UMP: The Next Game Changer After GST?

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With 'One Nation, One Tax' becoming a reality in the form of GST, India has now taken a firm step towards realising its goal of becoming 'One Nation, One Market' for Agricultural Commodities. However, Agricultural Marketing being a State subject, special attention needs to be given by the States to be part of this grand vision. A good example is the market reforms undertaken in the State of Karnataka through the Unified Market Platform (UMP) – an Online e-Trading Platform for Agricultural Produce. The UMP is the first of it's kind initiative to successfully create a State Agricultural Market (SAM) by seamlessly connecting Farmers, Traders and Buyers across Karnataka to trade on a single platform. This prompted the Central Govt. to adapt the initiative as Electronic National Agricultural Market (e-NAM) after visiting the Hubli market in September 2014.

The UMP is focussed on enhancing farmers' income as per the Karnataka Govt.'s Agricultural Policy and major parts of this policy finds it's place in the new APMC Model Act enacted by the Central Govt. In NITI Aayog's research report on 'Doubling Farmers' Income', Prof. Ramesh Chand, who has a Ph.D in Agricultural Economics and holds the rank and status of Union Minister of State, lauded the UMP for playing a pivotal role in

increasing Karnataka's farmers' income by 38% through the direct sale of their produce on the platform.

Now, after seamlessly running across 157 mandis (APMCs) and creating 'One State, One Market' in Karnataka, the UMP initiative has succeeded in wooing Traders and Institutional Buyers from other States to trade on it's platform through a 'Unified License' – a single trading license which enables them to easily purchase agricultural produce from any APMC in Karnataka. This has brought a smile on the face of over 42 lac farmers registered on the UMP as they are no longer confined to Karnataka's borders and can now directly sell their produce in other States. Using the 'Unified License', over 32,000 Traders and Large Institutional Buyers like Reliance, ITC, Pepsico India, Godrej Agro, Metro Cash & Carry, ADM, Cargill, Max Hypermarket and Trinetra Super Retail have enrolled on the UMP. Till date, over 298 lakh tonnes of agricultural commodities valued at Rs. 56,696 crore have been traded through the UMP.

The UMP is an initiative of Rashtriya eMarket Services Pvt. Ltd. (ReMS) – a Joint Venture Company set up in February 2014 by NeML and the Karnataka State Govt. Under the able leadership of it's MD & CEO, Mr. Manoj Rajan (Additional Secretary, Govt. of Karnataka), ReMS was conferred the prestigious DL Shah Platinum Award for it's defining role in transforming Karnataka's Agricultural Markets. Recently, ReMS was also recognised as one of the 'Gems of Digital India' for enhancing farmers' income in Karnataka and its potential to do the same at national level.