PROBLEMS AND CONSTRAINTS IN MARKETING AND PRODUCTION OF APPLE CROP IN HIMACHAL PRADESH

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Abstract: Apple is one of the most widely cultivated fruit in the world. It is the importance of food value being wealthy in vitamins, calcium, phosphorus, potassium and organic acids. The mission of the agriculture extension system is transfer and delivery knowledge to farmers. The present study was conducted in Shimla and Kullu districts of Himachal Pradesh State, based on higher area and production of apple crop. Major problems faced by apple growers in production were shortage of technical labour, lack of desired chemical fertilisers and plant protection chemicals, financial issues and irrigations problems. Challenges faced during the marketing of apple fruit were lack of cold storage, market supply and demand knowledge, lack of transport and communication channels. The study emphasised the need to develop the proper marketing and processing facilities before its cultivation is popularized on a large scale in the State.

Key Words: Apple, Production, Constraints, Marketing, farmers.

I. Introduction

Agriculture is the stronghold of Indian economy and horticulture is an essential element thereof apple production, is the main livelihood in the Himachal Pradesh and it constitutes 90 % of the total fruit crop in the Himachal Pradesh as the orchards now cover 109533 hectares, around 49 percent of the total area under fruit cultivation. This sector involving about more than 1.7 lakh families and providing gainful employment to millions of people of the region and living standard of the people has improved enormously and played a vital role in the rural economy of the state with an average yearly turnover of 3500 crores, and still, it has not provided industrial status. The improvement in the production is relatively essential,
but the marketing also has an equal significance to develop a commercial crop, which is merely produced to sell in the market. Himachal Pradesh is the largest producer of apple fruit in India, and the state has made fantastic achievement in the field of production and productivity. Still it is insufficient to meet the ever-growing domestic and peripheral demand. Climate change is enhancing opportunities for cash crop farming in high mountain areas of Himachal Pradesh (Rahimzadeh, 2017). In this regard, there is the need to identify the common problems of apple sector and to find out the required measures to overcome the difficulties. This chapter concentrates on the significant issues of apple marketing in Himachal Pradesh.

II. Importance of Marketing

Marketing is one of the most critical factors in determining the success of any fruit and vegetable farming enterprise. It is basically essential for all farm enterprise, regardless of size. In agriculture, automation increases the quality, economic growth and productivity of the country (Bansal, 2018). It is strongly recommended that you identify the research your market before you become a fruit and vegetable grower. Marketing includes all the operations and decisions made by producers, and these decisions range from determining the most marketable apple for production to deciding to best deliver quality products to the consumers at a profit (Kumar, 2010). Marketing is the creation and delivery of standard of living to the society and a total system of interacting with the business activities designed to plan price, promote, distribute want satisfying products and services to present and potential consumers. It involves relating to the needs and desire of masses with the product or service in order to achieve growth and success of the product. Marketing includes all activities involved in the creation of time, place and possession utilities. i) Place utility is might affect shipping finished goods and services (Products) are available at the new site that is more accessible to consumers than the place where it was initially manufactured. ii) Time utility is created when goods or services by its availability at a particular time. iii) Possession utility is offering favourable financing terms towards ownership is another way a company might choose to improve the value of possessing its products and are transferred to those who need of them (Chauhan, S.K, 2013). To meet the expectations of consumers, producers need to provide fresh, high quality produces. Be sure the product is clean and free from defects such as insect, harvesting damage and Post-harvest handling is the critical factor that affects the quality of the produce (Neilson & etal, 2017). Quality and price are synonymous in the fruit and vegetable production. Quality is the key to marketing success (Kime L.F, Adamik E.E, & J.K, 2004). However, contrary to popular belief, marketing does not begin after the apple is produced. Instead, marketing alternatives need to be considered even before create take place.
Marketing helps in improving the standard of living and eliminate the constraints in products and services. It’s all done by offering quality varieties of goods and services (I & Ekwunife, 2015), with freedom of choice and treating the customer as the most important person as we know that the customer is the king of the market. To a market-oriented company the consumer pays with satisfaction even if the price appears to be high, the consumer is compensated by service rendered in the process of marketing especially in the packing and grading and good quality of goods provided (Garrat & etal, 2014).

III. Methodology

The present study was conducted in Shimla and Kullu districts of Himachal Pradesh, which was selected purposively based on higher area and production of apple crop cultivation. Further, Shimla and Kullu markets were selected for market study during 2017-18. Finally, 200 growers were chosen randomly, and 2 blocks from each district were selected for the present study. Based on the nature of data and different economics, tools were used to identify the constraints of marketing and production of apple fruit cultivation.

Problems Faced by the Apple Growers in Himachal Pradesh

Apple is the most favoured fruit of millions of people and is widely grown in temperature regions in the globe. Presently India is the 5th largest producer of apple in the world with an annual production of around 2.8 million tonnes every year. The top apple producing states of India are Jammu and Kashmir, Himachal Pradesh, Uttrakhand and Arunachal Pradesh, with their respective share of 70 %, 21.5 %, 6.4 %and 16 %. With the increase in the production of apple in India, many problems in the field of production and marketing are arising mostly in the study area. In this section, an effort has been made to analyse the issues faced by the Apple Growers in the surroundings of production and marketing of apple in (Shimla and Kullu Districts) Himachal Pradesh. The production problems faced by the sampled apple growers in the study area were also recorded during survey, and the same is presented in Table wise for sample farms of the study area.

IV. Results and Discussion

Production Problems faced by the Apple Growers in Himachal Pradesh

Small scale apple farmers lack regularity in terms of production for the markets due to insufficient access to production resources. With the increase in the production of apple in both districts of Himachal Pradesh faced many problems in the field of marketing of apple and its production are needed arising between farmers. In this section, an effort has been made to analyse the issues faced by the apple growers in surroundings of marketing and production. The production problems faced by the farmers in the district of Shimla and Kullu were recorded during the sample survey, and
the same is presented and tabulated below as table-wise sample farms of the study area.

### Table 1. Constraints in Production of Apple Crop

<table>
<thead>
<tr>
<th>S.No</th>
<th>Constraints</th>
<th>Shimla</th>
<th>Kullu</th>
<th>Overall Avg. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shortage of Labour</td>
<td>97</td>
<td>98</td>
<td>195 (97.5)</td>
</tr>
<tr>
<td>2</td>
<td>Chemical fertilizers</td>
<td>95</td>
<td>97</td>
<td>192 (96)</td>
</tr>
<tr>
<td>3</td>
<td>Plant Protection Chemical</td>
<td>97</td>
<td>93</td>
<td>190 (95)</td>
</tr>
<tr>
<td>4</td>
<td>Financial Problems</td>
<td>95</td>
<td>99</td>
<td>194 (97)</td>
</tr>
<tr>
<td>5</td>
<td>Lack of irrigation facility</td>
<td>100</td>
<td>98</td>
<td>198 (99)</td>
</tr>
</tbody>
</table>

*Source: Survey 2017-2018*

*Note: figures in parentheses indicate percentage to the numbers of apple growers in respective districts and the total number of sample growers in the case of overall average farmers. Total Number of selected farmers were: 200 (100 from each district)*

Shortage of both skilled and unskilled labour for conducting the various operations, application of farmyard manure and fertilisers, training and pruning of trees and plant protection measures were reported by 195 respondents of overall study area of both Shimla and Kullu. The apple farmers also forwarded that their opinion related to the faced problems about cost and availability of chemical fertilisers. A quick reference of table 1 reveals that inadequate quality of chemical fertilisers and no availability of the desired brand in both districts. At overall level in Shimla and Kullu are higher prices of chemical fertilisers, known availability of chemicals at time, not availability of spurious quality and lack of technical labours for spraying chemicals were reported by 95 percent in both districts. For smooth operations and expansion of any industry accessibility to finance on reasonable terms is essential and this is well in recognized in economic development. The industry has to procure the apple fruits during the harvesting and processing period that has been stored for a considerable period and this substantial necessity investment in working capital. The commercial banks are unenthusiastic to lend to huge funds for need for production and marketing of apple crops. Lack of credit facility from banks, inappropriate subsidy policies and schemes provided by government, mortgage problem and higher interest rate of banks were main problems faced by the respondents of Shimla and Kullu district. Quality plays a vital role in the production and marketing of apple products in particular. Quality products can be produced only if proper quality inspection can be made at different stages such as at the time of procurement of apple fruit, fertiliser yield management, processing and operation and packing stages, irrigation and modern technology. Farmers do not have access the farm infrastructure such as storerooms and cold rooms to keep their products in right conditions after harvesting.
Marketing Problems faced by the Apple Growers in Himachal Pradesh

Fruit production and marketing has an important place in India and especially in the State of Himachal Pradesh due to capable climate and natural conditions. However, there is number of crucial problems about the marketing of apple fruit. Marketing of apple is as critical as production of apple. Due to lack of marketing and improved marketing practices contribute to the complicated nature of marketing of apple in the inhabitant. In the absence of any planned marketing programme and without awareness among the farmers about the apple marketing, growers often remain underprivileged prices for their apple fruit. The various marketing problems and constraints faced by the apple growers need to be tackled in order to boost up the growth of area under apple crop. The objective of this study is to reveal the problems of apple fruit production and marketing by using data which was obtained from the Apple Growers survey. This study covers apple fruit, which constitutes 85 % of the total fruit production and 49 % of the total area in the State of Himachal Pradesh.

Table 2. Constraints in the marketing of apple fruit

<table>
<thead>
<tr>
<th>S. No</th>
<th>Constraints</th>
<th>Shimla</th>
<th>Kullu</th>
<th>Overall Avg. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lack of grading and packing labour</td>
<td>91</td>
<td>85</td>
<td>176 (88)</td>
</tr>
<tr>
<td>2</td>
<td>Transport problem</td>
<td>89</td>
<td>98</td>
<td>187 (93.5)</td>
</tr>
<tr>
<td>3</td>
<td>Lack of packing material</td>
<td>95</td>
<td>93</td>
<td>188 (94)</td>
</tr>
<tr>
<td>4</td>
<td>Lack of communication intelligence</td>
<td>93</td>
<td>98</td>
<td>191 (95.5)</td>
</tr>
<tr>
<td>5</td>
<td>Lack of Storage facility</td>
<td>100</td>
<td>100</td>
<td>200 (100)</td>
</tr>
<tr>
<td>6</td>
<td>Malpractice in market</td>
<td>100</td>
<td>100</td>
<td>200 (100)</td>
</tr>
<tr>
<td>7</td>
<td>Market intervention scheme</td>
<td>89</td>
<td>94</td>
<td>193 (96.5)</td>
</tr>
</tbody>
</table>

Source: Survey 2017-2018
Note: figures in parentheses indicate percentage to the numbers of apple growers in respective districts and to the total number of sample growers in the case of overall average farmers.
Total Number of selected farmers were: 200 (100 from each district)

The packaging of a product is essential to protect the product from damage besides information about the product that attracts customers. Its needs are more emphasised in the case of processing apple marketing, since low standard packaging may cause health hazards. It has been found that significant problems faced by the farmers in terms of packaging and grading system are a shortage of well-trained labours, higher wages of workers, unavailability of jobs and strict labour union rules. Shortages of well-trained works were reported by 88 percent in both districts of Shimla and Kullu. Most farmers have no means of transport to carry their produce to markets. Transportation problems result in loose of quality and late delivery, which in turn to lower prices and this regards as the greatest problem faced by emerging apple farmers. An analysis of apple grower's
problem revealed that major concern is high transportation charges by 93.5 percent of orchardist’s perception in both districts of Shimla and Kullu with the ratio of (1.43:1.53) percent respectively. The shortage of packing material and higher prices of packing material were the main problems faced in both districts of Shimla and Kullu. Automation and mechanisation of production activity on one side and global approach to business on others has necessitated storage and inventory management. Storage is necessary for holding the apple fruit in proper condition for a long time and adjusted supply and demand through the creation of time living. Smallholder farmers don’t have access to the storage rooms and cold rooms to keep their apple crop in good condition after post-harvest. Lack of these facilities constitutes the barriers to entry into apple markets. Access to storage facilities increases farmers flexibility in selling their apple. Farmers in both regions didn't have enough scientific storage facilities for apple crops.

Other Perceptions of Growers how the Apple Production and Marketing in the State of Himachal Pradesh can further Progress

- Farmers said that they don't know the name, proper method and doses of pesticides and insecticides which affect our orchids. Improper curing leads to colossal loss especially in the flowering of the apple crop
- Low care of handling the contents because of no availability of technologies for handling horticultural crops. Low-cost technologies for post-harvesting handling have not been adequately developed. Carelessness and non-application of the existing technologies made the way for a huge amount of loss
- Lack of processing units in nearby villages or tehsil or district level to safeguard the interest of the farmers
- Poor export performance over the years is a threat to the sector in India. There are no organised sector in Himachal Pradesh who efforts to produce fruits and vegetables exclusively for exports.
- Lack of proper guidance by the horticultural departments
- Dominance of traders in the market
- Fear of thieves and stray animal prohibits farmers to take apple fruit
- Lack of innovations that affects the entire chain to coordinate their efforts
- Absences of markets in rural areas, most small-scale farmers are located in rural areas where there are no formal agricultural markets or agro-processing industries. They compelled to market their products to local communities in their fields, sometimes at lower prices or to transport their products to towns at a higher cost.

The above dimensions of production and marketing performance such as production-related problems and marketing problems need to be an improvement at least possible cost must fit with goal of the agricultural
system in the developing nations. Due attention should be given to the interrelatedness between the categories of production problems, marketing problems and endnote perceptions in studying the marketing and production problems of apple growers in Himachal Pradesh.

V. Findings of the Study

1. It has been found that Shortage of both skilled and unskilled labour for conducting the various operations, application of farmyard manure and fertilizers, training and pruning of trees and plant protection measures were reported by 195 respondents of overall study area of both Shimla and Kullu district. Shortage of labour (32.83%), higher wages (31.81%), non-availability of labour (9.71%) and unskilled labour (25.65%).

2. It has been revealed that the major problems regarding inadequate quality of chemical fertilizers and no availability of the desired brand in both districts is 37.50% and 27.09%, followed by high-cost fertilizers and untimely availability of fertilizers were intimated as the main problem in Shimla and Kullu is 20.84% and 14.57% faced these problems respectively.

3. It was found in Himachal Pradesh that High prices of plant chemicals (21.57%), non-availability of desired chemicals (25.79%), lack of desired quality (34.22%) and unskilled sprayers (18.42%) were the main problems faced by the respondents of Shimla and Kullu.

4. Majority of 38.65% of the total responses from the respondents expressed their opinion that inappropriate subsidy policies and schemes in the significant problem in cultivation of apple fruit in the study region followed by higher rate of Bank interests (3712%), lack of credit facility (17.01%) and mortgage problem (7.22%).

5. It has been found that there is lack of irrigation facility (34.34%) faced by the apple farmers of Himachal Pradesh, followed by inadequate governance (30.81%), lack of modern technology (20.71%), unskilled pruning and trimming labours (11.61%) and lack of FYM (2.53%).

6. It is found that in Himachal Pradesh, apple farmers faced grading and packaging labourer’s problem during the marketing of apple crops.

7. An analysis of apple grower’s problem revealed that significant concern is high transportation charges by 93.5 percent of orchardist’s perception in both districts of Shimla and Kullu.

8. Proper packing material for apple handling equipment was the main problem faced by orchardists in both areas of Shimla and Kullu. The low qualities of packing material were reported by 94 percent at an overall level as farmers faced these packing material problems during marketing of apple crops.

9. Majority of 35.96 percent of the farmers interviewed in both districts of Himachal Pradesh indicated that they did not access to adequate market information especially in respect of market price and demand of apple fruit market, followed by 30.96 percent of farmer’s reported that they were
getting misleading market information through communication intelligence providers.

10. It is found that there is a significant problem faced by farmers are lack of storage facility, out of total, 100 percent farmers didn’t access scientific storage facility during the marketing of apple crops.

11. Nearly 96.5 percent respondents complained that the intermediaries were deducting more charges than the original charges, followed by part of payment and quote lower price than actual price.

Conclusion

It is concluded that one half of the population in the two tribal districts does not have any proper marketing knowledge and those who have such experience get it from other sources like neighbours and friends in the majority. The banking and storage facility in the study area is almost negligible. Risk and delay in payment are the reasons which are responsible for preferring local market for selling apple fruit. The people of these both districts are preferred to sell their apple crop to local contractors as they are easily approachable for getting payments. It is concluded that majority of people carry apple fruit by themselves or through animals and labours as the roads are not connected with fields of farmers. It has been found that majority of the respondents are most of them are not aware of such help.

Reference


Hpmc. Memorandum Of Association And Articles Of Association Of Hpmc; Article 31, Nigam Vihar, Shimla.


