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A whopping 42 lakh farmers opt for e-trading



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Traders watching tender declaration on the screen at an APMC in Sirsi in Uttara Kannada district.

Online trading helps them get higher prices for their produce in APMCs and eliminates the role of middlemen

In the midst of adverse climatic conditions, 42 lakh farmers in Karnataka have registered for online trading under the Unified Marketing Platform (UMP) and are getting higher prices for their commodities in agricultural produce marketing committees (APMCs).

The UMP, an initiative by the State government, has weeded out the role of middlemen in 157 APMCs. Till the launch of the UMP, middlemen cornered almost 75% of the final price, leaving a very little for farmers. APMCs often faced the disadvantage of middlemen deciding the price of the produce.

Launched in 2014 by the Rashtriya e-Market Services (ReMS), the UMP facilitated interaction between traders and farmers. The NITI Aayog commended the work done by the State Agricultural Marketing Department and said farmers had realised 38% more income in 2015–16 from the sale of commodities through e-trading.

Presently, more than 34,000 licensed traders are trading on UMP. The ReMS has been providing training to farmers and traders who are still new to the idea, Manoj Rajan, managing director and CEO, ReMS, told *The Hindu*.

Firms trading

Traders from Tamil Nadu, Andhra Pradesh, Maharashtra, Kerala, Haryana, West Bengal, and Delhi have taken the unified trader licence with Karnataka to trade and participate in online auctions. Agro firms such as Cargill, ITC, Reliance, Metro Cash & Carry, Godrej Agro, Pepsico India, Max Hypermarket, and Trinetra Super Retail have been buying in bulk through UMP. “Traders can quote prices online, which the farmers have a right to reject if it is not satisfactory,” the official said.

An analysis of prices of 20 major commodities shows an average increase in price from 15% to 45%. Farmers have got higher prices for commodities such as copra, black gram, toor, bengal gram, maize, Byadgi chilli, and tamarind in various markets in the State, Mr. Rajan said.

Unified single trading licence has allowed remote trader participation and it has shifted competition from local to national. “More number of participants in the markets has reduced local cartelisation and this has led to better price,” the official said.

“A farmer as usual needs to come to the market and just give details of his produce, name, village name, and mobile number at the gate. With the help of a data entry operator, the information is fed into the electronic platform and the commodity would be ready for sale,” Mr. Rajan said.