

**MINISTRY OF CHEMICALS AND FERTILISERS****DEMAND NO. 6****Department of Chemicals and Petrochemicals**

A. The Budget allocations, net of recoveries, are given below:

		<i>(In crores of Rupees)</i>								
Major Head	Budget 2007-2008			Revised 2007-2008			Budget 2008-2009			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	158.99	39.51	198.50	114.85	40.35	155.20	251.50	45.30	296.80	
Capital	50.01	8.49	58.50	55.15	8.48	63.63	43.50	6.70	50.20	
<b>Total</b>	<b>209.00</b>	<b>48.00</b>	<b>257.00</b>	<b>170.00</b>	<b>48.83</b>	<b>218.83</b>	<b>295.00</b>	<b>52.00</b>	<b>347.00</b>	
1. Secretariat-Economic Services	3451	...	11.79	11.79	0.50	11.77	12.27	0.50	12.16	12.66
<b>Industries</b>										
<i>Petrochemical Industries</i>										
2. Central Institute of Plastics Engg. and Technology(CIPET)	2852	18.51	...	18.51	12.45	...	12.45	17.50	...	17.50
	6856	20.00	...	20.00	20.00	...	20.00	13.50	...	13.50
	<i>Total</i>	<i>38.51</i>	<i>...</i>	<i>38.51</i>	<i>32.45</i>	<i>...</i>	<i>32.45</i>	<i>31.00</i>	<i>...</i>	<i>31.00</i>
3. Subsidy to Assam Gas Project	2852	42.62	0.01	42.63	12.10	0.01	12.11	70.50	0.01	70.51
4. Others (New Schemes)	2852	5.25	...	5.25	3.00	...	3.00	2.00	...	2.00
<i>Chemical and Pharmaceutical Industries</i>										
5. Bhopal Gas Leak Disaster (BGLD)	2852	...	7.25	7.25	...	8.25	8.25	...	8.61	8.61
6. Institute of Pesticides Formulation Technology (IPFT)	2852	5.00	1.00	6.00	5.00	1.00	6.00	5.00	1.50	6.50
7. National Institute of Pharmaceuticals Education and Research(NIPER)	2852	35.66	13.00	48.66	34.00	12.74	46.74	75.00	15.00	90.00
8. Chemical Weapons Convention(CWC)	2852	0.40	0.05	0.45	0.40	0.05	0.45	0.50	0.05	0.55
9. National Pharmaceutical Pricing Authority(NPPA)	2852	11.50	5.91	17.41	9.50	6.03	15.53	11.50	7.47	18.97
10. Pharmaceutical Export Promotion Scheme (PEPS)	2852	1.00	0.50	1.50	...	0.50	0.50	...	0.50	0.50
11. Pharmaceuticals Research & Dev. Programme(PRDP)	2852	...	...	...	...	...	...	...	...	...
12. Chemicals Promotion & Dev. Scheme (CPDS)	2852	2.10	...	2.10	3.00	...	3.00	2.00	...	2.00
13. Hindustan Antibiotics Ltd. (HAL)	2852	...	...	...	...	...	...	...	...	...
14. Others (New Schemes)	2852	16.05	...	16.05	14.00	...	14.00	37.50	...	37.50
<b>Total-Industries</b>		<b>158.09</b>	<b>27.72</b>	<b>185.81</b>	<b>113.45</b>	<b>28.58</b>	<b>142.03</b>	<b>235.00</b>	<b>33.14</b>	<b>268.14</b>
15. Lumpsum provision for Project/Scheme for the benefit of the N.E.Region & Sikkim	2552	20.90	...	20.90	20.90	...	20.90	29.50	...	29.50
16. <i>Non Plan Loans to Public Enterprises</i>										
16.01 Smith Stainistreet Pharmaceuticals Ltd.(SSPL)	6857	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
16.02 Bengal Chemicals and Pharmaceuticals Ltd(BCPL)	6857	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
16.03 Bengal Immunity Ltd(BIL)	6857	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
16.04 Indian Drugs & Pharmaceuticals Ltd(IDPL)	6857	...	0.01	0.01	...	4.93	4.93	...	0.01	0.01
16.05.Petrofils Co-operative Ltd.(PCL)	6856	...	1.00	1.00	...	1.00	1.00	...	1.00	1.00
16.06 Hindustan Insecticides Ltd.(HIL)	6857	...	7.43	7.43	...	2.50	2.50	...	2.50	2.50
16.07 Hindustan Antibiotics Ltd.(HAL)	6857	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
16.08 Hindustan Organic Chemical Limited	6857	...	0.01	0.01	...	0.01	0.01	...	3.15	3.15
	<i>Total</i>	<i>...</i>	<i>8.49</i>	<i>8.49</i>	<i>...</i>	<i>8.48</i>	<i>8.48</i>	<i>...</i>	<i>6.70</i>	<i>6.70</i>
17. Investment in Public Enterprises	4857	2.00	...	2.00	8.15	...	8.15	...	...	...
	6857	28.01	...	28.01	27.00	...	27.00	30.00	...	30.00
	<i>Total</i>	<i>30.01</i>	<i>...</i>	<i>30.01</i>	<i>35.15</i>	<i>...</i>	<i>35.15</i>	<i>30.00</i>	<i>...</i>	<i>30.00</i>
<b>Grand Total</b>		<b>209.00</b>	<b>48.00</b>	<b>257.00</b>	<b>170.00</b>	<b>48.83</b>	<b>218.83</b>	<b>295.00</b>	<b>52.00</b>	<b>347.00</b>

	Head of Dev.	Budget 2007-2008			Revised 2007-2008			(In crores of Rupees) Budget 2008-2009		
		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
<b>B. Investment in Public Enterprises</b>										
Petrochemical Industries										
Other bodies/institutions (CIPET, Assam)	12856	...	...	...	...	...	...	...	...	...
<i>Chemical and Pharmaceutical Industries</i>										
17.01 Hindustan Organic Chemicals Ltd	12857	1.00	37.11	38.11	1.00	...	1.00	...	4.36	4.36
17.02 Hindustan Insecticides Limited	12857	6.00	1.00	7.00	6.00	...	6.00	...	0.50	0.50
17.03 Indian Drugs and Pharmaceuticals Ltd	12857	1.01	...	1.01	2.00	...	2.00	...	...	...
17.04 Hindustan Antibiotics Ltd	12857	2.00	-3.30	-1.30	6.15	...	6.15	...	...	...
17.05 Bengal Chemicals and Pharmaceuticals Ltd.	12857	20.00	0.59	20.59	20.00	...	20.00	30.00	1.82	31.82
17.06 NIPER	12857	...	...	...	...	...	...	...	...	...
Other bodies/institutions (IPFT, PRDP, CPDS)	12857	...	...	...	...	...	...	...	...	...
<b>Total-Chemical and Pharmaceutical Industries</b>		<b>30.01</b>	<b>35.40</b>	<b>65.41</b>	<b>35.15</b>	...	<b>35.15</b>	<b>30.00</b>	<b>6.68</b>	<b>36.68</b>
<i>Total</i>		<i>30.01</i>	<i>35.40</i>	<i>65.41</i>	<i>35.15</i>	...	<i>35.15</i>	<i>30.00</i>	<i>6.68</i>	<i>36.68</i>
<b>C. Plan Outlay</b>										
1. Petrochemical Industries	12856	86.38	...	86.38	47.55	...	47.55	103.50	...	103.50
2. Chemical and Pharmaceutical Industries	12857	101.72	35.40	137.12	101.05	...	101.05	161.50	6.68	168.18
3. Secretariat-Economic Services	13451	...	...	...	0.50	...	0.50	0.50	...	0.50
4. North Eastern Areas	22552	20.90	...	20.90	20.90	...	20.90	29.50	...	29.50
<b>Total</b>		<b>209.00</b>	<b>35.40</b>	<b>244.40</b>	<b>170.00</b>	...	<b>170.00</b>	<b>295.00</b>	<b>6.68</b>	<b>301.68</b>

1. **Secretariat:** Provision is for the expenditure on Secretariat of the Department and includes Rs.0.50 crore for the expenditure on Information Technology.

2. **Central Institute of Plastic Engineering and Technology (CIPET):** The Central Institute of Plastic Engineering and Technology was set up for giving specialized training and physical testing of plastic materials. The Institute has established 15 Extension Centers at Ahmedabad, Amritsar, Bhopal, Bhubaneswar, Chennai, Hyderabad, Haldia, Imphal, Lucknow, Mysore, Patna, Guwahati, Panipat, Jaipur and Aurangabad. The provision includes Rs. 31.00 crore for the various ongoing and new plan schemes including establishment of new centers. Out of this, Rs. 13.50 crore as external assistance for strengthening the infrastructural facilities of the existing centers, Rs.1.50 crore for counterpart funding and Rs.16.00 crore for schemes as Grant under Revenue Section.

3. **Subsidy to Assam Gas Project:** The provision of Rs.100.00 crore includes Rs.29.50 crore for North East Region, for capital subsidy to the Joint Venture Company with the majority shareholding by GAIL, the main promoter of the project, in a phased manner. The unit is likely to start production in 2011 and is expected to generate substantial employment direct as well as indirect.

4. **Others (New Schemes):** The provision is for many feasibility studies proposed to be undertaken in the relevant fields before initiation/creation of long term infrastructure for technical up gradation in the field of petrochemicals.

5. **Bhopal Gas Leak Disaster:** The provision includes Secretariat expenditure of the Office of the Welfare Commissioner, Bhopal and also of the various courts set-up for deciding the cases of compensation to the victims including expenditure relating to professional services, exchange rate variation, etc.

6. **Institute of Pesticides Formulation Technology (IPFT):** The Institute is engaged in the development of environment friendly pesticide formulations, which is highly essential for the safety of farmers and preservation of the environment. This Institute is playing a catalytic role for the growth of pesticides industry in the country.

7. **National Institute of Pharmaceutical Education & Research (NIPER):** This Project has been set up at S.A.S. Nagar (Mohali) near Chandigarh. The Institute seeks to promote excellence in the sphere of pharmaceutical education in India and to meet the current and future needs of the pharmaceutical sector in India. The provision includes Non-Plan support for day-to-day expenditure and Plan support for their ongoing Schemes and New Schemes in Pharmaceutical Education and Research.

8. **Chemical Weapons Convention (CWC):** India is one of the original signatories to the Chemical Weapons Convention (CWC). In order to discharge the obligation of the Convention, a nodal agency called National Authority has been set up in India. The agency undertakes trial inspections of the units, monitors activities of dual purpose chemical industry makes arrangements for training of suitable personnel and assists OPCW in the regard to the implementation of CWC. The CWC Act has come into force w.e.f. 1st July, 2005.

9. **National Pharmaceutical Pricing Authority (NPPA):** As a part of the new Drug Policy announced in 1994, an independent body of experts has been set-up, which is responsible for price fixation/revision of drugs and formulations and other related matters. It also monitors the prices of decontrolled drugs and formulations and oversees the implementation of the provisions of Drugs (Price Control) Order. The Non-Plan budget provision is for the establishment expenses of the Authority and Plan support for strengthening of the monitoring of the drug prices.

**10. Pharmaceutical Export Promotion Scheme (PEPS):** The Budget provision has been made for promoting the export of pharmaceuticals, which inter-alia includes organizing seminars/workshops.

**11. Chemicals Promotion and Development Scheme (CPDS):** The budget provision has been made with a view to ensure promotion of chemicals, including pharmaceuticals, by organizing various seminars, workshops as well as setting up of a Mega Chemicals Industrial Estate in two identified states of West Bengal and Andhra Pradesh.

**12.** Various new schemes towards technical up gradation and R&D in the field of Pharmaceuticals are proposed to be undertaken during the 11<sup>th</sup> Plan.

**13. Lump sum provision for North-Eastern Region & Sikkim:** The provision is for implementing projects/schemes for North Eastern Region and Sikkim. The necessary assistance out of this fund will be provided for Assam Gas Cracker Project, which is under implementation.

**14. Non-Plan Loans to Public Sector Enterprises:** Represent loans granted to the Public Sector Enterprises.

**14.02 Bengal Chemicals & Pharmaceuticals Ltd. (BCPL):** The company has four manufacturing units one each at Manikatala at Kolkata, Panihati at 24 Parganas (North) West

Bengal, Mumbai and Kanpur (U.P.). The company manufactures and markets a wide range of industrial chemicals, sulphuric acid, ferric alum, a large number of drugs and pharmaceuticals besides cosmetics and home products. The provision is for its rehabilitation and various ongoing schemes.

**14.06 Hindustan Insecticides Ltd. (HIL):** The Company was incorporated in 1954 and has three factories for production of D.D.T. Malathion and Endosulfan Tech. These products are used in the National Anti Malarial Programme of the Ministry of Health. The provision is for the repair and replacement expenses of plant and machinery and other ongoing schemes.

**14.07 Hindustan Antibiotics Ltd. (HAL):** This was incorporated in 1954 with the objective of producing life saving drugs in the country and to reduce dependence on imports of such drugs. It has got three projects – in Maharashtra, Karnataka and Manipur. The provision is for the repair and replacement expenses of Plant and Machinery etc.

**14.08 Hindustan Organic Chemicals Ltd. (HOCL):** The provision includes loan for renewal & replacements.

**15. Investment in Public Enterprises:** Provides for equity and loans to Public Sector Enterprises to meet their new and continuing schemes. The equity and loan-wise breakup of the budgetary support to these enterprises, and the I.E.B.R. are given in the Expenditure Budget Vol. I.