



**LAL BAHADUR SHASTRI NATIONAL ACADEMY OF ADMINISTRATION
(CENTRE FOR COOPERATIVES & LIVELIHOOD)
MUSSOORIE**

F.No. 31016/1/2020-FAC

**Minutes of the meeting on Research Study on 'Transparency in the Primary
Commodity Procurement', Dated-30th June 2020, 11.00 am**

An online meeting has been done for conducting Research Study on Transparency in the Primary Commodity Procurement under the chairmanship of Shri Dilip Rath, Chairman National Dairy development Board (NDDB) & Institute of Rural Management (IRMA) on 30th June 2020 at 11.00 am.

Following participants attended the meeting:

1. **Shri Dilip Rath:** Chairman National Dairy Development Board (NDDB) and Chairman Institute of Rural Management (IRMA), Anand.
2. **Dr Sanjeev Chopra:** Director, Lal Bahadur Shastri National Academy of Administration, Mussoorie
3. **Shri Sanjeev Kumar Chadha:** Managing Director National Agricultural Cooperative Marketing Federation of India Ltd (NAFED).
4. **Shri Sanjiv Kumar,** Executive Director, Procurement, Food Corporation of India
5. **Smt P. Amudha:** Professor (Jt Secretary equivalent) Lal Bahadur Shastri National Academy of Administration Mussoorie
6. **Smt. G Jayalakshmi:** Director General National Institute of Agriculture Extension Management (MANAGE), Hyderabad
7. **Shri K K Tripathi,** Director Vaikuntha Mehta National Institute of Cooperative Management, Pune
8. **Shri Kishor Supekar:** Managing Director, National Cooperative Dairy Federation of India Ltd, Anand.
9. **Dr. P. Chandra Shekara,** Director General, CCS National Institute of Agricultural Marketing (NIAM), Jaipur
10. **Prof Sandip Mitra:** Associate Professor, Sampling and Official Statistics Unit, Indian Statistical Institute, Kolkata.
11. **Smt Sunita Rani** Associate Professor Management, LBSNAA, Mussoorie
12. **Dr Milind Ramteke** Dy Director & Coordinator of CCL, LBSNAA Mussoorie

The Minutes are as follows:

1. The Director LBSNAA initiated the discussion by briefing the background of the meeting. He informed the participants that the CVC has proposed a Research Study on Transparency in the Primary Commodity Procurement to be conducted by the

LBSNAA & IRMA on the lines of successful milk supply chain management of NDDB in coordination with the organisation having expertise in related fields such as NIAM, MANAGE, NCDFI, VAMNICOM, ISI Kolkata.

2. Chairman NDDB & IRMA mentioned two key elements of success of NDDB in milk supply management chain- i. Institutional relationship between buyers and sellers and ii. Use of Information Technology with measurable parameters for quantity and quality.
3. Prof Sridhar Biswanathan, from IRMA presented a brief PPT outlining the background, project objectives indicative approach, teams and roles; which was followed by general discussion by all the participants.
4. Shri Sanjeev Chadha MD NAFED mentioned that in recent years NAFED has taken many initiatives such as registration of farmers on NAFED portal, sending messages through mobile of farmers for MSP rates of pulses and oilseeds and timing of arrival to mandis so as to avoid overcrowding, online payment in farmers account etc. However there is lot of scope for improvement mainly in quality level assurance, integration farmers with e-NAM, to bring transparency in land record management system so as to ensure genuine farmer is bringing commodities for sale, more simple and easy procedures of registration of farmers etc He informed that in order to streamline the procurement process during covid lockdown, NAFED has almost doubled the procurement centers in country..
5. Shri Sanjeev Kumar ED Procurement FCI mentioned that procurement by FCI is being done from 22000 centres/mandis across the country. However different States follow different level of technology during the procurement operations. FCI is taking digital initiatives such as farmer's registration on FCI portal, sending messages on mobiles regarding date/time for bringing the commodities to prevent overcrowding in mandies. Online payment in the bank accounts of farmers is done in 5-6 days of procurement. Prescribed Quality Parameters are being followed. However major problem arises at field level as far as farmer's landholdings are concerned. Also there is no uniform procedure for procurement of food grains across country as different technologies are being adopted across states during procurement operations.
6. Director, VAMNICOM proposed to study best practices and success stories of food procurement by FPOs. He mentioned that the main challenges for this study are data availability, to select appropriate research design, prospective sample collection and outreach to the field functionaries or farmers.
7. Director General, MANAGE suggested structural capacity building of officials/workers of FCI/NAFED for procurement at Mandi/State Level regarding 3rd party assessment in sampling training for quality parameters of food grains, how to

tackle the bottlenecks in transportation and handling of food grains etc. Best practices followed by some of the states may be studied and replicated. Best technological platforms for foodgrain procurement may be identified. Proper feedback system and grievance redressal systems may be developed.

8. Director General of NIAM mentioned that the pattern of elimination of human intervention in the supply chain management followed by NDDDB may be applied in case of the NAFED and FCI. Modern technologies such as artificial intelligence, block chain etc may be used to streamline and smoothen the procurement processes. Also local production with local procurement for local consumption may be promoted. As far as methodology is concerned, he suggested to primary and secondary data collection, focused group discussion with all the stakeholders in supply chain, replicating best practices of AMUL model etc. He also suggested for examination of recent research studies conducted by NAFED & FCI in previous 3-5 years span.
9. Prof Sandip Mitra, from ISI Kolkata emphasised on to take procurement process from mandis to sub-mandi and village level so as to reduce time and cost incurred by the producers. He also emphasised for data collection at originating as well as terminating level. He stressed the need for selection of appropriate and suitable research methodology for this study.
10. Prof Shridhar Swaminathan from IRMA stressed upon formulation of research methodology based on mixed approach i.e. quantitative as well as qualitative.
11. While summing up the discussion, Director LBSNAA gave suggestions to utilise already available statistical data for the research study such as KCC data, farm insurance data etc which is linked to land records. This will save the time and resources needed for data collection for the study. He further suggested that instead of proposing any legal or statutory changes, the study should focus on how to improve the technological and institutional processes in procurement within the existing legal framework so as to make it more transparent and accountable. He proposed that the time duration of research study should be at least one year so as to cover Kharip as well as Rabi season. He also suggested to keep the scope of the study focused on procurement operations of NAFED/FCI instead of widening it to procurement operations of various states and other organisations. He also urged for the confidentiality of the study till its submission to CVC.
12. Finally after detailed discussion by all the participants it has been decided that:
 - i. The **Project Objectives** will be:
 - a. To understand the principle underlying the successful milk procurement and management at village level by Dairy Cooperatives on Anand Pattern.

- b. To understand the present challenges in procurement of agricultural commodities by FCI and NAFED.
 - c. To identify the relevant principles/systems that can be applied to the procurement of major food grains e.g rice and wheat by FCI and pulses and oilseeds by NAFED.
 - d. To suggest policy, structural and institutional changes in buyers-seller relationship.
 - e. To suggest use of technologies in procurement of primary commodities and in field level interventions.
- ii. The indicative approach will be to study Institutional arrangement , process challenges and gaps in technology adoption.
 - iii. Possible methodologies may be Survey farmers actual experiences, Interview Regional and Filed Offices, Study of best in class practices of Anand Pattern of Dairy cooperatives, Commodity bulk buyers. Report and case studies may be perused on procurement related process protocol, technology interventions, best in class governance practices, capacity development.
 - iv. The timeline for the Research Study will be 12 months.
 - v. **Teams & Roles:** Centre for Cooperatives and Livelihood (CCL) under Lal bahadur Shastri National Academy of Administration (LBSNAA) will act as Project Coordinator. Centre for Cooperatives & Livelihood (CCL) under LBSNAA & IRMA will be Principal Research Institutions. Role of knowledge partnering institutions will be as follows:

SN	Name of the Organisation	Roles
1	MANAGE	Agricultural Extension
2	NIAM	Agricultural Marketing
3	VAMNICOM	Cooperative Management
4	ISI Kolkata	Research Methods
5	NCDFI	Technology Platform

- vi. Every organisation will designate a Nodal Officer to form a working group for continuous communications, discussions, deliberations for the conduct of the Research Study. The working group will meet once or twice in a month as per the need.
- vii. Dr Milind Ramteke Dy Director LBSNAA (Coordinator CCL) & Prof Sridhar Biswanathan Professor IRMA will be the joint coordinators for the Research study.

- viii. All the Knowledge Partnering Institutions i.e. MANAGE, NIAM, VAMNICOM, ISI Kolkata & NCDFI will submit a short write up on their proposed contribution and roles for the Research Study not later than 6th July 2020 (Saka Ashadha 15 1942)

Meeting ended with thanks to all.



(Dr Milind Ramteke)

Dy Director & Coordinator CCL

LBSNAA, Mussoorie

02-07-2020

(Saka Ashadha 11 1942)

All concerned.