

# eChoupal

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**In News:** Bayer CropScience Limited is partnering with ITC Limited's Agri Business Division to extend the reach of its Crop Protection products through ITC's e-Choupal 4.0 platform.

## e-Choupal

- e-Choupal is an initiative of ITC Limited, a conglomerate in India, to link directly with rural farmers via the Internet for procurement of agricultural and aquaculture products like soybeans, wheat, coffee, and prawns.
- e-Choupal tackles the challenges posed by Indian agriculture, characterized by fragmented farms, weak infrastructure and the involvement of intermediaries.
- e-Choupal is the first private sector initiative in Agricultural Marketing.
- It is a business platform consisting of a set of organizational sub-system and interfaces connecting farmers to global markets.
- This common structure can be leveraged to procure/produce a host of products and services for the farmer as a producer as well as a consumer.
- The e-Choupal business platform consists of three layers, each at different levels of geographic aggregation. Each of the three layers is characterized by three key elements.
  - The infrastructure (physical or organizational) orchestrating the transaction, and place.
  - The entity (person or organisation) orchestrating the transaction, and
  - The geographical coverage of the layer.

- **The first layer consists** of the village level kiosks with internet access (or e-Choupal) managed by an ITC-trained local farmer (called a Sanachalak) and within walking distance (1-5 kms) of each target farmer. There may be generally one e-Choupal per cluster of five villages. **The second layer consists** of a bricks-and-mortar infrastructure (called hubs) managed by the traditional intermediary who has local knowledge/skills (called a sanyojak in his new role) and within tractorable distance (25-30 Kms.) of the target farmer.
- **The ITC chose to operate the platform on the following three business principles;**
  - Free information and knowledge which ensures wider participation by the farmers.
  - Freedom of choice in transactions (farmers after accessing information at the e-Choupal, are free to transact their own way.)
  - Transaction based income, stream for the Sanachalak by tying his revenue stream to the transaction (on a commission basis.)
- The ITC has provided internet access in rural areas in several regions of the country which enables farmers to directly negotiate the sale of their produce with ITC.
- The farmers do not have to pay for the information and knowledge they get from the forum of e-Choupal.
- The principle of e-Choupal is to inform, empower and compete on the basis of click and mortar capability. There are close to 7,000 e-Choupal in operation.

### **Benefit of E Choupal**

- It assesses the farmer to gain a high profit margin and correct price.
- Increase efficiency and potential for improving crop quality making agricultural activities more competitive.

- e-Choupal brings transparency into the agricultural market.
- It decreases the cost of transportation and also helps the village students to collect information through internet accessibility.
- It decreases the role of middlemen in agriculture and protects farmers from exploitation.
- It also provides daily need items, manufactured by the ITC which help them fulfill their basic needs.
- It generates employment in the village economy which decreases the activity of Diasporas.
- Due to generation of employment, revenue increase which can be used to develop infrastructure.
- It also gives information about weather and provides a facility of weather forecasting by **Indian Meteorological Department (IMD)**.
- E-market develops as a spot where transaction occurs and supports service to future exchange.

### **India Meteorological Department (IMD)**

- Formed in 1875, the India Meteorological Department (IMD) is the national meteorological service of the country and it is the chief government agency dealing in everything related to meteorology, seismology, and associated subjects.
- The administrative responsibilities of the Department are under the supervision of the Ministry of Earth Sciences of the Indian Government. The IMD is headquartered in New Delhi.

### **IMD Mandate**

The mandate and functions of the IMD are discussed below.

- Taking meteorological observations and providing current information and forecasting information for the most favorable operation of weather-dependent activities such

as irrigation, agriculture, aviation, shipping, offshore oil exploration, and so on.

- Giving warnings against severe weather phenomena such as tropical cyclones, dust storms, heat waves, cold waves, heavy rains, heavy snow, etc.
- Providing met-related statistics needed for agriculture, industries, water resources management, oil exploration, and any other strategically important activities for the country.
- Engaging in research in meteorology and allied subjects.
- Detection and location of earthquakes and evaluation of seismicity in various parts of the country for developmental projects.