

MINISTRY OF CHEMICALS AND FERTILISERS**DEMAND NO. 7****Department of Chemicals and Petrochemicals**

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

		<i>(In crores of Rupees)</i>								
Major Head	Budget 2005-2006			Revised 2005-2006			Budget 2006-2007			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	62.00	686.78	748.78	23.88	720.95	744.83	57.85	35.35	93.20	
Capital	21.00	143.47	164.47	31.12	29.05	60.17	73.15	3.05	76.20	
Total	83.00	830.25	913.25	55.00	750.00	805.00	131.00	38.40	169.40	
1. Secretariat-Economic Services	3451	0.05	7.14	7.19	0.05	7.14	7.19	1.50	8.02	9.52
Industries										
<i>Petrochemical Industries</i>										
2. Central Institute of Plastics Engg. and Technology(CIPET)	2852	45.92	3.38	49.30	11.00	3.38	14.38	20.00	3.38	23.38
	6856	...	...	...	12.00	...	12.00	30.00	...	30.00
	<i>Total</i>	<i>45.92</i>	<i>3.38</i>	<i>49.30</i>	<i>23.00</i>	<i>3.38</i>	<i>26.38</i>	<i>50.00</i>	<i>3.38</i>	<i>53.38</i>
3. Subsidy to Assam Gas Project	2852	...	0.01	0.01	...	0.01	0.01	0.01	0.01	0.02
<i>Chemical and Pharmaceutical Industries</i>										
4. Bhopal Gas Leak Disaster (BGLD)	2852	...	663.71	663.71	...	697.88	697.88	...	6.89	6.89
5. Institute of Pesticides Formulation Technology (IPFT)	2852	3.33	...	3.33	1.00	...	1.00	1.28	...	1.28
6. National Institute of Pharmaceuticals Education and Research(NIPER)	2852	3.10	8.90	12.00	5.00	8.90	13.90	18.00	11.10	29.10
7. Chemical Weapons Convention(CWC)	2852	0.05	0.03	0.08	0.12	0.03	0.15	0.22	0.05	0.27
8. National Pharmaceutical Pricing Authority(NPPA)	2852	...	3.56	3.56	...	3.56	3.56	1.50	5.85	7.35
9. Pharmaceutical Export Promotion Scheme (PEPS)	2852	...	0.05	0.05	...	0.05	0.05	...	0.05	0.05
10. Pharmaceuticals Research & Dev. Programme(PRDP)	2852	0.25	...	0.25	0.25	...	0.25	0.25	...	0.25
11. Chemicals Promotion & Dev. Scheme (CPDS)	2852	1.00	...	1.00	0.96	...	0.96	2.00	...	2.00
Total-Industries		53.65	679.64	733.29	30.33	713.81	744.14	73.26	27.33	100.59
12. Lumpsum provision for Project/ Scheme for the benefit of the N.E.Region & Sikkim	2552	8.30	...	8.30	5.50	...	5.50	13.09	...	13.09
13. <i>Non Plan Loans to Public Enterprises</i>										
13.01 Smith Stainistreet Phamaceuticals Ltd. (SSPL)	6857	...	3.09	3.09	...	0.31	0.31	...	0.01	0.01
13.02 Bengal Chemicals and Pharmaceuticals Ltd(BCPL)	6857	...	10.00	10.00	...	2.00	2.00	...	1.99	1.99
13.03 Bengal Immunity Ltd(BIL)	6857	...	1.69	1.69	...	0.30	0.30	...	0.01	0.01
13.04 Indian Drugs & Pharmaceuticals Ltd(IDPL)	6857	...	14.20	14.20	...	10.00	10.00	...	0.01	0.01
13.05 Petrofils Co-operative Ltd.(PCL)	6856	...	1.49	1.49	...	1.49	1.49	...	1.00	1.00
13.06 Hindustan Insecticides Ltd.(HIL)	6857	...	53.00	53.00	...	1.55	1.55	...	0.01	0.01
13.07 Hindustan Antibiotics Ltd.(HAL)	6857	...	60.00	60.00	...	13.40	13.40	...	0.01	0.01
13.08 Hindustan Organic Chemical Limited	6857	...	...	...	...	...	...	...	0.01	0.01
	<i>Total</i>	<i>...</i>	<i>143.47</i>	<i>143.47</i>	<i>...</i>	<i>29.05</i>	<i>29.05</i>	<i>...</i>	<i>3.05</i>	<i>3.05</i>
14. Investment in Public Enterprises	4857	...	...	...	...	...	...	25.00	...	25.00
	6857	21.00	...	21.00	19.12	...	19.12	18.15	...	18.15
	<i>Total</i>	<i>21.00</i>	<i>...</i>	<i>21.00</i>	<i>19.12</i>	<i>...</i>	<i>19.12</i>	<i>43.15</i>	<i>...</i>	<i>43.15</i>
Grand Total		83.00	830.25	913.25	55.00	750.00	805.00	131.00	38.40	169.40

	Head of Dev.	Budget 2005-2006			Revised 2005-2006			(In crores of Rupees) Budget 2006-2007		
		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
B. Investment in Public Enterprises										
<i>Petrochemical Industries</i>										
Other bodies/institutions (CIPET, Assam)	12856	45.92	...	45.92	23.00	...	23.00	...	...	...
<i>Chemical and Pharmaceutical Industries</i>										
14.01 Hindustan Organic Chemicals Ltd	12857	7.00	...	7.00	6.00	...	6.00	25.00	22.59	47.59
14.02 Hindustan Insecticides Limited	12857	6.00	...	6.00	6.00	...	6.00	7.15	...	7.15
14.03 Indian Drugs and Pharmaceuticals Ltd	12857	...	...	...	...	...	...	1.00	...	1.00
14.04 Hindustan Antibiotics Ltd	12857	3.00	...	3.00	3.00	...	3.00	3.00	...	3.00
14.05 Bengal Chemicals and Pharmaceuticals Ltd.	12857	5.00	20.00	25.00	4.12	...	4.12	7.00	...	7.00
14.06 NIPER	12857	3.10	3.10	6.20	5.00	...	5.00	18.00	3.19	21.19
Other bodies/institutions (IPFT, PRDP, CPDS)	12857	4.58	...	4.58	2.21	...	2.21	4.53	...	4.53
<i>Total-Chemical and Pharmaceutical Industries</i>		28.68	23.10	51.78	26.33	...	26.33	65.68	25.78	91.46
Total		74.60	23.10	97.70	49.33	...	49.33	65.68	25.78	91.46
C. Plan Outlay										
1. Petrochemical Industries	12856	45.92	...	45.92	23.00	...	23.00	50.01	...	50.01
2. Chemical and Pharmaceutical Industries	12857	28.73	23.10	51.83	26.45	...	26.45	66.40	25.78	92.18
3. Secretariat-Economic Services	13451	0.05	...	0.05	0.05	...	0.05	1.50	...	1.50
4. North Eastern Areas	22552	8.30	...	8.30	5.50	...	5.50	13.09	...	13.09
Total		83.00	23.10	106.10	55.00	...	55.00	131.00	25.78	156.78

1. **Secretariat:** Provides for secretariat expenditure of the Department. The Plan provision of Rs.1.50 crores includes Rs.1 crore for the new schemes to be formulated as Departmental schemes.

2. **Central Institute of Plastic Engineering and Technology (CIPET):** The Central Institute of Plastic Engineering and Technology was set up for giving specialised training and physical testing of plastic materials. The Institute has established 12 Extension Centres at Ahmedabad, Amritsar, Bhopal, Bhubaneswar, Chennai, Hyderabad, Haldia, Imphal, Lucknow, Mysore, Patna and Guwahati. The provision includes Non-Plan support for the corpus fund of the Institute and Plan funds for establishment of three new centres in Rajasthan (Jaipur), Haryana (Gurgaon) and Maharashtra. The provision also includes external assistance of Rs.30 crores for strengthening the infrastructural facilities of the existing centres.

4. **Bhopal Gas Leak Disaster:** The provision includes secretariat expenditure of the Office of Welfare Commissioner, Bhopal and also of the various courts set-up for deciding the cases of compensation to the victims. The Supreme Court in their judgment dated 26.10.2004 had directed for the final settlement of the claims of all victims of the Bhopal Gas disaster by 31st April, 2005 and had approved the action plan in this regard. The time limit had been further extended till 30th April, 2006 for the settlement of the claims. The current Budget includes the establishment expenses of the office of the Welfare Commissioner, Bhopal.

5. **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.

6. **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 funds for Non-Plan support for day-to-day expenditure and Plan support for their ongoing schemes and new schemes in the pharmaceutical education and research area. The allocation for the new scheme would be released only after the concerned project proposals have been evaluated and approved by the competent authority.

7. **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 regard to the implementation of CWC. The CWC Act has come into force w.e.f. 1st July, 2005 and the budget provision includes the expenditure towards the implementation of the Act.

8. **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 budget provision includes Non-plan support for the establishment expenses of the authority and Plan support for the computerization work in connection with better monitoring of the drug prices.

9. **Pharmaceutical Export Promotion Scheme (PEPS):** The pharmaceutical sector is an important and vibrant sector in

the industrial scene of India. The grant is meant for the various activities undertaken by the Export Promotion Cell for promoting export of pharmaceuticals, which among other things, includes organising seminars/workshops.

10. Pharmaceuticals Research & Development Programme (PRDP): The Indian Pharmaceutical industry is going to face stiff challenges posed by the impending product patent regime. In view of this, it has become necessary that the Deptt. of Chemicals & Petrochemicals play a prominent role in the development of pharmaceutical research in India.

11. Chemicals Promotion and Development Scheme (CPDS): With a view to gear up the Indian chemical industry to face various challenges posed due to liberalisation and globalisation and to tune it to adopt the world class technology so as to become competitive in the global market alongwith the multi-nationals and other big companies, it has become necessary for the Deptt. to play a promotional role by organising various seminars, workshops. The budget provision includes allocation towards the feasibility study of establishment of Mega Chemical Industrial Estate in two identified States of West Bengal and Andhra Pradesh. The provision under this scheme would be released only after a proper Annual Action Plan has been prepared and got approved by the competent authority.

12. Lumpsum provision for North-Eastern Region & Sikkim. The provision is for implementing projects/schemes for North Eastern Region and Sikkim. A sum of Rs.1 crore has been provided under this towards the Assam Gas Cracker Project.

13. Non-Plan Loans to Public Sector Enterprises: Represents loans granted to the public sector enterprises.

14. 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 break up of the

budgetary support to these enterprises, and the I.E.B.R., are given in the Expenditure Budget Vol.I.

14.01 Hindustan Organic Chemicals Ltd.: It was incorporated in 1960 with the objective of manufacturing chemical intermediates required for manufacture of drugs, dyestuff, rubber chemicals, laminates etc. The provision includes equity investment of Rs.25 crores towards revamping of the caustic soda plant and would be released subject to approval of the scheme by the competent authority.

14.02 Hindustan Insecticides Ltd.: 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 includes the repair and replacement expenses of Plant and Machinery and would be released subject to approval of the individual schemes by the competent authority.

14.04 Hindustan Antibiotics Ltd: It 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 includes the repair and replacement expenses of Plant and Machinery and would be released subject to approval of the individual schemes by the competent authority.

14.05 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 includes the repair and replacement expenses of the Plant and Machinery and would be released subject to approval of the individual schemes by the competent authority.