



**SFAC**  
लघु कृषक  
कृषि व्यापार संघ

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**Action Plan for development of Model Mandis under (e-NAM)**

Dear

As aware, Department of Agriculture, Cooperation and Farmers' Welfare (DAC&FW), Government of India is implementing National Agriculture Market (e-NAM) which is a pan India electronic trading portal, networking the existing APMCs and other market yards to create a unified national market for agricultural commodities. As on date, 455 APMCs are integrated with e-NAM portal across 13 States.

In order to achieve the desired objectives of the National Agriculture Market, an Action Plan for development of model mandis under e-NAM has been prepared as enclosed and being forwarded to you, with request to circulate it to the integrated e-NAM mandis to implement the same in their mandis. The action plan includes major components of electronic marketing, requirement of infrastructure, step by step standard process flow, activity & progress indicator and monitoring framework.

Further to inform that the key to the success of e-NAM lies in transforming the physical trade to electronic trade, so that farmers are able to reap the benefits of the scheme in true sense. The enclosed Action Plan would definitely help you in developing the Model Mandis which may be showcased as a model and may further be scaled up to all e-NAM mandis of your State for achieving the desired results of the scheme.

Thanking you,

Yours sincerely,

Sd/-  
(Sumanta Chaudhuri)

To  
Principal Secretary, Secretary(Agri),.....  
(As per list attached)

**Small Farmers' Agribusiness Consortium**

(Society sponsored by Dept. of Agriculture and Cooperation, Govt. of India)  
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Copy to:

1. Joint Secretary (Marketing), DAC&FW, Krishi Bhavan, New Delhi: for kind information
2. Sh. Dushyant Tyagi, Strategic Partner, M/s NFCL: for information and necessary action.

  
(Sumanta Chaudhuri)

List of Principal Secretary, Secretary(Agri)..... addressed to 13 States

1. Shri Sanjay Prasad,  
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3. Shri Anup Kumar Srivastava,  
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10. Ms. Neel Kamal Darbari,  
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11. Shri C. Parthasarathi,  
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12. Shri Rajneesh Gupta,  
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13. Shri D.Senthil Pandiyan,  
Principal Secretary (Agri.),  
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Uttarakhand Sachivalaya, Subhash Marg,  
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## Action Plan for Development of Model Mandis under National Agriculture Market

In order to assist the States in strengthening the working of e-NAM, it has been decided that State shall develop Model Mandis in each State for e-NAM operation. These mandis shall have all necessary physical (boundary, exit & entry gate) infrastructures, including electronic weighing bridge, internet lease line, assaying facilities, manpower and other requisite infrastructure (enclosed annexure II) for online bidding and payment operations in the mandis. GOI has also deputed the Mentor for end to end monitoring and mentoring of these mandis to take this initiative forward.

The mandis selected for development of modal mandis will have following operational modalities, which have been envisaged under National Agriculture Market (NAM):-

**a) Farmers and other Users Registration Desk:-**

Dedicated Registration Desks are to be arranged by the mandis for registration of users. Real time online bidding and electronic settlement process mandatorily requires complete registration details (Personal details, valid identity proof, availability of mobile number and bank account details) of Farmers', Traders, Commission Agents, Mandis and other stakeholders.

**b) Real time online bidding:-**

Real-time online bidding includes e-auction and automated post auction process like weighing, invoicing, market fee collection, accounting, payment of sale proceeds directly to farmers.

**c) Trading of commodities based on quality testing:-**

Assaying / Quality testing is an essential requirement for inter-mandi and inter-state trading of commodities on e-NAM portal. While tradable parameters of 69 commodities have been prepared & uploaded on the NAM portal, assaying laboratories are yet to be fully developed and made functional. States are requested to give priority on setting up of assaying laboratories in e-NAM mandis. Trading of commodities based on quality testing report is one of the pre-requisites to facilitate inter-mandi and inter-state trade.

**d) Online payment:-**

e-NAM facilitates assured payment through online payment system directly in the bank accounts of the seller and other stakeholders.

**e) Inter-mandi / State Trades :-**

The basic objective of NAM is to facilitate for Inter-mandi and Inter-state trade. For the farmers, NAM promises more options for sale at its nearest mandi. For the local traders, Bulk buyers, processors, exporters in the mandi, NAM offers the opportunity to access a larger national market from being able to participate directly in trading at the local mandi level through the NAM platform, thereby reducing their intermediation costs.

**f) Regular trainings and awareness :-**

There is need to educate and encourage the stakeholders to adopt trading through e-NAM for real time price discovery, better transparency, quality based informed bidding and assured payment. Therefore, regular trainings in these aspects shall be required.

A detailed step by step process flow is enclosed in annexure III for the guidance of the mandi officials.

**1) Proposed Action to be taken by States / APMC and SP:-**

It is targeted that proposed model mandis in the States should be functional in all aspects as indicated above by October 1st, 2017. Necessary infrastructure should also be in place before this period. Specific indicator has been developed for assessing the progress of the Model Mandis. At the first instance, infrastructure needs to be assessed as per the enclosed format in the annexure I for requisite infrastructure. Weekly progress review of the model mandis will also be started from first week of October, 2017 by the DAC&FW / SFAC. Action is also required from various stakeholders are as follows:-

**a) Actions to States/APMC:**

States have to ensure that following requirements should be made available well in time for developing the model mandis.

1. Setting up of quality assaying and grading infrastructure in the States, including manpower requirements for operating a lab on a regular basis;
2. Adequate manpower (data entry operators) needs to be deployed in the mandis for routine operations;
3. Primary infrastructure and desired speed of internet must be available for smooth operations;
4. Beneficiary account details of all the users in the 'APMC is required to promote online payment
5. The standard process flow needs to be followed by each model mandi as annexed in annexure III.

**b) Actions to SP:**

SP has to ensure that following requirements should be made available well in time for developing the model mandis.

1. State Coordinator shall make frequent visits to the model mandi/s for assessment of the infrastructure available and will report actual status of infrastructure available in the mandis to SFAC / DAC&FW as per annexure I by **30<sup>th</sup> September, 2017**.
2. SP has to ensure that training and capacity building programme should be conducted on priority in the model mandis by **30<sup>th</sup> September, 2017**.
3. SP has to ensure that real time online trade / e-auction shall be conducted in the mandis.
4. Mandi Analyst has to ensure that actual arrival data of the mandi is to be captured in the system for calculating actual arrival vs. trade on e-NAM portal.
5. SP will develop system generated MIS I and II report in the e-NAM portal and will send the weekly report to the mail ID's of respective offices of SFAC / DAC&FW automatically at the end of the day.

**c) Specific indicator for assessment of working of model mandis:** Following are the criteria for the assessment of the progress of model mandis.

**1. Registration of Farmers on e-NAM portal**

- a) Average No. of Farmers visited the Mandi for selling the produce during the month

- b) Number of Farmers registered on e-NAM out of total Farmer visited the mandi during the month
- c) Percentage of registered Farmers vs. Farmers visited the mandi
- d) Number of Farmers traded on e-NAM out of total Farmer visited the mandi during the month
- e) Percentage of Farmers traded on e-NAM portal out of total Farmers visited the mandi
- f) **Targets to be achieved in the model mandis:-** 100% Farmers visiting to the mandi should be registered in the phased manner on the NAM portal.

**2. No. of commodities being traded on e-NAM portal:-**

- a) Total number of commodities proposed by APMC for trade on e-NAM, as per DPR
- b) Number of commodities (with maximum arrivals / trade value) traded on e-NAM out of proposed commodities
- c) Percentage of commodities traded on e-NAM
- d) **Targets to be achieved in the model mandis:-** - At least 75% of the proposed major commodities in the DPR should be traded on e-NAM portal.

**3. Registration of Traders on e-NAM portal:-**

- a) Total number of licensee traders in the mandi
- b) Total number of traders registered on e-NAM
- c) Number of traders who have participated in trade on e-NAM
- d) Percentage of registered traders who participated in trade
- e) **Targets to be achieved in the model mandis:-** 100% licensee traders of the mandi should be registered on the NAM portal.

**4. Total arrival vs. trade on e-NAM portal:-**

- a) Total arrival in mandi (Qt)
- b) Total quantity traded on e-NAM out of total arrival of the mandi (Qt)
- c) Total value traded on e-NAM out of total arrival of the mandi (Rs. in Cr)
- d) Online payment made through the portal (Rs. in crore)



f) **Targets to be achieved in the model mandis:-**

- a) 100% arrival needs to be captured in the model mandis.
- b) All the major commodities of the mandis should be traded on the NAM portal and at least 50% of total volume of the commodities should be traded on the e-NAM portal.
- c) Quality assaying based informed bidding should be conducted at least in 10% of total lot traded on the e-NAM portal.
- d) At least, 10 % payments of the online trade should be made through online payment process.

**Requisite Manpower and Infrastructure assessment MIS for a Model Mandi**

Name of the Mandi:

State:

Particulars	Description	Unit / No.	Status
Entry Gate	Computer	2	
	Printer	2	
	Handheld Device	2	
	Computer Operator	2	
	Internet (5-6 MBPS)		
Quality Testing lab	Building for Lab		
	<b>Lab Equipments</b>		
	a) Moisture Meter	2	
	b) Weighing Scale	2	
	c) Computer	1	
	d) Printer	1	
	e) Other ancillary equipments required for quality testing	As needed	
	f) Sampling equipments	As needed	
	g) Sampler	2	
	h) Lab Analyst	2	
	Internet (5-6 MBPS)		
e- Auction	Auction Hall	1	
	Projector / LCD screen	1	
	Computer for Administrator	1	
	Computer for users	5	
	Internet (5-6 MBPS)		
	Manpower / Computer Operator	5	
Weight bridge	Electronic Weighbridge	1	
	Weigh scale		
Exit Gate	Computer	2	
	Printer	2	
	Computer Operator	2	
	Internet (5-6 MBPS)		
Power back up	Generator	1	
	UPS	As needed	

**Monthly MIS report to be prepared for assessment of progress report of the model mandis:****MIS – II**

District	Mandi	Average No. of Farmers visited the Mandi for selling the produce during the month	Number of Farmers registered on e-NAM out of total Farmer visited the mandi during the month	Percentage of registered Farmers vs. Farmers visited the mandi	Number of Farmers traded on e-NAM out of total Farmer visited the mandi during the month	Percentage of Farmers traded on e-NAM portal out of total Farmers visited the mandi

**MIS - III**

District	Mandi	Total number of commodities proposed by APMC for trade on e-NAM, as per DPR	Number of major commodities traded on e-NAM out of commodities notified	Percentage of commodities traded on e-NAM	Total number of licensee traders in the mandi	Total number of traders registered on e-NAM	Number of traders who have participated in trade on e-NAM	Percentage of registered traders who participated in trade

**MIS – IV**

District	Mandi	Total arrival in mandi (Qt)	Total quantity traded on e-NAM out of total arrival of the mandi (Qt)	Total value traded on e-NAM out of total arrival of the mandi (Rs. in Cr)	Online payment made through the portal (Rs. in crore)	Total No. of lots traded on e-NAM portal	Total No. of lots assayed before trading on e-NAM portal

## NAM PROCESS FLOW

### **1. Entry into APMC Market**

- ▶ Farmer to bring his/her produce at the APMC gate by himself/herself or through commission agents
- ▶ APMC designated person to log into the NAM portal and make an entry about the farmer and his/her produce at the entry gate
- ▶ Farmer to provide his/her ID (provided to him/her by the APMC) in order to capture the information in the software
- ▶ If the farmer is not registered in the NAM portal, the APMC official is required to register him/her on the spot and issue a unique ID.
- ▶ Farmer to get a system generated unique lot number. This lot number is to be pasted on the bags that contain the commodities
- ▶ The farmer will have an unique lot numbers for easy reference of his /her lots.

### **2. Sorting and Grading**

- ▶ the farmers may sort and grade of their produce, if the sorting and grading facilities are available in the mandi.
- ▶ Sorting and grading is to be carried out prior to assaying

### **3. Testing / Assaying Lab**

- ▶ Farmer or commission agent to get the produce assayed at the APMC testing lab
- ▶ Quality testing lab will do the assaying based on the defined testing parameters for various commodities traded under NAM
- ▶ Lab technicians or the commission agent will log into the NAM portal and upload the testing results linking it to the lot number of the produce.
- ▶ Test results will provide assessment based on the reference range as indicated in the quality parameters of various commodities.

### **4. E-Trade Section on NAM Portal**

- ▶ Once the lot has been put for sale on e-Trade section; it will be validated by an APMC official.
- ▶ once validated, the offer will be visible to all registered users (prospective buyers) on the portal
- ▶ Registered and validated traders can place their bid on the sale offer. These may be closed bids (not visible to others) or open auctions) depending on the prevailing practice for sale of produce in the mandi.

- ▶ Bidding should be allowed till a fixed period of time (say up to 1:45 pm), after which the NAM portal will not except any more bids on that day
- ▶ Results of the bidding will be declared at 2pm or any other time decided in the local APMC and the winning bid will be visible to all users.

#### **5. Weighing and Delivery & Settlement**

- ▶ Farmer's produce to be weighed at designated weighing centers post execution of trade. This information is updated in the NAM portal and linked to the lot number of the produce by the farmer or the commission agent.
- ▶ If electronic weighting machine exists, the entries should directly feed into the NAM web portal from the electronic machine
- ▶ Once the trade has been confirmed, NAM platform shall generate a primary invoice automatically. The invoice shall be sent to the winning bidder on email and sms.
- ▶ The winning bidder will have to deposit the amount as calculated by the NAM portal. This amount will include APMC transaction charges, commission agent fees, loading / unloading charges etc.
- ▶ Winning bidder will be able to deposit the amount online using NEFT or online payment gateway provided on the NAM portal.
- ▶ Once the funds are received by NAM, a confirmation message is sent to the Commission Agent and the Farmer.
- ▶ Depending on the terms of delivery, the winning bidder can take the delivery of goods at the APMC market or the commission agent /seller will dispatch the goods through a registered transporter through pay basis (to be paid by the buyer).
- ▶ Funds due to be paid to the Commission Agent and Seller (Farmer) will be transferred to their respective bank accounts after acceptance of delivery by the buyer within 1 business day by the bank operating the NAM account.

#### **6. Exit Gate**

- ▶ When a lot (whether sold or unsold) is carried out of the APMC market, APMC official at the Exit gate will make a note of it in the NAM portal.