

Marketing under eNAM during COVID-19

Dr Jyoti Chaudhary¹ and Sonali Katoch²

¹Assistant Professor, Gopal Narayan Singh University, Jamuhar, Bihar,

²PhD Scholar, Banaras Hindu University, Varanasi²

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Introduction

India has become self-sufficient in the production of agricultural commodities as the food grains production has increased tremendously. But still, there is no substantial growth in terms of farmers' income. The reason being the producers are not able to find the right market to sell the produce at right time. Since the agricultural produce passes through several marketing intermediaries before reaching the ultimate consumers and also farmers have to sell their produce at specific mandis. Farmers are unable to reap the benefits of their hard earn labour due to involvement of middlemen. Therefore, producers' share in consumers' rupee is low; generally, varies from 15 to 40% and they do not get the remunerative prices for their produce as per the studies conducted by IFPRI and World Bank. High marketing costs, illegal deductions and various malpractices prompted regulation of agricultural marketing in different states of the country. Several measures have been initiated by GOI to reverse this situation. Thus, eNAM is an important measure targeted at better price realization by farmers. Agricultural Marketing system has always remained a matter of great concern before as well as after Independence.

The Royal Commission on Agriculture, 1928 had made the first attempt to understand the role of an efficient marketing system as a link between the producers and the consumers. The Government of India prepared a Model Bill in 1938 and circulated it to all states, but not much improvement was made till independence. Later, Agricultural Produce Markets Regulation (APMR) Act had been enacted in most of the states during 1960s and 1970s. Then, thereafter so many amendments have been done in the APMC as implementation of model



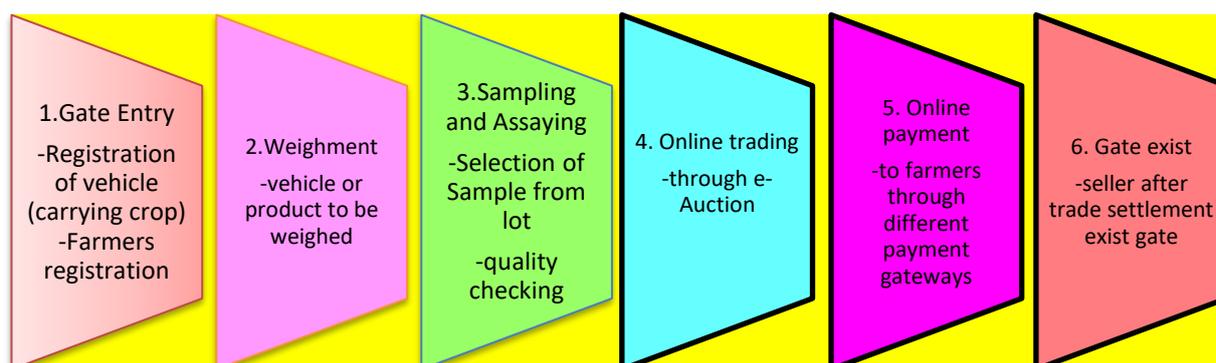
APMC Act 2003, which was uneven across the states. In continuation of market reforms, more recently, the Model Agricultural Produce and Livestock Marketing (Promotion and Facilitating) Act (APLM), 2017, advocated electronic- markets (e-markets) through the abolition of the concept of notified area, so that trade can be carried out from anywhere in local markets through participation in electronic auction platform came into practice.

A pilot project in Gulbarga market and subsequent state-wide rollout in Karnataka provided the base for eNAM and was launched by the Prime Minister of India on 14 April 2016. The move was part of the implementation of the roadmap for doubling the income of the farmers by 2022 by connecting them directly to the consumers. eNAM is an online market that connects the present existing mandis by integrating the dispersed APMCs through an electronic platform. Small Farmers' Agribusiness Consortium (SFAC) is the implementing agency that help APMCs with both hardware and software. Agriculture marketing was state subject administered as per their agri-marketing regulations before commencement of eNAM and the state is divided into several market areas, each of which is administered by a separate Agricultural Produce Marketing Committee (APMC) with its marketing regulation. Due to the fragmentation of the markets, the free flow of commodities hinders from one market area to another and multiple handling of agri-produce and multiple levels of mandi charges ends up hiking the prices for the consumers without commensurate benefit to the farmer.

Initially, eNAM was launched in 21 mandis of 8 states for the trading of 24 commodities since then, as of January 2022, 1000 mandis in 18 states and 3 UTs were registered on eNAM in which the electronic trade is carried out instead of physical trade. The number of registered traders is 2,11,091 and the number of unified licences issued by state are 95,248. The common tradable parameters have been developed for 175 commodities which were earlier for 90 commodities.

In eNAM, all the activities initiated from the gate-entry where the registration of farmer and vehicle is done which includes farmer's name, commodity name, lot number, quantity, and bank account number. After registration, the weighment of the product either lot wise or vehicle wise is done which is followed by the quality check of the produce through the collection of the sample for quality assaying. After this, the product goes to the commission agents for bidding by each trader and finally highest price bidder is selected and prices are done online. The quantity then goes to the highest commodity bidder. The timing for bidding

is 9:30 to 1:30 pm, however, the final bidders will be announced by 1:30 pm. The information of the highest bidder for the trade will be provided through the announcement, scrolling on a TV screen in mandis, and through SMS to farmers, traders and commission agents regarding the prices and their respective names of the stakeholders. After e-auction seller exits the mandi with a post-trade slip or with a product or crop if it is not sold from the exit gate.



eNAM during COVID-19

The immediate lockdown in the country during 2020 without prior information has impacted the movement of agricultural produce within and across the states. The agriculture sector has been hit hard during this period. It adversely impacted the farmers and traders of agricultural produce as well. During the first lockdown the agricultural produce affected due to the restricted movement hence most of the produce destroyed in the fields itself. Further the government took measure for the marketing of the harvested agricultural produce through various ways. The effectiveness and efficiency of the eNAM enhanced by introducing FPO trading modules where FPOs can trade their produce from collection centres without bringing produce to APMC. Logistic module in which trackable transport facility is provided. eNAM platform created an interface with large transport aggregators like Blackbuck, Rivigo, Mavyn, Truck Suvidha, Truck Guru, Transin Logistics, Elastic Run, etc enabling traders to access more than 7.86 lakh trucks through eNAM platform. During March and April, 2020 out of 585 mandis 268 were operational and during this period 50 % of traded lots got assayed for quality. States like Jharkhand initiated farm gate trading through eNAM platform whereby farmers are uploading the details of their produce along with picture for online bidding. The measure taken by government during the first lockdown were suspension of 1 % market fee collection from traders for trading of notified agricultural produces in the notified area,



waiver of godown rent, interest on pledge loan and user charges for cold storages from farmers. All these relaxation from the government side has helped the farmers and traders in the marketing of their produce. But the impact of the covid is not over yet and although the restricts on the marketing and trade will not be same as during first lockdown. However, the government needed to take preventive measures for the smooth functioning of the eNAM.

