

**MINISTRY OF COMMERCE AND INDUSTRY****DEMAND NO. 11****Department of Commerce**

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

		(In crores of Rupees)									
Major Head		Budget 2008-2009			Revised 2008-2009			Budget 2009-2010			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Revenue	849.00	1960.00	2809.00	857.00	3464.00	4321.00	898.78	2092.00	2990.78	
	Capital	711.00	...	711.00	613.00	...	613.00	661.22	...	661.22	
	<b>Total</b>	<b>1560.00</b>	<b>1960.00</b>	<b>3520.00</b>	<b>1470.00</b>	<b>3464.00</b>	<b>4934.00</b>	<b>1560.00</b>	<b>2092.00</b>	<b>3652.00</b>	
1.	Secretariat-Economic Services	3451	5.00	38.10	43.10	5.00	43.87	48.87	5.00	55.88	60.88
	<b>Foreign Trade and Export Promotion</b>										
2.	Trade Commissioners	3453	...	80.00	80.00	...	90.79	90.79	...	98.58	98.58
3.	Director General Foreign Trade	3453	...	47.80	47.80	...	57.89	57.89	...	62.13	62.13
4.	<i>Assistance for Export Promotion and Market Development</i>										
4.01	Export Subsidy	3453	...	1294.00	1294.00	...	2394.02	2394.02	...	1600.00	1600.00
4.02	Interest Subsidy to Banks	3453	...	...	...	...	500.00	500.00	...	...	...
4.03	Grants-in-aid to Export Promotion and Market Development Organisation	3453	...	55.00	55.00	...	52.25	52.25	...	55.00	55.00
	<i>Total</i>		...	1349.00	1349.00	...	2946.27	2946.27	...	1655.00	1655.00
5.	<i>Development of Free Trade/Export Processing Zones/Special Economic Zones</i>										
5.01	Kandla - SEZ	3453	...	5.62	5.62	...	6.19	6.19	...	6.21	6.21
5.02	Electronics (SEEPZ) - SEZ	3453	...	6.54	6.54	...	7.36	7.36	...	7.30	7.30
5.03	Falta	3453	...	3.38	3.38	...	3.81	3.81	...	3.99	3.99
5.04	Chennai	3453	...	4.66	4.66	...	5.23	5.23	...	5.64	5.64
5.05	Cochin - SEZ	3453	...	3.64	3.64	...	4.21	4.21	...	5.04	5.04
5.06	NOIDA	3453	...	6.00	6.00	...	6.70	6.70	...	6.56	6.56
5.07	Visakhapatnam	3453	...	3.00	3.00	...	3.22	3.22	...	4.00	4.00
5.08	Indore - SEZ	3453	...	0.56	0.56	...	0.64	0.64	...	0.68	0.68
5.09	Jaipur - SEZ	3453	...	0.41	0.41	...	0.47	0.47	...	0.48	0.48
5.10	Manikanchan - SEZ (Kolkata)	3453	...	0.51	0.51	...	0.57	0.57	...	0.70	0.70
5.11	Moradabad - SEZ	3453	...	0.28	0.28	...	0.29	0.29	...	0.31	0.31
5.12	Maha-Mumbai - SEZ	3453	...	0.40	0.40	...	0.45	0.45	...	0.46	0.46
5.13	Jodhpur - SEZ	3453	...	0.30	0.30	...	0.36	0.36	...	0.39	0.39
5.14	Surat - SEZ	3453	...	0.16	0.16	...	0.20	0.20	...	0.20	0.20
5.15	Investment in ECGC	5465	100.00	...	100.00	...	...	...	50.00	...	50.00
5.16	National Export Insurance Account	3453	150.00	...	150.00	150.00	...	150.00	190.00	...	190.00
	<i>Total</i>		250.00	35.46	285.46	150.00	39.70	189.70	240.00	41.96	281.96
6.	Agricultural and Processed Food Products Export Development Authority	3453	100.00	...	100.00	112.52	...	112.52	115.00	...	115.00
7.	Marine Products Export Development Authority	3453	100.00	5.00	105.00	90.00	5.00	95.00	90.00	5.00	95.00
8.	<i>Other Schemes of Foreign Trade and Export Promotion</i>										
8.01	Directorate General of Commercial Intelligence and Statistics	3453	...	13.95	13.95	...	15.95	15.95	...	16.81	16.81
8.02	Export Promotion Quality Control and Inspection										
8.02.01	Export Inspection Council	3453	10.00	...	10.00	15.83	...	15.83	9.00	...	9.00
8.02.02	Market Access Initiatives - Export Studies	3453	50.00	...	50.00	50.00	...	50.00	75.00	...	75.00
8.02.03	Centre for WTO Studies	3453	4.00	...	4.00	4.00	...	4.00	2.00	...	2.00
8.02.04	Assistance to Institutions	3453	15.25	...	15.25	17.41	...	17.41	10.78	...	10.78
8.02.05	Modernisation and Upgradation	3453	6.00	...	6.00	6.00	...	6.00	4.00	...	4.00
	<i>Total</i>		26.00	...	26.00	28.00	...	28.00	26.22	...	26.22
	<i>Total</i>		32.00	...	32.00	34.00	...	34.00	30.22	...	30.22

No.11/Department of Commerce

(In crores of Rupees)										
Major Head	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
8.02.06 Footwear Design and Development Institute	3453	5.00	...	5.00	5.00	...	5.00	4.00	...	4.00
<i>Total</i>		<i>116.25</i>	<i>...</i>	<i>116.25</i>	<i>126.24</i>	<i>...</i>	<i>126.24</i>	<i>131.00</i>	<i>...</i>	<i>131.00</i>
8.03 Contributions to International Organisations	3453	...	14.00	14.00	...	18.50	18.50	...	18.50	18.50
8.04 International Conferences	3453	...	0.30	0.30	...	1.05	1.05	...	1.00	1.00
8.05 Scheme for Central Assistance to the States for developing export infrastructure and other allied activities	5453	513.00	...	513.00	513.00	...	513.00	513.00	...	513.00
8.06 Settlement of dues for exports to Cuba	3453	...	282.00	282.00	...	124.77	124.77	...	...	...
8.07 Others	3453	...	2.33	2.33	...	1.44	1.44	...	1.52	1.52
<i>Total</i>		<i>629.25</i>	<i>312.58</i>	<i>941.83</i>	<i>639.24</i>	<i>161.71</i>	<i>800.95</i>	<i>644.00</i>	<i>37.83</i>	<i>681.83</i>
<b>Total-Foreign Trade and Export Promotion</b>		<b>1079.25</b>	<b>1829.84</b>	<b>2909.09</b>	<b>991.76</b>	<b>3301.36</b>	<b>4293.12</b>	<b>1089.00</b>	<b>1900.50</b>	<b>2989.50</b>
<b>Plantations</b>										
9. Commodity Boards										
9.01 Tea Board	2407	55.00	18.75	73.75	60.00	21.86	81.86	55.00 *	25.00	80.00
	4407	15.00	...	15.00	15.00	...	15.00	15.00	...	15.00
<i>Total</i>		<i>70.00</i>	<i>18.75</i>	<i>88.75</i>	<i>75.00</i>	<i>21.86</i>	<i>96.86</i>	<i>70.00</i>	<i>25.00</i>	<i>95.00</i>
9.02 Rubber Board	2407	89.00	10.25	99.25	89.00	13.25	102.25	90.00	15.00	105.00
9.03 Coffee Board	2407	107.75	14.25	122.00	98.24	14.25	112.49	76.00	20.00	96.00
9.04 Spices Board	2407	45.00	1.00	46.00	53.00	2.00	55.00	54.00	2.00	56.00
9.05 Cashew Export Promotion Council	2407	...	...	...	...	...	...	5.00	...	5.00
<b>Total-Commodity Boards</b>		<b>311.75</b>	<b>44.25</b>	<b>356.00</b>	<b>315.24</b>	<b>51.36</b>	<b>366.60</b>	<b>295.00</b>	<b>62.00</b>	<b>357.00</b>
10. Crop Insurance	2407	1.00	...	1.00	1.00	...	1.00	10.00	...	10.00
11. Other Schemes of Plantations										
11.01 Price Stabilisation Fund	2407	...	0.01	0.01	...	0.04	0.04	...	0.05	0.05
11.01.01 Payment to PSF Trust - Price Stabilisation Fund Scheme										
From	2407	...	4.50	4.50	...	4.28	4.28	...	4.50	4.50
To	2407	...	-4.50	-4.50	...	-4.28	-4.28	...	-4.50	-4.50
Net		...	...	...	...	...	...	...	...	...
11.02 Development Fund for Tea Sector										
11.02.01 Payment to Tea Board										
From	2407	10.74	...	10.74	10.74	...	10.74	4.06	...	4.06
To	2407	-10.74	...	-10.74	-10.74	...	-10.74	-4.06	...	-4.06
Net		...	...	...	...	...	...	...	...	...
<b>Total-Other Schemes of Plantations</b>		...	<b>0.01</b>	<b>0.01</b>	...	<b>0.04</b>	<b>0.04</b>	...	<b>0.05</b>	<b>0.05</b>
<b>Total-Plantations</b>		<b>312.75</b>	<b>44.26</b>	<b>357.01</b>	<b>316.24</b>	<b>51.40</b>	<b>367.64</b>	<b>305.00</b>	<b>62.05</b>	<b>367.05</b>
12. Lumpsum provision for projects/ schemes for the benefit of North Eastern Region and Sikkim										
12.01 Schemes for Assistance to States for Development of Infrastructure and other Allied Activities	4552	57.00	...	57.00	57.00	...	57.00	57.00	...	57.00
12.02 Tea	2552	60.00	...	60.00	60.00	...	60.00	60.00	...	60.00
12.03 Rubber	2552	25.00	...	25.00	25.00	...	25.00	30.00	...	30.00
12.04 Coffee	2552	12.00	...	12.00	6.00	...	6.00	4.00	...	4.00
12.05 Spices	2552	5.00	...	5.00	5.00	...	5.00	6.00	...	6.00
<i>Total</i>		<i>159.00</i>	<i>...</i>	<i>159.00</i>	<i>153.00</i>	<i>...</i>	<i>153.00</i>	<i>157.00</i>	<i>...</i>	<i>157.00</i>
13. Supplies and Disposals										
13.01 D.G.S. & D	2057	...	47.80	47.80	...	67.37	67.37	...	73.57	73.57
13.02 Computerisation in D.G.S. & D	2057	4.00	...	4.00	4.00	...	4.00	4.00	...	4.00
<i>Total</i>		<i>4.00</i>	<i>47.80</i>	<i>51.80</i>	<i>4.00</i>	<i>67.37</i>	<i>71.37</i>	<i>4.00</i>	<i>73.57</i>	<i>77.57</i>
<b>Grand Total</b>		<b>1560.00</b>	<b>1960.00</b>	<b>3520.00</b>	<b>1470.00</b>	<b>3464.00</b>	<b>4934.00</b>	<b>1560.00</b>	<b>2092.00</b>	<b>3652.00</b>

\* Includes Rs. 3.50 crore for External Aided Project (EAP)

(In crores of Rupees)

	Head of Dev	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010		
		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
<b>B. Investments in Public Enterprises :</b>										
1. Export Credit and Guarantee Corporation	13465	100.00	...	100.00	...	...	...	50.00	...	50.00
2. Plantations	12407	...	...	...	...	...	...	...	...	...
<b>Total</b>		<b>100.00</b>	...	<b>100.00</b>	...	...	...	<b>50.00</b>	...	<b>50.00</b>
<b>C. Plan Outlay:-</b>										
1. Secretariat-Economic Services	13451	5.00	...	5.00	5.00	...	5.00	5.00	...	5.00
2. Foreign Trade and Export Promotion	13453	1079.25	...	1079.25	991.76	...	991.76	1089.00	...	1089.00
3. Plantations	12407	312.75	...	312.75	316.24	...	316.24	305.00	...	305.00
4. Supplies and Disposals	32057	4.00	...	4.00	4.00	...	4.00	4.00	...	4.00
5. North - Eastern Areas	22552	159.00	...	159.00	153.00	...	153.00	157.00	...	157.00
<b>Total</b>		<b>1560.00</b>	...	<b>1560.00</b>	<b>1470.00</b>	...	<b>1470.00</b>	<b>1560.00</b>	...	<b>1560.00</b>

1. **Secretariat- Economic Services:-** The provision is for secretariat expenditure of the Department.

2. **Trade Commissioners:-** There are 66 Commercial Offices functioning in the Indian Missions abroad. The Commercial Offices abroad provide the institutional framework and are meant to promote India's trade and economic exchanges with the world. The provision is for establishment related expenses of these commercial offices.

3. **Directorate General Foreign Trade (DGFT)-** The provision is for administrative expenditure. This Directorate is responsible for execution of the EXIM Policy for promotion of exports. In addition, it also looks after the work relating to issue of licenses and monitoring of export obligations etc.

4. **Assistance for Export Promotion and Market Development:-** The provision is for deemed exports benefits (duty drawbacks and refund of terminal excise duty). This provision also includes payment of grants to Export Promotion Councils and other institutions for specific export promotion schemes like "Focus LAC", "Focus Africa", "Focus-ASEAN+2" & "Focus-CIS" Programmes etc.

5. **Development of Free Trade/Special Economic Zones (SEZ):-**

(i). The provision is mainly for administrative expenditure of the Special Economic Zones (SEZs), set up as enclaves separated from domestic tariff areas and is intended to provide a duty free environment for export promotion. The Special Economic Zones are responsible for administration of the Export Oriented Units located within the Zone.

(ii) **Investment in ECGC:-** The primary objective of the Corporation is to support the country's exports by providing a range of insurance covers to Indian Exporters against the risk of non-realization of export proceeds due to commercial or political causes; and different type of guarantees to Banks and other financial institutions to enable them to extend credit facilities to exporters.

(iii) **National Export Insurance Account (NEIA):-** The National Export Insurance Account (NEIA) will ensure the availability of credit risk cover for projects and other high value exports, which are desirable for the point of view of national interests. To the extent reinsurance is available from either the General Insurance Corporation (the "National Reinsurer") or any other reinsurer, no assistance will be sought from NEIA. If reinsurance is available only partially for a project, assistance will be sought from the Fund only for that portion which is not covered by reinsurance.

6. **Agricultural and Processed Food Products Export Development Authority (APEDA):-**The APEDA was set up by an Act of Parliament in 1986. The Provision is for payment to APEDA for development and promotion of exports.

7. **Marine Products Export Development Authority (MPEDA)-** MPEDA was set up in 1972 and is responsible for development of the Marine products industry with special reference to exports, regulation of offshore and deep-sea fishing and registration of fishing vessels, processing plants, exporters. The provision is for the administrative development, and promotional activities of MPEDA.

8. **Other Schemes of Foreign Trade and Export Promotion:-**

a. **Directorate General of Commercial Intelligence and Statistics:-** This Directorate is responsible for collection, compilation and publication of the foreign, inland and ancillary trade statistics and for the dissemination of commercial information. This directorate publishes trade statistics, which have a wide variety of applications. The DGCI&S maintains a commercial library for the use of the traders, exporters, importers, research scholars, Govt. and semi govt. agencies etc.

b. **Export Inspection Council (EIC):-** EIC was set up under Section 3 of the Export (Quality Control & Inspection) Act, 1963. The main functions of EIC are to advise the Central Govt. on measures to be taken for improvement of quality control and inspection of commodities intended for export. The provision is to implement the Plan Schemes namely; "Export Promotion, Quality Control, HRD and buildings for EIC/EIAs labs".

c. **Market Access Initiative (MAI):-** This scheme was introduced in the last year of Ninth Five Year Plan and the modified scheme was approved by the Govt. in December, 2003 to act as a catalyst to promote India's exports on sustained basis. The scheme is devised to evolve a specific strategy for market and products specific Studies/Surveys.

d. **Center for WTO Studies:-** The Assistance to the center is for running expenses of the Centre.

e. **Assistance to Institutions:-** The provision is for expenditure of Indian Institute of Foreign Trade and Indian Institute of Packaging which are implementing the Central Sector Plan Schemes as approved by the Govt. for the 10<sup>th</sup> Five Year Plan (2002-07).

f. **Modernization and Upgradation:** The Scheme provides for Upgradation of computers in the DGFT and construction of office for the DGCI&S at Kolkata and FDDI at Fursatganj, Rai Bareilly (UP).

g. **Footwear Design & Development Institute:-** The assistance mainly is for the construction of Integrated Display Centre.

h. **Contribution to International Organisations:-** The Govt. is a member of the international organisations like World Trade Organization, International Coffee Organization, International Pepper Community, International Trade Centre, Common Fund for Commodities etc.

i. **Assistance to States for Development of Export Infrastructure and other Allied Activities (ASIDE) Scheme:-** This Scheme was started in March 2002. The outlay of this scheme has two components. 80% of the funds are earmarked for allocation to States. The balance 20% is retained at the central level for meeting the requirement of inter-state projects or any other activity considered important by the Central Government from the regional or the national perspective.

j. **Others:-** includes expenditure for the administrative expenses of the Custodian of Enemy Property and the expenditure on foreign delegations.

#### 9 Plantation /Commodity Boards

(i) **Tea Board:-** Tea Board was set up under the Tea Act 1953. The primary function of the Tea Board is to render financial and technical assistance for cultivation, manufacture, marketing, export promotion and R&D activities for augmentation of tea production and improvement of tea quality.

(ii) **Rubber Board:-** Rubber Board was set up under the Rubber Board Act, 1947. The primary functions of the Board relate to promotion, development and encouraging scientific, technical and economic research; supply technical advice to rubber growers; the train growers in improved methods of planting, cultivation, managing and collection of statistics.

(iii) **Coffee Board:-** Coffee Board was set up under the Coffee Act. 1942. The main functions of the Board relate to undertaking programmes and projects for the growth and development of Coffee industry; promotion of coffee export; R&D activities to increase productivity; evolving pest resistant coffee varieties with suitable package of practices and to take measures for improvement in quality of coffee.

(iv) **Spices Board:-** The Spices Board was set up under Section (1) of The Spices Board Act. 1986. The primary functions of the Board relate to increasing the production and productivity of spices, crop improvement through selection/hybridization for evolving new varieties, assisting exporters in setting up in house laboratories and assisting Govt. in the development of National quality standards on spices.

#### Other Scheme of Plantations

10. **Crop Insurance:-** This is a new scheme proposed to be launched and envisages insurance of Plantation Crops of Tea, Rubber, Coffee and Spices.

11. **Price Stabilization Fund (PSF):-** Govt. has approved the setting up of a Price Stabilisation Fund for the benefit of 3.42 lakh growers of tea, coffee, rubber and tobacco, with a corpus of Rs. 500 cr. The objective of the PSF is to provide relief to the growers when the prices of the Commodities fall below a specified level, without resorting to the practice of procurement operation by the Govt. agencies.

12. **Lump-sum provision for NER & Sikkim:-** The provision has been made for projects/schemes for the benefit of North Eastern Region & Sikkim as per govt. guidelines.

13. **Supplies & Disposals:-** This Directorate is for finalization of Rate Contracts for Common user items, procurement, inspection, shipment and clearance of stores. The provision is for administrative expenditure of the DGS&D and its regional offices.