

A Case Study of Creating Market Linkages for Potatoes from Gurez Valley in Kashmir : A case for Demand Pull Catalysation

Introduction

The Policy Advocacy Research Centre (PARC) had signed a Memorandum of Understanding (MoU) with the Department of Agriculture Production & Farmer's Welfare, Union Territory of Jammu & Kashmir (UT-J&K) on 9th June 2021, with the mandate for developing, catalysing and driving the value chain & research for a range of agricultural & horticultural commodities of the UT-J&K and for creating domestic/international farm-to-market linkages.

In order to showcase opportunities in the divisions of Jammu & Kashmir respectively, and to drive agriculture/horticulture commodity-specific market linkages through private sector stakeholders, PARC collaborated with the Department of Horticulture, UT-J&K by facilitating the participation of buyers at the Apple Festival, 2021 held at SKICC, Srinagar on 28th & 29th October, 2021. Procurement heads from Reliance Fresh, ITC, Big Basket & Seven Star Fruits Pvt. Ltd were introduced to farmers/ producers, traders and officials of the Department of Agriculture Production & Farmer's Welfare at the festival. In a follow-up meeting organized by Mr Vishesh Paul Mahajan, Director, Horticulture Planning and Marketing on 29th October 2021, PARC through Mr Shamsul Hassan Mir, the Area Extension Officer from the Agriculture Department, UT-J&K initiated a dialogue for piloting a market linkage exercise for potatoes from Gurez with the procurement head of Big Basket, Bengaluru - Mr Vipul Mittal on a pilot basis.

Rationale

Gurez, or Gurais, famous for its beauty, vast forests and serene environment, is a valley in North Kashmir's Bandipore district, close to the Line of Control (LoC), located at about 86 kilometres from Bandipore and 123 kilometres from Srinagar, approximately 2,400 metres above sea level and at an elevation of 2,580 metres. Gurez has approximately 1,700 hectares of land under potato crop cultivation with a production of 1.5 lakh quintals, on average per annum. Agriculture in the Gurez valley is characterised by subsistence farming with mixed cropping and chemical insecticides /pesticides free agricultural practices. As the sale and use of chemicals are banned in this region, agricultural produce from the region is highly valued and in good demand. The potatoes from this region known as 'Gurez potatoes' have the potential to be popularised in the national market on account of their taste and chemical free nature.

Mr Vipul Mittal expressed keen interest in procuring the same for their outlets at New Delhi.

PARC built dialogue between Mr Vipul Mittal, the procurement head of Big Basket, Bengaluru and Mr. Shafaq Sultan, the Managing Director of the Jammu & Kashmir Horticultural Produce Marketing and Processing Corporation (JKHPMC) Ltd. JKHPMC is a UT-J&K public sector entity mandated to process various horticultural products of the UT and their marketing. JKHPMC offers farmers/growers alternative marketing channels for promoting their fresh / dry fruits & vegetables.



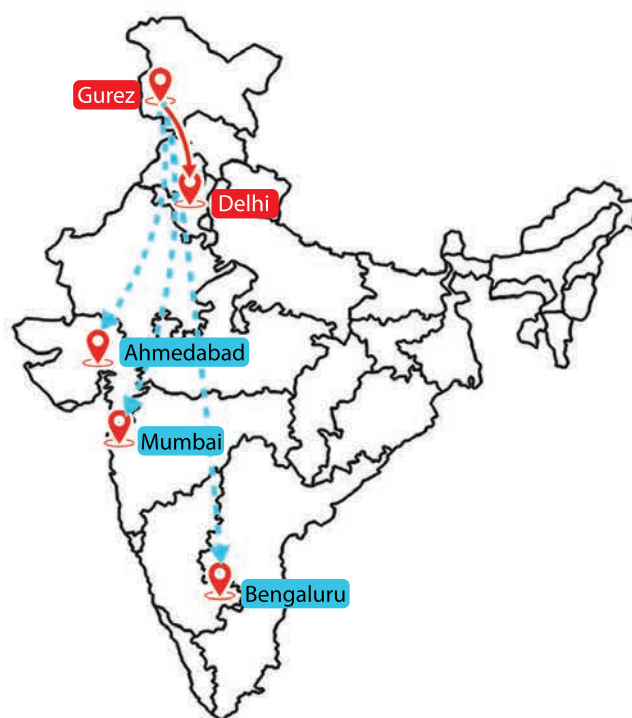
Main outcomes with analysis

- Following the invoice on 9th November 2021 for Gurez potatoes sorted and graded to the size 3.5 to 4.5 cm diameter at a rate of INR 38 per kg Freight on Road (F.O.R) for NCR Delhi, 2,900 kg were delivered through surface transport. This was followed by another order for 3,000 kg of the same commodity. However, the road to Gurez was blocked due to heavy snowfall and chances of it opening were rather slim, as this road remains closed from October for a period of 5 to 6 months due to snowfall. A similar demand for potatoes is anticipated in May 2022, once the roads open up.
- Challenges of logistics to distant parts of the country would need better road and rail connectivity to enhance the viability of successful market linkage models for other commodities. In the case of perishable commodities, temperature-controlled reefer vans or air cargo would serve as more cost-effective modes that would help in reducing wastage and thereby losses.

Conclusion

Farmers in Gurez have earlier supplied over 1,700 quintals of potato seeds to the Department of Agriculture Production & Farmer's Welfare, which otherwise procures 4,000 quintals of seeds from the neighbouring state of Himachal Pradesh. The Agriculture Department, UT-J&K also has six farms exclusively for cultivation of potato seeds. It is possible to have seed farms at Dawar and Ismarg in Gurez which will reduce the Union Territory's dependence on other states. This will also allow for opportunities for joint initiatives where external private & public-sector stakeholders can invest in seed multiplication at Gurez. Such a venture coupled with market linkage support can prove profitable, with opportunities through capacity building based on pilot outcomes, for potato growers too. Topographically, Gurez has different weather conditions compared to other regions of the Union Territory and with the farmers producing their own organic fertilizers, this can revolutionize the market through organic farming of commodities like potatoes, maize, green peas, black cumin, amongst others that are traditionally grown in the Gurez valley.

PARC is confident that market linkages for other commodities can be successfully established through coordinated efforts and capacity building can be carried out to streamline the channel for creating better domestic/ international farm-to-market linkages in the coming days.



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