



eNAM: Connecting farmers and traders

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National Agriculture Market (NAM) is a Pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities.

The NAM Portal provides a single window service for all APMC related information and services. This includes commodity arrivals and prices, buy and sell trade offers, provision to respond to trade offers, among other services. While material flow (agriculture produce) continue to happen through mandis, an online market reduces transaction costs and information asymmetry.

Agriculture marketing is administered by the States as per their agri-marketing regulations, under which, the State is divided into several market areas, each of which is administered by a separate Agricultural Produce Marketing Committee (APMC) which imposes its own marketing regulation (including fees). This fragmentation of markets, even within the State, hinders free flow of agri commodities from one market area to another and multiple handling of agri-produce and multiple levels of mandi charges ends up escalating the prices for the consumers without commensurate benefit to the farmer.

NAM addresses these challenges by creating a unified market through online trading platform, both, at State and National level and promotes uniformity, streamlining of procedures across the integrated markets, removes information asymmetry between buyers and sellers and promotes real time price discovery, based on actual demand and supply, promotes transparency in auction process, and access to a nationwide market for the farmer, with prices commensurate with quality of his produce and online payment and availability of better quality produce and at more reasonable prices to the consumer.

Objectives of NAM :

- 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.

- 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

Mandis :

- A reduction in book keeping and reporting system (reports were previously prepared *viz.*, daily minimum, maximum and modal prices and arrivals of commodities) which are now generated automatically

- Better monitoring and regulation of traders and commission agents (CA's).

- Completely transparent system which eliminates any scope of intentional/un-intentional manipulation of tendering / auctioning process.

- Improvement in the market fee collection by means of accounting all the transactions that are taking place in the market.

- Reduction in manpower requirements as tendering / auctioning process takes place through the system.

- Analysis and forecasting of the arrivals and prices.

– Availability of the activities of each APMC on the website directly.

Stakeholders :

Farmers :

– NAM promises more options for selling produce and making competitive returns.

Traders :

– NAM will provide access to larger national market for secondary trading.

Buyers, processors and exporters :

– NAM will enable direct participation in the local mandi trade, reducing intermediation cost.

State’s requirements for successful implementation:

In order to facilitate both - unification of market and online trading, it is necessary for the States to undertake reforms prior to seeking assistance under the scheme in respect of (i) a single license to be valid across the State, (ii) single point levy of market fee and (iii) provision for electronic auction as a mode for price discovery. Only those States/UTs that have completed these three pre-requisites will be eligible for assistance under the scheme. The States must ensure that the reforms are carried out both in letter and spirit through appropriate and unambiguous provisions in the APMC Acts and rules. Besides the State Marketing

Boards/APMCs must enable the promotion of the e-auction platform. The States will need to ensure that the mandis that are integrated with NAM makes provision for requisite online connectivity, hardware and assaying equipments.

Implementation phases : NAM is being deployed in selected 585 regulated wholesale markets in States/UTs desirous of joining the e-platform. Small Farmers’ Agribusiness Consortium (SFAC) is operating the NAM as the implementing agency with technical support from the Strategic Partner (SP). To facilitate assaying of commodities for trading on NAM, common tradable parameters have been developed for 25 commodities (Navigate to ‘Commodity Quality Planner’).

Through initiated these technological interventions, farmers have been empowered to take informed decisions on various choices on the basis of real time prices so as to trace out in which market they should sell their produce. All these technologies based efforts are aimed to provide cushion to farmer’s sale in absence of transparent market information.

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