

**COMMITTEE ON PUBLIC
UNDERTAKINGS
(1971-72)**

(FIFTH LOK SABHA)

FOURTH REPORT

Action taken by Government on the recommendations contained in the Forty-sixth Report of the Committee on Public Undertakings (Fourth Lok Sabha).

INDIAN DRUGS AND PHARMACEUTICALS LTD.

(MINISTRY OF PETROLEUM & CHEMICALS)



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CORRIGENDA

to

The Fourth Report of the Committee on
Public Undertakings: Action Taken
on 46th Report of C.P.U. on I.D.P.L.

<u>Page</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
Title page	1	C.P.U.No.18	C.P.U. 181
"	7	reccomen- dation	recommendation
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(1971-72)

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*Elected w.e.f. 11-8-1971 in the vacancy caused on the resignation of Dr. V. K. R. Varadaraja Rao M.P. on 29-7-1971.

STUDY GROUP VII
ON
ACTION TAKEN REPORTS AND GENERAL MATTERS
Committee on Public Undertakings
(1971-72)

1. Shri M. B. Rana—*Chairman*
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5. Shri Syed Ahmed—*Member*
6. Dr. Kailas—*Member*
7. *Dr. V. K. R. Varadaraja Rao—*Member*

*Resigned from the Committee on Public Undertakings with effect from 29-7-1971.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings having been authorised by the Committee to submit the Report on their behalf, present this Report on the Action taken by Government on the recommendations contained in Forty-sixth Report of the Committee on Public Undertakings (Fourth Lok Sabha) on the Indian Drugs and Pharmaceuticals Ltd.

2. The Forty-sixth Report of the Committee on Public Undertakings was presented to the Lok Sabha on the 29th April, 1969. Government furnished their replies indicating the action taken on the recommendations contained in the Report on the 13th and 26th November, 1969, and 5th February, 13th March and 3rd October, 1970. Further clarification in respect of certain recommendations was called for from the Government on the 5th August, 1970 and replies thereto were received on the 3rd and 26th October, 1970. The replies of Government to the recommendations contained in the aforesaid Report were considered and adopted by the Committee on Public Undertakings (1970-71) on the 26th November, 1970. The report, however, could not be presented to the Fourth Lok Sabha due to its dissolution on the 27th December, 1970. This Report was again considered and adopted by the Committee on Public Undertakings (1971-72) on the 14th September, 1971 and the Chairman was authorised to finalise the Report on the basis of the decisions of the Committee.

3. The Report has been divided into the following five chapters:

- (i) Report.**
- (ii) Recommendations that have been accepted by Government.**
- (iii) Recommendations which the Committee do not desire to pursue in view of the Government's reply.**
- (iv) Recommendations in respect of which replies of Government have not been accepted by the Committee.**
- (v) Recommendations in respect of which final replies of Government are still awaited.**

4. An analysis of the action taken by Government on the recommendations contained in the Forty-sixth Report of the Committee is given in Appendix III. It would be observed, therefrom that out of 35 recommendations made in the report, 26 recommendations (74 per cent) have been accepted by Government. The Committee do not desire to pursue 6 recommendations (17 per cent) in view of Government's reply. Replies of Government in respect of 3 recommendations (9 per cent) have not been accepted by the Committee.

M. B. RANA

Chairman,

Committee on Public Undertakings

NEW DELHI;

16th September, 1971.

Bhadra 25, 1893 (S)

CHAPTER I

REPORT

Production Capacity

(Paras 6.19, 6.20 and 6.21)

Recommendation (Sl. Nos. 11, 12 and 13)

The Committee expressed their concern that the capacity of the tetracycline group of antibiotics was fixed at 120 tonnes when the actual consumption in India at that time was only 10 tonnes. Again, although Government had demanded a capacity of 50 tonnes for tetracycline, the capacity was raised to 120 tonnes in the final discussions.

1.2. The Committee were distressed to learn that although chlorotetracycline had become obsolete and the doctors in India were not prescribing this antibiotic, equipment for manufacturing 70 tonnes of chlorotetracycline was obtained at a cost of Rs. 1.65 crores and the erection of the plant was continued till 1967. The Committee felt that to utilise this antibiotics as an animal feed later appeared to be an after-thought and not in consonance with the conditions prevailing in the country. The Committee were not convinced that there would be enough demand in the near future for chlorotetracycline as animal feed. They, therefore, felt that the huge cost in installing the plant for the manufacture of chlorotetracycline could have been saved if Government had been able to persuade the Russian collaborators that there was no demand for this antibiotic in India.

1.3. The Committee suggested that efforts should be made to persuade the medical profession for increased use of chlorotetracycline for human treatment. At the same time a drive should also be undertaken for popularising it as animal feed so as to improve the quality of cattle in the country. The possibility of using the equipment for the manufacture of other drugs should also be explored. The Committee also suggested that IDPL should at the same time make every effort to export the surplus quantity of chlorotetracycline to other countries.

1.4. In their reply, Government have stated that in view of the limited data available, they had to rely on the experience of the collaborators. However, the various possibilities of utilising the surplus capacity was being explored.

1.5. The Committee are not satisfied with the reply furnished by the Government. The Committee feel that before setting up the plant, Government should have made a realistic estimate of the actual requirements of the country with regard to the products to be manufactured by the plant. The Committee deprecate that Government merely relied on the data supplied by the collaborators and did not make any proper study of their own which resulted in the creation of huge surplus capacity.

1.6. The Government have not informed as to what steps have been taken for popularising chlorotetracycline as animal feed so as to improve the quality of cattle in the country and whether the medical profession was consulted at the time of setting up the plant.

1.7. The Committee had recommended that the possibility of using the equipment for the manufacture of other drugs should also be explored and at the same time efforts should be made to export the surplus quantity of chlorotetracycline to other countries. Government did not give any reasonable indication whether they have taken any steps in this regard and how far they have been able to utilise the surplus capacity. The Committee reiterate the recommendations of the earlier Committee and recommend that urgent steps should be taken to utilise the surplus capacity.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Serial No. 2)

The Committee are unable to understand how the Government accepted detailed project reports which did not include basic and vital information about the plants and their working results.

They are surprised at the Secretary's statement that these were accepted merely 'on the basis of faith'. This was not the first project undertaken in the public sector and Government had sufficient experience about the setting up of big and important projects by then. The Committee feel that before committing the country to such a huge expenditure Government should have carried out feasibility studies and insisted upon inclusion of all essential information in DPR in order to thoroughly satisfy itself about the technical and economic soundness of such huge projects. (Paragraph 3.5)

Reply of Government

The observation of the Committee has been noted. In the light of the experience gained, Govt. have issued suitable instructions in the "Manual of Feasibility Studies for Public Sector Projects", for the guidance of all concerned.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 3)

At this stage when the projects are *fait accompli* the Committee can only hope that proper scrutiny would be carried out in future to see that the projects are complete in all respects before accepting them. (Paragraph 3.6)

Reply of Government

Noted.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 4)

The Committee are unhappy with the manner in which the construction of the project was undertaken. The construction work was

commenced in the year 1962 without fixing any schedules for completion. In fact such schedules are invariably provided in the detailed project report. Their non-inclusion is a deficiency which removed the guidelines for the project authorities for completion of work in prescribed time. When at a later date in 1964 the completion schedules were drawn up, these were revised twice and even the revised dates were not adhered to. So far as modifications in equipment and machinery are concerned these may become necessary sometimes to cope with the advances in technology. From facts placed before them it seems that there were no such rapid improvements in pharmaceutical industry which necessitated these frequent modifications. (Paragraph 4.14)

Reply of Government

The deficiencies pointed out, have been noted. It is, however, relevant to point out that the contract between the Company and the collaborators included a provision reserving the right of the suppliers to introduce modifications in accordance with the developments in the production processes in the Soviet Union provided these changes in no way adversely affect the Plant's total capacity of finished products and their quality and production schedule. Most of the modifications were designed to improve the processes in order to achieve the objective laid down in the agreement *viz.* to manufacture according to pharmaceutical standards or to ensure that more economic processes were introduced. Whenever any modification was carried out by the Supplier in terms of the provisions of the contract, it had to be accepted by the company without any reservation, as the Company had no machinery or data to dispute the necessity for the same.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 5)

It appears that the collaborators were themselves not sure of the technology to be offered by them and therefore kept on suggesting modifications from time to time. This resulted in considerable delay in construction and commissioning of the projects and affected the economies of the plants. No responsibility could, however, be fixed on the collaborators, because no time schedules were laid down for the completion of construction and commissioning of the projects. There was also no penalty provision in the contracts for late delivery of equipment and machinery. Government have not given any convincing explanation for entering into such deficient agreements with the Russian collaborators.

The Committee hope that in future Government will avoid such lacunae in the agreements with foreign collaborators and ensure that the interests of the country are safeguarded in all respects. (Paragraph 4.15).

Reply of Government

The observations of the Committee relating to lacunae in the agreements have been noted. There is, however, no basis for the statement that the collaborators were themselves not sure of the technology. As is well-known, technology in the pharmaceutical field is fast advancing and some modifications during the period of construction extending over years may become inevitable particularly when the supplier has also to keep in view the requirements of the patent laws in the recipient countries. Whatever the merits of the technology offered, the collaborators have been sincere and co-operative in carrying out the modifications considered necessary, from time to time.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 6)

The Committee are unhappy to note that the estimates of the 3 plants of IDPL were revised 5 times in a period of 8 years and every revision raised the estimates. The latest estimates in the case of Antibiotics Project show an increase of Rs. 10.57 crores as compared to the initial estimates, and in the case of Synthetic Drugs Project there is an increase of Rs. 8.68 crores. Thus, the estimates had gone up for the Antibiotics Project and the Synthetic Drugs Project by 67 and 61 per cent respectively. In regard to Surgical Instruments Plant, the increase is of Rs. 1 crore. Thus the original total estimates of Rs. 33.65 crores have risen to Rs. 53.90 crores now. (Paragraph 5.9)

Reply of Government

The difficulty in this case arose as no estimates were given in the DPR. The estimates prepared (1961) immediately after the receipt of the DPR were in the nature of rough estimates. As such, comparisons for the purpose of working out percentage increase are not possible in this case. Besides, there has been general rise in prices over the years necessitating upward revision of the estimates. All

the same, the point made by the Committee that proper estimates should have been prepared is appreciated and noted for future guidance.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 7)

It is evident that either no serious attempt was made to draw realistic estimates or the persons capable of doing so were not available with IDPL. No effort was also made either by the Company or Government to collect comparative figures of capital cost on similar projects in the Western countries. The Committee feel that in the absence of such figures accurate or realistic assessment of the reasonableness of the cost estimates could not be made. (Paragraph 5.10).

Reply of Government

Noted.

Generally speaking, manufacturers in the Western countries would not be ready and willing to furnish figures of capital cost knowing fully well that Government had collaboration arrangements with the USSR. Besides, in the case of drugs and pharmaceuticals the type and nature of capital equipment required would depend upon the technology employed.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 8)

It is also regrettable that the estimates first drawn up in 1961 were approved by Government only in 1966. This would mean that IDPL went on incurring excess expenditure without Government's sanction. Even the final estimates submitted by IDPL in August, 1968 had not been approved by Government till January, 1969. The Committee would urge that the procedure relating to approval of estimates by the Ministries should be laid down so as to avoid such delays. (Paragraph 5.11)

Reply of Government

Necessary instructions have since been issued in the Ministry of Finance (BPE) letter No. BPE—3(4)|Adv. (F) 69, dated 30-8-59. [See Appendix I].

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 9)

The Committee are not happy to find that the increases in the Cabinet because the revised estimates did not exceed 20 per cent of the estimates approved by Government in 1966. This case brings out a serious lacuna in the existing standing instructions on the subject. Although the increase over the original estimates is over 60 per cent but since it is less than 20 per cent of the estimates approved by Government it was not necessary to bring it to the notice of the Cabinet. Thus postponement of sanctioning of estimates by a Ministry—which was 4 years in this case—could conceal from the Cabinet the delay in sanctioning the estimates as well increase of estimates over 20 per cent. (Paragraphs 5—12)

Reply of Government

Please see reply to recommendation No. 8.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 10)

The Committee feel that as the capital cost of the projects has increased by more than 60 per cent as compared to the original estimates of 1961 and has adversely affected the economics of the projects, the revised estimates should have been brought to the notice of the Cabinet. Such huge increases in the estimates of the projects are a matter of serious concern and should be dealt with at the highest level in Government. They would, therefore, recommend that the Ministry of Finance should review this question and evolve a procedure by which Government and the Cabinet could be kept informed of such increases in the financial outlay of a project. (Paragraphs 5—13)

Reply of Government

Please see reply to recommendation No. 8.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Recommendation (Serial No. 15)

From the information available to the Committee, it is clear that no proper survey was carried out to assess the demand of various antibiotics, drugs and instruments before deciding the product-mix

and production capacities of the 3 plants of IDPL. It is needless to emphasise that the economics of any project depend upon a careful and correct estimate of the demand of its products. It is, therefore, regrettable that the product-mix for the three plants was determined in a most unrealistic manner and without taking into account the existing production in the country and the realistic forecast of the demand arising in future. The sad result of this is that, apart from including a number of obsolete items, surplus capacities have been created for most of the antibiotics, synthetic drugs and surgical instruments. (Paragraph 6.36)

Reply of Government

Noted. The reasons why a detailed demand survey could not be made and why the demand has not developed upto expectations, have been explained in replies to earlier conclusions|recommendations.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 13-11-69.]

Further information called for by the Committee

Have you examined the possibility of alternative products manufactured in this Plant? If so, with what result?

[L.S.S. OM No. 20—PU|69, dated 5-8-70.]

Further reply of Government

The production equipment and facilities established at the Plant are of general light engineering nature. It is, therefore, possible for the plant to undertake the production of small engineering items requiring such operations as forging, machining, grinding, heat treatment and electroplating. For the last two years, the Company has made efforts to book job orders of such items from various Public and Private organisations. The results in this regard are encouraging and the Plant is at present having job orders for such items worth about Rs. 18 lakhs.

[Ministry of P & C and M & M O.M. No. 8(26)|69—Ch. III, dated 3-10-70.]

Recommendation (Serial No. 17)

The Committee, however, suggest that in order to increase the profitability of the plants, the formulation capacity in the Antibiotics Plant should be increased and in the Synthetic Drugs Plant the excess formulation capacity should be utilised by importing some intermediates from abroad for processing and tableting. (Paragraph 6.39).

Reply of Government

Noted. Action on the recommendations will be taken after production of the two units is stabilised and proper assessment of the demand of the various formulations is made, having regard to the formulations which are already being made and marketed by the various drugs producers in the country.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 26.11.1970.]

Recommendation (Serial No. 18)

The Committee regret to note that the targets of production for the Antibiotics and Synthetic Drugs Plants could not be achieved in 1967-68 due to various reasons explained by the Management. One of the reasons for shortfall in production in the Rishikesh Plant was that the collaborators had not taken into account the local atmospheric conditions while designing the plant. The Committee are surprised at the omission of this important factor and hope that the remedial measures now taken by I.D.P.L. will ensure achievements of targets in future. (Paragraph 7.18).

Reply of Government

The Soviet experts have since suggested certain measures for taking care of local atmospheric conditions. These are under various stages of implementation.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 5. 12. 1970.]

Recommendation (Serial No. 19)

Another reason for shortfall in production was occurrence of corrosion in some stainless steel equipment besides a small percentage of machinery being "Under doubt". The Committee hope that early replacements of machinery which are not of standard would be obtained free of cost.

Now that the projects have been put at huge cost and the basic technology cannot be changed, every effort needs to be made to make the best use of the present equipment. (Paragraph 7.19).

Reply of Government

Noted. The collaborators are looking into the problems and extending necessary assistance and co-operation.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13. 11. 1969.]

Recommendation (Serial No. 20)

The Committee were constrained to note that there had been considerable loss of production on account of power failures. The entire question of power supply to the Antibiotics Plant needs thorough examination. It is not considered worthwhile to have separate power station to cater to its needs, other alternative measures ought to be adopted so as to ensure constant power supply to it. (Paragraph 7.20).

Reply of Government

This aspect is continuously being looked into by the company. The Company is pressing the U.P. State Electricity Board to ensure constant power supply.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 5.2.1970.]

Recommendation (Serial No. 21)

The Committee appreciate the efforts that are being made to improve the technology and reach better production rates in these two plants. They hope efforts would be kept up to achieve improved results. (Paragraph 7.21).

Reply of Government

Noted.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 26. 11. 1969.]

Recommendation (Serial No. 24)

The Committee are sorry to observe that the cost of production of the various items to be manufactured in the three Plants at full rated capacity was not estimated accurately. Even when Government came to know about the divergence between the views of the Russian

experts and IDPL about the estimates of cost of production, no concrete action was taken to ascertain the truth. Government merely observed that the estimates prepared by IDPL required further detailed scrutiny. The Committee, to take one case only, are unable to understand as to how the cost of production of streptomycin estimated by the collaborators at Rs. 157 per Kg. in 1958 and Rs. 67 per Kg. in 1961 was accepted when the Kane Committee in its report in 1956 had estimated the cost of production of this item, according to Russian methods, at Rs. 450 per Kg. (Paragraphs 8.27).

Reply of Government

The observations of the Committee have been noted. It may be added that the Company has subsequently prepared (in 1967 and 1968) the cost estimates at full rated capacities, on the basis of technical regulations received from the Soviet collaborators and those developed by the Plants during operation. These are now being revised in the light of actual market demands, capacity limitations, consumption co-efficients actually obtained, etc. Besides monthly cost accounts are regularly prepared and reviewed by the operating personnel with a view to improving performance and efficiencies.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13. 11. 1969.]

Further information called for by the Committee

Have you received the cost of production of the various items presently being produced by the three Plants? What steps have you taken to bring down their cost of production to a competitive level? [L.S.S. O.M. No. 20—PU/69, dated 5.8.1970]

Final reply of Government

Yes. The steps taken to bring down cost of production are indicated below.

In 1967-68, Company had prepared cost estimates at full rated capacities on the basis of technical regulations received from the Soviet collaborators. These have been subsequently revised in 1969 and 1970 in the light of actual market demands, capacity limitations, consumptions coefficients of raw materials and services actually obtained, the actual complement of labour force, the increases in prices of materials and utilities and upward revisions in wage rates.

The monthly costs along with the standard costs are reported to various levels of Management to reduce costs and improve efficiencies and norms.

The following measures have been taken by the Company to cut down the cost of production:

The products of Antibiotics Plant and Synthetic Drugs Plant are in various stages of stabilisation and efforts are now concentrated on attaining rated capacity and achieving the norms indicated by the collaborators within the time stipulated therefor.

These efforts will bring down the present costs to the estimated costs given below —

	Present Range of Cost Index	Estimated cost Index
Sulphaguanidine	126.8	100
Sulphadimidine	194	100
Vitamin B1	308	100
Vitamin B2	197.5	100
Folic Acid	378	100
Analgin	195.5	100
Amidopyrine	447.4	100
Piperazine Adipate	109	100
DCC	921.4	100
Phenobarbistode	157.6	100

	Present Cost Rs./Milliard Index	when protocol efficiencies are achieved
Sodium Penicillin	212	100
Procaine penicillin	150	100
Streptomycin sulphate	232	100
Tetracycline Hcl per kg.	209	100
Oxyteracycline Hcl per kg.	95	100

In the Synthetic Drugs Plant, the attainment of rated capacities and efficiencies will reduce the present range of losses substantially (about Rs. 3 crores).

In the Antibiotics Plant the achievement of capacities and reglament norms would enable it to reach break-even.

With a view to obtain lower costs by attaining scales of economy the capacities are being enhanced for phenacetin, sulphanilamide, analgin, amidopyrine vitamin B1, vitamin B2, folic acid and phenobarbitone by addition of marginal equipment. These measures will improve the profitability of the Synthetic Drugs Plant.

To spread over the fixed costs of existing facilities additional drugs like paracetamol and PAS have been programmed for production with the available facilities of the plants and services. These are expected to bring in additional income to the Plant.

In the Surgical Instruments Plant, Madras, efforts are continuing to increase the order level in the internal and external measures—both for the existing products and other jobs which the Plant can execute by suitable diversification—with a view to reduce cost as the bulk of the existing high cost is due to the low utilisation of the installed capacities 50 per cent of the cash break-even level of production. Efforts are being made on a continuous basis to improve the performance.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 3. 10. 1970.]

Recommendation (Serial No. 25)

An accurate estimate of the cost of production is the very basis of the economics of any project and the Committee cannot help express their regret that no serious thought was given to this important aspect by Government.

At this stage the Committee can only stress upon the Management of IDPL and Government to review the cost of production of the various items presently being produced by the three plants and take immediate steps to bring down their cost of production to a competitive level. (Paragraph 8.228).

Reply of Government

Noted. As per regulations given by the collaborators, a period of 2 to 3 years is required for attaining the efficiencies and consumption norms and the company is endeavouring to attain them.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 5. 2. 1970.]

Recommendation (Serial No. 26)

The Committee are also unhappy to learn that it had not been possible for IDPL to get the cost of production of comparable items from the Hindustan Antibiotics Ltd. Pimpri even when they have one common Director. They can only assume from this, that no serious efforts were made to compare the cost of production of similar

items produced by the other public sector Company under the same Ministry. It is obvious that the coordination committee also has not been functioning effectively. But the Committee have not been given to understand its causes particularly when the Chairman, IDPL, is at the same time Chairman of the Coordination Committee and there could be no hurdle in its effective functioning. They feel that it should be the responsibility of the Ministry to ensure that there is no difficulty in exchanging useful information between the various public undertakings in the same field of production for their mutual benefit. (Paragraph 8.29).

Reply of Government

Consistent with the autonomy of the undertakings, Government will play their part in ensuring that the Co-ordination Committee serves the purpose for which it is set up.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13. 11. 1969.]

Further information called for by the Committee

Have you been able to get cost of production of comparable items from the Hindustan Antibiotics Ltd., Pimpri? How do Government propose to ensure that the Coordination Committee serves the purpose for which it was set up and there is no hurdle in its effective functioning

(L.S.S. OM. No. 20—PU/69 dated 5-8-1970.)

Final reply of Government

In the Coordination Committee meeting held in January, 1970, it was agreed that in regard to Pencillin full information concerning production, technology and know-how of the plants would be exchanged. In regard to Streptomycin, for which the Hindustan Antibiotics had obtained know-how from a foreign firm, it was decided that H.A.L. would seek the permission of their collaborators to share the technological information etc. with Indian Drugs and Pharmaceuticals Limited. This is being pursued by the two companies.

The Coordination Committee consists of the representatives of the I.D.P.L, H.A.L. and this Ministry. The intention underlying the appointment of a representative of this Ministry is to ensure smooth and effective functioning of the Committee.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 26-10-1970.)

Recommendation (Serial No. 27)

The Committee would also like Government to consider the suggestion of IDPL to import certain items, against part of its export, for formulation, and sale at profit so as to reduce some of its loss. (Paragraph 8.30).

Reply of Government

The recommendation is acceptable in principle but each case has to be considered on merits. In fact, the Company has concluded a transaction for the import of oxytetracycline against export of penicillin.

[Ministry of Petroleum & Chemicals and Mines & Metals O.M. No. 8(26)/69—Ch. III, dated 26-11-1969.]

Recommendation (Serial No. 29)

As an immediate step Government should issue orders to all the Central Government hospitals and dispensaries that they should purchase Indian Drugs & Pharmaceuticals Products and go to the market for such items only which were not being manufactured by IDPL. The Committee were informed that the surgical instruments manufactured at the Surgical Instruments Plant of IDPL had better acceptance outside than within the country. They, therefore, hope that vigorous efforts will also be made for the export of these instruments to the USSR and other countries. (Paragraph 9.21).

Reply of Government

Noted. The question of issue of orders suggested by the Committee is receiving Government attention. The Company has been able to conclude export orders for surgical instruments worth Rs. 4.7 lakhs to USSR. The Company is also exploring the possibilities of further exports to USSR and other countries.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. II, dated 5-2-1970.]

Recommendation (Serial No. 30)

The Committee note that IDPL has undertaken a scientific market research for its products and has also set up a separate marketing research unit. The Committee hope that all the statistical tools and techniques devised for collecting pertinent data and determining the

intangible variables for forecasting the future trends are being adopted by this Unit in order to assist the management in arriving at correct decisions. (Paragraph 9.33).

Reply of Government

Noted.

[Ministry of P & C and M & M O.M. No. 8 (26)/69—Ch. II, dated 5-2-1970.]

Recommendation (Serial No. 31)

In view of the difficulties encountered by IDPL in appointing their own exclusive agents, the Committee would not like to press the suggestion that the IDPL should appoint its own agents instead of selling through the existing whole sellers only. They feel that the proposal to sell the products through IDPL's own departmental stores would only add to the overall expenses without producing corresponding results. The only solution appears to be to offer better terms to the existing agents to encourage them to sell the products of IDPL on a priority basis. (Paragraph 9.35).

Reply of Government

Noted.

[Ministry of P & C and M & M O.M. No. 8 (26)/69—Ch. III, dated 13-11-1969.]

Recommendation (Serial No. 32)

The Committee suggest that the surplus staff in the three plants should be provided alternative jobs in other undertakings so that the burden of expenditure on account of their salaries and allowances etc., does not add to the heavy deficit of IDPL. It may be true that the staff requirements cannot be strictly regulated according to percentage of production in the plants, but it is to be ensured that the strength of the staff in the plants is justified by their working results. No commercial organisation can afford to employ people for any length of time without a proper return on the amount spent on them in the shape of salaries etc. The staff requirements should therefore be carefully assessed and reduction brought about wherever feasible. (Paragraph 10.10).

Reply of Government

Action has already been initiated on the lines suggested and reduction in staff is being made wherever feasible. It has to be appreciated that employers have certain limitations in the matter of retrenchment of surplus staff.

[Ministry of P & C and M & M O.M. No. 8(26)/69--Ch. III, dated 13.11.1969.]

Recommendation (Serial No. 33)

The Committee are of the view that technological research should be properly organised for improving the processes so as to reduce the cost of production of various antibiotics/drugs. The main problem, it appears, is the high cost of production of the products of IDPL and unless some effective measures are taken to reduce the cost, it will be difficult to compete with other manufacturers in the field. Special attention should, therefore, be paid to develop processes and introduce changes which will enable the plants to utilise indigenous raw materials to the maximum level and bring down expenditure on importing raw materials and thus reduce the production cost. (Paragraph 10.17).

Reply of Government

The Company is seized of the problem. The immediate aim of the units—both ABP and SDP—is to attain efficiencies and norms indicated in the reglaments given by the collaborators as early as possible. According to the collaborators, it takes two to three years to attain the reglament efficiencies and norms and the process of attaining is gradual. Consequently, steps are continually being taken to progressively reach the reglament norms. More specifically the Company is engaged in the following:

- (a) Attempts to improve the antibiotics producing strains.
- (b) Attempts to decrease the process losses with a view to get better results.
- (c) Improve the technologies in SDP, especially of products which are estimated to cost higher than the price of the other manufacturers, viz., vitamins. Some measures of success has been achieved.

- (d) Substitution of imported materials like benzene sulphonic acid and methyl-ester by SDP by taking up its manufacture.
- (e) Attempts to substitute use of lactose which is at present imported, in the fermentation of penicillin by cane sugar.
- (f) Attempts to use the indigenously manufactured exchange resins and active carbons.
- (g) Increasing capacities with a view to decrease the unit cost of production. This is under implementation.

[Ministry of P & C O.M. No. 8(26)/69-Ch. III, dated 5-2-1970.]

Recommendation (Serial No. 34)

Considering all aspects of the question, the Committee do not wish to pursue at this stage the question of merger of the Antibiotics Plant of IDPL with the Hindustan Antibiotics Limited, Pimpri. They are, however, not happy to learn that the Coordination Committee, set up by Government has not been functioning properly so far. They would, therefore, recommend that the Coordination Committee should be activated and meet regularly in order to achieve effective coordination between the two undertakings particularly in the fields of research and development. (Paragraph 10.22).

Reply of Government

Please see reply to recommendation No. 26.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 26-11-1969.]

Recommendation (Serial No. 35)

The Committee are distressed to note that the projects of IDPL have so far suffered a huge loss exceeding Rs. 323 lakhs. Various factors that have contributed to these losses have been discussed by the Committee in the earlier chapters of this Report. The Committee do not see any hopeful trends in the near future unless Government takes immediate steps to solve the various problems of the Undertaking. (Paragraph 10.24).

Reply of Government

The Company have recently submitted to Government some suggestions for increasing the profitability of the undertaking and also the marketability of the products manufactured by it. These suggestions were discussed at a meeting and all possible steps are being taken to improve the economics of the Company.

[Ministry of P & C and M & M O.M. No. 8(26)/69--Ch. III, dated 5-2-1970.]

CHAPTER III

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

Recommendation (Serial No. 1)

The Committee regret to note that in spite of the Kane Committee's observation that "in the antibiotics field, the techniques employed in Western Europe and in the USA are more advanced and the yields are higher" and their specific recommendation that it was desirable "to explore other sources of collaboration in these fields before taking final decisions", Government did not make any enquiries or collect information from any other source to locate the availability of technology and collaborators. They went into an agreement with M/s. Technoexport, Moscow, on the basis of assumption that onerous royalty would have to be paid to the western countries if they went into collaboration with them. From the facts placed before them and the so far achievements of IDPL, the Committee cannot help stating that the decision to enter into collaboration arrangements with the U.S.S.R. was taken on considerations other than technical and without conducting demand survey or economic feasibility studies. (Paragraph 2.11).

Reply of Government

Collaboration arrangements were concluded with the USSR having regard to all the relevant consideration such as technical, economic, patent restrictions, scope for future development etc. While it was known that the Russian technology in the field of antibiotics was not the best, it was felt that the balance of advantage lay in accepting it. It was thought that the basic technological facilities with the Russian aid could be developed further by Indian Scientists and technologists without undue restrictions. This decision was taken after detailed discussion and examination at various levels, in which some of the members of the delegation which visited the USSR also participated. Government was then aware of the general attitude of the established drugs manufacturers in Western Europe and the USA and it was not considered worthwhile to explore these sources specifically and in detail. All foreign collaboration proposals whether in the private or the public sector are subject to the approval of Government. As such, the assumption of

Government that the Western technology would not be available except on onerous payments was not based on the example of one case only (drug-intermediate project in the public sector) but on the general trend as it was then known. Subsequent events have proved that the assumption based on the data then available, was not incorrect.

It is conceded that no demand survey and economic feasibility studies as such, were made prior to the approval of the scheme. But all the data then available on the subject with the Government including the likely impact of successive five year plans as well as the experience of the foreign collaborators was relied upon for the purpose. One of the reasons for the surplus capacity in some plants of the IDPL is the fact that the public health scheme during the plan periods have not materialised to the extent expected. It is only natural that any short-fall in the achievement of targets in one field creates chain reaction in other fields.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 26.11.1969.]

Recommendation (Serial No. 14)

The Committee are constrained to note that 60 per cent to 75 per cent of the instruments based on Russian specifications included in the product-mix of the plant, have not been accepted by the Indian surgeons. They feel that this situation has arisen on account of the fact that the Indian Surgeon's team which had approved the product-mix of the Surgical Instruments Plant did not properly assess the country's demand and acceptability of the instruments to be produced in the plant. It is also difficult to understand why items like syringes, needles, diagnostic instruments, which were suggested by certain Indian surgeons for manufacture were not included in the product-mix of the plant. (Paragraph 6.35).

Reply of Government

In the circumstances then prevailing, Government had no alternative but to act on the advice of the Indian Surgeon's team and the foreign collaborators. However, in order to remedy the position, action such as diversification of product-mix, export possibilities and reduction in the capitalisation of the plant is being considered to improve its working.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 13-11-1969.]

Further information called for by the Committee

The Committee would like to find out the present product that the Undertaking is going to have. Were all these designs/instruments included in the product-mix of the Plant approved by the Indian surgeons and were they acceptable to them?

[L.S.S. O.M. No. 20-PU/69, dated 5.8.1970.]

Final Reply of Government

The present product-mix of Surgical Instruments Plant consists of 142 instruments of original Russian design, 23 types of Family Planning Instruments and 51 types of ENT and general surgery instruments developed by the Plant during the last two years. Majority of the instruments included in the original product-mix of the plant were not acceptable to Indian surgeons. It was, therefore, decided to appoint various committees of Surgeons to advise the company on the types of instruments which should be taken up for development and commercial production at the Plant. These Committees have, so far, recommended about 600 instruments out of which 51 instruments, as indicated above, have already been developed. The development work relating to other instruments would be undertaken after ascertaining their market potential. Meanwhile the Plant is manufacturing surgical instruments for which orders have been secured. The present manufacturing programme relates to the manufacture of 13 types of surgical instruments on hand for manufacturing 102 type of instruments from the production range. This work load will engage the Plant till December, 1970. Subsequent product-mix to be produced will depend on the orders obtained for export.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 3.10.1970.]

Recommendation (Serial No. 16)

The Committee feel that the formulation capacity in both the Antibiotics and Synthetic Drugs Plants has not been properly determined. In the Antibiotics Plant according to the information supplied, 105 million vials will be produced during 1971-72, which will consume only 80 tonnes of antibiotics. In addition 35 tonnes will be utilised for capsulation and 3 tonnes for tableting. The total quantity utilized will thus be 118 tonnes. As against this, the total capacity of the plant is 290 tonnes. That will mean that a large

portion of the antibiotics will have to be sold in bulk to other pharmaceutical concerns for vialling, capsulation and tableting. In the Synthetic Drugs Plant, the position will be just the reverse and even after tableting all the drugs into dosage form, there will be 50 per cent excess capacity which will remain unutilised. This imbalance in the production capacity and the formulation capacity in the two plants is a matter of serious concern and this ought to be looked into by Government as to how these capacities were accepted. (Paragraph 6.39).

Reply of Government

I. Antibiotics Plant, Rishikesh

The rated capacity of the Plant for bulk production as given in the Project Report is 290 tonnes. This has, however, been reassessed recently. According to the latest protocol of discussions held between the delegation of USSR Medical Industry and IDPL, the rated capacity of the Plant is 218 tonnes based on the efficiency levels indicated by the visiting Soviet team. Against this, the existing formulation capacity is 115 tonnes, comprising of 80 tonnes for vialling, 25 tonnes of capsulation and 10 tonnes for tableting. The Company has plans to increase the existing capacity for vialling, encapsulation, and tableting depending upon the market for formulations, the availability of packing and other auxiliary materials like vials, capsules, rubber stoppers, etc., and also the availability of bulk antibiotics after meeting the requirements of other formulators. This will be taken up after the present installed formulation capacity is realised.

II. Synthetic Drugs Plant, Hyderabad

According to the revised project report submitted by the collaborators, a capacity to produce 2393 million tablets per year was to be installed. Detailed break-up is given in *Appendix II*.

Based on these requirements, the following machines with average capacity mentioned against each were installed.

Name of Machine	Nos. installed including stand-by	Average output of tablets per minute
1. Rota Press	3	2220
2. B-3 RY-23	3	610
3. RB 339.—P .	6	1635
4. DRYCOTA—900	2	610

These machines are high speed machines handling solid drug. The product-mix is also large and any changeover from one product to another would require a thorough cleaning by dismantling and re-assembling of the vital component parts of the machine to avoid mixing up of the drugs. This naturally entails loss of machine hours which reduces the effective capacity. The effective capacity will not therefore be identical to the theoretical capacity so far as actual utilisation is concerned. Further, standby capacity for any eventualities will also have to be found from the existing installations only. A reasonable estimate for taking care of both these operational flexibilities is given below:—

1. Rota Press	1
2. D3 RY-23	2
3. RB 339-P	2
4. Dry Cota	0.5

This leaves the effective capacity of tableting to 3051 million tablets per year based on 2 shifts-machine working 6-7- hrs./shifts. Unutilised capacity, if any can be utilized to execute job orders from other manufacturers, especially the Health Ministry, who is at present getting it done from private parties. This is being explored.

[Ministry of P & C and M & M O.M. No. 8(26)/69—Ch. III, dated 3.10.1970.]

Recommendation (Serial No. 22)

The Committee are distressed to note that the production of even those instruments was allowed to continue during the year 1966-67 for which there was no demand and which were already lying in stock. In the case of one instrument (drawing No. 06—04) 19,666 pieces of it were produced during 1966-67 although out of 66 pieces manufactured in 1965-66 only one was sold. Such an instance only indicates that the Management decided production programme without taking into account the existing stocks and the likely future demand.

The Committee can only express surprise at the unbusiness like action of IDPL. (Paragraph 7.22).

Reply of Government

The position briefly is as follows. The product-mix recommended by the collaborators in the DPR was taken up in 1966-67. The capacities and efficiencies given by them had to be proved and the workers trained to acquire the necessary skill and level of efficiency to

produce the items after the specialists deputed by the collaborators had left the plant. Accordingly, the production upto a certain level had to be maintained. Besides, the market survey reports on the pattern of demand were received in January 1967. The production thereafter, was restricted to the completion of the unfinished items.

[Ministry of P & C and M & M O. M. No. 8(26)|69-Ch. II, dated 13.11.69.]

Further information called for by the Committee

The Committee would like to know as to why the workers were trained when there was no demand for instruments. Who was responsible for taking such a decision ?

[L.S.S. O.M. No. 20-PU/69 dated 5.8.70]

Final Reply of Government

The production of the instruments included in the original product-mix of the Plant was taken up immediately after the Plant was commissioned. As the new Plant had to prove its capacity it was necessary to manufacture the instruments included in the product-mix. It was also necessary to train the workers to acquire skill for manufacturing highly precise and quality instruments, as without mastering skill no production of surgical instruments would be possible. The training programme was approved by the competent authority that is the Board of Directors and the necessary funds were sanctioned by Government. As the instruments produced during the first 1½ years of commissioning of the Plant, as per the original product-mix, did not find enough market, the Board of Directors decided in the beginning of 1967 to restrict production to actual orders on hand to meet the training requirements of workers.

[Ministry of P & C and M & M O.M. No. 8(26)|69-Ch. III, dated 3-10-1970.]

Recommendation (Serial No. 23)

It is a matter of concern that the plant will be incurring a loss of Rs. 80—90 lakhs per annum at the present level of production. The Committee would like Government to give a serious thought to this question and see whether the surplus machinery can be put to any other use and thereby mitigate the losses. From the information placed before the Committee, they do not see any future for Surgical Instruments Plant, unless the product-mix was changed after ascertaining the market demand and overheads were drastically reduced. (Paragraph 7.33).

Reply of Government

A three year programme has since been drawn up to diversify production and step up the internal and export sales. This programme is expected to reduce the losses gradually and reach break-even on cash expenditure (without payment of interest) at the end of the three year period.

[Ministry of P & C and M & M O.M. No. 8(26) |69-Ch. III, dated 13-11-1969.]

Final information called for by the Committee

Please state as to how the diversification production scheme is going to meet the demand of the market. Please furnish a detailed note on this.

[L.S.S. O.M. No. 20-PU|dated 5-8-1970.]

Final Reply of Government

The diversification programme of the Company would include only those instruments which are acceptable to Indian surgeons and have market potential in the country to justify the development expenditure.

So far 51 instruments acceptable to the Indian surgeons have been developed. Steps are now under way to obtain reasonably large bulk orders for the sale of these as well as other types of instruments. For this purpose, a separate surgical team under the Marketing Division has been set up to procure orders. At the same time, other marketing concerns have been contacted in order to obtain orders for these and other items. To the extent orders are received, production will be planned to execute them in view of the Board's decision to produce only such types of instruments for which orders have been received.

[Ministry of P & C and M & M O.M. No. 8(26) |69-Ch. III, dated 3-10-1970.]

Recommendation/ Serial No. 28)

The Committee are happy that IDPL has placed all the facts frankly before them. As is apparent from what has been stated in the foregoing paragraphs there are no immediate prospects of IDPL's going into full production owing to high cost of production and low oil take. The Committee feel that when the three plants of IDPL had been set up with the Russian collaboration for reasons other than technical it is the duty of Government to see that the products of these plants find a market in the country.

For permanent solution of the problem Government should examine all the suggestions made by the Company to the Committee (Some of which had not been put to Government so far) in regard to the sale of its product and take suitable steps to help the Company in marketing its goods at favourable prices. (Paragraph 9.20).

Reply of Government

The Company has since made a few suggestions for improving the profitability. They are under the consideration of Government.

[Ministry of P & C and M & M O.M. No. 8(26)|69-Ch. III, dated 5-2-1970.]

CHAPTER IV

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

Recommendation (Serial No. 11)

The Committee are unable to understand how the capacity of the tetracycline group of antibiotics was fixed at 120 tonnes when the actual consumption in India at that time was only 10 tonnes. It is surprising that although Government had demanded a capacity of 50 tonnes for tetracycline, the capacity was raised to 120 tonnes in the final discussions. (Paragraph 6.19).

Reply of Government

As already explained, in view of the limited data available, Government had to rely on the experience of the collaborators. However the various possibilities of utilizing the surplus capacity are now being explored.

[Ministry of P & C and M & M O.M. No. 8(26) |69-Ch. III, dated 13-11-69.]

Recommendation (Serial No. 12)

The Committee are distressed to learn that although chlorotetracycline had become obsolete and doctors in India were not prescribing this antibiotic, equipment for manufacturing 70 tonnes of Chlorotetracycline was obtained and the erection of the plant was continued till 1967. Efforts to utilise this antibiotic as an animal feed now appear to be an after-thought and not in consonance with the conditions prevailing in the country. The Committee are not convinced that there will be enough demand in the near future for Chlorotetracycline as animal feed. They, therefore, feel that the huge cost in installing the plant for the manufacture of Chlorotetracycline could have been saved if Government had been able to persuade the Russian Collaborators that there was no demand for this antibiotic in India. (Paragraph 6.20).

Reply of Government

Please see reply to recommendation No. 11.

[Ministry of P&C and M&M O.M. No. 8(26)/69-Ch. III, dated 13.11.1969.]

Recommendation (Serial No. 13)

Since the plant has been erected already, the Committee would suggest that efforts should be made to persuade the medical profession for increased use of Chlorotetracycline for human treatment. At the same time a drive should also be undertaken for popularising it as animal feed so as to improve the quality of cattle in the country. The possibility of using the equipment for the manufacture of other drugs should also be explored.

The Committee would also suggest that IDPL should at the same time make every effort to export the surplus quantity of Chlorotetracycline to other countries. (Paragraph 6.21).

Reply of Government

Please see reply to recommendation No. 11.

[Ministry of P & C and M & M O.M. No. 8(26) |69-Ch. III, dated 13-11-69.]

[Please see Chapter I]

CHAPTER V

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

~~NIL~~

NEW DELHI;
16th September, 1971
Bhadra 25, 1893 (S).

M. B. RANA,
Chairman,
Committee on Public Undertakings.

APPENDIX I

(Vide reply to recommendation S. No. 8)

Copy of D.O. letter No. BPE|3(4)|Adv(F)|69 dated 30-8-69 from the Ministry of Finance (Deptt. of Expenditure)

The C.P.U. in their 46th Report on I.D.P.L. has observed that the estimates drawn in 1961 were approved by the Government only in 1966. The capital cost estimates has increased by more than 60 per cent as compared to the original estimates of 1961 and has adversely affected the economics of the projects, the revised estimates should have been brought to the notice of the Cabinet. They have recommended that the Ministry of Finance should review this question and evolve a procedure by which the Government and the Cabinet should be kept informed of all such increases in the financial outlay of a project.

In this connection I have to draw your attention to the instructions contained in the following circulars and office memoranda issued by the Finance Ministry with regard to the sanction of capital cost estimates and increases thereof.

(1) Preparation of feasibility study reports, DPR and power to sanction capital expenditure.

(a) Letter No. 1942|DPM|67, dated 3rd August, 1967.

(b) Letter No. 3213-S(IPF)|67, dated 5th August, 1967.

(c) Letter No. BPE|1(18)|ADV(F)|69, dated 22nd April, 1969.

(2) Variations in the capital cost estimates.

(a) Letter No. Pr.C.7(1)|61, dated 18th May, 1962.

(b) O.M. No. 9(1)-5|67, dated 22nd September, 1967.

(c) Cabinet Secretariat Circular No. 72|49|CE-68, dated 5th April, 1968.

Government attaches a great importance that instructions prescribed regarding the sanction of capital cost estimates and increases

thereof be strictly followed. It is necessary that the capital cost estimates are examined expeditiously and approved so as to avoid undue delay. In case of revised estimates if the increase is to the extent of 20 per cent or more the approval of the Cabinet should invariably be obtained.

At the time of scrutiny of the annual budget of the undertakings it will be desirable to examine the total capital expenditure to be incurred *vis-a-vis* the sanctioned estimates so that wherever necessary, sanction of the competent authority is obtained in respect of variations within a reasonable time.

APPENDIX II

[*Vide* reply to recommendation Serial No. 16]

*Programme of Producing Drugs in Tablet Form at Synthetic Drugs
Plant, Hyderabad*

Name of Drug	No. of tablets per year in million Scheduled to be produced
1. Sulphadimidine	280
2. Sulphaguanidine	136
3. Sulphanilamide	80
4. Aceto zolamide	52
5. Phenacetin	200
6. Amidopyrin	60
7. Analgin	10
8. INH—100 mg.	140
9. -do- 50 mg.	280
10. Phenobarbitone 100 mg.	25
11. -do- 50 mg.	50
12. Diethyl Carbamazine citrate	300
13. Iperazine adipate	80
14. Vitamin B ₁ 10 mg.	150
15. -do- 25 mg.	120
16. -do- 50 mg.	60
17. Vitamin B ₂ 5 mg.	150
18. -do- B ₂ 10 mg.	50
19. Folic Acid 5 mg	50
20. Nicotinamide 50 mg.	100
	2393 million

APPENDIX III

(Vide Para 4 of Introduction)

*Analysis of Action taken by Government on the recommendations contained
in the Forty-Sixth Report of the Committee on Public Undertakings
(Fourth Lok Sabha)*

I.	Total Number of Recommendations made	35
II.	Recommendations that have been accepted by Government (<i>vide</i> recommendations at Sl. Nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 17, 18, 19, 20, 21, 24, 25, 26, 27, 29, 30, 31, 32, 33, 34, and 35).	26
	Percentage to total	74%
III.	Recommendations which the Committee do not desire to pursue in view of Government's reply (<i>vide</i> recommendations at Sl. Nos. 1, 14, 16, 22, 23 and 28)	6%
	Percentage to total	17%
IV	Recommendations in respect of which replies of Government have not been accepted by the Committee (<i>vide</i> recommendations at Sl. Nos. 11, 12 and 13).	3
	Percentage to total	9%
	Recommendations in respect of which final replies of Government are still awaited.	NIL.

Sl. No.	Name of Agent	Agency No.	Sl. No.	Name of Agent	Agency No.
DELHI					
24.	Jain Book Agency, Connaught Place, New Delhi.	11	33.	Oxford Book & Stationery Company, Scindia House, Connaught Place, New Delhi-1.	68
25.	Sat Narain & Sons, 3141, Mohd. Ali Bazar, Mori Gate, Delhi.	2	34.	People's Publishing House, Rani Jhansi Road, New Delhi.	76
26.	Atma Ram & Sons, Kashmere Gate, Delhi-6.	9	35.	The United Book Agency, 48, Amrit Kaur Market, Pahar Ganj, New Delhi.	88
27.	J. M. Jains & Brothers, Mori Gate, Delhi.	11	36.	Hind Book House, 82, Janpath, New Delhi.	95
28.	The Central News Agency, 23/90, Connaught Place, New Delhi.	11	37.	Bookwell, 4, Sant Narankari Colony, Kingway Camp, Delhi-9.	96
29.	The English Book Store, 7-L, Connaught Circus, New Delhi.	80	MANIPUR		
30.	Lakshmi Book Store, 42, Municipal Market, Janpath, New Delhi.	23	38.	Shri N. Chaoaba Singh, News Agent, Ramlal Paul High School Annex, Imphal.	77
31.	Babree Brothers, 188 Lal-patrai Market, Delhi-6.	87	AGENTS IN FOREIGN COUNTRIES		
32.	Jayans Book Depot, Chaparwala Kuan, Karol Bagh, New Delhi.	66	39.	The Secretary, Establishment Department, The High Commission of India, India House, Aldwych, LONDON W.C.-2.	59