

12TH

ANNUAL REPORT 2002-2003



INSTITUTE OF PESTICIDE FORMULATION TECHNOLOGY
Registered under Societies Registration Act, 1860 (Regn. No. S-21944/1991)
Sector-20. Udyog Vihar, Gurgaon - 122 016 (Haryana)



12th
Annual Report
2002 - 2003



INTRODUCTION

The Institute of Pesticide Formulation Technology (IPFT) has completed its 12th year of operation. During these years the Institute has grown substantially and has been able to attract more viable and contractual projects from the pesticide industry, Department Of Science & Technology, Department of Bio-Technology, Central Pollution Control Board and International Agencies. The Institute has also entered into the area of residue analysis and persistence in soil & water project. During the year IPFT has entered into collaboration with several outside agencies i.e. DBT, CPCB, DST etc. wherein projects of national importance have been allotted. The Institute continued to function as the Technical Coordinator Unit of the Regional Network on Pesticides for Asia and the Pacific (RENAPAP) of the UNDP/UNIDO in the field of pesticide formulation technology development and quality assurance.

Objectives of the Institute

The main objectives of the Institute of Pesticide Formulation Technology as given in the Memorandum of Association of the Society are :

1. Development and production of the state-of-art user and environment friendly pesticide formulation technology.
2. Promotion of efficient application technologies suiting the existing requirements of the newer formulations.
3. Information dissemination of safe manufacturing practices, quality assurances, raw material specification and sources.
4. Analytical and consultancy services.
5. Fostering the improvement in the qualification and usefulness of pesticide scientists working in the agrochemical area.
6. Continuing education through specialised trianing for pesticide personnel.



Activities during the year under report

Due to the recession in the pesticide industry and non-availability of protection Law in terms of METOO registration, the Institute could achieve only 34% of the financial target of earnings, by providing services to the industry. However, this was at the level of the previous year.

Through its four divisions viz. Formulation Development, Analytical, Bio-Sciences Division and Process Development, the Institute has continued to work on different projects sponsored by the industry.

(i) Formulation Division

The pesticide industry continued its support to the activities of Institute through sponsoring projects for the development of users and environment friendly varieties of pesticides formulations. The following projects were sponsored by the industry during the year under review.

<i>Sr. No.</i>	<i>Projects</i>	<i>Name of the Party</i>	<i>Status</i>
1.	Hexaconazole 10 SC	Atul	Demonstrated
2.	Carbendazim 50 SC	Atul	Demonstrated
3.	NC 310 75 WG	UPL	Demonstrated

Developmental studies

During the year exploratory studies were completed for extruded WG and Imidacloprid 70 WSC.



Particle size testing

The various organisations approached this Division for sample testing for particle size distribution for various industries and they were serviced in respect of 805 samples.

(ii) Analytical Division

This division continued to consolidate its activities towards development of new methods for analysing active ingredients of pesticides, method validation, modification of existing methods, Quality Control & Quality Assurance & residue analysis.

(A) Method Development

Residue Analysis

1. Terminal Residues of Cypermethrin and Endosulfan in cotton, seed & soil.
2. Terminal Residues of Dithiopyr in wheat, straw & soil.
3. Terminal Residues of Alpha Endosulfan in cotton, seed & soil.
4. Terminal Residues of Profenophos in cotton, seed & soil.

(B) Sponsored Projects.

1. Quality Control of Pesticide Products in India (Sponsored by IAEA)
2. Quality Control of Pesticide (sponsored by DST)

(iii) Bio-Science Division

The division continued to work on the sponsored projects by utilizing its well equipped bio-assay laboratory, green houses and experimental farm. It has continued to work in coordination with the Formulation Division and Process Development Division in order to evaluate various products biologically and generating necessary data for registration purpose. During the year the division has carried out the following studies :



<i>S. No.</i>	<i>Projects</i>	<i>Name of the Party</i>	<i>Status</i>
1.	Glycel rainfastness studies on Parthenium sp. with new additives	Excel	Completed
2.	Bio-efficacy and phytotoxicity studies of PI-0III(20% WDG) for the control of wheat termites.	PI Inds. Ltd.	Completed
3.	Bio-efficacy and phytotoxicity, studies of Fosmite 50% EC for the control of wheat termites.	PI Inds. Ltd.	Completed
4.	Bio- efficacy of BIO-VITA, a natural organic product in wheat.	PI Inds. Ltd.	Completed
5.	Bio-efficacy and Phytotoxicity studies XL05 against chilly mite.	Excel	Completed
6.	APSA-80 trials on paddy crop	Amway (I)	Completed

iv) Process Development

The process development group continued to interact with the prospective sponsoring industries for transferring the process technology package. It was observed that the industries are not very willing to come forward for the Phase II part of the project as they are anxious about the non-protection of data generation by the Institute for Section 9(3) Registration Act of Government of India for the new formulation being sponsored by them.

<i>S. No.</i>	<i>Project</i>	<i>Status</i>	<i>Name of the Party</i>
1.	Grinding work	Job work	M/s. Oriental Carbon & Chem
2.	Grinding work	Job work	M/s. Dhanuka Pesticides
3.	NC-310 750 WG	Phase - II	M/s. UPL, Limited



In house Formulation Development Work

The specialised pilot plant equipments were used by formulation development laboratory for in house formulation development work which include Lodige Mixer, Ribbon Blender, Fluid energy Mill, Dyno Mill, Fluid Bed Spray Granulator etc.

Training Programmes

During the year, IPFT organized two training programmes. The details of the training programmes organized during the year are as under:

1. **Workshop on Toxic Hazardous Waste Management and Impact assessment in pesticide industry.**

The three days workshop was conducted by the Process Development Division in collaboration with CPCB, New Delhi from 18th - 20th December, 2002 which was well attended by the Pesticide industry personnel. The faculty included experts from CPCB, NPC, Fire Fighting Department and the internal faculty of IPFT.

2. **Workshop on Pesticide Formulation Technology.**

This Workshop was organized from 24th to 26th March, 2003 for the Indian Pesticide Industry. The programme was attended by 17 participants. The programme was highly appreciated by the participants as the same was designed to train the participants on both theoretical and on hand practical training on formulation & quality control.



Regional Network on Safe Pesticides Production and Information for Asia and the Pacific (RENAPAP)

The Insititute continued to function as Technical Coordinator Unit (TCU) of the Regional Network on Safe Pesticide Production and Information for Asia and the Pacific (RENAPAP) of UNDP/UNIDO on user and environment friendly pesticide formulation technology and quality assurance. The Institute also continued to provide on behalf of the Government of India the secretarial assistance and logistic support to the RENPAP.



Governing Body of the Institute of Pesticide Formulation Technology

1. Shri Vinay Kohli, Secretary (C & PC),
Department of Chemicals & Petrochemicals - Chairman.
2. Addl. Secretary & Financial Advisor, Ministry of Chemicals & Fertilizers.
3. Joint Secretary (Chem), Department of Chemicals & Petrochemicals.
4. Joint Secretary (Plant Protection), Ministry of Agriculture and Cooperation.
5. Joint Secretary, Ministry of Health & Family Welfare.
6. Representative of Department of Economic Affairs.
7. Representative of Department of Science and Technology.
8. Representative of Department of Industries Govt. of Haryana, Chandigarh.
9. Representative of Ministry of Environment & Forests.
10. Mr. Rajju Shroff, Chairman & Managing Director, United Phosphorus Ltd., Mumbai.
11. President, Indian Crop Protection Association.
12. Chairman, Pesticide Manufacturers & Formulators Association of India.
13. Representative of Indian Chemical Manufacturers' Association.
14. Dr. D. Sengupta, Director, IPFT.

Finance & Administrative Committee of the Institute of Pesticide Formulation Technology

1. Addl. Secretary & Financial Advisor, Ministry of Chemicals & Fertilizers -
Chairman.
2. Joint Secretary (Chem), Department of Chemicals & Petrochemicals.
3. Dr. D. Sengupta, Director, IPFT.



Accounts & Audit



RAJ VINAY & ASSOCIATES
Chartered Accountants

Des Kunj, 426, Bhera Enclave,
P.O. Sunder Vihar, New Delhi - 110087
Tel: 011-5253424, 5287814
E-mail: raj_kapoor@rediffmail.com

AUDITOR'S REPORT

TO THE MEMBERS OF
INSTITUTE OF PESTICIDE FORMULATION TECHNOLOGY

We have audited the attached Balance Sheet of Institute of Pesticide Formulation Technology (a Society duly registered under Society Registration Act) having its office at Sector-20, Udyog Vihar, Gurgaon-122016 as at 31st March, 2003 and the Income & Expenditure Account for the year ended on that date, annexed thereto and Report that

- I. Land being used by the Institute of Pesticide Formulation Technology including Land on which Hostel Building & New Laboratory Building have been constructed belong to M/s Hindustan Insecticides Ltd and the transfer of the same in the name of Institute of Pesticide Formulation Technology is still pending. The legal implications of the transfer of the Hostel Building & New Laboratory Building have not been ascertained & no provision for any liability in this respect has been made.
- II. The said Balance Sheet and Income & Expenditure Account are in agreement with the books of account.
- III. In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to what is stated in paragraph I above and Para 6A-I regarding Capitalization of Hostel Building, Para 6A-II regarding Capital Work in Progress of Hostel Building and other notes in Schedule - "F" of Accounting Policies and Notes to Accounts give a true and fair view:
 - i. in the case of Balance Sheet, of the state of affairs of the Society as at 31st March, 2003 and
 - ii. in the case of Income and Expenditure Account, of the Excess of Expenditure over Income of the Society for the year ended on that date.

FOR RAJ VINAY & ASSOCIATES
CHARTERED ACCOUNTANTS
Sd/-
R. Kapoor
Proprietor

Place: New Delhi
Date: 10th September, 2003



BALANCE SHEET

as at 31st March, 2003

	SCHEDULE NO	AS AT 31.3.2003	AS AT 31.3.2002
SOURCES OF FUNDS			
Capital & Funds	A	96825114.12	78949794.50
Current Liabilities & Provisions	B	10486193.18	10838809.94
TOTAL Rs.		107311307.30	89788604.44
APPLICATIONS OF FUNDS			
Fixed Assets :	C		
Gross Block		60681230.46	55658830.94
Less: Depreciation		3330772.43	2734408.43
		57350458.03	52924422.51
Investments	D	8992775.00	8773954.00
Current Assets, Loans & Advances	E	40968074.27	28090227.93
TOTAL Rs.		107311307.30	89788604.44
Accounting Policies and Notes to Accounts	F		

Schedules referred to above form an integral part of the Balance Sheet
As per our attached report of even date

For RAJ VINAY & ASSOCIATES
Chartered Accountants

Sd/-
(R. KAPOOR)
Proprietor

Sd/-
(Dr. D. Sengupta)
Director

Sd/-
(J. P. Singh)
Head Fin/Adm/Trg

Place : New Delhi
Date : 10th September, 2003



INCOME AND EXPENDITURE ACCOUNT
for the year ended 31st March, 2003

PARTICULARS	SCHEDULE NO	Year ended 31.3.2003	Year ended 31.3.2002
INCOME			
Testing Charges		459250.00	1047950.00
Income from Project (Formulation Lab.)		770000.00	475000.00
Income from Project (Bio-Science)		396000.00	469800.00
Job Work (Pilot Plant)		384120.00	372750.00
Seminars & Workshop		87779.87	95879.88
Interest on Deposits		1489864.40	1687777.84
Sale of Tenders		34000.00	-
Prior Period Income		74768.00	13323.00
Miscellaneous		15301.50	8515.80
	TOTAL Rs.	3711083.77	4170996.52
EXPENDITURE			
Establishment	G	6298908.85	6285710.38
Administrative	H	2447546.66	1905950.15
Operational Expenses	I	168074.18	497367.33
Other Expenses	J	381769.46	385032.60
Depreciation	C	596364.00	596364.00
		9892663.15	9670424.46
Excess of Expenditure over Income		-6181579.38	-5499427.94
	TOTAL Rs.	3711083.77	4170996.52
Accounting Policies and Notes to Accounts	F		

Schedules referred to above form an integral part of the Income & Expenditure Account
As per our attached report of even date

For RAJ VINAY & ASSOCIATES
Chartered Accountants

Sd/-
(R. KAPOOR)
Proprietor

Sd/-
(Dr. D. Sengupta)
Director

Sd/-
(J. P. Singh)
Head Fin/Adm/Trg

Place : New Delhi
Date : 10th September, 2003

**SCHEDULE 'A' — CAPITAL & FUNDS****CAPITAL ACCOUNT**

Balance as per Last year
Add: Government Grant in aid

Less: Excess of Expenditure over Income

AS AT
31.3.2003

AS AT
31.3.2002

68835863.50
23000000.00

62675291.44
11660000.00

91835863.50
6181579.38

74335291.44
5499427.94

85654284.12

68835863.50

CORPUS FUND

Balance as per Last Year
Add: Interest Income for the year

5917692.00
607139.00

5319359.00
598333.00

6524831.00

5917692.00

MEMBERSHIP FUND

Balance as per Last Year
Add: Interest Income for the year

4196239.00
449760.00

3779973.00
416266.00

4645999.00

4196239.00

TOTAL Rs.

96825114.12

78949794.50



SCHEDULE 'B' - CURRENT LIABILITIES & PROVISIONS

	AS AT 31.3.2003	AS AT 31.3.2002
Expenses Payable	531340.97	527020.37
Amount Payable to United Nation Development Project	691440.00	691440.00
Amount Payable to Hindustan Insecticide Ltd.	2667345.72	1427801.98
Grant Received for Neem Project	-	4090000.00
Advances Received from parties	2555101.10	646122.00
Advance received against Chemicals Weapon Convention	1151532.65	1151532.65
Security Deposits	1852835.74	1613648.94
Provision for Gratuity	916597.00	691244.00
Earnest Money Deposits	120000.00	-
TOTAL Rs.	10486193.18	10838809.94



**SCHEDULE "C" OF FIXED ASSETS ATTACHED TO AND FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2003**

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK			RATE OF DEPRECIATION
	AS AT 1.4.2002	ADDITION	SALE / ADJUST.	AS AT 31.3.2003	AS AT 1.4.2002	FOR THE YEAR	AS AT 31.3.2003	AS AT 31.3.2003	AS AT 31.3.2002	
Capital Work in Progress	42791617.73	5022399.52	-	47814017.25	-	-	-	47814017.25	42791617.73	
Building	2100223.00	-	-	2100223.00	661222.03	34234.00	695456.03	1404766.97	1439000.97	1.63%
Furniture & Fixture	2704146.37	-	-	2704146.37	384544.75	171172.00	555716.75	2148429.62	2319601.62	6.33%
Office Equipment	746655.26	-	-	746655.26	138099.63	35466.00	173565.63	573089.63	608555.63	4.75%
Plant & Machinery	293899.22	-	-	293899.22	138764.50	13960.00	152724.50	141174.72	155134.72	4.75%
Laboratory Equipment	6854425.11	-	-	6854425.11	1334700.52	325585.00	1660285.52	5194139.59	5519724.59	4.75%
Vehicle	167864.25	-	-	167864.25	77077.00	15947.00	93024.00	74840.25	90787.25	9.50%
	55658830.94	5022399.52		60681230.46	2734408.43	596364.00	3330772.43	57350458.03	52924422.51	



SCHEDULE 'D'- INVESTMENTS

	AS AT 31.3.2003	AS AT 31.3.2002
Fixed Deposits with Banks (Corpus Fund)	5151324.00	5151324.00
Fixed Deposits with Banks (Membership Fund)	3841451.00	3622630.00
TOTAL Rs.	8992775.00	8773954.00

SCHEDULE 'E'- CURRENT ASSETS, LOANS & ADVANCES

Testing Charges Recoverable	578322.00	640922.00
Other Amounts Recoverable	1421368.10	1698077.10
Interest accrued but not due	2418210.00	1469806.00
Bank balances in current accounts	482772.42	42576.58
✓ Fixed Deposits with Banks	33760133.00	15839440.00
Cash in hand	156.55	143.37
Postage Imprest	-	143.00
Cheques in hand	500000.00	6660000.00
Advances to Staff	12684.37	15384.37
Security Deposits with Bharat Sanchar Nigam Ltd.	60000.00	60000.00
Advances to Parties	49422.50	9422.50
Prepaid Expenses	104609.00	98733.00
Due from RENPAP	1580396.33	1555580.01
TOTAL Rs.	40968074.27	28090227.93



SCHEDULE "F" OF ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. Status

Institute of Pesticide Formulation Technology is a society duly registered under Society Registration Act established by Government of India.

2. Investments

Investments are shown in the Balance Sheet at cost.

3. Fixed Assets

- I. Fixed assets are shown at cost less accumulated depreciation.
- II. Depreciation on fixed assets has been provided on straight line method (SLM) at rates specified in Schedule XIV to the Companies Act, 1956.

4. Research & Development

Research & Development Costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

5. Recognition of income & Expenditure

- I Provision for Gratuity has been made on accrual basis.
- II Expenses incurred by M/s Hindustan Insecticides Ltd. for & on behalf of the Institute are being accounted for on the basis of claims of M/s Hindustan Insecticides Ltd.
- III Grant in aid of Rs. 23000000.00 received from Central Govt. (inclusive of Rs. 15600000.00 towards Capital items) has been credited to Capital account as per Accounting Policy of the Institute.
- IV Interest income on investments relating to Corpus & Membership Fund has been credited to respective fund in accordance with accounting policy of the Institute.



NOTES

1. Previous year figures have been regrouped / reclassified wherever necessary.
2. Current Assets, Loans & Advances have a value on realisation in the ordinary course of activities at least equal to the amount at which they are stated.
3. Balances of parties shown under Current Liabilities & Current Assets, Loans & Advances are subject to confirmation & reconciliation, if any.
4. Out of Grant of Rs. 15 Lacs received in earlier year for upgradation of Analytical Laboratory for Chemicals Weapons Convention amount of Rs. 1151532.65 remains to be utilised.
5. Physical verification of assets transferred by M/s Hindustan Insecticides Ltd. (R&D) amounting to Rs. 54590.00 in the earlier year is still pending due to non-availability of the details.
6. Capital Work in progress

I	Hostel Building	3825778.41
II	New Laboratory Building	43988238.84
		<u>47814017.25</u>

A Hostel Building

- I Building Expenses amounting to Rs 2100223.00 incurred by Pesticide Dev. Centre of M/s Hindustan Insecticides Ltd. Prior to inception of Institute of Pesticide Formulation Technology have been capitalised.
- II Building Expenses of Rs. 3825778.41 incurred by the institute of Pesticide Formulation Technology have been shown as capital work-in-progress for which no depreciation has been charged pending receipt of Completion Certificate.

B New Laboratory Building

Construction work is in progress.

For RAJ VINAY & ASSOCIATES
Chartered Accountants

Sd/-
(R. KAPOOR)
Proprietor

Sd/-
(Dr. D. Sengupta)
Director

Sd/-
(J. P. Singh)
Head Fin/Adm/Trg

Place : New Delhi
Date : 10th September, 2003

**SCHEDULE 'G'- ESTABLISHMENT**

	YEAR ENDED 31.3.2003	YEAR ENDED 31.3.2002
Salary & Wages	5138754.78	5170314.37
Contributions to P.F., Adm. & DLI Charges	589233.50	552594.50
Bonus	34538.00	34538.00
Staff Welfare	23238.32	26086.50
LTC	-	22567.20
Transport Allowance	133236.35	137374.00
Medical	145298.15	61550.93
Leave Encashment	-	58969.00
Gratuity	225353.00	209130.00
Staff Training	1000.00	-
Canteen Subsidy	8256.75	12585.88
TOTAL Rs.	6298908.85	6285710.38

SCHEDULE 'H'- ADMINISTRATIVE

Printing & Stationery	60149.51	92195.37
Rent, Rates & Taxes	544339.50	22179.60
Travel & Conveyance	142166.12	235930.00
Postage, Telegram & Telephone	135736.75	205920.08
Electricity Charges including Diesel	964090.55	798634.62
Vehicle Running & Maintenance	66505.00	94777.99
Newspaper & Periodicals	2272.00	3303.50
Repair & Maintenance	157967.20	96145.99
Miscellaneous	985.00	2161.00
Security Charges	373335.03	342819.00
Cartage	-	11883.00
TOTAL Rs.	2447546.66	1905950.15