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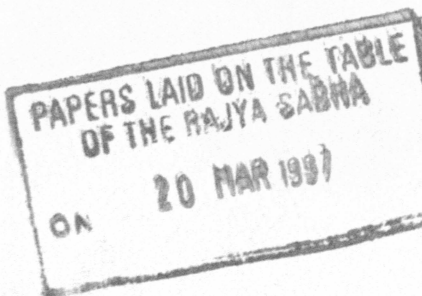
STANDING COMMITTEE ON
PETROLEUM & CHEMICALS
(1996-97)

ELEVENTH LOK SABHA

INSTITUTE OF PESTICIDE FORMULATION
TECHNOLOGY

MINISTRY OF CHEMICALS & FERTILISERS
(DEPARTMENT OF CHEMICALS AND PETROCHEMICALS)

FOURTH REPORT AUTHENTICATED




Chairman,
Standing Committee on
Petroleum and Chemicals

LOK SABHA SECRETARIAT
NEW DELHI

March, 1997/Phalguna, 1918 (Saka)

LC
328.3657R
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INSTITUTE OF PESTICIDE FORMULATION
TECHNOLOGY

MINISTRY OF CHEMICALS & FERTILISERS
(DEPARTMENT OF CHEMICALS & PETROCHEMICALS)

*[Action taken by Government on the Recommendations
contained in the 26th Report of the Standing Committee
on Petroleum & Chemicals]*

Presented to Lok Sabha on.....
20.3.97
Laid in Rajya Sabha on.....



LOK SABHA SECRETARIAT
NEW DELHI

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Eighth Edition) and Printed by National Printers, New Delhi.

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COMPOSITION OF THE STANDING COMMITTEE ON
PETROLEUM & CHEMICALS
(1996-97)

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Shri A. R. Antulay

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Lok Sabha

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3. Shri Chandubhai Deshmukh
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* Nominated w.e.f. 2.12.96 vice Shri Kamaluddin Ahmed.

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2. Shri J.P. Ratnesh — *Joint Secretary*
3. Shri G.R. Juneja — *Deputy Secretary*
4. Shri Brahm Dutt — *Under Secretary*
5. Shri S.N. Dargan — *Under Secretary*

INTRODUCTION

I, the Chairman, Standing Committee on Petroleum and Chemicals (1996-97) having been authorised by the Committee to submit the Report on their behalf present this Fourth Report on Ministry of Chemicals & Fertilisers, Deptt. of Chemicals & Petrochemicals on Action Taken by Government on the recommendations contained in the Twenty Sixth Report of the Standing Committee on Petroleum and Chemicals (1995-96) (Tenth Lok Sabha) on 'Institute of Pesticide Formulation Technology'.

2. The Twenty Sixth Report of the Committee was presented to Lok Sabha on 7th March, 1996. Replies of Government to all the recommendations contained in the Report were received on 11th September, 1996. Further information in respect of some of the Government replies was received on 25th February, 1997.

3. The Committee considered and adopted the Report at their sitting held on 4th March, 1997.

4. An analysis of action taken by Government on the recommendations contained in the Twenty Sixth Report (1995-96) of the Committee is given in Appendix II.

5. The Committee would also like to place on record their appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI;
March 11, 1997
Phalguna 20, 1918 (Saka)

A. R. ANTULAY,
Chairman,

Standing Committee on Petroleum & Chemicals.

CHAPTER I

REPORT

The Report of the Committee deals with the action taken by the Government on the recommendations contained in the Twenty Sixth Report (Tenth Lok Sabha) of the Standing Committee on Petroleum & Chemicals (1995-96) on 'Institute of Pesticide Formulation Technology' which was presented to Lok Sabha on 7th March, 1996.

2. Action Taken notes have been received from the Government in respect of all the 14 recommendations contained in the Report. These have been categorised as follows :—

- (i) Recommendations/Observations that have been accepted by the Government :
Sl. Nos. 1,2,3,5,6,7 to 10 and 12 to 14.
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government replies :
Sl. No. NIL
- (iii) Recommendations/Observations in respect of which reply of the Government have not been accepted by the Committee :
Sl. No. 4
- (iv) Recommendations/Observations in respect of which final reply of the Government is still awaited :
Sl. No. 11

3. The Committee desire that the final replies in respect of the recommendations for which only interim replies have been given by the Government should be furnished to the Committee expeditiously.

4. The Committee will now deal with the action taken by the Government on some of their recommendations.

A. Transfer of assets to Institute of Pesticide Formulation Technology (IPFT)

Recommendation (Sl. No. 2)

5. The Committee had regretted to note that even though the IPFT was formed in 1991, the legal transfer of assets/properties in its favour was yet to be

done. The major areas of the assets which were in common with Hindustan Insecticides Ltd. (A PSU) were land and buildings and equipments/machines (purchased with UNDP funds). The Committee were informed by the representatives of IPFT as also of the Ministry during their evidence that the land and buildings and machines etc. which were to be transferred to IPFT had now been identified. HIL had got its board clearance for transfer of the identified assets. Since a clear title of land and buildings and other assets is essential for any organisation for its smooth working, the Committee had recommended that all legal formalities in this regard should be completed within a period of three months from the presentation of the Committee's Report.

6. The Ministry in their reply (September, 1996) have stated that assets including land, building, equipments, machines and fixtures and furnitures created by M/s Hindustan Insecticides Ltd. (HIL), a Public Sector Undertaking, either for IPFT either through Govt. grants or through UNDP/UNIDO has been transferred to IPFT by Govt. order No. 50(10/91-Ch.I dated March 31, 1995). HIL has also got its Board of Directors' approval for the transfer of the identified assets. IPFT had implemented the Govt. order and had submitted its implementation report. HIL had also implemented clause 2 of the Government order. HIL is in the process of taking actions on the implementation of the other clauses of the order.

7. The Ministry have further stated (February), 1997) that as per the Govt. order most of the assets have been taken over by IPFT. However, the liabilities as per the Govt. order to be determined by HIL have not yet been finalised. The transfer of land from HIL to IPFT is in progress. Haryana Urban Development Authority (HUDA) has been requested by HIL to transfer the land in favour of IPFT.

8. The Committee find that even though Institute of Pesticide Formulation Technology (IPFT) and Hindustan Insecticides Ltd. (HIL) both are under the administrative control of Deptt. of Chemicals & Petrochemicals, they have taken undue long period in transferring all identified assets & liabilities in favour of IPFT. In spite of Govt. order to this effect, HIL is yet to identify the liabilities to be transferred. The Committee would like the Govt. to direct HIL and IPFT to take immediate and conclusive action in this regard.

B. Objectives of IPFT

Recommendation (Sl. No. 4)

9. The objectives of IPFT as laid down in its bye-laws *inter-alia* include undertaking research in pesticide formulations. Advancement of pesticide formu-

lations, research and development, promotion and transfer of pesticide formulation technology to the industrial sector, increasing and diffusing pesticide formulations knowledge and by its professional contacts, meetings, reports, papers, discussions and publications promoting scientific interests and enquiry. The Institute had also been given the role of Technical Coordinator Unit of the Regional Network on Pesticides for Asia and the Pacific (RENPAAP) of the UNDP/UNIDO on Pesticide Formulation and Quality Control. The Committee were informed by the IPFT that the Institute had made quite considerable progress in the key areas viz. Pesticide formulation, training, analytical services. In reply to specific queries of the Committee about the assessment of the Ministry in regard to achieving the objectives by IPFT, the Secretary C&PC was candid in his admission that a formal study had not been conducted by the Ministry so far. He stated that the Institute was about 5 years old and out of which the initial 2-3 years were of formative stage. He, however agreed that after 2-3 years when the Institute starts working in full swing they would carry out an indepth study of the working of the Institute. The Committee had asked the Government to have an indepth review of the working of the Institute at regular intervals with a view to identify the weak areas for taking timely remedial measures. The Committee also desired that quantifiable targets should be fixed for each of the objectives for achieving them in time bound programme.

10. In their reply the Ministry have stated that the working of the Institute is being reviewed from time to time by the UNDP/UNIDO and the Govt. A Project Performance Evaluation Report (PPER) is prepared based on standard format which is assessed by the concerned authorities. This assessed report is thereafter circulated to the Members of the tripartite Committee of Govt. of India, Officials of the Ministry of Chemicals and Fertilisers, Ministry of Finance, Deptt. of Economic Affairs, UNDP/UNIDO and the project authorities. The assessment of the activities of IPFT continued to reflect steady progress throughout. Based on the TPR recommendations an end-user survey had been conducted by UNDP/UNIDO during November-December, 1995. One of the major findings of the survey is :

“.....The Institute comprises of four departments namely (a) Formulation Department, (b) Analytical Department, (c) Pilot Plant Deptt. (d) Bioscience Department. Each Department has been given quantified targets in time bound programmes. So far the achievements of various departments have been quite satisfactory.....”

11. The Committee are unhappy to note that Govt. reply is silent about the Committee's specific recommendations regarding fixing quantifiable targets for the Institute to be achieved in a time bound programme. The Committee, therefore, would like the Government to reply to their specific recommendation in this regard.

C. Training Programme

Recommendation (Sl. No. 8)

12. The IPFT has been imparting training to the nominees of the industry, regulatory authorities of the Central and State Governments and the officials of the Bureau of Indian Standards. During the last 3 years, the Institute had conducted 17 training programmes where 426 participants were imparted training. Presently the Institute was not giving training to the farmers. In Committee's view imparting training to some 400 persons (duration ranged from 1 to 12 days) in a big country like India over a period of 3 years was hardly impressive. The Committee had asked the IPFT/Ministry to enhance the training programmes progressively. The Committee had also recommended that after stabilising the activities of the Institutes, possibility of imparting training to farmers may also be explored.

13. The Ministry in their reply have stated that IPFT has been imparting training to the nominees of the industry, regulatory authorities of the Central and State Government and the officials of Bureau of Indian Standards and the nominees of one member countries of the RENPAP. In view of the recommendations of the Committee, IPFT has taken up the upgradation of training facilities, so that more training programmes of improved quality could be conducted.

14. The Committee are happy to note that in pursuance of their recommendations, the training facilities of the Institute are being upgraded. However, the Govt. reply is silent about exploring the possibilities of extending training facilities to the farmers. The Committee would like the Govt./Institute to examine this vital issue. The Committee would wait Govt. specific reply in this regard.

D. Man Power Planning

Recommendation (Sl. No. 11)

15. The Committee had noted that the total manpower strength of the Institute (including HIL officers working in common with IPFT) was 44 only. The present strength which was considered adequate for the time being was based on the study conducted by an internal committee headed by a Retd. Joint Secretary of Ministry

of Industry. According to the Institute, it was necessary to strengthen the staff in some key areas including formulation development and analytical services. The Committee had regretted to note that even after a period of 5 years since the formation of IPFT, many of its officers were in common with Hindustan Insecticides Ltd. and the Committee did not approve of the concept of dual responsibility of the concerned employees. As the Ministry has approved an independent cadre for the Institute, the Committee recommended for taking effective steps to strengthen it.

16. In their reply the Ministry have stated (September, 1996) the pay scales of the Institute have been approved by the Govt. of India. The recruitment rules of IPFT have also been approved by the Govt. The Process of recruitment of independent cadre of personnel for the Institute is in progress and it is expected that by March, 1997, IPFT will have its own cadre of officers and employees.

17. The Ministry have further informed (February, 1997) that the process of recruitment of independent cadre of personnel for the Institute is in progress and it is expected that by the middle of 1997, IPFT will have its own cadre of officers and employees.

18. The Committee regret to note that even after a lapse of one year since their recommendations to strengthen the IPFT's cadre, there has not been much progress in this area. The Committee would like the Govt./IPFT to adhere to their new commitment to complete the recruitment process by June, 1997 to strengthen IPFT's Cadre.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Sl. No. 1)

With the aim of providing the Indian farmers with safer and user friendly pesticide formulations, the Government had undertaken two projects with the help of United Nations Development Programme (UNDP) and United Nations Industrial Development Organisation (UNIDO) in 1981 and 1989 respectively. In order to ensure effective utilisation of various outputs of these projects, the Government decided to set up an institute. Accordingly Institute of Pesticide Formulation Technology (IPFT) was Registered in May 1991 under Societies Registration Act. Despite the short tenure of the Institute, the Committee decided to examine its working keeping in view the needs of country's farming community for safer and eco-friendly pesticides. The committee's findings are detailed in succeeding paragraphs.

Reply of the Government

There are the observations of the Committee regarding the purpose of establishment of the Institute of Pesticide Formulation Technology by the Government.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Recommendation (Sl. No. 2)

The Committee regret to note that even though the IPFT was formed in 1991. The legal transfer of assets/properties in its favour is yet to be done. The major areas of the assets which are in common with Hindustan Insecticides Ltd. (A PSU) are land and buildings and equipments/machines (purchased with UNDP funds). The Committee were informed by the representatives of IPFT as also of the Ministry during their evidence that the land and buildings and machines etc. which are to be transferred to IPFT had now been identified HIL has got its board clearance for transfer of the identified assets. Since a clear title of land and

buildings and other assets is essential for any organisation for its smooth working. The Committee desire that all legal formalities in this regard should be completed within a period of three months from the presentation of the Committee's Report.

Reply of the Government

The assets including land, building, equipments, machines and fixtures and furnitures created by M/s Hindustan Insecticides Ltd. (HIL), a Public Sector Undertaking, either for IPFT either through Govt. grants or through UNDP/ UNIDO has been transferred to IPFT by Govt. order No. 50(10)/91-Ch.I dated March 31,1995. HIL has also got its Board of Directors' approval for the transfer of the identified assets. IPFT has implemented the Govt. order and has submitted its implementation report. HIL has also implemented clause 2 of the Government order. HIL is in the process of taking actions on the implementation of the other clauses of the order.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Further Reply of the Government

As per the Govt. order most of the assets have been taken over by IPFT. However, the liabilities as per the Govt. order to be determined by HIL have not yet been finalised.

The transfer of land from HIL to IPFT is in progress Haryana Urban Development Authority (HUDA) has been requested by HIL to transfer the land in favour of IPFT.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated February 25, 1997]

Comments of the Committee

Please see Paragraph 8 of Chapter I of the Report.

Recommendation (Sl. No. 3)

The IPFT is being managed by a Governing Body which consists of representatives from Ministries of Chemicals and Fertilizers, Agriculture, Health, PSUS manufacturing pesticides, two State Governments and from the Pesticide Industry. The Governing Body is required to meet twice a year. Besides, two committees viz. Finance and Administration Committee and Technical Committee has been constituted to expedite taking the decisions. These committees consist of selected members of the Governing Body. The Institute has a part time

Chairman and the next post of the Secretary to the Institute is in common cadre with Hindustan Insecticides Ltd. The Committee were informed by the IPFT that the present arrangements were adequate to run the Institute smoothly. The Committee however, feel that a full time Chief Executive (Chairman or Director) for the Institute is a must for its smooth functioning and for achieving its role and activities fully.

Reply of the Government

The pay scales of the Institute have been approved by the Government. The post of Chief Executive *i.e.* Director in the scale of Rs. 7300-7600 has been approved. The Recruitment and Promotion Rules and regulations of the Institute have also been approved by the Govt. The qualification and experience of Director has been recently approved by the Govt. The post is being advertised in national dailies for selecting a suitable incumbent to man this important position.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Further Reply of the Government

The applications received against the advertisement of the Director's post have been screened by the search committee and the steps are being taken to fill up the post expeditiously.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated February 25, 1997]

Recommendation (Sl. No. 5)

One of the main functions of the IPFT is to formulate safer and eco-friendly pesticides. The Committee are distressed to note that the country is far behind in the matter of production and use of latest pesticides which are safer and eco-friendly. It came out during course or examination that developed countries are using Water Dispersible Granules (WG), Suspension concentrates (SC), Concentrated Granules (CW), Micro Emulsions (ME) and Controlled Release Formulations (CR) which are far more safe and environment friendly. However, old generation pesticides *viz.* Wettable Powder (WP), Dust (D), Granules (G) etc. are still being used in our country. Admittedly the old generation pesticides are not user and environment friendly. It also came out that some of the pesticides/chemicals which have been banned in a developed countries are still being used in our country. The Committee were startled to find that none of the Indian industries/R&D laboratories has so far been able to develop a new pesticide

molecules. This has not been possible, on account of high cost (*i.e.* about US \$ 50-60 million for a molecule) and long period (about 15-20 years) required for developing a new molecule. The Committee have been informed that apart from IPFT, several government agencies and private industries are engaged in R&D in pesticide formulation. IPFT has also informed that they have formulated some of the new generation pesticides. Since safe and eco-friendly pesticides are essential input for the growing needs of the food production in the country, the Committee would like the Government to ensure coordinated efforts by the various agencies including IPFT for developing new generation pesticides which are not only safer and eco-friendly but which suit our specific needs, keeping in view the local climate and specific pests. Needless to emphasis that the Government, would take necessary action for phasing out the old generation pesticides.

Reply of the Government

The Institute have been very active in developing new generation pesticide formulations like Water Dispersible Granules (WG), Suspension Concentrate (SC), Micro-Emulsion (ME), Controlled Released Granules (CR). The premier Indian Pesticide industries, *viz.* M/s Gharda Chemicals, Bombay, M/s Excel Industries, Bombay, United Phosphorous Ltd., Bombay, M/s Sulphur Mills, Bombay, M/s Montari Industries, Chandigarh, M/s AIMCO Pesticides and M/s Rallis India Ltd., Bombay etc., have adopted the technology developed by the Institute through projects sponsored by them.

Ministry of Agriculture, which is the nodal Ministry for the implementation of Insecticides Act, 1968 and Insecticides Rules, 1971 review the ban/phasing out of pesticides being used in the country from time to time.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Recommendation (Sl. No. 6)

The Committee have been informed that in the country the use of pesticides is being regulated through Insecticides Act, 1968 and Insecticides Rules, 1971 and keeping in view the literacy status of Indian farmers a colour scheme to enable the user to recognise the extent of hazard involved in the handling of a particular pesticide has been made mandatory. In this connection, Chairman IPFT pleaded before the Committee that as prevalent in developed countries like USA there was need for a piece of legislation to make is compulsory for the manufacturers to produce only safer eco-friendly and water based pesticides. The administrative Ministry *viz.* the department of Chemicals and Petro-chemicals informed

the Committee that matter needs to be pursued with Ministry of Agriculture under which the subject of pesticides falls. However, when asked about the view of Ministry of Agriculture in this regard, the Committee were informed that the safer and eco-friendly pesticides were already being regulated under the existing Insecticides Act, 1968 and there was no need for bringing another act for this purpose. The Committee would like the Govt./Deptt. of Chemicals and Petrochemicals to examine this issue afresh in right earnest, in consultation with Ministry of Agriculture for taking effective measures to safeguard the interests of the Indian Farming community. After proper examination of the matter, if it is found that the present act is adequate enough to deal with the situation, then effective steps should be taken to implement the provisions, otherwise Government should not hesitate in bringing out comprehensive piece of the legislation on the subject. The Committee would await specific Government reply in this regard.

Reply of the Government

The use of pesticides in the country is being regulated through Insecticides Act, 1968 and Insecticides Rules, 1971 and is under the administrative control of Ministry of Agriculture. The matter is being taken up with the Ministry of Agriculture.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Further Reply of the Government

The Min. of Agriculture has stated that "The safer and eco-friendly pesticides like Neem based pesticides, bio-pesticides and comparatively newer safer formulations like Quinalphos (AF), Sulphur (WDG), Carbaryl and Deltamethrin (Flowable) etc. are being regulated under the existing Insecticides Act, 1968 and Insecticides Rules, 1971 framed thereunder including Amendments. The Neem based pesticides (300 ppm) and *Bacillus thuringiensis* have been registered regularly under sector 9(3) and these are being used extensively by the farmers under IPM programme. Thus, there is no need for bringing another parallel act for this purpose"

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated February 25, 1997]

Recommendation (Sl. No. 7)

Another area of operations of IPFT is to provide analytical facilities to pesticide industry and Bureau of Indian Standards (BIS). IPFT is providing this

facility/service to about 30 Institutes/Industries. Admittedly the analytical facilities of the Institute are not adequate for the pesticide Industry and there is proposal to expand the activities. The Committee accordingly recommend that a time bound programme should be chalked out to expand and upgrade the analytical facilities of the Institute to meet the country's demand in this regard.

Reply of the Government

The analytical facilities of the Institute are being utilised by the Indian Pesticide industry and the Bureau of Indian Standards. The upgradation of analytical facilities has been taken up and it is expected that laboratory will be upgraded by March, 1997 and will be ready to meet the country's demand in this regard.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Further Reply of the Government

The upgradation of analytical facilities has been taken up. The lay-out plans has been prepared by the UNIDO consultants, necessary equipments are being procured and it is expected that the laboratory will be upgraded during 1997 thereby enabling it to fulfil the various requirements.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated February 25, 1997]

Recommendation (Sl. No. 8)

The IPFT has been imparting training to the nominees of the industry. Regulatory authorities of the Central and State Government and the official of the Bureau of the Indian Standards. During the last 3 years, the Institute has conducted 17 training programmes where 426 participants were imparted training. Presently the Institute is not giving training to the farmers. In Committee's view imparting training to some 400 persons (duration ranged from 1 to 12 days) in a big country like India over a period of 3 years is hardly impressive. The Committee would like the IPFT/Ministry to enhance the training programmes progressively. The Committee also desire that after stabilising the activities of the Institute, possibility of imparting training to farmers may also be explored.

Reply of the Government

The IPFT has been imparting training to the nominees of the industry, regulatory authorities of the Central and State Government and the officials of

Bureau of Indian Standards and the nominees of the member countries of the RENPAP. In view of the recommendations of the Committee, IPFT has taken up the upgradation of training facilities, so that more training programmes of improved quality could be conducted.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

Comments of the Committee

Please *see* Paragraph 14 of Chapter I of the Report.

Recommendation (Sl. No. 9)

The Committee find that the Institute has been selected by UNDP/UNIDO as technical coordinator unit for Pesticide Formulation and quality control of the Regional Network on safe pesticides production and information for Asia and the Pacific (RENPAP) under this programme, the Institute has so far provided training to the participants from 15 countries. The PIFT as also the Ministry informed the Committee that the institute has performed this role to the satisfaction of UNIDO and UNDP. The Committee however, find from the Tripartite Review Report (July 1995 i.e. Review conducted by representatives of UNIDO, UNDP, Deptt. of Chemicals and Petro-Chemicals, Ministry of Finance and Institute of Pesticide Formulation Technology) that in certain areas, progress is slow and it was emphasised to expedite action on the identified areas. The Committee would like to be apprised of the action taken on each of the observations/comments made in the Tripartite Review Report.

Reply of the Government

The action taken on the observations/comments made in Tripartite Review Report (July, 1995) i.e. Review conducted by representatives of UNIDO, UNDP, Deptt. of Chemicals & Petrochemicals, Ministry of Finance and IPFT are given below :

- (i) **Expeditious setting up of microbiology laboratory and pesticide application technology lab.**

Action has been initiated for the expeditious setting up of microbiology laboratory and pesticide application technology laboratories. Drawings and layouts have been finalised and quotations have been called. It is expected that both labs. will be set up by March 1997.

(ii) Reorganisation of IPFT.

The pay scales and recruitment rules have been approved by the Govt. The post of Director has also been approved and qualifications, experience and rules regarding Director's post have also been approved by Govt. The post of Director has been sent for advertisement in national dailies.

The recruitment process for other officers has been initiated and is expected to be completed by March, 1997.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

Further Reply of the Government

- (i) Necessary equipments are being procured.
- (ii) The process of recruitment of Director is in progress. The recruitment process of other officers has been initiated and is expected to be completed by the middle of 1997.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated February 25, 1997]

Recommendation (Sl. No. 10)

The Committee's examination has revealed that not to speak of the developed countries like USA, India is far being even the countries like South Korea in the area of production of quality pesticides. The Committee feel that a lot of more efforts are needed in this direction. The Committee would like to emphasise that to safeguard the interests of farmers and to maintain the fertility of the soil, joint efforts of the concerned agencies are required to improve the production and distribution of quality/safe pesticides.

Reply of the Government

The Institute of Pesticide Formulation Technology is making concerted efforts to develop and promote the production of safer and environment friendly pesticides formulation so as to minimise the risk to the farmers. IPFT is also assisting the Bureau of Indian Standards in developing more precise methods for assuring the quality standards to the farmers. The Institute has also taken up projects for development of Bio-pesticides and Neem-based Pesticides. Ministry of Agriculture are also being requested to consider strengthening of the quality control machinery and promote the use of safer and environment friendly pesti-

cides particularly Bio-pesticides and Botanical Pesticides to safeguard the interest of the farmers and maintain fertility of the soil.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

Recommendation (Sl. No. 12)

The Committee note that the Institute get assistance from UNIDO/UNDP in the form of equipments/machinery/consultants etc., and Government of India provided funds for salary of staff, construction of premises etc. The total Government Assistance to the Institute so far has been Rs. 171 lakhs. It has got contribution for the pesticide industry totalling Rs. 42.20 lakhs. It came out during course of examination that due to paucity of funds, one costly equipment could not be installed as matching funds were not available for the premises for the equipment. The Committee were informed that this situation arose as the budget estimates for the project were based on 1985 prices. With the increase of annual grant of the Government. From Rs. 37 lakhs upto 1994-95 to about Rs. 1 crore in 1995-96 and proposed grant of Rs. 1.5 crores for 1996-97 the funds position of the Institute has now been improved. Besides the earnings of the Institute have increased from Rs. 4 lakhs in 1992-93 to Rs. 20 lakhs in 1994-95. The Committee have also been informed that in the matter of funds requirements, the Institute wants to become self-reliant as early as possible. Till that stage (*i.e.* becoming self-reliant) the committee would like the Government to ensure that activities of the Institute do not suffer on account of paucity of funds.

Reply of the Government

The Institute projects its requirement of funds to the Ministry at the time of the annual plan discussions. The Ministry has been providing funds to meet the requirements of the Institute within the overall availability of funds to the Ministry. The budgetary support of Rs. 1.50 crores has been projected for the year 1996-97 to the Institute. The Govt. endeavour has been to provide budgetary support of the Institute so that the work of the Institute does not suffer on account of paucity of funds.

[Ministry of Chemicals and Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem I Dated September 11, 1996]

Recommendation (Sl. No. 13)

It also came out during the course of examination that as against the original estimates of Rs. 1.14 crores (other than UNDPs assistance) for setting up the

Institute, the project cost went upto Rs. 3.62 crores. The Committee were informed that the initial estimates were based on 1985 prices and the cost of all inputs increased subsequently. As the Committee have not gone into item-wise details, they would like the Government to ensure that the increase was justifiable one.

Reply of the Government

The budgetary support committed by the Govt. of India was limited to Rs. 1.14 crores (other than UNDP assistance) for setting up of the Institute in late 1989, but the project cost went upto Rs. 3.62 crores. The initial estimates were based on 1985 prices while the project was sanctioned by UNDP and the Govt. of India in 1989. The escalation of cost of civil construction, salaries and wages and consumables-Chemicals, solvents, glasswares and equipment spares, maintenance services, etc. increased several fold in the meantime. While increasing the project cost upto Rs. 3.62 crores, Govt. has already thoroughly evaluated the said demands and provided the budgetary support.

[Ministry of Chemicals and Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

Recommendation (Sl. No. 14)

The Committee have been informed that the working of the Institute is reviewed by the Ministry by Governing Body Meetings (held so far under the Chairmanship of Secretary of the Ministry) and through Finance and Administration Committee (Headed by Joint Secretary of the Ministry) and through Annual General Meetings. The performance of the Institute is also reviewed through Tripartite Reviews. It appears to the Committee that the Institute is working as an extended unit of the Government. As recommended earlier in the Report, the Committee desire that the Institute should have a full time Chief Executive and he should be given a free hand to run smoothly and efficiently. Thereafter the Government should review its functioning on regular basis as is the prevailing practice in regard to other autonomous Institutes/Organisations.

Reply of the Government

The post of Chief Executive of the Institute (Director) in the pay scale of Rs. 7300-7900 has been sanctioned by the Govt. The recruitment rules, qualifications, experience for the Director's post has been approved by the Govt. The post is being advertised in the national dailies and it is expected that a full time Director of the Institute may be in place by 31st March, 1997.

As per recommendations of the committee the functioning of the Institute will be reviewed by Govt. on regular basis as is the prevailing practice in regard to other similar autonomous Institutes/organisations. However, the working of the Institute through Governing Body meetings, through Finance and Administrative Committee and through Annual General Meeting will continue.

[Ministry of Chemicals and Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

CHAPTER III

**RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO
PURSUE IN VIEW OF GOVERNMENT'S REPLIES**

— NIL —

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Sl. No. 4)

The objectives of IPFT as laid down in its bye-laws *inter alia* include undertaking research in pesticide formulations. Advancement of pesticide formulations, research and development, promotion and transfer of pesticide formulation technology to the industrial sector, increasing and diffusing pesticide formulations knowledge and by its professional contacts, meetings, reports, papers, discussions and publications promoting scientific interests and enquiry. The Institute has also been given the role of Technical Coordinator Unit of the Regional Network on Pesticides for Asia and the Pacific (RENAP) of the UNDP/UNIDO on Pesticide Formulation and Quality Control. The Committee were informed by the IPFT that the Institute had made quite considerable progress in the key areas *viz.* Pesticide formulation, training, analytical services. Reportedly the Institute has been performing its role as coordinator unit for UNDP/UNIDO assisted programmes. In reply to specific queries of the Committee about the assessment of the Ministry in regard to achieving the objectives by IPFT, the Secretary C&PC was candid in his admission that a formal study has not been conducted by the Ministry so far. He stated that the Institute was about 5 years old and out of which the initial 2-3 years were of formative stage. He however, agreed that after 2-3 years when the Institute starts working in full swing they would carry out an in depth study of the working of the Institute. The committee would like the Government to have an indepth review of the working of the Institute at regular intervals with a view to identify the weak areas for taking timely remedial measures. The Committee also desire that quantifiable targets should be fixed for each of the objectives for achieving them in time bound programme.

Reply of the Government

The Working of the Institute is being reviewed from time to time by the UNDP/UNIDO and the Government. A Project Performance Evaluation Report (PPER) is prepared based on standard format which is assessed by the concerned authorities. This assessed report is thereafter circulated to the members of the Tripartite Committee of Government of India, Officials of the Ministry of

Chemicals and Fertilizers, Ministry of Finance, Deptt. of Economic Affairs, UNDP/UNIDO and the project authorities. The assessment of the activities of IPFT continued to reflect steady progress throughout. Based on the TPR recommendations an end-user survey has been conducted by UNDP/UNIDO during November-December, 1995. One of the major findings of the survey is :

“.....The Institute comprises of four departments namely: (a) Formulation Department, (b) Analytical Department, (c) Pilot Plant Deptt., and (d) Bioscience Department. Each Department has been given quantified targets in time bound programmes. So far the achievements of various departments have been quite satisfactory.....”

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem-I, Dated September 11, 1996]

Comments of the Committee

Please *see* Paragraph 11 of Chapter I of the Report.

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

Recommendation Serial No. 11

During the last 3 years the total manpower strength of the Institute (including HIL officers working in common with IPFT) has been 44 only. The present strength which is considered adequate for the time being is based on the study conducted by an internal committee headed by a Retd. Joint Secretary of Ministry of Industry. According to the Institute, it would indeed be necessary to strengthen the staff in some key areas including formulation, development and analytical services. The Committee regret to note that even after a period of 5 years since the formation of IPFT, many of its officers are in common with Hindustan Insecticides Ltd. The Committee do not approve of the concept of dual responsibility of the concerned employees. Since the Ministry has now approved the independent cadre for the Institute, effective steps should be taken to strengthen it. Needless to emphasise that the pay structure of the organisation should be good enough to attract the qualified scientists etc. To maintain the standards of the services rendered by the Institute.

Reply of the Government

The pay scales of the Institute have been approved by the Govt. of India. The recruitment rules of IPFT have also been approved by the Govt. The process of recruitment of independent cadre of personnel for the Institute is in progress and it is expected that by March, 1997, IPFT will have its own cadre of officers and employees.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem. I Dated September 11, 1996]

Further Reply of the Government

The process of recruitment of independent cadre of personnel for the Institute is in progress and it is expected that by the middle of 1997, IPFT will have its own cadre.

[Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals) O.M. No. 44011/2/96-Chem. I Dated February 25, 1997]

Comments of the Committee

Please see Paragraph 18 of Chapter I of the Report.

NEW DELHI;
March 11, 1997

Phalguna 20, 1918 (Saka)

A.R. ANTULAY,
Chairman,
Standing Committee on Petroleum & Chemicals.

APPENDIX I

MINUTES

STANDING COMMITTEE ON PETROLEUM AND CHEMICALS (1996-97)

Tenth Sitting

(4.3.1997)

The Committee sat from 1000 hrs. to 1100 hrs.

PRESENT

Shri A. R. Antulay — *Chairman*

Lok Sabha

2. Shri Tejvir Singh
3. Shri Dwarka Nath Das
4. Dr. G.L. Kanaujia
5. Shri Oscar Fernandes
6. Shri Paban Singh Ghatowar
7. Dr. Girija Vyas
8. Shri Shantilal P. Patel
9. Shri Surendra Yadav
10. Shri Uddhab Barman
11. Shri K. Kandasamy
12. Shri P. Shanmugam
13. Shri Bir Singh Mahato

Rajya Sabha

14. Shri Karnendu Bhattacharjee
15. Shri Hiphei
16. Shri Narain Prasad Gupta
17. Shri Parag Chaliha

SECRETARIAT

- | | | |
|----------------------|---|-------------------------|
| 1. Shri J.P. Ratnesh | — | <i>Joint Secretary</i> |
| 2. Shri G. R. Juneja | — | <i>Deputy Secretary</i> |
| 3. Shri Brahm Dutt | — | <i>Under Secretary</i> |
| 4. Shri S.N. Dargan | — | <i>Under Secretary</i> |

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2. The Committee thereafter considered the following Draft Action Taken Reports on :

- (i) 26th Report (10th Lok Sabha) on Institute of Pesticide formulation Technology.
- (ii) 27th Report (10th Lok Sabha) on Fertilisers Education Policy and Projects.

3. After some discussion, the Committee adopted the above draft reports. The Chairman However, gave an opportunity to the Members to give their suggestions on draft reports, if any, by 6th March, 1997 for consideration of the Chairman for inclusion in the Reports.

4. The Committee, also authorised the Chairman to finalise the reports after factual verification by the concerned Ministries/Departments and present them to Parliament.

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The Committee then adjourned.

APPENDIX II

(Vide Para 4 of the Introduction)

Analysis of the Action Taken by Government on the recommendations contained in the 26th Report of the Standing Committee on Petroleum and Chemicals 1995-96 (Tenth Lok Sabha) on 'Institute of Pesticide Formulation Technology'.

I	Total Number of recommendations	12
II	Recommendations that have been accepted by the Government (Vide Recommendation at Sl. Nos. 1, 2, 3, 5, 6, 7 to 10 and 12 to 14)	
	Percentage to total	85.71%
III	Recommendation which the Committee do not desire to pursue in view of Government's reply.	NIL
IV	Recommendation in respect of which reply of Government has not been accepted by the Committee. (Vide Recommendation at Sl. No. 4)	1
	Percentage to total	7.14%
V	Recommendation in respect of which final reply of Government is still awaited (Vide Recommendation at Sl. No. 11)	
	Percentage to total	7.14%