

Role of e- NAM in Agricultural Marketing

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Introduction:

The National Agriculture Market (e-NAM) is a pan-India electronic trading portal introduced by the Government of India to facilitate farmers in earning better prices for their produce.

- ➔ The scheme aims to deploy a common e-market platform of 585 selected regulated wholesale agriculture market yards by March.
- ➔ The objectives of e-NAM include creating a unified national market for agricultural commodities, promoting transparency and efficiency in trading, and providing better price discovery for farmers.
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- ➔ One of the most significant benefits of e-NAM is the increased accessibility to markets for farmers and traders.

- ➔ The platform enables transparent online trading, which can help farmers to earn better prices for their produce
- ➔ By creating a unified national market, e-NAM can also help to eliminate the need for intermediaries, reducing transaction costs for farmers and improving their profit margins.
- ➔ One of the main hurdles is aligning the interests of all stakeholders, including farmers, traders, and commission agents.
- ➔ Another challenge is ensuring the availability of adequate infrastructure, such as internet connectivity and storage facilities, in rural areas.
- ➔ However, the future scope of e-NAM is promising, with the potential to expand the platform to include more commodities and markets. With continued government support and investment, e-NAM can contribute to the growth and development of the agricultural sector in India, benefiting farmers, traders, and the economy as a whole.

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e-NAM Process flow

Benefits And Limitations

Benefits:

- **Increased Market Access:** e-NAM (National Agriculture Market) provides a digital platform for farmers to sell their produce to buyers across different states, thus increasing their market reach.
- **Price Discovery:** It enables farmers to discover the best prices for their produce in real-time, allowing them to make informed decisions and potentially earn higher incomes.

- **Reduction of Middlemen:** e-NAM reduces the dependency on intermediaries, leading to better price realization for the farmers and lower costs for buyers.

Limitations:

- **Infrastructure and Connectivity:** In rural areas, the lack of proper internet connectivity and digital infrastructure can hinder the seamless functioning of e-NAM, limiting access for many farmers.



- **Technical Knowledge:** Many farmers may not be well-versed with the technology and processes involved in e-NAM, posing a barrier to their participation.
- **Regulatory Challenges:** Different state regulations and taxes can create complexities for interstate trade, impacting the smooth operation of e-NAM.

Solutions:

- **Infrastructure Development:** Investing in rural infrastructure and improving internet connectivity can help in overcoming the connectivity challenges.
- **Training and Support:** Providing training and support to farmers on using the e-NAM platform can enhance their technical capabilities and encourage participation.
- **Harmonization of Regulations:** Streamlining interstate trade regulations and taxes can simplify the process and encourage more widespread adoption of e-NAM.

Summary:

e-NAM offers significant benefits such as increased market access, price discovery, and reduction of middlemen in agricultural marketing. However, challenges related to

infrastructure, technical knowledge, and regulatory complexities need to be addressed through infrastructure development, training, and harmonization of regulations to realize its full potential.

Tips and Best Practices

Understanding e NAM's Functionality and Features - Familiarize yourself with the features and functionalities of the e NAM platform, such as e-auction, trading, and payment facilities. Understanding these aspects will help you make the most of the platform and leverage its capabilities to streamline agricultural marketing processes.

Utilizing e NAM for Price Discovery - Use e NAM to access real-time information on prices of agricultural commodities across different markets. This can help farmers and traders make informed decisions about where to sell their produce for the best price. For example, a farmer can use e NAM to compare prices at different mandis (markets) and choose the one offering the highest rates for their crops.

Engaging in Transparent and Fair-Trade Practices - Leverage e-NAM's transparent trading system to ensure fair dealings and eliminate middlemen, thereby enabling farmers to receive better prices for their produce. By participating in e-auctions and direct selling through e NAM, farmers can

reduce the impact of intermediaries and obtain a fair value for their crops.

Accessing Market-Related Information and Trends - Regularly monitor market-related information, such as demand patterns, price trends, and quality standards, available on the e NAM platform. This can help farmers and traders align their production and marketing strategies with market demands, leading to more efficient and profitable operations.

Adopting Digital Payment Mechanisms - Embrace digital payment mechanisms available on e-NAM to facilitate secure and timely transactions. This can minimize the risks associated with cash transactions and enhance the financial inclusivity of farmers and traders, ultimately contributing to a more robust and transparent agricultural marketing ecosystem.

Frequently asked questions

Q: What is e NAM and what are its objectives?

A: e NAM stands for Electronic National Agriculture Market, which is an online trading platform for agricultural commodities in India. Its objectives include providing a single window for all agricultural commodities, promoting transparency in pricing, and integrating various markets to enable price discovery.

Q: What are the benefits of e NAM for farmers?

A: e NAM offers benefits to farmers by providing them with a wider market reach, reducing intermediaries, ensuring better prices for their produce, and enabling access to information on prevailing market prices. It also facilitates direct online trading, thereby saving time and transportation costs for farmers.

Q: How does e NAM benefit traders in agricultural marketing?

A: Traders benefit from e NAM as it provides them with a larger base of sellers and buyers, reduces the need for physical presence in multiple markets, and enables them to access real-time information on prices and demand. This leads to improved market efficiencies and increased profitability for traders.

Q: What are the challenges faced by e NAM and what is its future scope?

A: Some challenges faced by e NAM include resistance from traditional mandi players, lack of infrastructure in some areas, and issues related to quality control and standardization. The future scope of e NAM involves addressing these challenges, expanding its reach to more states, and integrating with other agricultural technology initiatives to further enhance its impact.

References

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