

Union Budget 2003–2004

The highlights of the Budget 2003–2004 are as follows:

Ministry of Science and Technology

Department of Science and Technology

- **Pharmaceutical Research and Development Support Fund:** A sum of Rs 150 crores has been allocated. This is the Government of India's contribution towards the creation of a Drug Development Promotion Foundation. Interest accrued would be utilized for boosting R&D in the pharmaceutical sector. V. S. Ramamurthy, Secretary, Department of Science and Technology said that his Department is now ready with the documents and they would be presented shortly to the Expenditure Finance Committee. One important objective would be the setting up of Testing and Calibration 'common share' Facilities along with industry partnership and a broad based discussion would be held with industry on the modalities for the same.
- **Synergy projects:** This is a scheme to be operated by the Office of the Principal Scientific Adviser, Government of India. The separate budget allocation of Rs 10 crores is to enable the scheme 'to play a catalytic role in taking up selective R&D and technology development projects in areas where multiple scientific and technological agencies are involved'. This is very much in tune with the term 'coherent synergy' that R. Chidambaram, Principal Scientific Adviser, Government of India has coined, that hopes to bring collective synergy among concerned parties together with coherence. This means essentially synergy between individuals coupled with coherence in efforts with all vectors in the same direction, according to Chidambaram. As Chidambaram asserts, 'Nothing in technology is beyond us (India)'.
- Rs 218.15 crores has been provided for Multidisciplinary Research in Science and Technology Programme under the Science and Engineering Research Council. In 2002–03, the revised estimates for this programme were

Rs 208.80 crores. The activities of the 'R&D National Facilities and Infrastructural Support' are merged with R&D support.

- The Technology for Bamboo Products (Mission Mode Project) has received Rs 43.25 crores. The programme aims to increase the use of bamboo, promote specialized products for commercialization and introduce new tools and techniques so that bamboo resources can be used more efficiently and contribute to employment generation and revenue.

Ramamurthy described the budget as 'encouraging'.

Department of Scientific and Industrial Research

- **Infrastructure Renovation and Refurbishing:** This has been allocated Rs 30 crores, which by revised estimates in 2002–03, stood at Rs 1 crore. This allocation has arisen due to most of the infrastructure of CSIR laboratories having been built or acquired over forty years ago or more. Most of the present infrastructure has not been found suited for modern-day, globally competitive R&D, especially in terms of Good Laboratory Practices, ISO certification or NABL requirements for accreditation and certification.
- **New Millennium Indian Technology Leadership Initiatives:** This scheme initiated in 2000–01, that tends to focus on 'niche, high science and technology' projects, has opted for a system of 'options funding' for the flexibility to foreclose those projects that exceed the potential cost-benefit-risk thresholds with a stringent monitoring system in place. This year the allocation of Rs 35 crores is comparable to the revised estimate of Rs 30 crores in the previous year.

Department of Biotechnology

Research and Development: An allocation of Rs 114 crores has been made for 2003–04, that is nearly 40% larger than the revised estimates for the previous year. Under the National Bioresource Development Board, a Butterfly Park at Bangalore and coordinated projects on

biotechnology of lac, sugarcane, gums and resins are envisaged. Training programmes on bioresources for visually challenged children and college teachers are also under consideration. The Department is starting focused programmes in oncology and advanced research in stem cell biology. Under the Human Genomic Programme, genomic sequencing of microbes relevant to India, establishment of DNA cell banks, transgenic animal facilities, advanced molecular human genomic research are to be set-up. Training centres and biotechnology courses in medical colleges would be also started under this programme. Existing activities continue to get support.

Ministry of Health and Family Welfare

- The Indian Council of Medical Research has been allocated Rs 166.86 crores (revised estimates in 2002–03 were Rs 171.50 crores).
- There is no substantial change over the previous year for allocations towards the National Malaria Eradication Programme (Rs 245 crores), National Leprosy Control Programme (Rs 74 crores), National AIDS Control Programme (Rs 225 crores), Tuberculosis Control Programme (Rs 115 crores), Blindness Control Programme (Rs 86 crores) and National Cancer Control Programme (Rs 55 crores).
- Customs duty on specified life-saving equipment reduced from 25 to 5%, with exemption from CVD (additional duty of customs).
- Concessional duty rate of 5% extended to more drugs.
- Community-based universal health insurance scheme to be designed in 2003–04.
- All drugs and material imported or produced domestically for clinical trials exempt from customs and excise duties.

Ministry of Non-Conventional Energy Sources

- Thousand villages proposed to be electrified.

Table 1. Budget allocation to various Ministries

Ministry/Department	(In crores of rupees)				
	2000–01 revised estimates	2001–02 revised estimates	2002–03 budget estimates	2002–03 revised estimates	2003–04 budget estimates
Ministry of Agriculture	2457	2894	3242	2632	3242
Department of Agriculture and Cooperation	1677	1970	2167	1667	2167
Department of Agricultural Research and Education	550	684	775	725	775
Department of Animal Husbandry and Dairying	230	240	300	240	300
Ministry of Environment and Forests	610	900	990	940	1010
Ministry of Health and Family Welfare	4478	5140	6630	5671	6630
Department of Health	1188	1350	1550	1416	1550
Department of Indian Systems of Medicine and Homeopathy	90	90	150	105	150
Department of Family Welfare	3200	3700	4930	4150	4390
Ministry of Human Resource Development	6300	7220	9225	8327	9625
Department of Elementary Education and Literacy	3250	3750	4900	4300	4900
Department of Secondary Education and Higher Education	1700	1820	2125	1942	2125
Department of Women and Child Development	1350	1650	2200	2085	2600
Ministry of Non-Conventional Energy Sources	859	857	1101	888	1083
Ministry of Science and Technology	831	925	1290	1143	1580
Department of Science and Technology	362	410	625	563	800
Department of Scientific and Industrial Research	329	340	440	375	520
Department of Biotechnology	140	175	225	205	260
Department of Atomic Energy*	1820	2105	2741	2686	4106
Department of Ocean Development	86	120	175	150	175
Department of Space	1600	1600	1950	1850	2050

*The R&D expenditure is approximately 20% of total budget for DAE, according to the budget estimates of 2003–04.

- Forty thousand solar cookers to be installed in remote areas.
- About 478.5 MW power generation capacity to be added from renewables.

Ministry of Rural Development

- Accelerated Rural Water Supply Programme: An allocation of Rs 2585 crores.
- Rural sanitation: Rs 165 crores.

Ministry of Agriculture

- A new central sector scheme on hi-tech horticulture and precision farming to be introduced. Major components of the scheme would be the use of hi-tech interventions like use of biotechnological tools, green food production and hi-tech greenhouses.
- Rs 315 crores for crop insurance scheme.
- Rs 700 crores for macro-management in agriculture.

- Rs 82 crores for on-farm water management scheme.
- Rs 134 crores for Technology Mission in Horticulture in Northeastern region, Jammu and Kashmir and Uttaranchal.

Ministry of Human Resource and Development

- Rs 1951 crores for Sarva Shiksha Abhiyan.
- Rs 1175 crores for National Programme of Nutritional Support to Primary Education.
- Rs 1200 crores for District Primary Education Project.
- Rs 233 crores for Adult Education.

Others

- Royalty income up to Rs 3 lakhs per annum, received by authors of literary, artistic and scientific books fully exempt; as also royalty received by individuals from exploitation of patents.

- Income-tax concessions to pharmaceuticals, biotechnology and information technology would be at par.
- A Task Force to suggest modalities for arriving at a consensus amongst the States on transfer of water to deficit areas, etc.

The Minister of Finance and Company Affairs, Jaswant Singh said: 'This Budget is of an "India that is on the move". An India, that now rapidly advances to prosperity. It is about an India that banishes poverty, and builds on its great resource base, the strength of its human capital and the immense reservoir of its knowledge'.

(Source: Union Budget 2003–04, Government of India)

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