



## **ANALYSIS OF THE IMPLEMENTATION AND FUNCTIONING OF THE eNAM PORTAL IN MAHARASHTRA FOR STRENGTHENING THE AGRICULTURAL MARKETING SECTOR**

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**Abstract:** The Indian government launched the electronic National Agriculture Market (eNAM) portal in 2016 to strengthen the agricultural sector and achieve the goal of one nation one market. The eNAM portal creates a virtual network-based pan-India market platform that links domestic markets, allowing farmers to sell their products anywhere in the country. This research paper aims to analyze the functioning, implementation, and status of the eNAM portal in Maharashtra, which has 118 Agricultural Produce Market Committee (APMC) mandis integrated with the eNAM platform. The study will examine the impact of eNAM on the agricultural marketing sector in Maharashtra and assess its effectiveness in increasing farmers' income. The research will also analyze the challenges faced by the eNAM portal and suggest measures to improve its performance.

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**Keywords:** eNAM, agricultural marketing, Maharashtra, virtual market, physical market, one nation one market, APMC mandis, farmers' income

### **Introduction**

India's agricultural sector is a crucial part of the economy, providing employment to millions of people and contributing significantly to the country's GDP. To strengthen the agricultural marketing sector and increase farmers' income, the Indian government launched the electronic National Agriculture Market (eNAM) portal in 2016. The eNAM portal creates a virtual network-based pan-India market platform that links domestic markets, allowing farmers to sell their products anywhere in the country. The eNAM portal is a significant milestone initiative that helps achieve the government's goal of one nation one market for agricultural produce.

The eNAM portal aims to create a unified national market for agricultural produce by integrating Agricultural Produce Market Committee (APMC) mandis across the country. The eNAM portal creates a virtual market at the front end, while the back end comprises physical markets. This integration of physical and virtual markets creates a transparent and efficient system for farmers to sell their products, leading to increased competition and better prices.

In Maharashtra, 118 APMC mandis have been integrated with the eNAM portal. This research paper aims to analyze the functioning, implementation, and status of the eNAM portal in Maharashtra. The study will examine the impact of eNAM on the agricultural marketing sector in Maharashtra and assess its



effectiveness in increasing farmers' income. The research will also analyze the challenges faced by the eNAM portal and suggest measures to improve its performance.

To achieve the research objectives, the study will conduct a comprehensive review of the literature related to the eNAM portal and the agricultural marketing sector in India. The study will also conduct primary research by collecting data through surveys and interviews with farmers, traders, and government officials involved in the eNAM portal's implementation. The study will use a mixed-methods approach to analyze the data and draw conclusions.

APMC markets, and APMC markets for implementation of physical and online trading

### **Overview of eNAM**

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

Small Farmers Agribusiness Consortium (SFAC) is the lead agency for implementing eNAM under the aegis of Ministry of Agriculture and Farmers' Welfare, Government of India.

### **Vision**

To promote uniformity in agriculture marketing by streamlining of procedures across the integrated markets, removing information asymmetry between buyers and sellers and promoting real time price discovery based on actual demand and supply.

### **Mission**

Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.

### **e-NAM Process Flow**

- 1. Gate entry:** Trade process flow starts from the Gate entry. Once a farmer entered the market along with his/her commodity, he/she must inform to the gate and accordingly an electronic gate entry slip is generated. An entry slip consists of lot code (as a sequence of Mandi code-year-month-date-lot of the day), Farmer's name, Mobile Number of the farmer, Village, Commission Agent's name and Company, Commodity, number of Bags, Bag type, Approximate quantity, Vehicle Number, Market/sub market detail, Lot type (primary or secondary sales) and government ID. In this process, Registration is done for the first time mandi visitors.
- 2. Unloading of Commodity at Auction/Trading platform and Assaying:** After gate entry, farmer must unload the commodity at the Auction platform. If farmer wish to trade with any trader or commission agent in that case on his/her demand the commission agent/trader has to be allocated to farmer and the entry has to be made in the gate entry slip, otherwise, farmers can unload their produce in any of the trading platforms. The lot ID (gate entry slip) is displayed on the top of the lot in the trading platform. The Assaying Lab technician from the APMC will visit the lot and collect a minimum of 250grams of the sample of the commodity for assaying. The quantum of sample may vary from 250-500 gm as per the commodity specific assaying requirement. After drawing the sample, the assaying process is completed and the assaying report against the lot number is uploaded to e-NAM website for the next process. However, if the assaying machinery



is not available (for some of the commodities like moth and spices) the quality of the commodity is assessed on the basis of a physical examination by traders/commission agents.

**3. Generate e-bidding:** Based on the assaying report, mandi officials generate the e-bidding and fix the maximum bidding time. Traders will be quoting their price electronically for their interested lot. The same will be displayed on the display board at APMC.

**4. Bid Declaration:** Once the bidding time is over, a message of the highest Bid price is sent to the farmer's registered mobile number or he can view lot number wise final price displayed on the e-display board at APMC. If the farmer accepts the final price, the lot will be allotted to the trader for final purchase. If the farmer does not agree with the price, he/she may again go for e-auction.

**5. Weighment of sold commodity:** After successful completion of the auction process, the next process is Weighment of the commodity. Weighing of the commodity is done on the electronic weighing machine by the weigh men appointed by the mandi.

**6. Generation of Sale Agreement:** A primary bill is generated after Weighment. The sale bill contains Trader name and license number, Farmer detail, Commission agent Name and his license number, Agreement number, Commodity detail, packaging type and weight of the bag, Commodity price, Farmers price, Commission agent fee, Mandi fee etc.

**7. Payment to farmers & others:** Once the sale bill is generated, the buyer sends the money through RTGS/NEFT/ cash deposit through bank challan. At present farmers are demanding immediate cash, hence, the buyer pays cash to the farmer directly.

**8. Gate exit pass and gate exit:** After successful payment to the farmer, the commodity is handed over to the trader and subsequently the mandi official generates the exit pass which contains gate exit number, exit type, Vehicle number, APMC detail, Trader, lot type, Commodity, lot code, Bag type, number of bag and weight/ total number.

### **Status of E-Nam in Maharashtra**

“APMC is a statutory market committee constituted by a State Government in respect of trade in certain notified agricultural or horticultural or livestock products, under the Agricultural Produce Market Committee Act issued by that state government. States have several market areas, with each being governed by its respective APMC. These ensure that farmers are able to get the best possible market-determined prices through the auction method.”<sup>1</sup> The e-NAM system was implemented in Rajasthan with its initial launch in April 2016 in 8 states across country. As of Nov 2022, 118 Mandis are connected through e-NAM in Maharashtra.

### **Stakeholders of E-Nam in Maharashtra:**

The e-NAM system is a portal which integrate market to market through electronic mode by which farmers can sell their crops not only in local market but they can sell their crop all over the India, which will also help to eliminate middle men from agriculture sector. e-NAM is not only beneficial for farmers but it is also beneficial for other stakeholders which are as follows



<b>Traders</b>	21,730
<b>Commission Agents (CAs)</b>	17,543
<b>Service Provider</b>	0
<b>FPOs</b>	272
<b>Farmer</b>	12,21,580
<b>Total</b>	<b>12,61,125</b>

### **Standard quality Parameters required**

DMI has defined standard quality specifications for all the listed 203 commodities on e-NAM platform to be determined and certified. The major tradable parameters to be tested are physical in nature. All these standards are mention on website of eNAM.

### **Commodities Traded Under eNAM**

<b>Commodity Category</b>	<b>No. of Commodities</b>
FOOD GRAINS/ CEREALS	27
OILSEEDS	14
FRUITS	43
VEGETABLES	57
SPICES	16
MISC	46

### **Challenges to the eNAM process**

#### **1. Lot Generation**

- Lack of awareness of the eNAM scheme
- Inadequate infrastructure
- Complex registration process
- Absence of a unique identifier

#### **2. Quality assessment**

- Inadequate infrastructure, that is, equipment, manpower, and space for quality assaying (QA)
- Complete lack of trust of the traders or buyers
- Managing peak load or
- high quantity arrivals
- Mismatch between the traditional and the automated processes



### 3. e-auction

- Undeveloped IT infrastructure
- Unavailability of key information during auctioning process leads to distrust among the traders
- e-auction takes much longer than the conventional process
- High opportunity cost for trader

### 4. Payments and settlement

- Lack of trust in technology
- Farmers require cash payment to meet immediate expenses
- Digital payments are a barrier to repayment of informal loans that farmers have taken from commission agents

### **Government provides following support under e-NAM scheme:**

- i. e-NAM software is provided to States / UTs free of cost.
- ii. Department gives grant as one-time fixed cost to the States / UTs up to Rs. 75.00 lakh per mandi, for purchase of hardware, internet connection, assaying equipment and related infrastructure including cleaning, grading and packaging facilities and Biocompost unit, to make the mandi ready for integration with e-NAM platform.
- iii. A trained staff (Mandi Analyst) is deputed at each mandi, for an initial period of one year to provide day to day hand holding support to stakeholders and train other mandi staff.
- iv. Helpdesk support: A toll free No. (1800-2700-224) and email support ([enam.helpdesk\[at\]gmail\[dot\]com](mailto:enam.helpdesk[at]gmail[dot]com)) is available to enable stakeholders to raise their query.
- v. Online tutorials are available on [www.enam.gov.in](http://www.enam.gov.in)
- vi. Regular training of stakeholders (Farmers, Traders, FPOs, Mandi staff etc) are conducted to create awareness and handholding regarding e-NAM portal.

### **Conclusion**

The creation of eNAM is a milestone initiative which certainly helps in strengthening the agricultural marketing sector and increasing the farmers' income. About 15 per cent of the wholesale mandis in the country are under eNAM and in Maharashtra this figure is 39 %. eNAM is still at nascent stage. The most important challenge in front of Government of India is to integrate each and every mandi of country, setting up assaying labs in each mandi, provide logistics and other support systems for inter-mandi and inter- state trade, capacity build up of market participants, create infrastructure and institutions facilities and persuade farmers for greater participation in e-trading on eNAM. Farmers will be in a position to take full advantage of eNAM when it will fully operate throughout the country and make online payments gateway easier to make transfers faster.

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**Web Sites:**

<https://enam.gov.in/web/>