Slowly but steadily, the eNAM platform is taking root

Total of 585 mandis have been covered; 85% of these have assaying labs

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The electronic National Agriculture Market (eNAM), the flagship scheme of the Centre, has been facing criticism on several fronts since its launch in 2016.

These relate to the absence of assaying/grading infrastructure, the delay in online payment, failure of the server during peak arrivals and software glitches.

However, from numbers given by highly placed sources, it appears that there has been an effort to resolve the challenges.

The target for the number of mandis to be covered under eNAM in the first two years — 585 mandis across 16 States and two Union Territories — was achieved in March 2018.

A few other States and Union Territories are not yet on board eNAM either because they have not carried out the regulatory reforms required for facilitating electronic trade (Delhi, Meghalaya, Assam, Nagaland and Tripura) or because the APMC Act, which puts up the basic framework for a regulated spot commodity market, is not in force (as in Bihar, Kerala, Manipur, Andaman and Nicobar Islands, Diu, Dadar and Nagar Haveli).

In the case of Jammu and Kashmir, the APMC is non-functional.

A few States — such as — Karnataka, Arunachal Pradesh, Sikkim, Mizoram and Goa — have carried out agricultural marketing reforms, but are still not on eNAM.

Showing progress

So far, inter-mandi trade has started in Andhra Pradesh, Telangana, Chhattisgarh, Haryana, Uttar Pradesh, Uttrakhand and Madhya Pradesh. Work has also begun on setting up assaying labs in each mandi and putting in place the logistics network.

The number of assayed lots at eNAM mandis has risen from 1 lakh in 2016-17 to 13 lakh in 2017-18. In the four months of the current year, about 8 lakh lots of different commodities have been assayed, and 2018-19 may close with 20-25 lakh assayed lots.

That number is insignificant, considering the assaying requirement of all commodities in the 585 markets, but the progress is encouraging.

Almost 85 per cent of the 585 mandis under eNAM today have the basic assaying machinery: digital moisture meter, hot air oven, weighing balance and the required manual lab equipments.

Online payment

Farmers can derive the full benefit of an online platform for spot transaction only if they get instant payments.

However, for many reasons, including traders’ unwillingness to pay in white and farmers’ fear that their money in banks will be used to settle crop loan dues, online payment has not gained traction. Mandi officials are, however, persuading traders and farmers to embrace it.

Online payments on the portal increased from ₹3.38 crore in 2016-17 to ₹70.62 crore in 2017-18. Between April and July of this financial year, they crossed ₹68.17 crore.

Long way to go

While about 10 per cent of the mandis in the country are under eNAM now and work on building assaying laboratories is also on, the platform’s impact as captured by the number of bids per lot (number of buyers a farmer gets for his produce) shows that eNAM is still at a nascent stage.

Though large mandis such as Nizamabad and Suryapet in Telangana, Adoni and Guntur in Andhra Pradesh and a few mandis in Chhattisgarh and Rajasthan record an average of about 30/35 buyers per lot in peak arrival seasons, the national average is small.

The average (national) number of bids received per lot on the eNAM platform is 4.54, up from 3.28 last year.