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Unified Market Platform Serves the Nation

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Russian helicopter crash captured on film. P12

APMC reforms, key for second green revolution

By Pavan Kumar H

History repeats during the harvesting of Rabi and Kharif crops in India. Farmers' suicides and violent protests by the farming community against the steep fall of prices in harvesting season has become some sort of a trend since many years.

The farmers, who dare to face the adversity posed by the unpredictable monsoon and still grow their crops, are crushed at the mandis by the commission agents, who have been treating the Agriculture Produce Marketing Committees as their fiefdoms.

Never before has there been demand, stronger than now, for the second green revolution in India. It is unfortunate that the first green revolution that was based on the introduction of hybrid seeds is not a solution for the second green revolution. The health of soil has deteriorated so much that even the use of the most sophisticated 'magical' seeds will not give surplus yield on consistently.

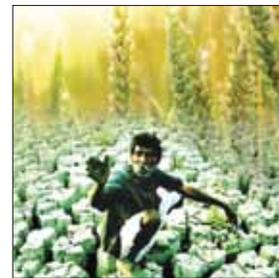
While returning to organic farming is said to be one of the methods to review

the crop production, along with the usage of technology, including introduction of BT (Bacillus Thuringiensis) crops and GM (Genetically Modified) crops. Those processes and testing time would take long duration to address the burning problem of the agriculture sector.

Experts, including the Union Agriculture Minister Radha Mohan Singh while addressing the national-level conference on 'Unified Agriculture Markets- Karnataka Model' in Hubballi recently, point out that the revolution needs to come from the marketing sector.

They believe that unless farmers are given a fair and transparent platform to sell their produce without coming under anyone's mercy and fear, the agriculture sector cannot be made profitable. And unless agriculture, which employs nearly 66 per cent of the rural population (according to a UN report), is made profitable, it is difficult for the government to arrest the attrition and suicide rate of our farmers.

However, there is a tiny ray of hope emerging from Karnataka. The state government, by amending its Karnataka



Agriculture Produce Marketing (Regulation and Development) Act in 2013, is trying to bring in transparency in the APMCs by reducing the interference of middlemen. As per the handbook issued by the Karnataka government relating to the Unified Market Platform (UMP), the Rashtriya e-Market service Private Limited (ReMS) was established to implement the Agriculture Marketing Policy and to bring in efficiency and transparency in the agriculture sector. The system

would be used to find an efficient price discovery for the benefit of the farmers and other market players.

The UMP is a market platform that takes care of the farmers produce from the gate level entry till the goods are delivered to the traders with 'anytime-anywhere e-permit'. The process involves less middlemen and more technology.

For example, a farmer from Ballari has brought 30 tonnes of onion to the APMC yard. While at the local market the cost of that produce may be less but in North India the demand of onion might be higher. Now the farmer, unlike in the past, has the opportunity to sell his produce to the traders of North India at a price which he feels is profitable.

The UPM also provides the farmer additional services like assaying and warehouse facility at the APMC yards. The farmer can even hold back his produce till he finds it safe to sell. A private third party company tests these crops and grade them for the benefit of the traders, who after going through all the testing results and lot samples, can make his bidding for the produce on an online plat-

form in a free and fair manner.

Talking to media persons at the event in Hubballi, Manoj Rajan, Additional Secretary, Co-operation Department of Karnataka Government and a brain behind the project, said "It is a fair platform for all the market players. Even the smallest and marginal farmer gets a chance to sell his produce at the national-level, where as the trader gets to buy the produce directly from the farmer at a better price," he says.

Results showing

At present, Karnataka has implemented this project at 55 of the 157 APMC yards and aims at implementing the project in all the whole sale markets. Rajan says that results are already showing in places where the project is implemented. At the Tiptur APMC in Tumukur district, which is known for copra, the project was implemented in February, 2014.

And, for the first in the history of that market, copra was sold between Rs 13,000 to Rs 18,000 per tonne. Earlier, copra was sold at a maximum price of Rs 8,000. Similar trends were also seen at

the mandis, which have implemented the process in the state. The UMP has also addressed the issue of payment, where the farmer gets his due amount within a stipulated time directly to his bank account through the Direct Benefit Transfer after deducting the market service charges and 2 per cent of the commission agent's charge, if any.

"It is a completely transparent transaction from the entry point at the APMC yard till it reaches the trader. There is hardly any scope for tampering and cheating. At every level, the system sends an SMS alert to the person concerned," says Rajan.

At the conference, agriculture ministers of 11 states and secretary-level officials of 23 states and Union territories had participated to understand and implement the same. Maharashtra, Andhra Pradesh, Gujarat, Delhi, Haryana and few others have already shown interest in implementing the project. Radha Mohan Singh also disclosed that the Union government wants to make 'One India one market platform' a reality for the farmers. One hopes it becomes a reality.

The Economic Survey Lauds NCDEX Karnataka Model

"In Karnataka, 51 of the 155 main market yards and 354 sub-yards have been integrated into a single licensing system. Rashtriya e-market Services Ltd. (ReMS), a joint venture created by the State government and NCDEX e Markets Ltd., offers automated auction and post auction facilities (weighting, invoicing, market fee collection, accounting), assaying facilities in the markets, facilitate warehouse-based sale of produce, facilitate commodity funding, price dissemination by leveraging technology. The wider geographical scope afforded by breaking up fragmented markets has enabled private sector investment in marketing infrastructure."

- Section 8.5, The Economic Survey 2014 - 15

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