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Despite drought, Karnataka farmers earned 38% more than last year

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HIGHLIGHTS

- Karnataka farmers earned 38% in 2015-16 from sale of agri-commodities through the e-trading interface Unified Market Platform
- The income is expected to double in 2016-17 with many more markets coming under UMP



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BENGALURU: Notwithstanding the consecutive years of drought over the past three years, Karnataka farmers earned 38% in 2015-16 from sale of agri-commodities through the e-trading interface Unified Market Platform (UMP), according to a Niti Aayog report.

The income is expected to double in 2016-17 with many more markets coming under UMP, said a senior agriculture marketing official. UMP, an initiative of the Rash triya e-Market Services Ltd (ReMS), is a joint venture between NCDEX e-Markets Limited and the Karnataka government. It was set up in 2013-14 as part of the market reforms initiative and, encouraged by its success, the Narendra Modi government rolled out the electronic-National Agricultural Markets (eNAM) last year.

"About 42 lakh registered farmers sold Rs 56,696 crore worth farm produce online in 157 markets so far," said Manoj Rajan, managing director and CEO of ReMS.

An analysis of 20 major commodities shows an average price rise from 15% to 45% and increase in revenue for both the state and farmer. For instance, the Byadgi Chili market received 38% increased arrivals and 71% increase in prices in 2016-17 compared to 1415. Tur dal markets in Kalaburgi, Bidar, Raichur and Yadgir showed the prices increased by 7080%.

Rajan said the UMP platform brought transparency in market operations and facilitated participation of buyers from across the country, resulting in better prices and higher returns to farmers. Granting of single licence to traders to allow them to operate from any part of the country created competition and reduced local cartelization, thereby increasing efficiency of market chains, he added.

Technology has also provided little scope for traders/middlemen to fleece farmers. The recently introduced online payment of the sale proceeds to bank accounts of farmers in some major markets will go a long way in doubling farmers' incomes in future.

Mahadevappa, a farmer at Tumakuru APMC, said: "Before e-tendering, we'd know about produce price through commission agents, who cheated by quoting low prices. Now, because of online trading, we receive information of the exact price and buyer details as an SMS on our mobiles. Besides, the time we take to trade has come down from a day to one hour."