

ONE MAN COMMITTEE REPORT - TTD GHEE ADULTERATION

The following are the key findings and recommendations from the report by the government appointed a One-Man Committee on the supply of adulterated ghee to TTD -

KEY FINDINGS

1. Ghee supplier quality and eligibility criteria, established in August 2019, were relaxed only five months later without impact assessment or justification. This led to noncompliant, unverified firms (e.g., Bhole Baba Organic Dairy Milk Pvt. Ltd.) participating, resulting in a quality decline and the supply of adulterated ghee.
2. Unsustainable price reductions (up to ₹207/kg), illegal post-auction negotiations, awarding contracts to ineligible firms, and an over-reliance on L1 (lowest price) without sufficient quality weightage incentivized adulteration.
3. A critical CFTRI lab report (August 3, 2022) confirmed ghee adulteration with vegetable oils (β -Sitosterol presence). Senior management deliberately suppressed this report, and ignored Tender Condition No. 50 to blacklist such firms
4. TTD officials initially planned to incorporate mandatory FSSAI β -Sitosterol testing (effective July 1, 2022) but reversed the decision, granting suppliers an exemption leading to procuring 70 lakh+ Kgs of ghee without the legally required quality check.
5. The TTD Food and Water laboratory lacked instruments for real-time adulteration testing. Upgrading the facility, confirmed necessary after adulteration, was delayed by nearly three years.
6. The technical evaluation committee and plant inspection committee had a large number of overlapping members, which compromised objectivity and eliminated independent oversight.
7. Ignored complaints and a lack of grievance follow-up or quality monitoring led to serious procedural lapses in governance, procurement, and enforcement. Revised tender conditions were not enforced properly and certain firms were given undue favours

The report holds the following responsible for the above lapses - the Board, the Purchase Committee and senior officers (EO, Special Officer/Addl EO, FA&CAO, GM Procurements, Ghee and Dairy experts)

KEY RECOMMENDATIONS

1. Amend the Act to remove provisions for Special Invitees, induct professionals, and establish a professional Management Committee for operational oversight.
2. Overhaul the Procurement wing with a qualified head, develop a digital procurement manual/e-portal, shift from L1 (lowest-price) to QCBS (Quality-cum-Cost-Based Selection), implement vendor empanelment, and explore direct procurement from reputable cooperatives (e.g., Mother Dairy, Amul) via NCDFI.
3. Establish an independent Quality Control wing led by a qualified Food Safety Officer, mandate strict testing including third-party verification, equip the TTD lab to meet FSSAI standards, and create a dedicated Food Safety Compliance Cell.
4. Develop a comprehensive Complaint Monitoring System with auto-generated ticket IDs and escalation protocols. Increase transparency by publicly disclosing test reports and supplier details, and ensure timely payment adherence.

Appendix - Vendor wise Findings and Instances of Lapses

Vendor	Reports / Findings	Remarks
<p>M/s Bhole Baba Organic Dairy Milk Pvt. Ltd.</p>	<ul style="list-style-type: none"> • Eligibility: Entered post-2020 relaxation; declared ineligible just 7 months after Dec 2021 contract award. • Plant Inspection: Dec 2021 inspection found the plant 'satisfactory'. Jun 2022 re-inspection disqualified the firm for failing to produce milk procurement data, quality reports, and ghee production logs. • Adulteration: CFTRI (03 Aug 2022) confirmed β-Sitosterol in supplied ghee; confirmed vegetable oil adulterant. • Post-disqualification: Continued supplying ghee and received additional 15% quantity order (1,07,625 kg tankers + 9,450 kg tins) despite disqualification AND adverse CFTRI report. • Use of Synthetic Masking Agents: To beat standard laboratory test parameters, they added Beta-Carotene, Acetic Acid Ester, Food Grade Lactic Acid, Monoglyceride, and artificial ghee flavors to the mixture. • Proxy Supply Chain: Even after TTD disqualified them, Bhole Baba continued to supply their adulterated ghee indirectly to TTD through three intermediary dairies: M/s Vyshnavi Dairy, M/s Malganga Dairy, and M/s AR Dairy Food Pvt. Ltd.. • Price Drop: The report cites a general example of a bidder dropping prices by ₹132/kg (from ₹426.10 to ₹294) to illustrate the risk of unsustainable pricing that enabled firms like Bhole Baba to enter. 	<ul style="list-style-type: none"> • Continued procurement and additional orders post-disqualification and post-CFTRI adverse report constitute deliberate disregard of contractual obligations. • Abnormally low price drops are economically unviable for pure cow ghee, strongly indicative of quality compromise to sustain margins. • Liable for blacklisting under Tender Condition No. 50. No action was taken. • The firm exploited the lack of advanced testing equipment at TTD, engineering a sophisticated chemical blend designed specifically to bypass basic quality checks.
<p>M/s Premier Agri Foods Pvt. Ltd.</p>	<ul style="list-style-type: none"> • Volume: Procured 58,31,250 kg across 11 tenders (Sep 2019 – Feb 2024) • Adulteration: CFTRI (03 Aug 2022) confirmed β-Sitosterol in supplied ghee • Post-finding: No action taken; firm received fresh orders for 13.90 lakh kg in Jun 2023 and Feb 2024; after adverse CFTRI report. • β-Sitosterol Exemption: Firm requested exemption from new FSSAI testing norms; TTD obliged and executed agreement on old conditions (Aug 2022). • Pending EMD: ₹1.10 crore EMD (Feb 2024) remains unreturned. 	<ul style="list-style-type: none"> • Largest supplier with confirmed adulteration who continued to receive orders, clearest evidence of failure to enforce Tender Condition No. 50. • Granting β-Sitosterol exemption to an already-suspect supplier after CFTRI findings raises inference of deliberate protection of vendor interests over public health.

Vendor	Reports / Findings	Remarks
M/s Sri Vyshnavi Dairy Specialties Pvt. Ltd.	<ul style="list-style-type: none"> • Fabricated Documents: Actual butter production: 0.37 MT; fabricated submission: 752.93 MT which is a ~2,000x inflation of figures. • Adulteration: CFTRI (03 Aug 2022) confirmed β-Sitosterol in supplied ghee. • Single-bidder Negotiation: Sole participant in AP dairy tender (May 2022) at ₹511/kg. After the financial bid opening, submitted email offering ₹471/kg. TTD accepted but direct violation of no-negotiation rule. • Adulteration confirmed by CFTRI. Identified alongside Bhole Baba and AR Dairy as firms that entered via relaxed norms and lacked verifiable procurement capacity. (Supply chain nexus per SIT charge sheet.) 	<ul style="list-style-type: none"> • Accepting a post-bid-opening email price revision from a sole bidder defeats the entire purpose of competitive tendering. • Continued supply post-CFTRI adverse report without blacklisting mirrors pattern across other vendors, indicative of coordinated protection.
M/s A.R. Dairy Food Pvt. Ltd.	<ul style="list-style-type: none"> • Fabricated FSSAI Returns: Tender required min. ghee production of 2,160 MT/year. Actual: 56.8 MT. • Milk Handling Inflated: Actual: 1,30,000 ltrs/day (lean). Fabricated: 2,30,000 ltrs/day. • Butter Production Inflated: Actual: 1,182.06 MT. Fabricated: 3,594.56 MT. • Invalid ISO Cert.: Firm held ISO 22000 for other milk products but not ghee. • Failed NDDB CALF Tests: In July 2024, samples from four of A.R. Dairy's tankers were tested by the NDDB CALF lab. The reports confirmed the presence of β-Sitosterol and noted that the purity of the milk fat, alongside various acid profiles (Butyric, Caproic, Lauric, Palmitic, etc.), was entirely out of specification 	<ul style="list-style-type: none"> • Accepting ISO certification covering unrelated products as ghee-specific compliance reflects either negligence or deliberate overlooking. • Even the fabricated figures (196.8 MT) fell far short of the 2,160 MT threshold • Adulteration confirmed via NDDB CALF tests. Identified alongside Bhole Baba and Vyshnavi as part of the post-relaxation entrant group. (Tanker-level rerouting details per SIT charge sheet.)
M/s Alpha Milk Foods Pvt. Ltd.	<ul style="list-style-type: none"> • Mar 2020 - Disqualified: Did not meet 8-tonne cow milk fat requirement (declared 7.60 tonnes); invalid ISO certification. • Oct 2020 - Qualified: Capacity 'rose' to 11.06 tonnes. Plant inspection done via video conference (COVID). Awarded 3.5 lakh kg contract. • Dec 2020 - Capacity Changed Again: Same firm declared 9.40 tonnes; a drop from 11.06 tonnes just 2 months prior; No inspection report on record for this date. • Requested FSSAI Exemption: Along with Premier Agri Foods, Alpha Milk Foods also formally requested to be exempted from the newly mandated FSSAI specifications (β-Sitosterol testing) in August 2022. 	<ul style="list-style-type: none"> • Capacity figures fluctuating 7.60 → 11.06 → 9.40 tonnes within 9 months, with missing inspection records, strongly indicates document manipulation across evaluation cycles. • Video-conference inspection during COVID was exploited, no robust verification substitute was put in place.