

RESOURCE USE EFFICIENCY AND PROFITABILITY OF POTATO PRODUCTION IN TWO SELECTED AREAS OF BANGLADESH

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Reg. No.: 2005-05-1550

Defense Term: Autumn, 2011

ABSTRACT

The study was conducted to estimate the profitability and resource use efficiency of potato producers at Rangpur and Munshigonj district. Data were collected from 60 farmers (30 farmers from each district) using simple random sampling technique. Descriptive statistics and stochastic frontier production function analysis were done to achieve the objectives of the study. The study reveals that the yield and price of potato was higher at Munshigonj compared to Rangpur district. Therefore, gross return and gross margin was higher at Munshigonj. Benefit cost ratio (BCR) were 1.54 and 1.60 for Munshigonj and Rangpur, respectively implying that potato cultivation was more profitable at Rangpur compared to Munshigonj. Considering farm group categories, the small farmers obtained highest BCR (1.61) compared to medium (1.54) and large farmers (1.52). The average technical efficiency of potato growers at Munshigonj was 0.87 and at Rangpur was 0.85, which implied that there existed 13 percent and 15 percent inefficiency of potato production in the respective areas. Operated land and extension linkage had significant effect on technical inefficiency of potato production. Technical efficiency increases with the increase of extension linkage and decreases with the increase of operated land. Formal training in a regular interval by the concern organization on potato production technology might be conducive to improve the level of farmer's efficiency. Quality seed is also a limiting factor in potato production. Proper steps should be taken to ensure the supply of quality seeds during the planting period.