

**COMMITTEE ON PUBLIC
UNDERTAKINGS
(1982-83)**

(SEVENTH LOK SABHA)

ch **FIFTY-FIFTH REPORT**

Action Taken by Government on the recommendations
contained in the Twenty-Seventh Report of the Committee
on Public Undertakings (Seventh Lok Sabha)

ON

HINDUSTAN TELEPRINTERS LTD.—NEW PROJECTS

(Ministry of Communications)

*Presented to Lok Sabha on
Laid in Rajya Sabha on*



**LOK SABHA SECRETARIAT
NEW DELHI**

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Corrigenda

to

The Fifty-fifth Action Taken Report of
CPU(7 L.S.) on Hindustan Teleprinters Ltd.-
New Projects

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(2)

INTRODUCTION

1. The Chairman, Committee on Public Undertakings having been authorised by the Committee to submit the Report on their behalf, present this 55th Report on Action Taken by Government on the recommendations contained in the 27th Report of the Committee on Public Undertakings (Seventh Lok Sabha) on Hindustan Teleprinters Ltd.—New Projects.

2. The 27th Report of the Committee on Public Undertakings was presented to Lok Sabha on 23 December, 1981. Replies of Government to all the recommendations contained in the Report were received on 24 June, 1982. Further information called for from the Ministry in respect of 3 recommendations was received by 23 September, 1982. The replies of Government were considered by the Action Taken Sub-Committee of the Committee on Public Undertakings on 15 February, 1983. The Report was finally adopted by the Committee on Public Undertakings on 22 February, 83.

3. An analysis of the action taken by Government on the recommendations contained in the 27th Report (1981-82) of the Committee is given in Appendix II.

NEW DELHI;

February 24, 1983.

Phalguna 5, 1904 (Saka).

MADHUSUDAN VAIRALE,

Chairman,

Committee on Public Undertakings.

CHAPTER I

REPORT

The Report of the Committee deals with the action taken by Government of the recommendations contained in the Twenty-Seventh Report (Seventh Lok Sabha) of the Committee on Public Undertakings on Hindustan Teleprinters Ltd.—New Projects which was presented to Lok Sabha on 23rd December, 1981.

2. Action Taken notes have been received from Government in respect of all the 8 recommendations contained in the Report. These have been categorised as follows:—

- (i) *Recommendations/observations that have been accepted by Government.*
Serial Nos. 1, 2, 3, 4, 5 and 6.
- (ii) *Recommendations/observations in respect of which replies of Government have not been accepted by the Committee.*
Serial No. 7.
- (iii) *Recommendations/observations in respect of which final replies of Government are still awaited.*
Serial No. 8.

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

A. Electric Typewriters—Old Project

Recommendation Sl. Nos. 2, 3, and 4

3. Commenting upon the failure of the project to manufacture electric typewriters based upon the design developed by Hindustan Teleprinters Limited, on which the Company suffered a loss of over Rs. 33 lakhs, the Committee observed that the typewriters manufactured were neither technically sound nor cost effective. It was clear that the project was rushed through without establishing its technical and financial viability. No inquiry into the project failure had been conducted. The Committee desired that at least now an indepth study of the project formulation, approval and implementation should be made to identify the lapses at each stage if only for learning lessons for the future. In their reply the Ministry have *inter-alia* stated that the detailed examination conducted by the Ministry based on the Committee's recommendation has been so thorough that it tantamounts to an indepth study. The lessons thrown up by this study had been noted

for future guidance. The deficiencies noticed during the examination of the Committee's recommendations were:—

- (a) The specifications of raw materials used for fabricating vital components were not given adequate consideration with the result that these components could not withstand vigorous working conditions.
- (b) The design adopted by the HTL was neither of the latest state-of the art nor was it cost-effective.
- (c) The prototype machines were not put to exhaustive tests including Users' tests before regular production was taken up.
- (d) Since the Ministry of Communications do not have in-house technical expertise to evaluate prototypes of office machines like Electric Typewriters, the services of experts if readily available in other Departments of the Government (For example in D.G.T.D.) and in non-governmental organisations would be utilised for this purpose in future.
- (e) The system of monitoring of projects by the Ministry was not adequate at that time. However, now-a-days regular monitoring of project is being done by the Ministry.

4. The Committee desire that in the light of experience of the Typewriters Project, the B.P.E. should issue suitable guidelines to all the administrative Ministries/Public Undertakings so that similar deficiencies in formulation, approval and implementation of the projects by public undertakings are avoided. It should also be ensured by the Administrative Ministries that the guidelines issued by the Bureau of Public Enterprises are actually followed.

**B. Electric typewriters—New Project—Delay in approval by Government
Recommendation Sl. No. 5**

5. Commenting upon the delay of one year and nine months in the approval of the project by Government for the production of 10,000 typewriters per annum by Hindustan Teleprinters Ltd., the Committee desired that an exercise to streamline the project clearance procedure and ensure expeditious scrutiny of project proposals should be undertaken by the Ministry of Finance and uniform guidelines issued to all the Ministries. Normally not more than six months should be taken to arrive at a decision on a project proposal of a public undertaking. In their reply the Ministry have *inter-alia* stated that detailed instructions exist for scrutiny of project proposals aimed at proper scrutiny and expeditious clearance of project. However, these instructions have again been brought to the notice of various Ministries and appraising agencies for compliance. They have also been instructed *vide* Ministry of Finance O.M. 31-3-1982 to ensure that project does not normally take more than six months to arrive at a decision.

6. The Committee trust that the Ministries would adhere to these time schedules in future to avoid delays in approval of project proposals received from Public Undertakings.

C. Electronic Teleprinters Project

Recommendation S. No. 7

7. A feasibility report for the setting up manufacturing capacity for the production of 8000 electronic teleprinters annually by H.T.L. was sanctioned by Government in March, 1981. The foreign collaboration for this project was expected to be finalised by March, 1982. The Committee expressed the hope that the schedule of completion of the project and commencement of production would be adhered to.

8. In their reply, the Government have stated that it was originally expected that the finalisation of the tender proposals would be completed by March, 1982. However, the date of opening of the financial bids had to be postponed from 30th December, 1981 to 15th February, 1982 at the request of the tenderers. The Committee set up to evaluate the tenders submitted its report in July, 1982. This report was under examination of the Ministry.* The revised schedule of completion of the project and commencement of production was as follows:

<i>Original Schedule</i>		<i>Revised Schedule</i>	
1982-83	1000 Nos.	1983-84	1000 Nos.
1983-84	2000 Nos.	1984-85	2000 Nos.
1984-85	5000 Nos.	1985-86	5000 Nos.
1985-86	8000 Nos.	1986-87	8000 Nos.

9. The Committee regret to note that according to the revised schedule slippage of one year in the completion of the teleprinter project and commencement of production as compared to the original schedule is expected. Although the foreign collaboration for this project was expected to be finalised by March, 1982, the report of the Committee set up to evaluate the tenders was still under examination of the Ministry. The Committee desire that the matter should be expedited and it should be ensured that at least the revised schedule of the completion of the project and commencement of production is adhered to.

*At the time of factual verification the Ministry intimated the following up-to-date position:

"The report was examined by the Ministry. The proposal for the visit of a small team to the works of short-listed bidders was approved by the Government and after the visit of the Evaluation Team, the Committee have since submitted their final report. The revised scheduled of completion of the project and commencement of production is likely to remain unchanged as indicated earlier.' [Ministry of Communications O.M. No. U51014/1/81-FAC(Pt.) dated 21-2-1983].

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Sl. No. 1) (Paragraph No. 26)

The Hindustan Teleprinters Ltd. incorporated in 1960 is manufacturing teleprinters and accessories. Diversification of its products was under contemplation since 1969. One of the possibilities that was considered was manufacture of electric typewriters. The company tried unsuccessfully for long to develop production of electric typewriters and belatedly decided to obtain foreign know-how. While there was a loss of over Rs. 33 lakhs on the unsuccessful venture on account of faulty decision making, the new project was marked by delay in decision making.

Reply of the Government

M/s. Hindustan Teleprinters Ltd., Madras, conceived the project for Electric Typewriters in 1969 as the production processes of Electric Typewriter were almost similar to those of Electro-mechanical teleprinters. The development work in respect of prototype took time from 1969 to the end of 1972 as this was the first time any undertaking in India designed an Electric Typewriter on its own. The HTL submitted a Project Report to the Ministry of Communications in November, 1972 and after detailed examination in consultation with the other concerned Ministries/Departments, the formal sanction of the project was issued in September, 1973. HTL obtained the Letter of Intent in December, 1973. After getting these clearances, the HTL assembled the first set of English Electric Typewriters and put these on the reliability tests. As a result of these tests HTL found that certain modifications had to be incorporated and the necessary tooling for the modifications was taken up. In the meantime the Ministry of Industry converted the Letter of Intent into Industrial Licence in May, 1976. Regular production of Electric Typewriters started in 1975-76. As such it may be observed that though there was some delay in the developmental stages, this was unavoidable keeping in view that HTL was the first and the only company in India which brought out the Electric Typewriter of purely indigenous design.

2. HTL produced about 750 Electric Typewriters between 1975-76 to 1978-79. On the feed-back information received from the customers it was found that these machines were not giving satisfactory performance. Initially HTL themselves undertook certain modifications by improving

some components. But even after this, it was found that some of the defects persisted. The company therefore, entrusted the evaluation work to two independent Indian agencies, namely, Bharat Electronics Ltd. and Central Machine Tools Ltd., Bangalore. HTL, was simultaneously exploring the possibilities of foreign collaboration for producing typewriters in a cost-effective manner. The Bharat Electronics Ltd. and Central Machine Tools Ltd., after detailed study, recommended in August, 1978 that extensive basic design deficiencies were to be rectified. The modifications suggested by these organisations were found to be prohibitively costly and time-consuming. Also, in the meantime, the technology of electric typewriters had changed considerably all over the world and the number of components in the contemporary electric typewriters abroad were found to be almost half of the components of the HTL-designed electric typewriter. In view of these factors, the Board of Directors of HTL decided in November 1978 to go in for the latest technology with foreign collaboration. Thus it may be observed that the company had gone in for foreign know-how only after their further attempts to improve the indigenous version were found to be prohibitively costly and time consuming.

3. The total loss of over Rs. 33 lakhs mentioned by the Committee comprises of revenue loss of Rs. 22.04 lakhs on account of selling the electric typewriters below the cost of production and Rs. 11.08 lakhs being the loss on capital account on the value of tools, dies, jigs and fixtures, which had to be written off. Originally the Board of Directors of HTL had fixed the selling price of electric typewriters at Rs. 5,000/- per machine in 1974 and HTL was selling the machines at this price. However, it was later on found that this selling price would not cover the cost of production and hence the management placed a proposal in October 1977 to enhance the selling price of electric typewriters before the Board of Directors of the Company to cover the increased cost of production. The decision on this proposal was, however, deferred by the Board of Directors till all the proposed modifications in the design had been carried out and a new design was firmly established in the market. At that time it could not be foreseen that the design modifications on the indigenous model would be so extensive as to make it prohibitively costly and time consuming and that we would have to go in for completely new technology. As regards capital loss referred to above, the dies, tools, and fixtures, which were written off were specific to the indigenous model of electric typewriters and hence could not be utilised elsewhere in the factory when HTL finally decided to go in for large scale manufacture of a cost effective model with foreign collaboration. It may thus be seen that the revenue loss and the loss on capital account was inevitable. The staff of HTL have, however, gained valuable experience in designing and manufacture of electric typewriters and this experience will stand them in good stead for their new venture of collaborative manufacture

of electric typewriters. If the above aspect is taken into account the actual loss on the project is much less than the figure mentioned by the Committee.

[Ministry of Communications O.M. No. P. 51014/1/81-Fac. (Pt)
dated the 17th December, 1982].

Recommendation (Sl. No. 2) (Paragraph No. 27)

The earlier project for the manufacture of electric typewriters developed by the company was approved by government in 1973 and the project envisaged ultimate capacity of 4,000 typewriters per annum. After producing about 750 typewriters in 4 years between 1975 and 1979 and selling them considerably below cost the project was abandoned due to technological difficulties. Thus the typewriters manufactured were neither technically sound nor cost effective. It is clear that the project was rushed through without establishing its technical and financial viability. The basic bungling was that the prototypes developed were not tested fully until 1978. No explanation for this lapse is forthcoming. Surprisingly, no enquiry into the project failure has been conducted. The Committee desire that at least now an indepth study of the project formulation, approval and implementation should be made to identify the lapses at each stage if only for learning lessons for the future.

Reply of the Government

The Board of Directors of HTL finally decided in the context of the design changes recommended by the Bharat Electronics Ltd. and the Central Machine Tools Institute, that production of the indigenous model should be *suspended*. The Board also decided that HTL would continue the R&D efforts to re-design the indigenous model. However, after studying the deficiencies in detail, HTL came to the conclusion that with its limited R&D background, it may not be in a position to achieve the desired results and to bring out a satisfactory design. The HTL, therefore, came to the conclusion that it was necessary to acquire know-how from an established manufacturer of Electric Typewriters in order to have a viable project with a proven design and which is also cost-effective. Almost all the capital assets which were obtained/established for the earlier project were diverted to the new project. Thus, it may be seen that the new project is in continuation of the old project and the Electric Typewriters project was never really abandoned.

2. As already indicated the production processes of Electric Typewriter were almost similar to those of Electro-mechanical teleprinters. The R&D wing of HTL took steps to develop and diversify into the allied lines of production, mainly on this basis. The proto-type developed by the R&D

Wing of HTL was subject to field trials by the technicians staff of HTL and only after the performance of the prototype was found satisfactory, it was decided to transfer the project to the regular production line. The Ministry of Communications do not have any in-house R&D wing, which can establish the technical feasibility of electric typewriter, which is an office machine. However, in view of the expertise the HTL had already acquired for the manufacture of teleprinters, there was no reason to doubt the technical feasibility of the electric typewriter. As regards financial viability the procedure prescribed for examining project reports in such cases, was followed and the Ministry of Finance was also involved in the project sanction process.

3. As indicated above, though there were some defects in the indigenous Electric Typewriters, it cannot be stated that the project was a complete failure. However, the detailed examination conducted by the Ministry based on the Committee's recommendation has been so thorough that it tantamounts to an in-depth study. The lessons thrown up by this study have been noted for future guidance.

(Ministry of Communication O.M. No. U 51014/1/81-Fac. dated the 23rd June, 1982.)

Further information called for by the Committee

It has been stated that the prototype developed by the R&D Wing of HTL was subjected to field trials by the technician staff of HTL and only after the performance of the prototype was found satisfactory, it was decided to transfer the project to the regular production line. It was, however, stated in evidence before the Committee that only 3 prototypes of electric typewriter were produced and used internally. No other test was carried out. Only in 1978 it was subjected to rigorous test in the laboratory. Secretary of the Ministry had also stated that the users test of prototype was not done adequately at that point of time and had added that "If all the tests had been done on the prototype this mistake might have been avoided."

In views of the position explained above, the present statement by the Ministry does not present the correct picture and may please be elucidated.

(L.S.S. O.M. No. 67/2(1)/PU/82, dated 7-8-1982.)

Reply of the Government

The words "field trials" used in the reply of the Ministry refer to the tests conducted by HTL technicians and the internal user trials carried out on these prototype machines, within the factory. Only after such testing was

regular production started. The tests conducted by the outside agencies in 1978 were on the production models and not on prototypes.

[Ministry of Communications O.M. No. U. 51014/1/81-Fac. (Pt)
dated 6-9-1982].

Further information called for by the Committee

It has been stated that the detailed examination conducted by the Ministry has been so thorough that it tantamounts to an indepth study and that the lessons thrown up by his study have been noted for future guidance.

Please state the deficiencies noted and the specific steps taken or directions given to the undertaking arising out of this study to avoid recurrence of such cases.

[L.S.S. O. M. No. 67/2(1)/PU/82 dated 7-8-1982].

Reply of the Government

The deficiencies noted during the examination of the Committee's Recommendations are:

- (a) The specifications of raw materials used for fabricating vital components were not given adequate consideration with the result that these components could not withstand vigorous working conditions.
- (b) The design adopted by the HTL was neither of the latest state-of-the art nor was it cost-effective.
- (c) The prototype machines were not put to exhaustive tests including Users' tests before regular production was taken up.
- (d) Since the Ministry of Communications do not have in-house technical expertise to evaluate prototypes of office machines like Electric Typewriters, the services of experts if readily available in other Departments of the Government (for example in D.G.T.D.) and in non-governmental organisations would be utilised for this purpose in future.
- (e) The system of monitoring of projects by the Ministry was not adequate at that time. However, now-a-days regular monitoring of projects is being done by the Ministry.

The Hindustan Teleprinters Limited has been addressed in this regard so as to avoid recurrence of such cases in future.

A copy of this letter is enclosed.

[Ministry of Communications O.M. No. U. 51014/1/81-Fac. (Pt)
dated 22-9-1982).

Comments of the Committee

(Please see paragraph 4 of Chapter I of the Report)

COPY

No. U. 51014/1/81-Fac. (Pt.)

GOVERNMENT OF INDIA

MINISTRY OF COMMUNICATIONS

SANCHAR BHAVAN, 20-ASHOKA ROAD, NEW DELHI-11001

Dated the 16th September, 1982

Dr. B. C. Seetharam,
Chairman-cum-Managing Director,
Hindustan Teleprinters Ltd.,
G.S.T. Road, Guindy,
Madras-600032.

SUBJECT:—*27th Report of the Committee on Public Undertakings (1981-82) on Hindustan Teleprinters Ltd.—New Projects—Deficiencies noted while examining the processing of Electric Typewriter Project.*

Sir,

I am directed to say that this Ministry while examining the processing of the original Electric Typewriter Project in the context of the recommendations of the Committee on Public Undertakings, have noted the following:—

- (a) The specification of raw materials used for fabricating vital components were not given adequate consideration with the result that these components could not withstand vigorous working conditions.
- (b) The design adopted by the HTL was neither of the latest state-of-the art nor was it cost-effective.
- (c) The prototype machines were not put to exhaustive tests including Users' tests before regular production was taken up.
- (d) Since the Ministry of Communications do not in-house technical expertise to evaluate prototypes of office machine like Electric Typewriters, the services of experts, if readily available, in other Departments of the Government (for example in DGTD) and in non-governmental organisations, would be utilised for this purpose in future.

(e) The system of monitoring of projects by the Ministry was not adequate at that time. However, now-a-days regular monitoring of projects is being done by the Ministry.

2. The deficiencies mentioned at (a), (b) and (c) above are brought to the notice of Management of HTL so that such deficiencies could be avoided in the case of future projects.

Yours faithfully,

Sd/-

(J. K. CHHABRA)

Deputy Secretary to the Govt. of India

Tele: 380387

Recommendation (Serial No. 3) (Paragraph No. 28)

Another interesting feature that came to light is that the Ministry was not in touch with the project after its clearance in 1973. Strangely the failure of the project came to the notice of the Ministry in 1978 and that too through a letter of the company. There was admittedly no monitoring and appraisal of the project implementation and performance, which according to instructions of government ought to have been done. The Committee trust that such laxity would not persist.

Reply of the Government

It is not correct to conclude that no monitoring and appraisal of the project implementation and performance was being done by the Ministry of Communications, in respect of this project. Till about May 1978, HTL had been manufacturing and marketing the indigenous model of electric typewriter. As the feed back information received from the customers revealed that these machines were not giving trouble free service, the Board of Directors at their meeting held in May 1978 decided that the design of the electric typewriter should be reviewed by an external agency and in accordance with this decision two machines each were sent to the Central Machine Tools Institute and Bharat Electronics Ltd., Bangalore, who were having extensive facilities for testing and evaluation. It is in this context that the Ministry came to know in May 1978 that there were design deficiencies in the indigenous model of electric typewriter under production in HTL.

2. The formal approval for the Electric Typewriter Project was issued by the Ministry of Communications on 17-9-1973. After this the Ministry has been keeping in touch with the progress of the project either by correspondence with the management of HTL or through periodical

meetings with the HTL Officers. The progress of the Project as reported to the Ministry from time to time was as indicated below:

1. 5-2-1974: The first set of Electric Typewriters were put on reliability tests and as a result of these tests certain modifications had to be incorporated. Necessary tooling for modifications was in progress and it was anticipated that Electric Typewriters would be marketed by May, 1974.

2. 26-2-1974: Due to some snags found in the latest tests, some modifications were required which were being carried out and HTL would be able to put the Electric Typewriters in the market in the next 2/3 months.

3. 24-5-1974: With a view to improve the working of the Electric Typewriters some modifications and re-designing of some parts were being carried out and the machine would be placed in the market soon after these were completed.

4. 9-8-1974: The first batch of Electric Typewriters were undergoing reliability tests and certain modifications were being incorporated. Production would be taken up and machines released in the market before December, 1974.

5. 4-1-1975: HTL had assembled the first batch of Electric Typewriters and subjected these to intense reliability tests. The modifications required had been incorporated and assembly of Typewriters would commence before the end of the financial year (1974-75) and the product would be placed in the market soon after.

6. 13-5-1975: HTL had commenced manufacture of Electric Typewriters and the first Electric Typewriter manufactured by them was presented to the Prime Minister on 9-5-1975.

7. 22-8-1975: All measures had been taken to ensure the reliable operation of Electric Typewriters.

8. 6-9-1975: HTL was implementing the programme for the manufacture of Electric Typewriters and these were expected to come in the market before 31-3-1976.

8(a) 1976-77: During this period HTL manufactured 205 Electric Typewriters. HTL also got the Letter of Intent converted into Industrial Licence in May, 1976.

9. 6-4-1977: HTL had slowed down the manufacture of Electric Typewriters in order to take up certain design modifications found necessary, as a result of the feed-back information received from the customers.

10. 19-4-1977: HTL had manufactured over 200 Electric Typewriters and was concentrating on rectifying the defects in the machines. The work involved in re-designing was heavy and removal of the defects would take some time. Steps had been taken to tackle the problems systematically and these were expected to be over-come by the end of the financial year (1977-78).

11. 31-5-1978: The Electric Typewriter was still not free from defects and the Board of Directors of the Company had decided to go slow on the project. The personnel rendered surplus would be utilised in the production of Teleprinters and Spares.

The Board of Directors of HTL at their meeting held in May, 1978 wanted the design of the Electric Typewriter should be reviewed by an external agency. In accordance with this decision two machines each were sent to the Central Machine Tools Institute and Bhart Electronics Ltd., Bangalore who had facilities for testing and evaluation.

12. 31-12-1978: HTL intimated that Board of Directors of the Company had decided in their meeting held on 3-11-1978 that in view of the improved technology available, the Company may go in for foreign collaboration for manufacture of suitable models of Electric Typewriters. HTL had, therefore, stopped further expenditure on the project for manufacture of the indigenous model. This decision was arrived at after the evaluation conducted by the Central Machine Tools Institute and BEL indicated that the changes required in the indigenous model would be prohibitively costly and time consuming.

From the facts mentioned above it would be observed that the Ministry of Communications had been keeping a watch over the progress of the project and the monitoring and appraisal of the project implementation was also being done.

The present position is that the Ministry of Communications are regularly holding Quarterly Performance Review Meetings in respect of Hindustan Teleprinters Limited, and one of the important items considered in these review meetings is the progress of various projects of these companies. Timely measures are taken to remove any bottleneck in the implementation of the projects.

(Ministry of Communications O.M. No. U. 51014/1/81-Fac. dated the 23rd June, 1982).

Comments of the Committee

Please see paragraph 4 of Chapter I of the Report.

Recommendation (Serial No. 4) (Paragraph No. 29)

According to the Secretary, Industrial Development, the industrial approvals of Government in the case of public undertakings are not subject to a technical scrutiny on behalf of the licensing authority and that it is left to the administrative Ministry concerned. The Secretary, Communications, however, stated that his Ministry did not have the in-house expertise but he agreed to draw upon outside expertise such as of the DGTD in future. There thus seems to be a serious lacuna in the public sector project approvals by Government. This should be gone into by the BPE and guidelines for establishing technical feasibility issued to all the administrative Ministries.

Reply of the Government

The Undertakings under the Ministry of Communications manufacture telecommunication equipments required mainly by the P&T Department. Whenever new projects are launched, the major customer, *i.e.*, the P&T makes an indepth evaluation of the product, including prototype-testing, field trials etc., to ensure that the equipment gives trouble free service later, after bulk manufacture. In this particular case, the product being one for general use, the Hindustan Teleprinters had carried out prototype tests and limited user evaluation. As soon as the defects and deficiencies were brought to light, HTL took action to rectify these to the best of their ability. It was with the intention of perfecting the design that these machines were sent to the BEL, Central Machine Tools Institute for evaluation.

2. In this connection, it may be mentioned that this project was taken up purely on the basis of in-house efforts by the HTL without going in for any form of foreign collaboration, as the accent was on self-reliance. However, in future, the products which are for general use will be subjected to detailed technical evaluation to ensure that they do not have any problems in the field, in future.

3. The Bureau of Public Enterprises to whom the recommendation was referred to has stated that appropriate guidelines and procedures already exist for techno-economic appraisal of projects before investment decisions are taken. Investment proposals, other than those within the competence of the Board of Directors of the Public Sector Company and the administrative Ministry, are examined by the scrutinising agencies in the Government, including the Bureau of Public Enterprises, Planning Commission and the Plan Finance Division of Ministry of Finance before these are considered by the Expenditure Finance Committee or the Public Investment Board.

4. It is not considered appropriate by the BPE to reduce the existing delegation of powers for investment proposals, as these delegation of powers were made to eliminate avoidable delays.

5. The BPE have indicated a check list for appraising projects and the this check list has been included in the Public Enterprises Survey (1978-79), published by the Bureau of Public Enterprises.

[Ministry of Communications O.M. No. U. 51014/1/81-FAC. dated the 23rd June, 1982].

Comments of the Committee

Please see paragraph 4 of Chapter I of the Report.

Recommendation (Serial No. 5) (Paragraph No. 30)

The new project entailing capital cost of the Rs. 395 lakhs which envisages ultimate production of 10,000 typewriters per annum in collaboration with M/s. Olivetti of Italy was approved by government in July, 1981. The approval of project was delayed badly inasmuch as it took 1 year and 9 months. There have been delays at various stages. For instance, the Desk Office of the Ministry of Communications, who received the feasibility report from the HTL, took 40 days for 'examining' the report although according to the Secretary, he had nothing to examine on the merit of the proposal. He also took 20 days for preparation of the memorandum for the Expenditure Finance Committee. A number of scrutinising agencies which are expected to give their clearance or comments within 15 days, took inordinately long time. The Planning Commission (PAD) took nearly 4 months for giving its clearance. The BPE (Finance Division) took about 50 days for giving comments and another 23 days to give the clearance after receiving the clarification. This is thus a typical case of delay in decision making. Cost of the delay in decision-making in terms of cost escalation and denial of timely benefit to the economy is seldom realised. The Committee are distressed at this. Though the Ministry of Communications has since laid down a time-table for clearance of project proposals, the Committee desire that an exercise to streamline the project clearance procedures and ensure expeditious scrutiny of project proposals should be undertaken appropriately by the Ministry of Finance and uniform guidelines issued to all the Ministries. Normally not more than 6 months should be taken to arrive at a decision on a project proposal of a public undertaking.

Reply of the Government

Detailed uniform instructions for scrutiny of project proposals aimed at proper scrutiny and expeditious clearance of projects had already been issued by the Ministry of Finance. According to this Ministry's OM No. F. 3(1)/E(Coord.)/76 dated 20-11-1976, (copy enclosed Appendix I), the administrative Ministries are required to circulate the Feasibility Report/Memorandum for the Expenditure Finance Committee among the various

appraising agencies for their comments. The appraising agencies, according to these orders, were required to furnish their comments within a period of six weeks. The Office Memorandum also provides that if no comments are received within this period, it would be presumed that they have none to offer and the administrative Ministry/Department should process the proposal further in consultation with its Finance Adviser. In order to improve the procedure and to speed up investment decisions, instructions were again issued in this Ministry's OM No. F. 1(18)/PF-II/78 dated the 23rd November, 1978 (Copy enclosed Appendix I) according to which the period of six weeks for giving comments by the appraising agencies was reduced to 15 days in EFC cases and one month in PIB cases from the date of receipt of the Feasibility Report/EFC Memorandum. These instructions were reiterated in this Ministry's O.M. No. F. 1(18)/PF-II/78 dated 2-4-1980 (Extract of paragraph 4.3 enclosed Appendix-I).

According to the existing instructions the administrative Ministries/Departments are required to process the case further if comments from the appraising agencies are not received within the time limits prescribed in the instructions. However, these instructions have again been brought to the notice of the various Ministries and appraising agencies for compliance. They have also been instructed to ensure that a project does not normally take more than six months to arrive a decision. A copy of the O.M. dated 31-3-1982 issued by the Ministry of Finance containing the instructions is enclosed Appendix I. The Ministry of Communications will try to adhere to these time-schedules in future.

[Ministry of Communications O.M. No. U. 51014/1/81-FAC. dated the 23rd June, 1982].

Comments of the Committee

Pl. see Paragraph 6 of Chapter I of the Report.

Recommendation)Serial No. 6) (Paragraph No. 42)

Electronic Teleprinters are stated to have replaced the electro-mechanical teleprinters all over the world in a big way from the 70's. However, a belated beginning was made to switch over to the manufacture of electronic teleprinters in the HTL and the manufacture is expected to start only in 1982-83. This delay in keeping abreast of the developments in the rest of the world is obviously attributable to the lack of R & D facilities in the company. Adequate R & D support is also necessary for absorption and adoption of foreign technology. The Committee have been informed that the company is in the process of setting up the facilities. The Committee desire that this should be given the priority that it deserves and competent R & D unit should be brought into being before long and

for this purpose adequate allocation of funds should be found within the resources of the company if possible and from budgetary support by government, if necessary.

Reply of the Government

The Ministry of Communications agrees with the recommendation of the Committee that the R & D unit of HTL should be strengthened. Several measures in this direction are being taken. The post of General Manager (R & D), Head of the R & D Organisation of HTL, in the scale of Rs. 2250—2500 has been filled up with effect from 22nd March, 1982. An additional post of Manager (R & D) has recently been created besides the already existing post of Manager (Quality-Assurance and Engineering). HTL have also selected six highly qualified candidates for being appointed as Probationary Engineers on the R & D side.

2. The Board of Directors of HTL has recently formed a Development Coordination Committee consisting of the Chief of R & D, HTL, Director, T.R.C., and one nominee from the operations side of the P & T Board. This Development Coordination Committee would meet at periodical intervals with a view to help joint development of products by HTL and the TRC.

3. The H.T.L. has recently prepared a detailed paper on the R & D Projects proposed to be taken up during the period 1982—87 leading to productionisation, which would utilise effectively the competence and the techniques presently available in the factory and use the state-of-art of production of electronic equipment to be introduced with the manufacture of electronic teleprinters.

The main R & D projects envisaged in this Paper are development of various ranges of Data Modems, Data Concentrators, Equalisers, Acoustic Couplers, Devanagari/Bilingual Teleprinters, Ruggedized Teleprinters, Robo-type Equipment, Alpha-numeric Printers, etc.

[Ministry of Communications OM No. U51014|1|81FAC
dated the 23rd June, 1982]

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 (Serial No. 7) (Paragraph No. 43)

The electronic teleprinters project entailing capital outlay of Rs. 500 lakhs which envisages production of 8000 teleprinters annually has been approved by Government in March, 1981. The foreign collaboration for this project is, however, expected to be finalised only by March, 1982. The Committee hope that the schedule of completion of the project and commencement of production as given in the project report will be adhered to.

Reply of the Government

The tender proposals received for manufacture of electronic teleprinters by HTL are under evaluation. It was originally expected that the finalisation of the tender proposals would be completed by March, 1982. However, the date of opening of the financial bids had to be postponed from 30th of December, 1981 to 15th of February, 1982 at the request of the tenders. It is now anticipated that the Committee set up to evaluate the tenders would submit its report in July 1982. The schedule of completion of the project and the commencement of the production may have to be slightly changed due to the reasons stated above.

[Ministry of Communications OM No. U. 51014/1/81-FAC
dated the 23rd June, 1982].

Further information called for by the Committee

By what time finalisation of the tender proposals is likely to be completed in view of the changed circumstances?

[L.S.S. O.M. No. 67/2(1)/PU/82 dated 7-8-82]

Reply of the Government

The Committee set up to evaluate the tenders have since submitted their report in July 1982. This report is under examination in the Ministry of Communications*.

[Ministry of Communications O.M. No. U. 51014/1/81-FAC
dated 20-9-1982]

Further information called for by the Committee

Please indicate the revised schedule of completion of the project and commencement of production *vis-a-vis* that given in the project report.

[L.S.S. O.M. No. 67/2(1)/PU/82 dated 7-8-82]

Reply of the Government

The revised schedule of completion of the Electronic Teleprinter project and commencement of production is indicated below *vis-a-vis* that given in the Project Report.

Original Schedule		Revised Schedule	
1982-83	1000 nos.	1983-84	1000 nos.
1983-84	2000 nos.	1984-85	2000 nos.
1984-85	5000 nos.	1985-86	5000 nos.
1985-86	8000 nos.	1986-87	8000 nos.

[Ministry of Communications O.M. No. U. 51014/1/81 Fac. (Pt.)
dated the 20-9-1982].

Comments of the Committee

Please see Paragraph 9 of Chapter I of the Report.

*At the time of factual verification the Ministry intimated the following up-to-date position:

"The report was examined by the Ministry. The proposal for the visit of a small team to the works of short-listed bidders was approved by the Government and after the visit of the Evaluation Team, the Committee have since submitted their final report. The revised schedule of completion of the project and commencement of production is likely to remain unchanged as indicated earlier."

[Ministry of Communications O.M. No. U 51014/1/81-FAC (Pt) dt. 21-2-1983]

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT ARE AWAITED

Recommendation (Serial No. 8) (Paragraph No. 44)

At present the HTL produces English and Devanagri electro-mechanical teleprinters. There are complaints about the Devanagri Teleprinters to the effect that the number of keys in the key-board are inadequate to accommodate all the Devanagri characters. The Committee understand that designing a suitable Devanagri key-board for electronic teleprinters has been taken up and possibly a decision will be taken before the electronic teleprinters go into production. In this connection, the Committee would like the Ministry of Communication to consider, in consultation with the Ministry, of Education, production of teleprinters and electric typewriters in other Indian scripts also having regard to the paramount need to develop communications in these languages.

Reply of the Government

The Ministry of Communications have examined this recommendation in consultation with the Hindustan Teleprinters Limited. The Hindustan Teleprinters Limited has reported that the manufacture of Electronic Teleprinters and Electric Typewriters in Indian scripts other than the Devanagri would not pose any technical problem but may not be viable on economic grounds. This Ministry had, therefore, requested the Ministry of Education for their comments on the subject with particular reference to the possibility of the Ministry of Education subsidising production of electronic teleprinters and electric typewriters in Indian scripts other than the Devanagri. Department of Culture, Ministry of Education have indicated in their interim reply dated 11-6-1982 that at present they do not have any scheme under which they could offer any subsidy to State Governments or financial assistance to news agencies and language printing presses etc. for purchase of electronic teleprinters and electric typewriters. They have also indicated that they will be making enquiries for assessing the demand for electronic teleprinters in regional languages.

[Ministry of Communications O.M. No. U. 51014/1/81-FAC
dated the 23rd June, 1982]

Further information called for by the Committee

Please intimate the decision taken in regard to the change in the design of Devanagiri Teleprinters and the outcome of the assessment of demand by the Ministry of Education for electronic teleprinters and electric typewriters in regional languages.

[L.S.S. O.M. No. 67/2(1)/PU/82 dated 7-8-82]

Reply of the Government

The Committee set up for suggesting a suitable Devanagiri Key Board for Electronic Teleprinters have had three meetings so far. It is expected that the Committee would submit their report by the end of September, 1982.*

The reply from Ministry of Education regarding the assessment demand for Electronic Teleprinters and Electric Typewriters in regional languages is still awaited. They have been reminded recently.

[Ministry of Communications O.M. No. U. 51014/1/81-FAC (Pt.)
dated the 20-9-1982].

NEW DELHI;

February 24, 1983

Phalguna 5, 1904 (Saka)

MADHUSUDAN VAIRALE

Chairman,

Committee on Public Undertakings.

*At the time of factual verification the Ministry intimated the following up-to-date position:—

"The Committee has not been able to finalise their Report and its term has been extended upto 31st March, 1983". [Ministry of Communications O.M. No. U. 51014/1/81-FAC (Pt.) dated 21-2-1981].

APPENDIX I

Pages 14 and 15

CHAPTER II

No. F. 3(1)-E (Coord.)/76

Government of India

Ministry of Finance

Department of Expenditure

New Delhi, 20th Nov. 1976.

OFFICE MEMORANDUM

SUB: *Expenditure Finance Committee—Revision of the form of Memorandum for submission of cases to the*

The undersigned is directed to refer to this Deptt's O.M. of even number dated the 15th September, 1976 and O.M. No. F. 1(8)PP-II/76, dated the 28th September, 1976 raising the monetary limits in respect of cases falling within the purview of the Expenditure Finance Committee and the Public Investment Board, respectively. The P.I.B. will henceforth consider cases where the total expenditure involved is Rs. 5 crores and above and the proposals costing over Rs. 1 crore but less than Rs. 5 crores will be considered by the E.F.C. As a result of these decisions, an increasing number of industrial and commercial projects hitherto considered by the P.I.B. will not fall within the purview of the B.F.C. **Keeping in view the varied nature of the projects it is felt that the existing form of Memorandum for submission of cases to E.F.C. alone will not be suitable in all cases. Accordingly, it has been decided that the following procedure will be adopted in future for submission of cases in the Expenditure Finance Committee:—**

- (i) For all projects/schemes of commercial and industrial nature; projects/schemes for provision of infrastructural services (transport/communication); and schemes partially commercial and partially developmental in nature involving civil engineering, plant and equipment and staffing component of varying degrees, feasibility reports should be prepared by the administrative Ministry/Departments on the same lines as is being done in the case of all projects submitted for consideration of the P.I.B. The guidelines for the preparations of

Feasibility Reports for Industrial Projects laid down by the Planning Commission in January, 1975 (circulated to all Ministries *vide* Plan Finances O.M. No. 8(20)/PF-II/75 dated 23-8-1975) should be kept in view in this connection. In respect of all other projects/schemes which are predominantly staff oriented or largely, construction works—for office or residence, R & D Scheme, schemes for setting up of educational institutions, or hospitals, preparation of feasibility report may be dispensed with in consultation with the F.A. and the existing form of Memorandum for E.F.C. may be adopted.

- (ii) The feasibility reports/E.F.C. Memoranda should be sent to the Project Appraised Division and the subject matter division of the Planning Commission and other appraising authorities as the need may be, including the Plan Finance Division and B.P.E. for their comments. They should be requested to furnish their comments within a period of six weeks. If no comments are received within this period, it would be presumed that they have none to offer and the administrative Ministry/ Deptt. should proceed to process the proposal further in consultation with its F.A.
- (iii) Proposals regarding joint ventures even if the Central Government contribution is less than Rs. 1 crore will also be referred to the E.F.C. for their consideration, provided that the total cost of the project is more than Rs. 1 crore and upto Rs. 5 crores.
- (iv) Other types of cases mentioned in para 1(II) of Finance Ministry O.M. No. 3(2)-E(Coord)/67 dated 1-6-68 will continue to be submitted to the E.F.C. subject to the revised monetary limits, excepting that reference to E.F.C. would be necessary in respect of proposals involving expenditure on a new service irrespective of the amount involved. It has been stated in Note (iii) below sub-para 1(II) (b) of the aforesaid O.M. that in cases of proposals relating to industrial and commercial projects, it would not be necessary to seek the approval of E.F.C. in view the separate detailed procedure laid down by the B.P.E. for their scrutiny and sanction. Such cases falling within the monetary limits of over Rs. 1 crore and less than Rs. 5 crores would, however, hereafter be submitted to the E.F.C. for their consideration and approval.

2. The E.F.C. will henceforth also include the D.G., B.P.E. or his representative.

3. Where considered appropriate, decision could be recorded on file without holding formal meetings of E.F.C. under specific orders of Secretary (E).

4. The Ministry of Agriculture etc. may please note the above decisions for processing of cases for submission in the Expenditure Finance Committee.

Sd/- R. B. Gupta

Deputy Secretary to the Govt. of India.

No. F. 1 (18)/IF-II/78

Government of India/Bharat Sarkar

Ministry of Finance/Vitta Mantralaya

Department of Expenditure/Vyaya Vibhag

(Plan Finance Division/Yojana Vitta Prabhag)

New Delhi, the 23rd November, 1978

Agrahayana 2, 1900 (SAKA)

OFFICE MEMORANDUM

SUBJECT: *Improvement in procedures to speed up investment decisions.*

Government have been greatly concerned over the delays in consideration and implementation of projects and while approving the revised cost estimates of a project recently; the Cabinet took serious notice of the fact that the expenditure over the originally sanctioned amount had been incurred without obtaining the approval of the Cabinet and that expenditure sanctions had also been issued without obtaining the approval of the appropriate authority with the result that the Cabinet was faced with a *fait accompli*. The Cabinet was directed that such a situation must not be allowed to recur in future, and that the Ministry of Finance may evolve suitable procedures for this purpose.

2. The matter has been examined in detail by the Ministry of Finance with a view to ensure speedy sanction and implementation of projects. Recently orders have been issued by BPE *vide* BPE/1 (64)/Adv (F)/78 dated 15th May, 1978 enhancing the delegation of powers to the Public Sector Undertakings for sanctioning capital expenditure. The enhanced powers would enable them to sanction more projects within their own powers speedily, reducing the number of cases that would have to come up before Government for approval. The responsibility now cast on the

management of the Public Sector Undertakings for project sanction and execution is all the more greater. Nominated senior officers should be made specifically responsible for the speedy sanction and implementation of the projects by effective monitoring to ensure that the projects sanctioned are implemented within the estimated and approved cost and time frame. Any lapse in this regard should be viewed seriously and suitable action taken.

3. As regards projects beyond the sanctioned powers of the Public Sector Undertakings, the following modifications in regard to the procedure for sanction of projects and their costs would be introduced:—

- (i) A recent review by the PIB of revised cost estimates of certain projects has brought into sharp focus the inadequacies in the techno-economic feasibility reports based on which investment decisions are taken. It is very essential that such reports are prepared carefully covering all essential aspects so that the appraising agencies are not put to difficulty in examining and finalising their comments thereon. A reference is invited to Secretary (E)'s D.O. letter No. F. 1 (18/PF-II/78, dated 14th June, 1978 to all Secretaries of Ministries/Departments on this subject.
- (ii) The appraising agencies who are associated in the processing of investment proposals by EFC/PIB should finalise quickly their comments and communicate them to the Ministries piloting such investment proposals. For this purpose, a period of 15 days in EFC cases and one month in PIB cases from the date of receipt of the feasibility report and/or initial EFC/PIB Memo, should be the maximum.
- (iii) In case the initial investment decision is not based on detailed project reports or detailed cost estimates the concerned Ministries should ensure that these are prepared within a year of the sanction of the project. At that stage, the cost estimates should be firmed up based on detailed engineering, site investigation, concluded agreements for know-how, etc. These detailed project reports or cost estimates should be prepared by the project authorities and examined by the administrative Ministries, in consultation with their Financial Advisers. A revised plan for execution and target date for completion should also be drawn up, if necessary. Such firmed up cost estimates as also revised plans and target dates for completion should be the basis for watching financial and physical progress, thereafter on the project and no changes in the basic parameters and scope of the project should be permitted. If such firmed up cost estimates do not exceed by more than 20 per cent.

the original amount approved through EFC/PIB, a revised expenditure sanction may be issued by the administrative Ministries without further reference to EFC/PIB. Copies of sanctions issued in such cases should be sent to Plan Finance Division (PF-II Branch) for record. However, if excess is beyond this limit, the cases should be brought up for approval again in the appropriate forum, EFC or PIB.

- (iv) In case the administrative Ministry feels that the period of one year may not be sufficient for preparation of detailed project reports/cost estimates, the time required for this purpose should be got settled when the proposals are first processed through EFC/PIB.
- (v) The Ministry concerned while bringing up a case before the EFC/PIB for consideration should clearly pin point the authority responsible for the execution and implementation of the project. The Ministry should ensure that this authority is fully accountable for preparation of detailed project/detailed cost estimates as also for the execution of the project within the cost and time frame and appropriate action taken.
- (vi) The Ministry concerned, while processing the case through PIB, should clearly indicate the arrangements made by them for monitoring the timely implementation of the projects. The Ministry should ensure that the monitoring system is adequate and strengthened where necessary for exercising effective project control.

4. The Guidelines issued by BPE on management information system *vide* O.M. BPE/GL-008/75/I&R/16(4)/72 dated 11th March 1975, have emphasised that Ministries should hold quarterly Performance Review Meetings. The Ministries concerned may consider whether it would be useful and advantageous to nominate a senior officer in the Ministry who would be specifically responsible for regularly monitoring the progress on the projects of the Ministries for execution within the approved cost and time frame.

5. Ministry of Agriculture, etc. are requested to note these instructions and issue appropriate further instructions to their sub-ordinate formations as also public sector undertakings under their administrative control for strict compliance.

6. Hindi translation of the O.M. is being issued separately.

Sd/-

(D. Sankaraguruswamy)

Joint Secretary to the Government of India.

All Ministries and Department of Government of India
 Cabinet Secretariat/Prime Minister's Office.
 Secretary, Planning Commission/D.G., B.P.E.
 All Financial Advisers.

**EXTRACTS FROM O.M. NO. 1(13)/PF-II/78, DATED 2-4-1980
 REGARDING PIB/EFC CLARIFICATIONS IN REGARD TO THE
 PROCEDURES FOR OBTAINING APPROVAL OF THE BOARD**

* * * *
 * * * *

Time-limit for furnishing comments

4.3. In order to ensure speedy finalisation of scheme/projects, it is essential that the appraising agencies associated with the processing of investment proposals finalise their comments and communicate the same to the sponsoring Ministries within a reasonable time-limit. For this purpose, a time-limit of 15 days in EFC cases and one month in PIB cases has already been prescribed vide para 3(ii) of this Ministry's O.M. No. F-1(18)/PF-II/78, dated the 23rd November, 1978. However, the afore-said time-limit will apply from the date on which complete information required for appraisal of a scheme/project is furnished as explained in this Ministry's O.M. No. F 1(18)/PF-II/78 dated the 19th Feb., 1979. The administrative Ministries etc. are requested to note the above position so that the examination of the schemes etc. is completed as quickly as possible.

(Para 20, Chapter II)
 F. No. 1(3)/PF-II/82
 Government of India
 Ministry of Finance
 Department of Expenditure
 (Plan Finance Division)

New Delhi, the March 31, 1982.

OFFICE MEMORANDUM

SUBJECT: Expeditions clearance of project proposals.

It has been noticed by the Committee on Public Undertakings that a public sector project took 21 months for being sanctioned. While commenting upon the delay, the Committee suggested streamlining of the project clearance procedure in order to ensure expeditious scrutiny of project

proposals, and observed that normally not more than six months should be taken to arrive at a decision on a project proposal of a public undertaking.

2. Attention is invited in this connection to the instructions issued for scrutiny of project proposals in this Ministry's O.M. No. F. 3(1)-E (Coord.)/76, dated 20-11-76. According to these instructions, the administrative Ministries are required to circulate the Feasibility Report/Memorandum for Expenditure Finance Committee for their comments. The appraising agencies were required to furnish their comments within a period of six weeks. In order to improve the procedure and to speed up investment decisions, instructions were again issued in this Ministry's O.M. No. F. 1(18)/PF-II/78 dated 23-11-1978 according to which the period of six weeks for giving comments by the appraising agencies was reduced to 15 days in EFC cases and one month in PIB cases from the date of receipt of the Feasibility Report/EFC Memorandum. O.M. dated 20-11-1976 provides that if no comments are received within the stipulated period, it would be presumed that they have none to offer and the administrative Ministry/Department should process the proposal further in consultation with its Financial Adviser. Apparently, in the case pointed out by the Committee on Public Undertakings, the prescribed procedure was not followed. The appraising agencies and the administrative Ministries are again requested to follow the prescribed procedure and to ensure that the project proposals are processed expeditiously. It should be ensured that a project does not normally take more than six months to arrive at a decision. In order to ensure this, a monitoring system should be devised in each Ministry for watching the progress of individual projects. The appraising agencies in their turn, should also devise a system for keeping watch on the issue of comments within the prescribed period on every project proposal.

3. Ministries of Agriculture etc. are requested to note these instructions and also bring them to the attention of the public enterprises under them suitably.

4. The Hindi translation of this O.M. is being issued separately.

(K. P. Geetharishnan)

Joint Secretary to the Government of India

To

All Ministries and Departments of Govt. of India.

Cabinet Secretariat/Prime Minister's Office

Secretary, Planning Commission/D.G., B.P.E.

All Financial Advisers.

APPENDIX II

(Vide Para 3 of Introduction)

I.	Total number of recommendations	8
II.	Recommendations that have been accepted by the Government (vide recommendations at Sl. Nos. 1, 2, 3, 4, 5 and 6	6
	Percentage to total	75%
III.	Recommendations which the Committee do not desire to pursue in view of Government's reply	Nil
IV.	Recommendations in respect of which replies of Government have not been accepted by the Committee (vide recommendation at S. No. 7)	1
	Percentage to total	12.5%
V.	Recommendations in respect of which final replies of Government are still awaited (vide recommendation at S. No. 8)	1
	Percentage to total	12.5%

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