for grade A paddy, it was ₹2,060 per quintal, providing farmers with a guaranteed income and encouraging them to continue

growing paddy. Additionally, the government continued its efforts to improve irrigation infrastructure through schemes like the Pradhan Mantri Krishi Sinchai Yojana (PMKSY), further supporting the sector's growth. Technological advancements also contributed to improving paddy production. Drones for crop monitoring, satellite technology for weather forecasting, and the increasing use of precision farming techniques have made a difference in productivity. The government has promoted mechanization in paddy farming, including the use of harvesters and transplanters, which has helped reduce labour costs and improve efficiency. The development of hybrid paddy varieties and drought-resistant strains has been a significant step in making paddy cultivation more resilient to climate change, ensuring better yields in challenging conditions.

RESEARCH METHODOLOGY

The study was confined to Gonda district of Uttar Pradesh, The district comprises of Jhanjhari block of the district was selected for study from each block Paddy cultivating potential village was be selected in consultation with one block agriculture official of Gonda District and from each village ten percent farmers was randomly selected. Then total randomly selected farmers of different size group was selected for detail investigation. 120 farmers from six villages were selected and categorized by maximum area under production of Paddy cultivation. Data from 2024–2025 were collected through structured questionnaire designed specifically for the study. The questionnaire will consist of both open-ended and close-ended questions to capture quantitative and qualitative insights. And Secondary data was gathered from existing literature, market reports, company records, and online databases to supplement primary data and provide context to the findings. Analytical tools included Mean formula, Marketing costs, margins, Price Spread, Marketing efficiency and Garrett's Ranking Technique were also assessed.

Analytical Tools

Mean, (i) Arithmetic Mean $= \frac{\Sigma Xi}{N}$

(ii) Weighted Mean $= \frac{\Sigma WiXi}{\Sigma Wi}$

Marketing Cost,

C= Cf+ Cm1+ Cm2+ Cm3+……. + Cmn

Marketing Margins

= Retail or selling price - Actual cost

Price Spread, PS= MC + MM

Marketing efficiency, ME $= \left[\left(\frac{V}{I}\right) - 1\right]$

Garett's Ranking Techniques,

Percent position = 100(Rij-0.5))/Nj

RESULTS AND DISCUSSION

Table 1. Age-wise distribution of farmers

S. No.	Age	No. of Farmers					Total	Percentage
		Marginal	Small	Semi Medium	Medium	Large		
1.	Below 30 years	9	6	7	9	4	35	29.16%
2.	Between 30 to 50 years	20	12	9	12	5	58	48.33%
3.	Above 50 years	10	6	5	4	2	27	22.5%
	Total	**39**	**24**	**21**	**25**	**11**	**120**	**100%**

The distribution of sample farmers according to age group was shown in table 1, the sample shows majority of respondents are from the age category between 30 to 50 years that is 48.33% followed by the age category below 30 years that is 29.16%. The minimum number of respondent age category above 50 years that is 22.5%.

Table 2. Education status

S.	No. of Farmers							
No.	Particulars	Marginal	Small	Semi Medium	Medium	Large	Total	Percentage
1.	Illiterate	4	3	2	4	2	15	12.5%
2.	Primary Education	13	8	7	5	2	35	29.16%
3.	Secondary Education	11	7	10	11	6	45	37.5%
4.	College Education	9	6	3	5	2	25	20.83%
	Total	**37**	**24**	**22**	**25**	**12**	**120**	**100%**

The distribution of sample farmers according to education status was shown in table 2, the sample shows majority of respondents have studied to the secondary education that is 37.5% followed by primary and college education that is collectively 50% the illiterate respondents are the least that is 12.5%.

Table 3. Income level status

S. No.	Annual Income	Farmers	Percentage (%)
1.	Below 50,000	37	30.83%
2.	50001 to 100000	24	20%
3.	1000001 to 150000	22	18.33%

4.	150000 to 200000	25	20.83%
5.	Above 200000	12	10%
	Total	**120**	**100%**

The distribution of sample farmers according to income level was shown in table 3, The sample shows majority of farmers are below 50000 annual income that is 30.83%, followed by annual income 150000 to 200000 that is 20.83%, after that annual income 50000 to 100000 and 100000 to 150000 that is 20% and 18.33% respectively the last 10% respondents have high annual income that is above 200000.

Table 4. Marketing Channels of Paddy

Channel	Distribution (%)
I: Producer → Consumer	0.85
II: Village Trader → Wholesaler → Retailer → Consumer	11.09
III: Producer → Wholesaler → Retailer → Consumer	87.25

The marketing of paddy covers a vast spectrum of activities including all the functions and processes involved in the movement of the produce from the point of production to the point of consumption. Marketing is regarded as important and effective engine of development. A significant share of consumer rupee is fortified by intermediaries. The sequence of intermediaries in the market, which the paddy passes through from producer to the consumer, is known as channels of distribution. The wide network of market involved in the paddy transaction consists of paddy growers, village traders, wholesalers, millers and retailers.

Table 5. Estimation Total Marketing Cost and Marketing Margin in Different.

S. NO.	Particulars	Channels I	Channels II	Channels III
1.	**Total Marketing Cost**	104	250	270
2.	**Total Marketing Margins**	55	80	80
3.	**Price Spread**	80	80	251
4.	**Producer's Share in Consumer Rupee in %**	108.5	108.5	103.8
5.	**Market Efficiency**	**21.97%**	**8.55%**	**7.84%**

Table 6. Constraints in Marketing of Paddy.

S. NO.	Particulars	Size of Farms			Total in % age	Rank Order
		Small	**Medium**	**Large**		
1.	Lack of availability of market information at farm level	30	27	24	81 (67.5)	VII
2.	Frequent price fluctuations	42	36	27	105 (87.5)	IV
3.	Lack of storage facility	38	23	12	73	X

					(60.83)	
4.	Weighing loss during storage	27	31	15	73 (60.83)	XIII
5.	High commission charges	48	37	18	103 (85.83)	III
6.	High transportation cost	43	38	27	108 (90)	I
7.	Delay in cash payment	31	19	17	67 (55.83)	XI
8.	Lack of awareness of new technologies	58	33	19	110 (91.66)	II
9.	Lack of support prices when there is a glut in the market	36	34	20	90 (75)	V
10.	Luck of support prices when there 25 is a glut in the market	28	23	16	67 (55.83)	XII
11.	Luck of scientific training about paddy cultivation	42	29	12	83 (69.16)	VIII
12.	Lack of amenities and facilities in the market	37	31	18	86 (71.66)	IX
13.	Lack of proper infrastructure in market	29	15	8	52 (43.33)	XIV
14.	Luck Of cooperatives in marketing societies at village level	39	30	18	87 (72.5)	VI

Table 6, Reveal that constraints faced by the different size of farms group in marketing of Paddy. Most of the Respondents expressed that major constraint was identified that (1) High transportation cost and was assigned first rank followed by Lack of information about Government schemes and subsidies (High commission charges (III), Frequent price fluctuations (IV), Lack of awareness of new technologies (V), Lack of cooperatives in marketing societies at village level (VI), Lack of support prices when there is a glut in the market (Vil), Lack of scientific training about Paddy cultivation (VIII), Lack of amenities and facilities in the market (IX), Lack of storage facility (X), Delay in cash payment (XI), Lack of support prices when there is a glut in the market (XII), Weighing loss during storage (XIII) Lack of proper infrastructure in market (XIV) respectively.

CONCLUSIONS

The study on the marketing of paddy in Gonda district, Uttar Pradesh, provides a comprehensive analysis of the challenges and opportunities in the agricultural marketing system of one of the region's key rice-producing areas. Despite its significance in the state's agricultural landscape, Gonda faces several issues that hinder the efficient marketing of paddy, ultimately affecting the incomes of farmers and the overall sustainability of paddy farming in the region. Based on the findings, several critical conclusions can be drawn regarding the paddy marketing system in Gonda. The government's role in the marketing of paddy in Gonda is another critical aspect of the study. While the Minimum Support Price (MSP) acts as a safeguard against extreme market fluctuations, the inefficiency of the government procurement system has been a recurring issue. Farmers in Gonda often face delays and bureaucratic hurdles in accessing procurement canters, and the Canters

themselves are not always located in proximity to the farms. Furthermore, while the MSP offers a level of security, it is often not enough to cover the increasing cost of production, leaving farmers to rely on local traders who offer immediate cash payments but at prices much lower than the MSP. The study also found that the procurement system is inefficient and plagued by logistical challenges, which result in many farmers turning to private markets instead of participating in government schemes.

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