

पीयूष गोयल  
PIYUSH GOYAL



रेल, वाणिज्य एवं उद्योग तथा  
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री  
भारत सरकार  
Minister of  
Railways, Commerce & Industry and  
Consumer Affairs, Food & Public Distribution  
Government of India

D.O No. 200(7)/2021-FC ACs /166

27<sup>th</sup> March 2021

Dear Capt. Amarinder Ji,

Please refer to Government of Punjab D.O. letter No.AS-1(207)/210 dated 22.02.2021 addressed to Secretary, Department of Food and Public Distribution, Government of India (GOI) regarding liquidation of wheat stock held by State Procurement Agencies in the State of Punjab.

It has been brought to my notice that Government of Punjab had requested Food Corporation of India (FCI) to evacuate 22.42 LMT wheat of crop year 2018-19 from Punjab as Reserve Bank of India has declined for extension of time of RMS 2018-19, which has already expired on 30.12.2020 and account of Government of Punjab has become "Out of Order" and will be classified as NPA by 31.03.2021.

In order to mitigate the hardship of people and farmers of Punjab and possibility of food credit accounts of Government of Punjab of Rs.89,290 cr. becoming NPA, FCI and Railways have accorded overriding priority for evacuation of 2018-19 crop year wheat considering the gravity of the situation, and evacuation is being monitored on day to day basis. As on 19.03.2021, FCI has evacuated 18.82 LMT of 2018-19 crop year wheat out of 22.42 LMT lying with the State Agencies of Punjab leaving behind 3.60 LMT to be evacuated in coming days. In the spirit of co-operative Federalism, we are doing our best to ensure that State of Punjab does not face any financial problem in this regard.

In the interest of farmers, GOI has been requesting the State Government of Punjab to streamline their procurement and payment procedure in line with GOI guidelines of direct online payment to farmers and compliance of Public Finance Management System (PFMS), since 2018. The State Government have time and again sought extension on these timelines which have been exempted during KMS 2019-20, RMS 2020-21 and KMS 2020-21 but despite giving sufficient time to comply with the guidelines and series of meetings held, State has not implemented these provisions so far. The Ministry vide letter No. 195 (2)/2016-FC A/cs (Vol.II.E.341367) dated 04.03.2021 (copy enclosed) has once again requested Government of Punjab to implement online payment directly into farmer's account and compliance of PFMS w.e.f. the upcoming RMS 2021-22 i.e. 01.04.2021.

Recently C&MD, FCI visited Haryana and Punjab to ascertain the preparedness for implementation of aforesaid directions and found that adjoining State of Haryana has made full preparation in the aforesaid direction by integrating the land records with e-procurement portal, but suitable IT infrastructure has not been put in place by the Government of Punjab. Land records in Punjab are available with the Revenue Department and needs to be integrated with the procurement portal i.e. Anaj Kharid which can be easily done before the ensuing Rabi season or at least verification would be required from revenue officials.

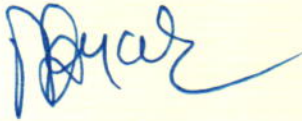
It is pertinent to mention that all major procuring states have already implemented these guidelines. Some States are even doing bio-metric authentication of farmers at the time of procurement.

One of the apprehensions expressed by Government of Punjab is about the land which has been given on lease for tilling by absentee landlords may face titleship problem. In this case, the State Government can follow the procedure developed by the neighbouring State Haryana where the details of tenant/share cropper can be uploaded on portal with the disclaimer that this would not be a legal document for claiming ownership through tenancy. As has been emphasized time & again, it is essential to align existing system so that MSP benefits are passed on directly to farmers.

Since my Ministry is always ready to lend helping hand to farmers as well as Government of Punjab, I would like to invite your personal attention towards this important issue and seek your cooperation in implementing GOI policy towards online payment directly into farmers' account and compliance of PFMS. Let me again assure you that Department of Food and Public Distribution remains committed to the welfare of the people of Punjab as well as farmers.

With warm regards,

Sincerely,



**Piyush Goyal**

Encl: As Above

**Capt. Amarinder Singh**

Hon'ble Chief Minister  
Government of Punjab  
Punjab Civil Secretariat  
Chandigarh-160001

398272/2021/SO(FCA/CS)

No.195 (2)/2016-FC A/Cs(Vol.II.E.341367)

Government of India

Ministry of Consumer Affairs, Food and Public distribution

Department of Food and Public Distribution

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Krishi Bhawan, New Delhi

Dated 04.03.2021

To

The Principal Secretary (Food),  
Government of Punjab.  
Chandigarh.

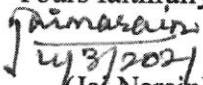
**Sub: Implementation of online direct payment system & compliance of PFMS from RMS 2021-22 onwards - regarding**

Sir,

I am directed to refer to the instructions issued by D/o Expenditure, M/o Finance, Government of India, stipulating mandatory use of Expenditure Advance Transfer (EAT) module of Public Financial Management System (PFMS) by 15th June, 2018, failing which no further funds were to be released to the agencies. The objective of PFMS/EAT module is end to end tracking of funds till the last mile beneficiary. As per PFMS mandate, the roll-out will also result in improved programme administration and management, reduction of float in the system, direct payment to beneficiaries and greater transparency and accountability in the use of public funds.

2. In view of above, this Department has regularly pursued with all States to implement the aforesaid directions of online payment directly into the farmers' bank account & compliance of PFMS. These guidelines are being followed by majority of States except Punjab wherein MSP payments are still being paid through Arhtiyas.

3. The matter has also been discussed in the recent meetings held in this Department on 19.01.2021, 25.01.2021 and 23.02.2021 (copy of minutes enclosed). Accordingly, it is again requested to **implement aforesaid guidelines of M/o Finance regarding compliance of PFMS and implementation of online full MSP payment into the farmers' bank account directly with effect from the upcoming RMS 2021-22.** In case payment is done through State portal, State Government is requested to integrate their software with PFMS so that MSP payment to farmers could be captured in a real time basis. It is also requested that a report on preparedness for implementation of aforesaid directions may please be furnished as early as possible, preferably within a week.

Yours faithfully  
  
 24/3/2021  
 (Jai Narain)

Deputy Secretary to Govt. of India

Copy to:

1. The CMD, FCI, HQ, New Delhi – for info and necessary action.
2. The GM, FCI, RO, Punjab.