

Impact of e-NAM in India

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ARTICLE ID: 17

Abstract

e-Nam is a platform which connect seller, buyers, traders and APMC or mandis and facilitate sellers to sell their product in different APMC on their desire price. Before e-nam came the farmers were being exploited by middleman and they didn't get the better price. Through e-nam government provide various facilities to farmers and they can also sell their produce by sitting at home. There is a facility for live tracking of trading. Farmers have option to sell their produce or hold their produce. E- Nam is providing competitive and qualitative bidding to farmers and traders.

Keywords: APMC, e-Nam, Interstate, SFAC

Introduction

The Indian government's Ministry of Agriculture launched it. On April 14, 2016, Indian Prime Minister Narendra Modi started the electronic market pilot project across the nation. The Small Farmers' Agribusiness Consortium (SFAC) is in charge of managing the Portal India's National Agriculture Market, often known as e-NAM, is an online marketplace for agricultural products. Thanks to the market, producers, retailers, and consumers can transact in commodities online. The market facilitates efficient selling of their produce and aids in better price discovery. Currently, its list of commodities available for trade includes over 193 items, such as common food grains, vegetables, and fruits. Because crops are quickly weighed, stock is lifted the same day, and payments are completed electronically, the e-NAM markets are now becoming extremely popular. As of February 2018, attractive features including MIS dashboards, BHIM and other mobile payments, updated mobile app functionality such gate entrance and payment using mobile devices, and farmer's databases are promoting usage even more. The majority of the trading currently done is intra-market, but it will gradually be expanded to include trading between markets and states, creating a single national market for agricultural commodities. A national market for agricultural commodities is created by connecting the current APMC mandis through the pan-Indian



electronic trading portal known as the National Agriculture Market (NAM). For all APMC-related information and services, the NAM Portal offers a single window service. This covers a variety of services, such as commodity arrivals and pricing, buy-and-sell trade offers, and the ability to respond to trade offers. An online market lowers transaction costs and information asymmetry even while material flow (agricultural produce) still occurs through mandis.

According to the States' agri-marketing regulations, which divide the State into many market zones, each of which is overseen by a different Agricultural Produce Marketing Committee (APMC) that enforces its own marketing regulations, agriculture marketing is managed by the States (including fees). Even within the State, this market fragmentation prevents free movement of agricultural commodities from one market area to another. Additionally, various mandi charges and handling of agricultural produce lead to price increases for consumers without corresponding gains for farmers. NAM addresses these issues by establishing a unified sector through electronic trading platforms, both at the state and federal levels. This promotes uniformity, streamlines processes throughout integrated markets, eliminates asymmetric information between buyers and sellers, encourages real-time price discovery based on real demand and supply, encourages transparency in the auction process, and gives farmers access to a national market with prices directly correlated with quality of product.

Recent in Electronic National Agriculture Market

Through a functional website and a flexible app that are available in a few particular languages, web-based operation on e-NAM should be enabled. To aid agriculturalists in making informed decisions about their chosen operations, more highlights are being added. Currently, the e-NAM platform has 1,73,57,096 farmers, 1,05,531 commission agents, more than 2 lakh merchants, and 2189 FPO registered. 1000 controlled mandis are currently connected to the electronic National Agriculture Market, which is spread throughout 21 states. The 21 states include Andhra Pradesh, Chandigarh, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Puducherry, Punjab Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarkhand and west Bengal.

Challenges of E-Nam

Multiple levies of mandi fees, multiple licence requirements for trading in different APMCs, conditions of monopoly due to licencing barriers, poor infrastructure and low use of technology, information asymmetry and an opaque process for price discovery, higher market charges and movement controls, etc. are just a few of the factors that contribute to state fragmentation. The unification of markets at the state and federal levels is crucial because roughly 58% of the population depends on the agriculture industry for their livelihood.

Conclusion

If farmers can figure out a means to aggregate their produce independently, they can still address the aforementioned issues and profit. Cooperatives and farmer produce associations may help to aggregate commodities in this situation. To make the agricultural industry attractive, reforms are also required in all areas, including soil health, conventional farming, irrigation, extension services, and fertilisers, among others. As a result, there will be a significant increase in employment possibilities, surplus production of all commodities, and efficient NAM operation. A real effort from all parties involved and successful involvement are required to reform agricultural markets. e-nam facilitate farmers to interstate selling of their produce. Government should run more awareness program, in UP 14th of every month is celebrated as e-nam divas on this day awareness programs are organized. e-nam act as “My Mobile My Market” for the farmers .