Introduction
The horticulture in Jammu and Kashmir State is one of the oldest industries and constitutes an indispensable sector in the State economy. Its contribution to the State economy has been remarkable during the last ten years. The fruit production which was just over 2.14 lakh tonnes in 1974-75 has increased to 4.71 lakh tonnes in 1982-83. Likewise, area under orchards has increased from 1.50 lakh acres at the end of 4th Plan (1974-75) to over 2.68 acres in 1982-83. At present about 23.40 lakh people in the State of Jammu and Kashmir are directly or indirectly linked with horticulture sector. It is worthy to note that the State earns an annual revenue of about Rs. 110 crores from this sector, which includes a foreign exchange worth about Rs. 5 crores to 7 crores annually.

The above facts and figures clearly reveal that there is a bright chance to utilise this sector for the overall economic development of the State. Because of this fact, the State
Government has declared horticulture, sector of high priority. But its success largely depends on market structure. An efficient market structure has a stimulating as well as regulatory influence on production methods. It can eliminate misguided and unorganised production and distribution system. Contrary to this an inefficient marketing system can result in a waste of resources.

**Rationale of the Study**

In view of immense importance of horticulture marketing any study on this aspect would be worthwhile to undertake. Against this background the present study analyses the functioning of the present marketing mechanism of apples in the Jammu and Kashmir State. Attempt has not only been made to understand fully and fairly market inefficiencies but where possible, explanation and suggestions have also been recommended.

The apple industry has been deliberately chosen for this study because, among the horticulture sector of the Jammu and Kashmir State;
i. its cultivation is done at an extensive scale in the State as it occupies 44.93 percent of total horticulture area of the State;

ii. it contributes 91.50 percent of income and 91.50 percent of production to the State's total horticulture income and production respectively; and

iii. the majority of population dependent on the horticulture sector is engaged in apple trade.

With the result it has a direct bearing on the horticulture economy of the Jammu and Kashmir.

Objective of the Study:

Precisely the objectives of the study are to examine and analyse:

a. the place of apple industry in the horticulture sector of Jammu and Kashmir State;

b. steps taken by the Government for the development of the horticulture sector of the State especially for efficient marketing of apple produce;

c. the existing marketing structure for apple produce; and

d. price spread marketing margins of apples.
Methodology:

The above mentioned objectives have been critically appraised by using both primary and secondary data. The main source of data, however, is field investigation carried out by scholar on the basis of an extensive questionnaire. The places/areas chosen for extensive study were two blocks from District Baramulla and one from Pulwama district of Jammu and Kashmir State. The choice is based on the following considerations:

a. These blocks possess a rich history of apple cultivation;

b. Apple cultivation is found on an extensive and commercial scale in these three blocks as these are the main apple producing centres in the State; and

c. Apple cultivation is the primary occupation of the majority of the population in these blocks.

The blocks selected for the investigation purpose were Kafiabad and Sopore from Baramulla district and Shopian from Pulwama district.
In Sopore block six villages viz, Seloo; Woodora; Nowpora; Tujar; Nathipora, and Dangarpura were selected for this purpose and from Rafiabad block three villages namely Dangiwacha, Watargam, and Hibdangarpura were selected. In Shopian block the three villages selected for survey were Penjora, Goodir, and Coopran.

From each village 12 to 16 orchardists (households) were randomly selected for the said purpose. This gave a sample of 3 blocks, 12 villages and 150 orchardists in the State. The respondents were divided into three broad categories based on operational holdings of orchard land. These categories are:

i. Below marginal growers;
   (holdings from 1 to 3.00 acres)

ii. Marginal growers; and
   (holdings from 3.00 to 6.00 acres)

iii. Above marginal growers
    (holdings from 6.00 to above acres)

In addition to this detailed discussions were conducted with 22 pre-harvest contractors, 20
forwarding agents, 14 commission agents and 30 wholesalers in two blocks of Baramulla and similarly 11 preharvest contractors, 10 forwarding agents, 7 commission agents and 15 wholesalers were interviewed in Shopian block of district Pulwama. Further personal interviews and meetings with the management of the horticulture corporation and with the heads of various agriculture/horticulture departments of the State were also conducted.

Over and above primary data, the secondary data collected from below given sources have also been utilised:


4. Small Industries Service Institute, Govt. of India, Karanagar (J&K).


7. Planning Development Department, Govt. of Jammu and Kashmir.
8. Directorate of Census Operations, Govt. of India, Srinagar, and
9. Various State Horticulture agencies and Departments engaged in various horticulture marketing activities.

**Hypothesis:**

The following broad hypothesis has been proved during the course of study:

"Marketing of Horticulture is a disorganised system in Jammu and Kashmir State".

**Design of the Study**

To achieve the above mentioned objectives the study has been divided into the following chapters:

I. Growth and Development of Horticulture in Jammu and Kashmir;

II. A Critical appraisal of apple Industry;

III. Distribution Mechanism;

IV. Marketing cost and Net Return Analysis;

V. Existing Problems of Marketing System and

VI. Conclusion and Suggestions.

Chapter 1st attempts to analyse the growth and developments of horticulture both in pre and post independence periods. Plan expenditures for development of horticulture in the State under various Five Year Plans have also been analysed. In addition it seeks to demonstrate the contribution of this sector towards the State economy through various indicators viz, income, employment and foreign exchange earnings.

II. A Critical appraisal of apple industry

This part of study reveals the position of apple industry in the horticulture sector of the State. Further, it tries to analyse the measures taken by the Government to develop the apple industry of the State. In this context analysis is made of two major horticulture projects:

i. Jammu and Kashmir Integrated Horticultural Project, and

ii. Indo-Australian Apple Grading Project.
III. Distribution Mechanism

This portion exhibits the present distribution mechanism of apple produce in the State. Merits and Demerits of all existing marketing channels have been fully discussed. It also highlights the factors responsible for the choice of a particular channel by the growers for their produce.

IV. Marketing cost and Net Return Analysis

This chapter demonstrates the marketing cost of apple produce through different channels available in the State. In particular it dilates the share received by different functionaries and the producer from the apple produce in different channels of market operation. Over and above these, the chapter attempts to workout ratio between producer's net receipt and total marketing cost under different channels.

V. Existing Problems of Marketing System

Under this chapter an analysis of the marketing problems which have restricted the fruit
cultivation in the State at an extensive scale, have been discussed in detail. In addition to these, some production problems having direct impact on marketing have also been highlighted.

VI. Conclusion and Suggestions:

This part of the study leads to some important conclusions which result in the unorganised system of horticulture marketing. In the light of these conclusions some far reaching suggestions have also been made in this chapter.
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