

There has been an increase in the prices of P&K fertilizers during last 3 years mainly due to increase in international prices of fertilizers and also on account of depreciation of Indian rupee *vis a vis* USD. In the year 2013-14, the prices of P&K fertilizers have been reduced marginally by fertilizer companies as compared to the previous year. However, the recent unprecedented depreciation of Indian rupee may subside the gains that would have accrued from the reduction in international prices of P&K fertilizers.

(c) In order to ensure that the MRPs of P&K fertilizers covered under NBS Scheme are fixed reasonably, it has been made mandatory for the fertilizer companies to submit certified cost data alongwith their subsidy claims to examine and ensure that the MRPs fixed by the companies are reasonable. While announcing subsidy rates for 2013-14, Government has also notified the indicative MRPs of P&K fertilizers and the amount to be reduced by the fertilizer companies from the said indicative prices to check and ensure that the prices are fixed reasonably.

(d) Yes, Sir. In cases, where after scrutiny, unreasonableness of MRP is established or where there is no correlation between the cost of production or acquisition and the MRP printed on the bags, the subsidy may be restricted or denied even if the product is otherwise eligible for subsidy under NBS Scheme. In proven case of abuse of subsidy mechanism, any grade/ grades of fertilizers of a particular fertilizer company or the* fertilizer company itself can be excluded from the NBS Scheme.

Notices to NIPER, Mohali

2218. DR. JANARDHAN WAGHMARE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of objections that have been sustained by the Comptroller and Auditor General, Punjab after receiving explanation from the National Institute of Pharmaceutical Education and Research (NIPER), Mohali, Punjab, till date;

(b) whether any other Government department has issued notices to NIPER, Mohali for non-compliance of the provisions of law; and

(c) if so, the details thereof and reaction of Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) Detailed information is given in Statement (*See below*).

(b) to (c) No, Sir.

Statement

(a) The details of objections that have been sustained by the Accountant General (Audit), Punjab, Chandigarh after receiving explanation from NIPER, Mohali upto FY 2010-11 are given below. As regards audit of 2011-12 and 2012-13, the audit was conducted from 17.06.2013 to 26.07.2013 and the Inspection Report is not received.

Sl. No.	Para No. and Summary of its contents	Brief Reply of Institute
1	2	3
01	Para 1 Infructuous expenditure of Rs. 1.90 crore on constructions of staff quarters.	The Type-V houses have been constructed in phase manner keeping in view the post sanctioned. Against the requirement of 49 Type-V quarters only 42 quarters have been constructed. The necessary requirement for the construction of houses was assessed from time to time by the Institute and Government of India vide order No. 52(3)/95-P(IV) dt. 10.01.1995 has approved the requirement of the construction of houses for faculty on 100% satisfaction. On the basis of the approval the houses have been built-up. In view of the above, it may be seen that there is no infructuous expenditure of Rs. 1.90 crores on the construction of staff accommodation.
02	Para 1 Loss of Interest Rs. 49.56 lakh	It is intimated that the funds were invested at the competitive prevailing rate @ 7.25% in August, 2005 and thereafter after six months the rates were increased to 8.10% for the fresh investment. The matter was also taken up with the State Bank of Patiala, Mohali on the subject and bank has replied that better rate of interest 8.10% in May, 2006 was for fresh deposits for a particular period and was not meant for existing deposits. As per banks policy, interest on

deposit is being paid at contracted rate and not very with every rise and fall.

- 03 **Para 2**
Loss of Interest Rs. 52.70 lakh due to improper
planning in purchase of imported equipment

All the equipments were installed in due course of time. There is no delay in the installation of these various equipments totaling Rs. 10.58 crores against various purchase orders. However, inspection note have been cleared by the respective indenters at a different dates after testing of these equipments. Though the instrument is installed and equipments are kept under testing for number of months. So all the scientific equipments were procured with proper planning, as such there is no loss of interest worked out to Rs. 52.70 lakh which is notional.

- 04 **Para 4**
Irregular purchase of imported equipment
Rs. 432.98 lakh

A project titled "Facility Development for Toxicity screening of Nanoparticle used for Drug Delivery and to elucidate its mechanism of action" was sanctioned by the Department of Science and Technology. Under this project, Rs. 3.12 crores was received from DST and Rs. 1.20 crores was made from the plan grant of the Institute. There was no delay in the installation as the TEM a very sophisticated equipment required state-of-the art environment and infrastructure which required. It was in the knowledge of the Institute that there are only manufacturers in the world who are manufacturing 200 KVA TEM. One is JEOL Japan and the other one is FIE from whom NIPER has purchased the said equipment. Both these companies have their agents in India. The purchase has been made after following the proper purchase procedure *i.e.* open tender There is no delay in the installation as explained above.

1	2	3
05	Para 5 Recoverable amount of Rs. 17.68 lakh due to incorrect fixation of Pay	It is intimated that the institute had already initiated action for the recovery of the excess salary paid to the employees out of the monthly salary paid to respective staff. Amount has been recovered from all employees except two staff. The recovery from the salary of two staff is in progress.
06	Para 6 Blockage of funds in purchase of imported equipment Rs. 37.34 lakh	It is intimated that equipment (BacteT MGIT 960) was procured from M/s Bacton Dickinson & Co. Singapore at basic cost of Rs. 39.27 lakh against which payment was made through Letter of Credit. The equipment was imported in Oct., 2008 and was installed initially on 06.05.2009 vide installation note FRS No. 6385. The equipment was finally installed by indenter Prof. P P Singh, i.e. the user on 19.05.2009 vide installation note FRS 5986. The equipment has been got issued from the store by the intender in the month of June, 2010 even though the equipment was installed prior to that and also was in use. From the above facts, it will be clear that, there is no blockage of funds resulting financial loss on accounts of interest amounting to Rs. 4.73 lakhs.
07	Para-1 Avoidable payment of Octroi charges on electricity of Rs. 14.65 lacs	The State levy is not applicable in case the office is purely Govt, of India. NIPER is an autonomous body set up by Act of Parliament for the purpose of research & higher education in the pharmaceutical sciences. Matter was also taken up with Punjab State Power Corporation Ltd.. and reply dated 20.10.11 received. The Article 287 of Constitution of India indicates regarding taxes only. However, octroi

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Para 2

Funds Management of Rs. 6.44 lacs

charges being earned by Municipal Corporation, Municipal Committees/ councils/Nagar Panchayat / notified area committee, which comes under their jurisdiction, are not defined in Article 287. Octroi charges are levied to all consumers except agriculture consumer.

The Institute prepared the fund flow statement periodically in order to invest the available funds prudently. The Institute had framed the guidelines with the approval of Board of Governors for operation and maintenance of Corpus Fund Account. The Institute has Investment Committee, which invest/re-invest the funds after carrying out interest benefit study and inviting rates from 9-10 nationalized banks. The Institute does not park any funds in the saving bank accounts, the funds available in the saving bank account are those funds for which the Institute has already issued cheques which are not presented for payment and payment against the letter of credit (L/Cs) have not been matured. As per the Govt. of India sanction letter for the release of grants in which the Institute has been directed to invest only in nationalized bank.

09(a)

Para 3 (i)

Delay in the revising the laboratory charges

The Institute has already revised the analytical charges in the year 2011 with the approval of Board. The amount of receipt from analytical charges are much higher than amount spent on the paid samples. The rates were fixed after comparison with other similar Govt. Institutes. The Laboratory maintains the proper records of receipt of consumables and its usage.

1	2	3
9(b)	Para 3(ii) Non-revision of usage charges of Technology Development Centre	The Institute has revised the of charges of TDC periodically. Against the cost of of Rs. 4.04 crore for the setting up of the TDC, the Institute has earned Rs. 10.36 crore and every year the usage charges of TDC has been enhanced. The 10% rate of depreciation was taken in cost sheet keeping in view the minimum average running life of 10 year of plant and machinery installed in the Technology Development Centre. In view of this there is no understatement of cost by Rs. 15.65 lacs during the year 2010-11. There is no delay in receipt of usage charges from Ranbaxy as the payment was received immediately from M/s Ranbaxy Laboratory Limited to Institute on the receipt of non deduction of TDS certificate issued by the Income Tax Deptt. and there is no loss of interest. The Institute also uses the facility for in house training of the Masters and PhD. Students.
10(a)	Para 4(A) Purchase of Chemicals acids solvents through limited offer	In all the Government research laboratories, the consumables are procured on annual rate contract basis. The Institute procures solvents from the reputed chemicals suppliers for which the research standards have been set up in the laboratories.
10(b)	Para 4(B) Purchase of equipment through single tender enquiry	The Institute purchase the equipment as per provisions of GFR. The items purchased through single enquiry are of proprietary nature. All the items other than the proprietary items are purchased through limited/open tender.

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| 11 | Para 5
Project Related Research | The scientific projects are undertaken for a tenure of 3-5 years and progress of the projects are watched by the Principal investigator independently and there is no delay in completion of project. The progress of projects are also monitored by Project Monitoring Committees of the concerned funding agencies. The project report is sent to funding agencies on annual basis. The funds are utilized for the purpose it is sanctioned and books of accounts of the projects are maintained separately. |
| 12 | Para-6
Non-taking up the construction work of auditorium building | The Finance Committee in its 21st meeting held on 02.09.10 had approved to deferred the construction of auditorium in view of estimates of 12.86 crores received from Project Management Consultant against the projected expenditure of Rs. 5.50 crore in the year 2005. |
| 13 | Para-7
Shortage of Manpower | The institute from time to time advertised the vacant positions and also issued rolling advertisement for faculty positions. Due to contractual nature of job as per provision of Recruitment Rules and Statutes, the response to the advertisement is unsatisfactory. Against the total sanction posts of 279, 169 posts have been filled, moreover Institute is making continue efforts to fill the vacant posts. |
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