

e-Choupal initiative by ITC

Introduction:

ITC's Agri Business Division, one of India's largest exporters of agricultural commodities, conceived e-Choupal as an efficient supply chain aimed at delivering value to its customers around the world on a sustainable basis. The concept was conceived to tackle the challenge posed by the unique features of Indian agriculture characterized by small, fragmented farms, weak infrastructure, and the involvement of numerous intermediaries.

Intervention:

The initiative attempts to take the concept of agricultural extension services from the Internet to the farm. E-Choupal is a virtual market place where farmers can do the transaction, facilitated by an internet linked computer, directly with a purchaser and can realize better price for their produce. E-choupals are village Internet kiosks that enable access to information on weather, market prices and scientific farm practices. The initiative offers farmers required information, products and services they need to enhance farm productivity, improve farm-gate price realizations and cut transaction costs.

The company provides the infrastructure for the choupal, including a computer, a printer, UPS system, solar panel and internet connectivity through VSAT. Each kiosk is run by a local farmer (sanchalak), selected from the village and provided with short training. The sanchalak provides the space and has to meet other operational expenditures such as electricity charges. Farmers are free to use this facility and there is no fee or registration charge.

Impact:

Launched in June 2000, the company has so far established 6,450 kiosks across eight states (Madhya Pradesh, Karnataka, Andhra Pradesh, Maharashtra, Rajasthan, Uttarakhand and Tamil Nadu). The services reach more than 35,000 villages, benefitting over 40 lakh farmers growing soybean, coffee, wheat, rice, pulses and shrimp, through 6,100 installations.

The company has also launched a flagship extension programme called 'Choupal Pradarshan Khet' (CPK) or demonstration plots to help farmers enhance farm productivity by adopting agricultural best practices. It is also currently working with agri-startups for providing many services including location specific weather forecasts, crop advisory, quality testing of crops, etc. to farmers. As per company report, of the 10 lakh beneficiaries under CPK, incomes of around 34,000 farmers have doubled (107% growth) by adopting all the practices and recommended inputs. The balance farmers' income has also shown an income increase of 30% to 75%, depending on adoption of various recommended practices.

Source: ITC Company website, retrieved from <https://www.itcportal.com/businesses/agri-business/e-choupal.aspx>, accessed on 10 December 2019; Business Today, "ITC e-Choupal 4.0 by mid-2019; shift to mobile platform, handholding of agri-startups key", retrieved from <https://www.businesstoday.in/sectors/agriculture/itc-e-choupal-4.0-mid-2019-shift-mobile-platform-handholding-agri-startups-key/story/303861.html>, accessed on 10 December 2019