



RESEARCH ARTICLE

e-NAM IN AGRICULTURAL MARKETING-AN OVERVIEW

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ABSTRACT

The paper describes the implementation of e-NAM and its progress in India. e-NAM is a pan-India electronic trading portal which creates a unified national market especially for agricultural commodities and provides single window service by networking existing APMCs (Agriculture Produce Marketing Committees). About 90 commodities are notified for trading on e-NAM platform. Hitherto 13 states were covered under this scheme whereas Uttar Pradesh tops the list with 100 markets and Uttarakhand hits the bottom line with 5 markets. In trading, Gujarat is leading with 7441.7 tons of quantity traded amounting to a total trade value of 14117.05 Cr followed by Uttarakhand while Odisha is lagging with 0.63 tons of quantity traded amounting to a meager 1.11 Cr of trade value. e-NAM enhances the quality of marketing by reducing the regional barriers throughout the nation to achieve the "one nation one market" goal of the government.

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INTRODUCTION

Agriculture is the primary source of livelihood for about 58 per cent of India's population and its contribution in GDP is 17.5 per cent. Agricultural marketing comprises all operations involved in the movement of farm produce from the producer to the ultimate consumer. It includes the operations like collecting, grading, processing, preserving, transportation and financing (Prof. Faruque). In agricultural sector, India is one among the 15 leading exporters globally and its contribution to total export is 12.26 per cent in fiscal year 2017. Agricultural marketing contributes around 25 per cent of the GDP (Mishra and Puri, 2007) and employs 65 per cent of the workforce. In order to monitor and boost agricultural marketing, under the ministry of agriculture the Government of India has set up specific commodity boards and export promotion councils like coffee board, Cotton Corporation of India (CCI), Agricultural Products Export Development Authority (APEDA), etc. It fixes Minimum Support Price (MSP) to remove the elements of uncertainty and ensure remunerative prices to growers based on recommendation made by Commission for Agriculture Cost and Prices (CACP). In order to reduce malpractices in marketing of agricultural commodities it promotes regulated markets which has increased in number from about 200 in 1950-51 to 7,114 on March, 2014.

Under the Agricultural Produce (grading and marketing) Act of 1937, AGMARK grade standards have been formulated for 222 commodities. During 1999-2000, under co-operative marketing structure more than 7,000 co-operative marketing societies were granted with Rs.22, 500 cr. In March 2000, National Informatics Centre (NIC) implemented an ICT based e-governance portal called Agricultural Marketing Information Network (AGMARKNET) scheme which links around 7,000 agricultural wholesale markets. It helps in dissemination of market related information, commodity arrival and prices. The Agricultural Produce Market Committee (APMC) Act, 2003 enacted by State Governments which regulates agricultural produce. There are about 2477 principal regulated markets and 4843 sub-market yards regulated by the respective APMCs in India. Presently, about 23 Agricultural Produce Market Acts are in function. Later, Government of India under Ministry of Agriculture & Farmers' Welfare launched National Agriculture Market (e-NAM) and got approval from the Cabinet Committee on Economic Affairs as Central Sector Scheme through Agri-Tech Infrastructure Fund (ATIF).

WHAT IS e-NAM?

e-NAM is a pan-India electronic trading portal which creates a unified national market especially for agricultural commodities and provides single window service by networking existing APMCs (Agriculture Produce Marketing Committees). Small Farmers' Agribusiness Consortium (SFAC) is the lead promoter

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of NAM with the support of Department of Agriculture, Cooperation & Farmers' Welfare (DAC&FW). To access servicetraders and exporters should register themselves with the portal. The progress made hitherto by the implementation of e-NAM can be summarized as follows:

- Launched in pilot phase on 14th April 2016 includes 21 APMC in 8 States,
- Covered 10 States, 250 APMC by Sept 2016
- Covered 13 States, 417 Markets by Mar 2017
- Covered 13 States, 455 Markets by May 2017

commodity from one market to market and improve the supply chain of commodities and reduces wastages. Facilitate farmers, traders, buyers, exporters and processors with a common platform for trading commodities.e –NAM promotes discovery of price through provision of e-auction based on actual demand and supply and provides access for farmers to nationwide market. Main two reforms required under e – NAM are a single license which is to be valid across the state and a single point for the levy of the market fee at the point of transaction irrespective of buyer's location.

Table 1. Implementation phases of e- NAM

S.No	States	APMCs		
		Pilot phase	Phase I(Sept. 2016)	Phase II March 2017 May2017
1	Andhra Pradesh	NA	12	22 22
2	Chhattisgarh	NA	5	14 14
3	Gujarat	3	40	40 40
4	Haryana	4	37	54 54
5	Himachala Pradesh	2	7	19 19
6	Jharkhand	1	8	19 19
7	Madhya Pradesh	1	20	50 58
8	Maharastra	NA	NA	15 45
9	Odisha	NA	NA	10 10
10	Rajasthan	1	11	25 25
11	Telangana	5	44	44 44
12	Uttarkhand	NA	NA	5 5
13	Uttar Pradesh	6	66	100 100
	TOTAL	23	250	417 455

Totally 585 markets are targeted to be integrated by March 2018. So far, 455 markets across 13 states have been integrated. From the Table 1 we can say that as far as the number of markets are considered Uttar Pradesh tops the list with 100 markets whereas Uttarkhand hits the bottom line with 5 markets. About 90 commodities are notified for trading on e –NAM platform. The graph 1 shows, in terms of trade Gujarat is leading with 7441.7 tons of quantity traded amounting to a total trade value of 14117.05 Cr followed by Uttarkhand while Odisha is lagging with 0.63 tons of quantity traded amounting to a meager 1.11 Cr of trade value.

Table 2. Statewise traded quantity and value

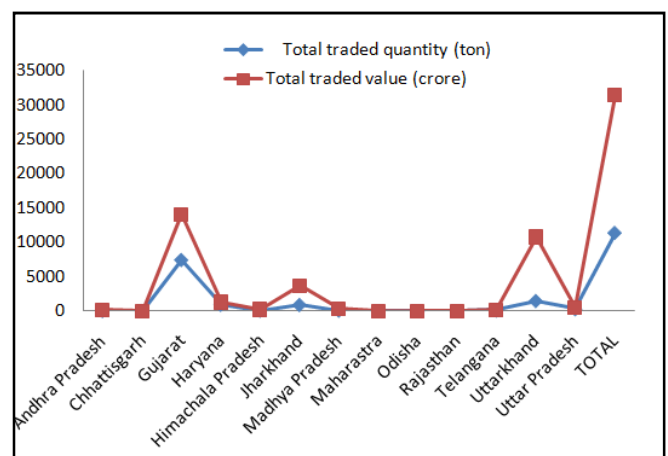
S.No.	States	Total traded quantity (ton)	Total traded value (crore)
1	Andhra Pradesh	35.52	128.14
2	Chhattisgarh	25.34	34.68
3	Gujarat	7441.7	14117.05
4	Haryana	935.21	1301.98
5	Himachala Pradesh	69.38	237.73
6	Jharkhand	907.05	3693.16
7	Madhya Pradesh	85.41	365.31
8	Maharastra	1.55	4.32
9	Odisha	0.63	1.11
10	Rajasthan	1.95	5.01
11	Telangana	94.58	195.4
12	Uttarkhand	1480.26	10777.14
13	Uttar Pradesh	293.1	563.02

NEED OF e –NAM?

e –NAM provides all APMC related information regarding commodity arrivals, prices, buy and sell trade offers and its respond and other service. It regulates continuous material flow through online market and reduces transaction costs and information asymmetry. Abolishment of market fragmentation within the same state which hinders the free flow of

OBJECTIVES

- A national e-market platform for transparent sale transactions and price discovery initially in regulated
- markets. Willing States to accordingly enact suitable provisions in their APMC Act for promotion of e-trading by their State Agricultural Marketing Board/APMC.
- Liberal licensing of traders / buyers and commission agents by State authorities without any pre-condition of physical presence or possession of shop /premises in the market yard.
- One license for a trader valid across all markets in the State.



Graph 1. Statewise traded quantity and value

- Harmonization of quality standards of agricultural produce and provision for assaying (quality testing) infrastructure in every market to enable informed

bidding by buyers. Common tradable parameters have so far been developed for 25 commodities.

- Single point levy of market fees, i.e on the first wholesale purchase from the farmer.
- Provision of Soil Testing Laboratories in/ or near the selected mandi to facilitate visiting farmers to access this facility in the mandi itself. M/s. Nagarjuna Fertilizers and Chemicals Ltd. is the Strategic Partner (SP) who is responsible for development, operation and maintenance of the platform. The broad role of the Strategic Partner is comprehensive and includes writing of the software, customizing it to meet the specific requirements of the mandis in the States willing to integrate with NAM and running the platform.

Implications

In spite of India's huge contribution in production of agriculture commodity, a considerable amount of agricultural produce is being wasted due to lack of proper marketing facilities. e-NAM helps in improvement of the marketing of agricultural produce regardless of physical distance, amount of production and land size of farmers which are biggest challenges faced by the rural farmers in marketing of their produce. With wide participation and perfect synchronization between markets and stakeholders, e-NAM can be successful by encouraging farmers to produce better quality crop and satisfying exchange standards. e-NAM enhances the quality of marketing by reducing the regional barriers throughout the nation to achieve the "one nation one market" goal of government. With open and competitive price fixing, fair pricing of products is possible due to transparency of markets and reduced interference of middlemen. It helps in maintenance of product quality by minimizing the physical damage. Even though agriculture provides maximum employment as compared to other sectors, but the contribution of agriculture sector to Indian economy is less as compared to industrial and service sector. With growing production in agriculture the marketing of agricultural produce plays most important role in increasing the contribution of agriculture to the economy thereby increasing overall status of agriculture in the country.

Suggestions

Since the transaction of agricultural commodities has been started, marketing of the produce have always been a problem faced by the producers specially the small farmers.

The govt. has tried to overcome all the problems related to marketing by introducing e-NAM in collaboration with APMC.

- Hitherto the farmers are not aware of it. For efficient work of e-NAM the farmers should be well informed about the availability of the facilities of e-NAM in order to avail them. Creation of awareness among the producers through various communication channels can be done to add to the quality of functioning of e-NAM.
- Provision of transport facilities can be encouraged to reduce the problem of rural farmers along with maintenance of the quality of produce by reducing physical damages.

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