

## Submitted Abstract

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<b>Title</b>	Stone Fruits In Uttarakhand: Market Accessibility Of Farmers And Monopsonist Behaviour Of Intermediaries.
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## Abstract

Since independence in 1947, farm income in India has not grown in the same proportion as food production. Average income of the farmer household was INR 70 per day in 2003 and about INR 101 a day during 2011-12 (Situation Assessment Survey 2003, 2013). In this paper, I focus on two supply-side factors responsible for farmers' exploitation- dependence on intermediaries, and lack of market accessibility due to poor infrastructure. I analyse the supply chain of stone-fruits in Uttarakhand, a hill state in northern India. Uttarakhand is the leading producer of stone-fruits (peach, plum, apricot and pear) in India. I use original survey data constructed from a primary survey in Nainital district of Uttarakhand by interviewing 200 farmers from 20 mountain villages. Traders in the hub-markets of Haldwani and Delhi and other value-chain actors like transporters have also been interviewed. The main objective is to trace the supply-chain of stone-fruits and analyse the distribution of profits along this chain, while accounting for the topography of the hills and how it affects farmers' incomes and dependence on intermediaries.

The study finds that high post-harvest marketing cost coupled with poor infrastructure and information asymmetry helps traders in wielding power over the farmers. Rich farmers fare relatively well compared to their smaller counterparts. This is primarily due to the dependence of small farmers on the traders for credit. Small farmers enter into informal contracts with traders who provide them with help- both in cash (for agricultural and non- agricultural activities) and in-kind (in the form of agricultural inputs, or ration to feed the family during slack season). In lieu of this, farmers are bound to sell their harvest to the traders. Also, because these traders deal in bulk and help the farmers dispense-off their produce quickly in the absence of storage amenities, farmers prefer to deal with them over other marketing channels, even if this implies additional cost in the form of the commissions of traders. The study also finds that mountain farmers prefer to deal with a few intermediaries, choosing them on the basis of old-ties and social relationships. This study can be seen as an addition to the literature on the supply-chains of horticultural commodities indigenous to mountain regions, which remain relatively understudied. It also contributes to the literature on intermediaries in agricultural markets and finds that in the absence of sound infrastructure in mountainous regions, intermediaries become indispensable to the farmers.