

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

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

| <i>(In crores of Rupees)</i>  |                  |               |                |                  |                |                |                   |                |                |                  |                |                |                |
|---|------------------|---------------|----------------|------------------|----------------|----------------|-------------------|----------------|----------------|------------------|----------------|----------------|----------------|
| Major Head  | Actual 2011-2012 |               |                | Budget 2012-2013 |                |                | Revised 2012-2013 |                |                | Budget 2013-2014 |                |                |                |
|   | Plan             | Non-Plan      | Total          | Plan             | Non-Plan       | Total          | Plan              | Non-Plan       | Total          | Plan             | Non-Plan       | Total          |                |
| Revenue   | 927.15           | 337.94        | 1265.09        | 1717.00          | 44.50          | 1761.50        | 1608.27           | 110.22         | 1718.49        | 1190.00          | 142.98         | 1332.98        |                |
| Capital   | ...              | 1.10          | 1.10           | 40.00            | 1.12           | 41.12          | 28.73             | ...            | 28.73          | 10.00            | 0.03           | 10.03          |                |
| <b>Total</b>  | <b>927.15</b>    | <b>339.04</b> | <b>1266.19</b> | <b>1757.00</b>   | <b>45.62</b>   | <b>1802.62</b> | <b>1637.00</b>    | <b>110.22</b>  | <b>1747.22</b> | <b>1200.00</b>   | <b>143.01</b>  | <b>1343.01</b> |                |
| 1. Secretariat-Economic Services  | 3451             | 0.35          | 11.63          | 11.98            | 0.30           | 13.28          | 13.58             | 0.30           | 12.33          | 12.63            | 0.70           | 13.22          | 13.92          |
| <b>Industries</b>   |                  |               |                |                  |                |                |                   |                |                |                  |                |                |                |
| <b>Petrochemical Industries</b>   |                  |               |                |                  |                |                |                   |                |                |                  |                |                |                |
| 2. Central Institute of Plastics Engg. and Technology (CIPET)                       | 2852             | 43.78         | 0.53           | 44.31            | 110.00         | ...            | 110.00            | 40.00          | ...            | 40.00            | 140.96         | ...            | 140.96         |
| 3. Subsidy to Assam Gas Project   | 2852             | 875.44        | ...            | 875.44           | 1376.30        | 0.01           | 1376.31           | 1376.30        | ...            | 1376.30          | 880.00         | 0.01           | 880.01         |
| 4. New Schemes of Petrochemicals  | 2852             | 4.61          | ...            | 4.61             | 36.20          | ...            | 36.20             | 8.63           | ...            | 8.63             | 39.50          | ...            | 39.50          |
| <b>Total-Petrochemical Industries</b>   |                  | <b>923.83</b> | <b>0.53</b>    | <b>924.36</b>    | <b>1522.50</b> | <b>0.01</b>    | <b>1522.51</b>    | <b>1424.93</b> | <b>...</b>     | <b>1424.93</b>   | <b>1060.46</b> | <b>0.01</b>    | <b>1060.47</b> |
| <b>Chemical and Pharmaceutical Industries</b>                                       |                  |               |                |                  |                |                |                   |                |                |                  |                |                |                |
| 5. Bhopal Gas Leak Disaster (BGLD)  | 2852             | ...           | 322.49         | 322.49           | ...            | 27.70          | 27.70             | ...            | 94.79          | 94.79            | ...            | 126.59         | 126.59         |
| 6. Institute of Pesticides Formulation Technology (IPFT)                            | 2852             | 0.89          | 3.29           | 4.18             | 7.00           | 3.50           | 10.50             | 4.34           | 3.10           | 7.44             | 4.34           | 3.15           | 7.49           |
| 7. Chemical Weapons Convention (CWC)  | 2852             | 0.74          | ...            | 0.74             | 1.50           | 0.01           | 1.51              | 1.00           | ...            | 1.00             | 1.50           | 0.01           | 1.51           |
| 8. Chemicals Promotion & Development Scheme (CPDS)                                  | 2852             | 1.34          | ...            | 1.34             | 10.00          | ...            | 10.00             | 2.00           | ...            | 2.00             | 3.00           | ...            | 3.00           |
| <b>Total-Chemical and Pharmaceutical Industries</b>                                 |                  | <b>2.97</b>   | <b>325.78</b>  | <b>328.75</b>    | <b>18.50</b>   | <b>31.21</b>   | <b>49.71</b>      | <b>7.34</b>    | <b>97.89</b>   | <b>105.23</b>    | <b>8.84</b>    | <b>129.75</b>  | <b>138.59</b>  |
| <b>Total-Industries</b>   |                  | <b>926.80</b> | <b>326.31</b>  | <b>1253.11</b>   | <b>1541.00</b> | <b>31.22</b>   | <b>1572.22</b>    | <b>1432.27</b> | <b>97.89</b>   | <b>1530.16</b>   | <b>1069.30</b> | <b>129.76</b>  | <b>1199.06</b> |
| 9. Lumpsum provision for Project/Scheme for the benefit of the N.E. Region & Sikkim | 2552             | ...           | ...            | ...              | 175.70         | ...            | 175.70            | 175.70         | ...            | 175.70           | 120.00         | ...            | 120.00         |
| 10. <i>Loans to Public Enterprises</i>  |                  |               |                |                  |                |                |                   |                |                |                  |                |                |                |
| 10.01 Petrofils Co-operative Ltd.(PCL)  | 6856             | ...           | 1.10           | 1.10             | ...            | 1.10           | 1.10              | ...            | ...            | ...              | ...            | 0.01           | 0.01           |
| 10.02 Hindustan Insecticides Ltd.(HIL)  | 6857             | ...           | ...            | ...              | ...            | 0.01           | 0.01              | ...            | ...            | ...              | ...            | 0.01           | 0.01           |
| 10.03 Hindustan Organic Chemicals Limited (HOCL)                                    | 6857             | ...           | ...            | ...              | ...            | 0.01           | 0.01              | ...            | ...            | ...              | ...            | 0.01           | 0.01           |
| <i>Total- Loans to Public Enterprises</i>   |                  | ...           | 1.10           | 1.10             | ...            | 1.12           | 1.12              | ...            | ...            | ...              | ...            | 0.03           | 0.03           |
| 11. Investment in Public Enterprises  | 6857             | ...           | ...            | ...              | 40.00          | ...            | 40.00             | 28.73          | ...            | 28.73            | 10.00          | ...            | 10.00          |

(In crores of Rupees)

|   | Major Head                              | Actual 2011-2012 |               |               | Budget 2012-2013 |                |              | Revised 2012-2013 |                |               | Budget 2013-2014 |                |               |                |
|---|---|------------------|---------------|---------------|------------------|----------------|--------------|-------------------|----------------|---------------|------------------|----------------|---------------|----------------|
|   |   | Plan             | Non-Plan      | Total         | Plan             | Non-Plan       | Total        | Plan              | Non-Plan       | Total         | Plan             | Non-Plan       | Total         |                |
| <b>12. Waiver of Interest</b>                             |   |                  |               |               |                  |                |              |                   |                |               |                  |                |               |                |
| 12.01   | Hindustan Insecticides Ltd.             | 2852             | 9.48          | ...           | 9.48             | ...            | ...          | ...               | 2.50           | 2.50          | ...              | ...            | ...           |                |
| 12.02   | Less - Receipts Netted                  | 0049             | -0.39         | ...           | -0.39            | ...            | ...          | ...               | -2.50          | -2.50         | ...              | ...            | ...           |                |
| 12.03   | Less - Receipts Netted                  | 0852             | -9.09         | ...           | -9.09            | ...            | ...          | ...               | ...            | ...           | ...              | ...            | ...           |                |
|   | <i>Net</i>                              |                  | ...           | ...           | ...              | ...            | ...          | ...               | ...            | ...           | ...              | ...            | ...           |                |
| <b>Grand Total</b>  |   |                  | <b>927.15</b> | <b>339.04</b> | <b>1266.19</b>   | <b>1757.00</b> | <b>45.62</b> | <b>1802.62</b>    | <b>1637.00</b> | <b>110.22</b> | <b>1747.22</b>   | <b>1200.00</b> | <b>143.01</b> | <b>1343.01</b> |
|   | Head of Dev                             | Budget Support   | IEBR          | Total         | Budget Support   | IEBR           | Total        | Budget Support    | IEBR           | Total         | Budget Support   | IEBR           | Total         |                |
| <b>B. Investment in Public Enterprises</b>                |   |                  |               |               |                  |                |              |                   |                |               |                  |                |               |                |
| <i>Chemical and Pharmaceutical Industries</i>             |   |                  |               |               |                  |                |              |                   |                |               |                  |                |               |                |
| 11.01   | Hindustan Organic Chemicals Ltd. (HOCL) | 12857            | ...           | ...           | ...              | 26.00          | ...          | 26.00             | ...            | ...           | ...              | ...            | ...           |                |
| 11.02   | Hindustan Insecticides Limited (HIL)    | 12857            | ...           | ...           | ...              | 14.00          | ...          | 14.00             | ...            | ...           | ...              | ...            | ...           |                |
| <b>Total-Chemical and Pharmaceutical Industries Total</b> |   |                  | ...           | ...           | ...              | <b>40.00</b>   | ...          | <b>40.00</b>      | ...            | ...           | ...              | ...            | ...           |                |
|   |   |                  | ...           | ...           | ...              | <b>40.00</b>   | ...          | <b>40.00</b>      | ...            | ...           | ...              | ...            | ...           |                |
| <b>C. Plan Outlay</b>                                     |   |                  |               |               |                  |                |              |                   |                |               |                  |                |               |                |
| 1.  | Petro-Chemical Industries               | 12856            | 923.83        | ...           | 923.83           | 1522.50        | ...          | 1522.50           | 1424.93        | ...           | 1424.93          | 1060.46        | ...           | 1060.46        |
| 2.  | Chemical and Pharmaceutical Industries  | 12857            | 2.97          | ...           | 2.97             | 58.50          | ...          | 58.50             | 36.07          | ...           | 36.07            | 18.84          | ...           | 18.84          |
| 3.  | Secretariat-Economic Services           | 13451            | 0.35          | ...           | 0.35             | 0.30           | ...          | 0.30              | 0.30           | ...           | 0.30             | 0.70           | ...           | 0.70           |
| 4.  | North Eastern Areas                     | 22552            | ...           | ...           | ...              | 175.70         | ...          | 175.70            | 175.70         | ...           | 175.70           | 120.00         | ...           | 120.00         |
| <b>Total</b>  |   |                  | <b>927.15</b> | ...           | <b>927.15</b>    | <b>1757.00</b> | ...          | <b>1757.00</b>    | <b>1637.00</b> | ...           | <b>1637.00</b>   | <b>1200.00</b> | ...           | <b>1200.00</b> |

1. **Secretariat:** Provision of ₹ 0.70 crore is for the expenditure on Secretariat of the Department and includes 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 of ₹ 140.96 crore for 2013-14 is for its plan schemes including establishment of new centers and infrastructure development

3. **Subsidy to Assam Gas Project:** The provision of ₹1000.00 crore (including ₹ 120.00 crore for North East Region) is for capital subsidy to the Joint Venture Company Brahmaputra Cracker & Polymer Limited (BCPL) with the majority shareholding by GAIL, the main promoter of the project. The unit, when operational, is expected to generate substantial employment-

direct as well as indirect and will attract substantial investments in setting up of downstream plastic processing industries in that region.

4. **Others(New Schemes of Petrochemicals):** Various new schemes in the field of petrochemicals, in terms of National Policy on Petrochemicals initiated in the 11th plan are proposed to be continued in the 12th plan as well. The provision of ₹ 39.50 crore in 2013-14 is for various activities like National Awards for Technology Innovations in Petrochemical and downstream Plastic Processing Industry, setting up of Centers of Excellence (COE) in Polymer Technology, setting up of dedicated Plastic Park and Plastic Waste Management in the field of petrochemicals etc.

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. The outlay of ₹ 4.34 crore for 2013-14 includes capital support for upgradation of existing equipment along with addition of new equipment as well as for completing bio-science projects and analytical projects taken up in the 11th plan for formulation development for pre-and-harvest pest management, pesticide formulation from basil and turmeric oil and mycoherbicides for weeds in Kharif crop.

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 the regard to the implementation of CWC. The CWC Act has come into force w.e.f. 1st July, 2005. The outlay for 2013-14 includes provision for the promotional and other attendant activities.

8. **Chemical Promotion and Development Scheme (CPDS):** The budget provision has been made with a view to ensure promotion of chemicals, by organizing various seminars, workshops etc. as well as for matters pertaining to setting-up of PCPIRs.

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

10. **Loans to Public Sector Enterprises:** Represent loans granted to the Public Sector Enterprises.

10.02. **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. No provision has been made for 2013-14 for HIL.

10.03. **Hindustan Organic Chemicals Ltd. (HOCL):** ₹ 10.00 crore in 2013-14 is for undertaking various activities involving small outlays like Heat Recovery Steam Generator, Waste Heat Recovery Turbine, Hy II and AN II Relocation, Sulphuric Acid Plant Revamping, Waste Heat Recovery in Hot Oil Heater, 22 KV Switch Board and Relays Replacement etc.

11. **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.