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Cabinet approves Chemical Park Scheme with total allocation of Rs 3030 Cr

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Central Government will support the development of three dedicated chemical parks by the State Governments

The Union Cabinet, chaired by the Prime Minister Narendra Modi, has approved the India Industrial Development Scheme Rasayan or Bhavya-Rasayan Yojana for setting up of three Dedicated Chemical Parks in the country. The scheme was announced in the Union Budget for FY 2026-27.

A total financial allocation of Rs 3,030 crore will be made for the scheme, out of which Rs 3,000 crore will be allocated to meet the cost of installation of indoor infrastructure facilities and basic utilities of the park and R. 30 crore will be allocated as administrative expenses. The scheme will be applicable for a period of five years from FY 2026-27 to FY 2030-31.

The Central Government will provide grants up to Rs 1,000 crore for each park under the said scheme after contributing a minimum of Rs 500 crore on behalf of the respective State Government.

Recognising that the sector produces chemicals and petrochemicals which are used in various industries such as agriculture, textiles, pharmaceuticals, nutraceuticals, construction, automobiles, electronics, by attracting domestic and foreign investments, by launching the Grand Chemicals Scheme, it will help in the growth of the sector by increasing domestic production capacity and creating employment.