

Agricultural Marketing in the Era of e-NAM in Etah and Bareilly Mandi of UP

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At present India has become self-sufficient in the production of the agricultural commodities as the foodgrains production has increased tremendously from 50 million tonnes during 1950-51 to 323.55 million tonnes in 2022-23. But still there is no substantial growth in terms of farmers' income. The reason behind this is that the producers are not able to find the right market to sell the produce at right time. Since, the agricultural produce passes through number of marketing intermediaries before reaching the ultimate consumers and also farmers have to sell their produce at specific mandis. Thus, most of the farmers in country are unable to reap the benefits of their hard labour as they get cheated by 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. The features like high marketing cost, unauthorized deductions and prevalence of various malpractices prompted regulation of agricultural marketing in different states of the country. Several measures have been initiated by GOI to reverse this situation. An important measure targeted at better price realization by farmers is e-NAM.

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 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 abolition of 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.

Initially, e-NAM was launched in 21 mandis of 8 states for trading of 24 commodities since then, as on 31st October 2017, 470 mandis in 14 states were live on e-NAM whereas, on 28 August, 2018, 585 mandis across 16 states and 2 union territories have been connected in which the electronic trade is carried out instead of physical trade. The government is also planning to link 22000 mandis to e-NAM by 2022 which will be other steps forward in contributing to realise the goal of doubling farmers' income by 2022. The common tradable parameters have been developed for 150 commodities which was earlier for 90 commodities. During 2017-18 the traded volume through e-NAM was 11 million tons against 279 million tons of grain production and the traded value was just Rs. 29000 crore which was less compared to the agricultural produce value i.e. Rs. 13 lakh crores. (Reddy and Mehajbeen, 2019).

Working of e-NAM

In e-NAM, all the activities initiated from the gate-entry (Fig 1) 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 produce either lot wise or vehicle wise is done which is followed by the quality check of the produce through collection of the sample for quality as saying. After this the product goes to the commission agents for bidding by each trader and finally highest price bidder is selected and price 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 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 post trade slip or with product or crop if it is not sold from exit gate.



Fig. 1: Progress of e-NAM

Table 1: Inter-mandi trade through e-NAM during April to July 2019

Sl. No.	State	Product	Total Value (Rs. Crore)
1.	Andhra Pradesh	Chilli, Tamarind flower	1067.11
2.	Chhattisgarh	Paddy	1.99
3.	Haryana	Paddy Basmati, Basmati 1121, Barley, Maize, Maize (local)	2.39
4.	Jharkhand	Chana (Bengal Gram), Tomato, Chana, Wheat, Mahua seed, Lady Finger, Jack Fruit, Mahua, Wheat, Mango	0.069
5.	Madhya Pradesh	Barley, mustard, wheat, chana(bengal gram), tur, lentil, mustard seed, peas shelling, soyabean, teavada, urad, masoor, mustard, paddy, soya yellow, moong whole, peas green, Bengal gram,	5.46
6.	Rajasthan	Wheat, Chana (Bengal Gram), Mustard	0.047
7.	Telangana	Cotton, green gram, ragi, tamarind flower, cotton, maize, paddy, groundnut, turmeric finger and bulb	2.15
8.	Uttar Pradesh	Wheat	0.046
9.	Uttarakhand	Peas green, radish, brinjal, cauliflower, Bottle guard, capsicum, carrot, bottle gourd, cabbage, cucumber, Papaya, Potato, Bhindi, Ridge gourd, Water melon, Banana, paddy,	0.031

Table 2: Effect of e-NAM on the prices of the commodities in Mandi's of Uttar Pradesh

Commodity	Prices received by farmers Rs./q		Percentage increase in 2018-19 over 2013-14
	2013-14	2018-19	Nominal
Etah Mandi			
Wheat	1492	1819	22
Paddy	2740	2380	-13
Maize	1425	148	4
Bajra	1239	1394	13
Bottle Gourd	710	825	17
Bareilly Mandi			
Wheat	1540	1814	18
Potato	1038	995	4
Uttar Pradesh			
Wheat	1484	1786	20
Paddy	1528	1853	21
Potato	1465	785	-46

Source: agmarknet.gov.in**Inter- mandi trade**

The inter-mandi trade was carried out in nine states viz. Andhra Pradesh, Chhattisgarh, Haryana, Jharkhand, Madhya Pradesh, Rajasthan, Telangana, Uttar Pradesh and Uttarakhand. During the month of April to July in 2019 the trade of Rs. 1067.11 crore has done between the two mandis of Andhra Pradesh for two commodities viz. chilli and tamarind flower, followed by Rs. 5.46 crore in Madhya Pradesh where around 37 mandis are involved in inter-mandi trading. In Haryana and Telangana around 8 mandis have done trade of Rs. 2.39 Crore and 13 mandis of around Rs. 2.15 crore, respectively. In Uttar Pradesh only two mandis are participating for online trading of paddy.

Inter-state trade

Apart from the inter-mandi trade the inter-state trade of agricultural produce in wholesale mandis through e-NAM is gathering pace and so far, 21 e-Mandis of eight states namely, Uttar Pradesh, Uttarakhand, Andhra Pradesh, Telangana, Rajasthan, Gujarat, Maharashtra and Madhya Pradesh have started this practice. The inter-state trade is taking place between Uttar Pradesh and Uttarakhand, Andhra Pradesh and Telangana, Rajasthan and Gujarat, Maharashtra and Rajasthan, Madhya Pradesh and Rajasthan. (DAC&FW, GOI, 2019). Rajasthan was the first state to initiate the inter-state trade through e-NAM platform with more than one state and

established trade links with Gujarat, Maharashtra and Madhya Pradesh.

Effect of e-NAM on prices in Uttar Pradesh Mandis

Table 2 show the change in the nominal prices of the commodities before and after implementation of e-NAM. In Etah mandi, the prices of wheat have shown a nominal increase of 22 per cent in 2018-19 over the 2013-14 whereas, maize, bajra, and bottle gourd has shown an increase of 4%, 13% and 17 %, respectively. However, the prices of paddy have shown a decline of 13% over the years. However, in Bareilly mandi prices of wheat and potato have shown an increase of 18% and 4%, respectively.

If we see the prices of the commodities as whole in state Uttar Pradesh, we can see that wheat prices have increased by 20%, paddy by 21%, whereas the prices of potato has declined by 46%. Although, the difference in the prices of the commodities before and after implementation is not much. But with time and improvement of technology e-NAM is picking up pace and operations are also improving.

Conclusion

To provide a better platform for the framers to market their produce government has taken a better initiative with the introduction of e-NAM. Its operations are improving, as a number of farmers have been registered with the e-NAM and trading their commodities online to the traders where they are

getting better prices for their produce. But there are still many farmers who cannot reach to traders through e-NAM due to lack of training as they do not have proper access to the modern technology. Also, not all the commodities are being traded through e-NAM, still offline trading is in operation. Niti Ayog's review of e-NAM has found that many mandis are ill-equipped to access the quality of produce, without

which quality assurance could not be provided to potential buyers. It has also been reported at some place auctions were occurring in the old way and data were entered on the e-NAM portal after the transaction. This defeats the whole purpose of an online portal. Thus, these problems need to be rectified for the smooth operation of the e-NAM.

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