(b) whether this operational cost is also reflected in determining the retail cost of foodgrains supplied by the Corporation; and

(c) if so, what are constituent factors which go to make the operational cost of the Food Corporation of India?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ANNASAHEB P. SHINDE): (a) No, Sir. The operational cost of storage, movement and distribution of wheat and rice for 1970-71 is estimated at about Rs. 13.00 per quintal. This includes carrying cost of buffer stock operations which is about Rs. 5 per quintal.

(b) The Central issue prices have a built-in element of subsidy. Operational costs are only partially reflected in the retail cost.

(c) The operating cost of storage, movement and distribution incurred by the Corporation comprises freight, handling expenses, godown rent and charges, interest and administrative overheads and of transit and storage losses also.

Labour Pool System for unprotected Labour

*1466. SHRI C. K. CHANDRAPPAN: Will the Minister of LABOUR AND REHABILITATION be pleased to state:

(a) whether Government are considering setting up of labour pool system in all States for unprotected labour;

(b) whether Government have consulted the Central Labour Organisations i.e. AITUC, INTUC, regarding this scheme; and

(c) if so, with what results?

THE MINISTER OF LABOUR AND REHABILITATION (SHRI R. K. KHADILKAR): (a) No, Sir.

(b) and (c). Do not arise.

Indian Diary Corporation

*1467. SHRI INDER J. MALHOTRA: Will the Minister of AGRICULTURE be pleased to state:

(a) the outlines of the set-up of the Indian Dairy Corporation and its programme and action initiated towards its implementation;

(b) the nature of help offered by the World Food Programme; and

(c) whether the sale proceeds of milk powder supplied under the WFP will be spent for overall development of diary industry or for particular projects, areas and sectors?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHER SINGH): (a) The Indian Diary Corporation with its Headquarters at Baroda is a Public Sector Undertaking set up by the Central Government for the implementation of the Project for Milk Marketing and Diary Development (Operation Flood). This is a five years' Project beginning from July 1970 and envisages an investment of Rs. 95.40 crores. The Project aims at increasing the milk processing facilities of the public sector dairies in the four cities of Bombay, Calcutta, Delhi and Madras from 1.00 million litres a day to 2.75 million litres a day and also for increasing production and procurement 650,000 tonnes of milk per annum in the 10 States and the Union Territory of Delhi. The State Government have formulated projects for expansion of the milk processing facilities and for diary development and a few of them have been approved for financing by the Corporation. Arrangements have been made by the Corporation for import of diary processing equipment, components and stainless steel against UNICEF assistance amounting to Rs. 1.80 crores, for implementation for First phase of the project. The requirements of plants and machinery for the second phase beginning from January, 1972 have been assessed and action initiated for the import and indigenous manufacture of these items. A stock-pile of scarce matrials and components is being collected to facilitate indigenous production of dairy processing equipment.

(b) The World Food Programme have agreed to supply free of cost to India 1,26,000 tonnes of skim milk powder and 42,000 tonnes of butter oil at an international valuation of Rs. 38.11 crores, to be supplied in a phased programme during the period of the Project. The sale of these commodities to the public sector milk plants in the four larger cities will generate an estimated counter-part found of Rs. 95.40 crores.

(c) The sale proceeds amounting to Rs. 95.40 crores will be utilised for expansion of the milk processing facilities in the four larger cities of Bombay, Delhi, Calcutta Madras and for increasing milk production and procurement of milk from the milk-shed