

PROBLEM OF APPLE MARKETING IN KASHMIR

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As a dominant crop of the valley “Apple” proudly represents the fruit industry of Kashmir, representing 98% of the total fruit production. Between 1974 – 75 and 2008-09, the area under apple has gone up from 46190 hectares to 1332810 hectares. Kashmir apple has lived upto its reputation for being one of the choicest fruits. Kashmir has for long been considered the home of apples. A number of apple varieties are found indigenous to the state of which Ambri is “Par excellence” Amongst all other fruit crops apple has found a better reception with the growers due to its high prices and ability to stand transportation.

Marketing is basically the Process of movement of goods from produces to consumer at the desired time, place and form. The marketing process consequently involves both mental and physical aspects. In mental aspect, the seller must know what buyers wants, and buyers must know what is for sale and in physical aspect, that goods must be moved to the place where they are demanded by consumers.

The marketing of Apple is a complex phenomenon. The marketing pattern of apple is different from other agriculture commodities. They are first brought to the wholesale markets near the production area and then supplied from there to the terminal markets. The dispersion process in case of apple is in the opposite direction. The produce is first sent to the terminal market from the producing area and then distributed to the primary and secondary markets. Consequently, a large number of middlemen are involved in the channels of trade between the apple producers and the consumers. There is also an evidence of collusion amongst the apple merchants to control apple prices within the market and to influencing pricing in other market. The marketing system for apple is therefore, of utmost importance for those growers who specialise in apple production and of great importance to all those people who are concerned with the producer’s share in the consumer’s price. Apple marketing in the valley is virtually in its entirety is carried out by the private sector comprising of pre-harvest contractor, forwarding agent, commission agents, wholesalers and retailers. It is claimed that collusion among middlemen and exploitation of weaker producers is common practice.

Apple marketing being complex phenomena requires special treatment and utmost care at present in the Kashmir Valley. Due to powerful intermediaries in the marketing system, present marketing has an inherent tendency to give more benefits to these intermediaries at the cost of apple growers. The present marketing structure is such that 87% of the marketing activities are solely performed by these powerful intermediaries. Marketing is a wider concept and deserves careful attention towards pre-harvest and post-harvest technologies and operations. Generally in the country and particularly in the state, when a grower enters into agri-business, he has to follow the market oriented modern sophisticated pre-harvest and

post-harvest operations accessible and affordable at his own level. Other forwarded agencies should have to follow the same strategies.

Problem related with the pre-harvesting operations

Production Orientation instead of market orientation problem

It has been found in the research area that more than 87% of growers do not follow the market oriented pre-harvest operations and technologies to improve the quality of produce. In Kashmir, Apple growers are production oriented rather than market oriented. In most cases, they follow what others are doing. As a result, glut or Scarcity of commodity exists in the market. Learning by doing still persist in Horticulture.

Less area under fruit orchard (Holding Problem)

In the study area this problem was responded by 52.54% of growers. This problem is universally responsible for the growers to lease out their orchards. In order to judge this problem in the study area, growers were classified into three categories viz, small growers (less than 2.5ha), medium growers (2.5 to 5.00 ha) and large growers (above 5.00 ha.), in which small growers were constituting more than 89.58% and medium growers less than 10% and no large grower were recorded in the study area. The small holding size of the farm is actually responsible for the less diversification in the production and was responded in the study area. All the times they find high risk bearing cost in transformation and diversification.

Communication Problem

Lack of communication between the scientists and growers was found in the research area. More than 90% of growers don't rely on the suggestion and advises of the expertise. Moreover, the institutional service failure was also recorded. The experts are not delivering their services upto the expectations of the growers. Therefore, the communication gap is responsible for the low quality and less quantity produce.

Water Problem

Water scarcity has been found and responded by more than 95% grower in the study area mostly, during the spray season. Although, Kashmir is enriched with water resources, still the growers are facing water scarcity. It is the weak water resource management and improper channelization which is responsible for this emerging problem. Kashmir apple is world famous for its juicy nature. Therefore, if proper water facility is made available, it will be possible that Kashmir apple can marginate the global taste of Apple.

Lack of improved and high yielding varieties

This problem has been responded positively by more than 65% of growers. There is non-availability of improved and high yielding varieties, because the private nursery system has not been encouraged by the government.

Lack of latest technical know-how

This problem has been responded positively by more than 56% of growers. There is lack of latest technical know-how among the growers. The Department of Horticulture is not making

proper and sincere efforts of disseminating the technical know-how from research institutions to the farms.

Lack of Resources

In the study area, the lack of resources is generally faced by marginal farmers, with the result these farmers are not able to invest for better production technology. There is a need for creation of Co-operative Societies which can cater the needs of the farmers.

Shortage of Labour

The shortage of labour is another problem, as 61% of growers perceive it. However, it has been responded more acute at the harvesting stage of apple when it gets synchronised with paddy harvesting. Consequently, the growers are overburdened with additional wages to complete the work in time because of the perishable nature of apple.

Lack of extension services

The lack of extension services was responded positively by 90% of the growers. There is technological gap because of the reason that extension wing of Department of Horticulture is not making proper and sincere efforts to disseminate the technical know-how from research institutions to farms. Moreover, more than 80% of respondents positively responded over the conduct of training workshop and modern cultivation methodology based on the cost-benefit analysis.

Prevailing uptake Fungicide and Pesticide problem

At present scenario, the farmers are facing the problem of disease and pests like apple scab, *sanjose* scab, red mite etc. which are menace to apple industry. As per the study conducted, 89% of common opinion among the farmers is that the fungicides and insecticides available in the market are not effective and liable to rectify the problem. So, it is common conception that the pesticides prevailing in the market are not genuine. The monitoring authority is also responsible for this grim situation faced by apple growers.

Lack of Equipment and Machinery

It is observed in the study area that about 67% of the farmers lack the adequate farm machinery and equipments like power tillers, power sprayer, pumps, scissors etc. It is observed that most of the growers in the study area are marginal and small orchardists which are not financially sound. It is suggested by the farmers that the government should make available these equipments at subsidised rates.

Lack of servicing facilities for Equipment and Machinery

This problem is responded by at least 35% of growers positively in the research area.

Lack of subsidised inputs

This problem was positively responded by 78% of growers that inputs like plants, fertilizers, pesticides, spray machine and other inputs increases the financial risk to growers. However, it reduces the innovative sprit of growers, especially of marginal growers.

Lack of Financial Availability

Most of the apple growers in the state are marginal and small orchardists. The rising cost of inputs for maintenance of orchards has made the cultivation of the crop away from their reach. They have no capacity to invest in better production technology. Their access to financial institution has been beset with innumerable problems. Most prominent among them are under lined as:

Timely and insufficient availability of credit

More than 72% of growers have not responded to the problem related with financial aspect as the loan facility provided by banks and other government agencies are found unpopular among the farming community.

Lack of finance at reasonable rate of interest

High financial cost and untimely availability of loan due to lengthy procedure are playing important role for this situation. Moreover, there is lack of finance at reasonable rate of interest as well as inadequate credit as a scale of finance. The scale of finance in Kashmir has not been revised for the last 10 to 12 years. About 25% of the sample growers have responded this problem positively.

Problem faced by the growers in dealing with banks

Apple being a crop of perishable nature, production mostly governed by natural factors and high risk involvement, the growers are universally deprived of the bank credit availability. The rate of interest is high and the repayment of loan is a short period. Moreover, in case of production shortfall, there is no risk coverage. It was positively responded by the 65% of growers that rate of interest are high and credit is a short period and without risk cover. Thus, a subsidised and growers-oriented credit mechanism should be developed as responded by more than 78% of growers.

Highly indebted growers

The commission agents have made the growers highly indebted by providing time to time and need base financial support to growers for, purchasing, fertilizers, pesticides, packaging material, labours and for other pre-harvesting activities subject to the conditions that produce must be marketised by the commission agent. In this regard, the monopoly created by the commission agent has been positively responded by the 65% of apple growers. Moreover, the low economic status as a reason for the problem of indebtedness was responded by 50.47% of growers positively. Another reason for indebtedness is low risk because growers are not forced to repay the debt in terms of cash but in terms of Apple produce and the repayment period is determined by the elasticity of output. This has been responded by more than 80% of indebted growers.

Lack of co-Operative Agencies

This problem was positively responded by the 38% of growers because the main objective of these societies was strengthening the apple production by providing supply of inputs and arranging the credit.

Lack of availability and quality of pesticide

This problem was responded positively by 70% to 75% of growers.

Regional terms of trade problem prevailing to Militancy

This problem was positively responded by more than 65% of growers. It is recorded in the study area that prevailing militancy has created trust deficit and discriminatory attitude in the traders at terminal markets outside the state.

Non-Availability of wooden boxes

This problem was responded positively by 70% of growers in the study area that in the time of peak season of harvesting, the scarcity of wooden boxes emerges. Moreover, these boxes are highly priced due to increased price of timber and reduces the marketing efficiency in the post-harvesting period in the competitive markets.

Problem of time factor

This problem was positively responded by 35% of growers, that they can not spare the time for the management of orchard due to govt. jobs.

Problems related with post-harvesting operation

Post harvesting operations include number of activities which can affect the extent of market. These activities may include picking up (plucking), sorting, grading, waxing, designing, packaging, transport, storage, marketing promotion measures, processing etc. Proper care has to be taken up at all stages so as to maintain the quality of the produce. The produce should be protected from micro-organism and bacterial infection. Similarly, every effort should be made to prolong the life of the produce. The post-harvesting operational problems directly or indirectly associated with the marketing of Kashmir apple in consideration with above mentions activities were listed in the questionnaire and administered to the sample growers to record their responses which have been discussed as under.

Problem associated with Apple Picking (plucking)

Plucking is the primary activity and most delicate process dealing with post-harvesting operations. Apple, being a perishable crop, needs utmost care during the plucking so that to give a safeguard to the apple and make the effective possibility of transfer of apple to the consumer with best form, taste and high nutrient value at desired time and place with maximum consumer satisfaction and producers benefits. Thus, efficient, talented skilful manpower is needed to pluck the fruit. But this is positively responded in the research area that 95% of the fruit is plucked in its traditional form. No, innovative method is used so that to increase the shelf life of the produce in the study area. Moreover, the Department of Horticulture Planning and Marketing is not coming front to address the problem.

Grading Problem

In the Study area this problem was responded by more than 60% of apple growers positively. There is still traditional, informal and non-registered grading system. It has been found that the growers in general are lacking the standardized grading system based on weight, size,

colour, appearance, texture, moisture content, ripeness, sweetness, taste, chemical content, etc. Moreover, it was found that the Department of Horticulture Marketing and Planning is lacking in conducting the grading workshops and training programmes to fruit growers.

Problem of proxy grading

The problem of proxy grading was responded by 35% of growers positively. It is practiced by some growers in a way that under the A-grade layer, B-grade apple is packed which inturn effects the general quality and return of Produce.

Lack of labeling and registered trade mark:

This problem was responded positively by more than 85% of the growers, besides this, it was also responded that due to unregistered trade marks the other states of India producing apple are trading their produce on the name of Kashmir Apple, which inversely effects its image. Therefore, it becomes difficult to ensure the quality like “AGMARK” in case of Agricultural Commodities.

Problem of marketing credit and commission agents monopoly

The marketing of Kashmir apple is still dominated by the private commission agents and have somehow a monopoly power in dealing and handling the entire horticulture produce in general and of apple in particular. Apple growers are lacking the availability of finance so that to make the arrangement for picking, packing transporting and marketing. It was positively found in the study area that non-availability of credit is the ultimately factor responsible for the exploitation of growers by the commission agents.

High financial cost and untimely availability of credit

High Financial Cost and untimely availability of loan due to lengthy procedures and the major problems faced by the fruit growers to marketise their produce at desirable place, time and price.

Lack of group marketing

It was found in the research area that the growers are not going for group marketing and there is weak co-ordination among growers in this regard.

Lack of fruit growers co-operative marketing society

In order to get the rid off from the exploitation by commission agents and money lenders. The Marketing society plays an important role. These Societies promote direct dispatch of fruit to the markets and also help the growers in grading and packing the fruit to save excessive damage of the product. But in the research area less spirit was found among the apple growers and no institutional measures have been taken in this regard.

Lack of “apni mandi”

Most prominent problem faced by the fruit growers in general and of apple growers in particular is the non availability of “Apni Mandi” as is in Punjab. This problem was responded by at least 90% of apple growers. However, it was responded that the availability will help in reducing transportation and frequency of Intermediaries.

Lack of organised and regulated markets

It was positively found that the dominance of commission agents and hegemony of intermediaries are not allowing the markets to be organized. Moreover, the apple markets are not properly regulated by the intuitional frame work so that the concept of “minimum price support programme” gets implemented and the fruit growers will be benefited and market risk, minimized.

Fake “watak” and “hatha” system of marketing

Marketing is mainly made by commission agents on the principle of “Watak” and “Hatha” System at the different fruit mandies of the country. Which is universally objectionable in general and in the research area in particular because a number of malpractices are related to it e.g. the unnecessary commission and charges written in the “Watak” as Charity, Trade union commission etc. and in *Hatha System*” System rate determination of produce where grower fails to understand the philosophy of the negotiation by the commission agent and trader at the mandi when a “Golden Handshake” is made by the two under a piece of cloth.

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