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## Digital steps to regularize the movement of Agricultural Produce during Covid-19 Lockdown

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### Abstract

The country is currently undergoing a 40-days national-level lockdown because of the covid-19 outbreak and in this situation this very difficult for the farmers to reach the wholesale market or mandis to sale their produce also the consumers they cannot reach the wholesale market so there is a problem with storage, transportation, risk-management, logistic and many more marketing activities. This has led to some disruption in the supply chains, mostly in selling and buying of commodities specially food commodities. Recently, the Ministry of Agriculture and Farmer's Welfare has launched 3 new features under the eNAM platform. These new features do not require farmers to physically move to the wholesale market to sell their crop produce, as well as to run agricultural marketing smoothly in this time of epidemic. Features under eNAM provide mobile based payment and contactless remote bidding and it helps improve social distance and safety in the APMCs to fight against covid-19. The main objective of research work is to emphasize the action plan steps taken by the union government to regularize movement of agricultural produce in the time of Covid-19 lockdown in our country. This is review paper and based on the secondary data sources which have been collected from the research papers, latest articles, websites, online news and government reports etc. The study captured step taken by government to expand the digital agriculture market by adding more mandis to clear the blockage under supply chain faced by the wholesale market yard. As of now, 585 mandis are linked to eNAM, with the union government planning to add additional 415 mandis to it, bringing the total number to 1000.

**Keyword:** Covid-19, Epidemic, Agricultural Produce, eNAM, Mandis, Farmer, Consumer

## Introduction

In our country traditionally, farmers used to sell away their produce to the village pawnbrokers at a very low price. The pawnbrokers and traders buy independently or work as an broker of a noble merchant of the nearby mandi. Secondly, farmers who have significant surplus agriculture produce, sell through wholesale markets located in several small and large towns. Now in Modern days most latest and online platform of marketing for agricultural produces which aims transparency and doubling farmer income is eNAM. Electronic national agriculture market is a portal which facilitates a single-window service for all agricultural commodities and livestock market related tidings and services, including prices, quality and produce arrivals, provisions to answering trade proposals and electronic payment settlements directly to farmer's account. Due to COVID-19 country level lockdown, the small farmers agribusiness consortium (SFAC) initiating the e-NAM framework under the agriculture ministry, plans to add 415 more mandis, this will take the total number of linking mandis to 1000 across 21 states and union territories, which will help farmers get real-time payments.

The spread of covid-19 virus epidemic in India and its of 40 days mitigation plan nationwide quarantine from 25<sup>th</sup> march 2020 to 3<sup>rd</sup> may 2020 and the quarantine lockdown is likely to be further expanded by many state government, likely to have a significant impact on the Indian agriculture sector. Despite all these measures and restrictions on the movement of people and vehicles continues, concern has been expressed about the negative impact of the corona virus epidemic on the agricultural economy. This is the peak time of rabi season in our country and wheat, gram, lentil, mustard etc. are at crop stage or reaching near maturity. It is the time when the harvesting of the farm reaches the market yard or mandi for the procurement tasks ensured by the designated government agencies, Moreover, Corona disruption in the supply of fruits, vegetables, dairy products, etc., to meet a burgeoning middleclass as well as growing demand from urban and rural consumer can cause irreparable damage to all actors in the supply chain. Migration of workers from some parts to their places of origin has also triggered panic buttons, as they are important for both harvesting operations and subsequent or post-harvest handling of produce in storage and marketing centers. Thereafter in this pandemic time Indian government has taken some steps keeping in mind the final condition of agricultural crops and how to Regularize Movement of Agricultural Produce from farm to consumers.

Therefore on April 2, 2020, the union ministry of agriculture launched 3 new features of eNAM. This aims to strengthen agricultural produce marketing. The main objective of the features is to reduce the congestion in the wholesale mandi which will help fight against COVID-19.

## Objective

- To emphasizes the current state of agricultural marketing during Covid-19 breakdown and also address digital steps to regularize movement of agricultural produce in the time of Covid-19 lockdown in India.

## Methodology

- This study is based on qualitative systematic reviews, secondary data sources which have been collected from the research papers, latest articles, websites, newspapers, online news and government reports etc.

## Agriculture Presence at Present

India is an agriculture based country, where more than 50 percent of population is depends on agriculture. India has achieved significant growth in agriculture, increasing food grain production from 83 million tonnes in 1960-61 and about 275.68 million tonnes in 2017-18. This has enabled our country to not only achieve self-sufficiency in food production to meet the country's food requirement, but also to export and contribute to foreign earnings. It contributes around **14%** of India's gross domestic product (GDP) and provides total **43.21** percent employs in India. This structure is the main source of income.

**Table: 1. Agriculture Contribution (2019-2020)**

<i>Sector contribution to GDP</i>	14 percent
<i>contribution to Employment</i>	43.21 percent
<i>Agriculture Market Size</i>	<ul style="list-style-type: none"> <li>○ Food &amp; Indian Retail Market (Projected to touch USD828.92 billion)</li> <li>○ Food Processing market (expected to grow from USD322(2016) to USD543 billion(2020))</li> <li>○ Indian Dairy (expected double USD140 billion)</li> </ul>
<i>Global Status/ Presence</i>	<ul style="list-style-type: none"> <li>○ World's largest processor, producer &amp; consumer of cashew nuts.</li> <li>○ World's largest producer, consumer &amp; Exporter of Spices.</li> <li>○ 1<sup>st</sup> in Dairy and 2<sup>nd</sup> in Food Grains, Fruits and Vegetables.</li> </ul>

**Source:** <https://www.investindia.gov.in/sector/food-processing>

The above table shows positive state of agricultural participation. But as we know because of COVID 19 has undoubtedly impacted on India's economic status as well as agriculture production and marketing also. In some cases prices of food stuff has gone up drastically. There are therefore positive and negative effects of the corona virus on the farmer. Farmers exposed to two main challenges. The first one, that will have an immediate impact on their activity, will be the consequence of COVID 19 and the resulting economic order that will be installed after the crisis. The second one, the farmer may not get right price for his produce given these two effects, and possibly

others, livelihood for farmers is becoming increasingly hard. The solution may be in rapid adaptation to new circumstance by the new initiatives takes by central government as eNAM.

## Addressing Covid-19 impacts on Agricultural Supply Chain

Covid-19 has a very bad impacts on India's economic status, the pandemic has cast its shadow in various economic activities with disarray in agriculture production, supply –chain, market & trade. The 40- days mitigation plan due to the spread of corona virus in India is a nationwide lockdown from 25 march2020 to 03 may 2020 and further expansion of the lockdown is expected by the state government, it is likely to have an impact on the Indian agriculture sector as on disrupting some activities in agriculture and supply chains. Initial report suggest that the unavailability of migrant labor is hindering some harvesting activities, especially in north west India where wheat and pulses are harvested. There are disruptions in supply chains due to transportation problems and other issues. Prices for wheat, vegetables and many other crops have dropped, yet consumers are often overpaid. Reports show that the closure of hotels, restaurants, sweet shops, and tea shops in time of lockdown is already hopeless milk sales. Meantime, poultry farmers have been badly affected by misinformation, especially on social media, that chicken are the carriers of Corona virus. Pandemic nationwide lockdown has impacted the supply chain of agricultural commodities. Taking toll on the loading and unloading of agricultural produce. In addition, the lockdown has hindered the movement of trucks carrying essential produces. Many cold storage and warehouse owners complained about the death of workers. Reluctance to work for fear of beating by police, many laborers are staying home or leaving for their hometown. Overall, the Covid-19 has caused clampdown and disruption, eventually farmer's income decrease. The agriculture is one of its most fundamental components in countries and food supply chain is a complex network. One of the main services of the agricultural sector is food production, providing raw materials for other sectors, employment, and income generation. In the form of food security agricultural sector is one of the most important and influential sector in the countries. Therefore, there is a need for attention and planning in this area, it is necessary to identify and investigate the effects on these categories due to the corona epidemic. Practical and stimulating solution should be provided for organizations. The food supply chain includes various phases of production, processing of goods (factories) and, transportation, storage (and warehousing), retail and goods services. Although there was no supply shock today due to the availability of food, but in view of this pandemic today when social distance is compulsory, there is a need to identify and mitigate the problem faced in the food supply process. There are many different things exist, but the most important things is to shorten the supply route after production to make it accessible to all consumers. Today there is a phase of crisis due to covid-19 lockdown, due to the pandemic, the movement of agricultural produce in the country at the time of lockdown has been widely affected, there is no shortage of trucks in the country, but trucks are not being available for movement of agricultural produce. For which the government has initiated several steps to reduce congestion in the manis and to make supply chain agile that includes recently launched modules under eNAM. It is expected that eNAM and its new features will be helpful in agricultural marketing even during the epidemic like corona virus in the country.

## Digital Push to Expand Electronic Mandis

Looking at **COVID-19** Union Minister of Agriculture & Farmer's Welfare, Government of India iterates that **e-NAM** was launched on 14 April 2016 as a pan-India electronic trade portal, which connects APMCs in the states. As of now, 585 mandis in 16 states and 02 union territories have been integrated on eNAM portal. Government plan to expand digital agriculture market by adding more mandis, ministry planning to add additional 415 mandis to it, making the count reach a mark of **1000** across 21 states and union territories, this helps farmers to get real-time payments. Trade on has already reached **Rs 91,000** crore on its portal.

**Table: 2. National Agriculture Market (Screenshot up to March, 2020)**

Approved	1 <sup>st</sup> July, 2015
Launched	14 <sup>th</sup> April, 2016
Farmer Register (Oct. 2019)	1.66 crore
Traders	1.28 lakh
commission agents	70,934
total quantity traded	<b>2, 58, 76,016</b> million tonnes.
commodities	<b>150</b> Commodities
Total value	71,069 crore
Wholesale Regulated Markets	585
Additional Wholesale Regulated Markets	415

**Source:** <https://enam.gov.in>

In the table: 2 presented, the complete coverage of the eNAM is given. Electronic national agricultural market is an innovative initiate in agricultural marketing to enhance farmer's accessibility, to bring transparency to many markets & number of buyers and trade digitally, purpose of payment transactions is to improve price discovery mechanism, achieve quality value and also develop the concept of "One Nation One Market" in agriculture world.

Till now under eNAM total quantity traded **2, 58, 76,016** million tonnes. More than 1.66 crore farmers and 1.28 lakh traders registered on its digital platform. Farmers are free to register on the eNAM portal and they are uploading their produce for sale online to traders in eNAM mandis and traders can bid for lots available for sale on eNAM from any location.

### It aims at:

- To create a unified market for agricultural produces.
- Alienate the monopoly
- Improve transparency,
- To bring equality in price based on actual demand and supply and
- Increase in farmer's income.

But due to Corona Virus it is essential to any how keep physical distances that the farmer and traders does not have to go to the wholesale market yard, so Ministry of Agriculture and Farmer's Welfare has launched 3 new types of features to link with eNAM.

### Features Launched under eNAM Platform

This is because the country has announced the **40 days** national lockdown due to the outbreak of the covid-19 and there is also a possibility that this lockdown can be extended so in such a situation marketing of agriculture produce becomes very difficult. So without a physical presence in the market how the farmers can market there produce or how they can sell their produce and also how the supply demand can be mate at equilibrium. As we know Mandi play a key role in maintaining the supply chain of food grains, Fruits & vegetables. But during the period of Covid-19 to helping the farmers and trade of produce through mandi becomes very difficult, so keeping in mind the problems and challenges faced by stockholders, especially farmers, during the National lockdown. Purpose for agricultural produce marketing it is necessary to make enhancing the effectiveness of eNAM.

That's why ministry launched **3** new features are added to eNAM platform in order to strengthen the agricultural marketing.

#### ❖ **The first new feature that this added is Integration of Negotiable Warehouse Receipt system (eNWRs) module with the eNAM-**

Under this new feature a warehouse trading module with payment feature is launched. This will enable marginal and small farmers to trade their storage produce directly to selected warehousing development and regulatory authority (WDRA) registered warehouses which are annunciated deemed market by the state. Already states of Andhra Pradesh (23 warehouses) and Telangana (14 warehouses) annunciated designated warehouses in the state as deemed market.

#### ❖ **Second measure feature that is added in the eNAM is FPO (Farmer Producer's Organization) trading module-**

Under this feature to enable FPOs to upload the illustration of their produce and quality parameters from their collection centre bidding and then distant bidders can visualize the produce before bidding, after bidding successful, FPOs can deliver the produce from their premises or by bringing it to mandi market.

#### ❖ **Now third one is Launch of Logistic Module-**

Presently, eNAM provides a database of individual transporters to the merchants. The logistic module allows link traders to navigate the websites of registered logistics service providers and leverage their offerings. Under this additional facility, more than 3, 75,000 trucks would be linked to large logistics providers for logistic purpose.



The main objective of the features is to reduce the congestion at mandis that will help fight against COVID-19. Module programs will help farmers to sell their produce at remunerative prices near to their farm gate without coming to mandis. It facilitates create greater sanitation and social distance for the protection of farmers and other stakeholders under the mandis.

### **How does new features of eNAM benefit stakeholders?**

The COVID-19 lockdown will have aversive effect on the agriculture sector in our country. Therefore electronic or digital marketing has become a very essential to reduce the congestion at wholesale market that will help fight against COVID-19. The digitization of agriculture will make a major difference in the farmer's position, especially today when the economy is going through a crisis. eNAM gives so many opportunities to the farmers as well as other professionals involved in agriculture so that their trade can flourish. The main objectives of three new features are to abate the throng at mandis that help fight adverse to Covid-19. It helps farmer to sell their yield at stable prices without coming to mandis. It provides create sanitation and social distance for the protection for all stakeholders under the process of agricultural marketing. It creates a nationwide platform for marketable agricultural produce. According to online statistics, about 22 crore farmers are connected with eNAM and are getting help in vending their produce.

Portal facilities single window services for all integrated APMCs related information, includes elaboration of commodity arrivals and prices, selling, buying and e-payment settlement. It gives bulk buyers, processors and exporters, direct participation in local market trade, which further reduces arbitration cost, and Finally Consumers get better prices of the produce. Portal is designed in such a way that the farmers can get all the information on the eNAM platform easily from anywhere via your mobile phone. The idea of this trading platform is to reduce transaction costs, reduce asymmetry information and helps expand market access for farmers so that they can get stable prices of their yield. And after the implementation new features, it will make powerful agriculture marketing by reducing stakeholders congestion at wholesale mandis for selling their harvested produce. Not only this It also provides more choices for selling produce and gives competitive gain and access to the national agricultural market.

### **Conclusion**

I concluded that digital marketing steps which taken by ministry will help both the consumers and the farmers along with regularize movement of agricultural produce in the time of pandemic situation. For the farmers the benefits is that they can take their commodities produce or the crops that they produce virtually to this eNAM without the need to go physical marketing. From the consumer side there is a demand for these agricultural commodities and in this time of national lockdown the demand is not completely myth because of some supply chain interruptions or disruptions. The farmers can sell their produce virtually through this eNAM platform where are the consumers can procure it or purchase it. So both the difficulties in demand and supply it is rightfully with this eNAM and the new features. And surely new features move aimed remove congesting from mandis and maintaining supply chain specially form Food commodities. new modules of eNAM are to reduce the rabble of stakeholders at

market yard that helps fight adverse to corona pandemic, and help producers to sell their crop at best prices at right time without physically present in mandis, and in this time of epidemic agricultural produce marketing will be able to function smoothly.

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