



Ministry of Consumer Affairs, Food & Public Distribution



In order to benefit the farmers, Department of Food and Public Distribution develops an application ecosystem that integrates the procurement portals of all state governments.

Portals having Minimum Threshold Parameters (MTPs) getting integrated

This process began with the onset of KMS 2021-22 in October, 2021

MTPs to ensure best value of crop to farmers

The application ecosystem to keep traders and middlemen at bay

Posted On: 07 OCT 2021 3:15PM by PIB Delhi

In view of the benefit of farmers along with keeping traders and middlemen at bay, the Department of Food and Public Distribution has developed an application ecosystem, which allows the integration of procurement portals of all state governments having Minimum Threshold Parameters (MTPs) for monitoring and strategic decision making.

This process began with the onset of KMS 2021-22 in October, 2021. The introduction of Minimum Threshold Parameters (MTPs) in procurement operations are necessitated to avoid middlemen in procurement and provide that farmers get the best value for their produce. The integration with central portal will go a long way in expediting the reconciliation of procurement figures with States and release of funds by Centre Government to the States.

The benefits will be reaped by the society in general, but specific benefits envisaged for stakeholders are as under:

- a. Farmers: Will be able to sell their produce at suitable prices and avoid distress sale.





- b. Procuring Agencies: With better management of procurement operations, the State agencies and FCI will be able to procure efficiently with the limited resources at hand.
- c. Other Stakeholders: The automation and standardization of procurement operations shall provide an integrated view of procurement of foodgrains and its storage in godowns.

MTPs that must necessarily be captured in all the procurement portals to ensure uniformity and interoperability among them are as under:

- Online Registration of Farmers/Sharecroppers: Name, Father's name, Address, Mobile No., Aadhar No., Bank A/C details, Land details (Khata/ Khasra), Self-cultivated or land on rent/share cropping/contract.
- Integration of registered farmer data with State's land record portal
- Integration of Digitized Mandi/Procurement centre operations: Generation of buyer/seller forms, bill of sale proceeds etc.
- Online payment through Expenditure Advance Transfer (EAT) module of PFMS, for direct and speedy transfer of MSP to farmers.
- CMR/Wheat delivery management- Auto generation of billing upon uploading of Acceptance note/ Weight Check Memo and takeover of the stock (UP Model)

Data to flow through API based integration, to the proposed unified GoI Portal for real time reporting of farmers/sharecroppers benefitted, number of small/marginal farmers, yield, quantity procured, payment made, inventory management of central pool stocks.

It is pertinent to mention here that there is a varied scale of implementation of Information Technology based tools across the States. Moreover, because of the prioritization of the local requirements and practices, a pan-India standard procurement ecosystem was non-existing.

Due to variations in the procurement systems, there emerge both systemic and implementation challenges for implementing the schemes of Centre Government. Reconciliation of the procurement operations with various States, is sometimes a long drawn exercise, leading to avoidable delays in the release of funds to States. Moreover, the non-standard procurement operations/processed also lead to avoidable inefficiencies, which manifest in the form of middlemen in the procurement operations.

Undoubtedly, the Centre Government puts great emphasis towards the welfare of the farmers and MSP based procurement is the traditional approach to ensure that the farmers get the appropriate selling price of their produce. This ultimately helps attain the objectives of the Centre and implementation of the National Food Security Act. Standardization of the operations are essential in helping the country achieve greater levels of transparency and efficiency in procurement operations, which ultimately lead to ensuring food security for the people of the country.

The Government of India over multiple forums has sensitized State governments and other public procuring agencies on the need of Minimum Threshold Parameters compliance for procurement operations and its integration with the central portal, namely Central Foodgrains Procurement Portal (CFPP) through the Department of Food & Public Distribution in its discussion with the respective State governments.

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(Release ID: 1761752) Visitor Counter : 625



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