

APPLICATION OF MARKET WINDOW ANALYSIS TO SELECTED UPCOUNTRY VEGETABLES IN BANDARAWELA, SRI LANKA

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Vegetable subsector being a foremost source of income and employments, it plays an outstanding role in Sri Lankan economy. However, gains from vegetable farming have become low due to low vegetable prices and frequent price fluctuations. Thus, this study identifies the existence of profitable markets for selected upcountry vegetables; bean, tomato, potato, cabbage and knol-khol in Bandarawela Divisional Secretariat Division, Badulla district. Stratified random sampling technique was applied to draw 150 vegetable growers to collect primary data related to the production year 2016 and 2017. Market window analysis was done to identify whether prices received by the producers for selected crops were greater than the production costs during the period considered. Profit function, economic efficiencies, seasonal price indexes, coefficients of variation of prices and Garret's ranking technique for constraint analysis were employed in data analysis. The results indicated that, market windows were existed during the year 2016 for all the crops considered. When compared profits, tomato and bean have produced high profits in *Yala* (Rs.762,185.83 ac⁻¹) and (*Maha* Rs. 357,216.92 ac⁻¹) seasons respectively. Moreover, production of cabbage (*Yala* 2.75) and bean (*Maha* 1.14) were economically more efficient compared to the other crops selected. The seasonal price index disclosed that, the prices of vegetables tends upward during the festival seasons, especially during the months of March and April. The coefficient of variation of price fluctuations over the years and seasonal variation and variability of prices observed are mainly due to seasonality, oversupply of production and low level of shelf life of vegetables. As per the constraint analysis of vegetable farmers, the price fluctuations were the highest perceived obstacles followed by unreasonable price for the fresh produce. As a policy option, it can be recommended to implement staggered planting and opening of novel marketing channels with the government intervention to minimize the existing wastage; promoting collaborative efforts among key stakeholders to store vegetables until the lean periods as well as to develop a mechanism to direct the excess production to export markets.

Keywords: Economic efficiency, Market window, Prices of vegetables, Profitability, Upcountry vegetables