

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1111

ANSWERED ON:22.07.2002

DELHI MILK SCHEME

ANANTA NAYAK;GADDE RAMAMOCHAN;M.H. AMBAREESH;M.V.V.S MURTHI

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Indian Petro Chemicals Limited (IPCL) ratio of 80:20 introduced by consensus decision in Delhi Milk Scheme (DMS) was discontinued in clear violation of the conduct rules;
- (b) if so, whether any enquiry has been conducted;
- (c) if so, the details thereof and the stage at which the matter stands at present;
- (d) the quantum of losses accumulated in DMS during each of the last three years and thereafter;
- (e) the reasons therefor; and
- (f) the action plan chalked out to minimise the losses and to make the DMS economically more viable?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)to(c): DMS was granted license to purchase LDPE granules from IPCL for converting the granules into polythene films. On the advice of IPCL, it was decided to mix granule of LDPE and LLDPE in the ratio of 80:20 to economize the expenditure for conversion of granules into polythene films from private film processors. This was discontinued but now this ratio has been reintroduced. The reasons for its discontinuance have been inquired into and responsibility is being fixed in consultation with CVC.

(d):

Year	Cash Loss	Non-Cash Loss	Total Loss	Loss Accumulated
1999-2000	5490.72	2180.81	7671.53	56351.67 (Prov)
2000-2001	333.58	1069.77	1958.35	58310.02 (Prov)
2001-2002	811.59	795.89	1607.48	9917.50 (Prov)

(Estimated)

(e): The reasons for losses include under utilization of plant capacity, decline in sale of DMS milk, disproportionate staff strength vis a vis sale capacity, outdated machinery and manual as well as labour intensive system of production, increase in the cost of raw materials, return of unsold milk and increased staff expenses due to recommendations of V Pay Commission.

(f): The Delhi Milk Scheme is adopting professional approaches in different areas of operations such as marketing, transportation and plant operations to reduce the losses.