

## CHAPTER - VI

### **EDUCATIONAL INSTITUTIONS AND PUBLIC SECTOR UNDERTAKINGS**

#### **6.1 EDUCATIONAL INSTITUTIONS**

**There are good number of educational institutions governed by the societies created under Societies Act in this Union Territory. Funds are released under Plan as grant-in-aid to these societies for running the educational institutions. These institutions play very important role towards providing higher education at reasonable cost to the people of Pondicherry in the field of Science, Technology, Engineering and Medicine. A brief write-up of the educational institutions funded by Government of Pondicherry is given below :-**

##### **6.1.1 Pandit Jawaharlal Nehru College of Agriculture & Research Institute**

The Agriculture College popularly known as PAJANCOA & RI was started at Sorakudi Village of Karaikal region during 1987-88 (2.10.1987) with the intention of creating human resources on Agricultural technology in the Union Territory of Pondicherry ultimately to serve the farming community to meet their challenges in increasing the per ha. productivity.

At present it is offering B.Sc.(Agriculture) with 60 students per year and M.Sc.(Agri) in six disciplines viz., Agronomy, Agricultural Economics, Agricultural Entomology, Horticulture, Plant Breeding and Genetics and Soil Science and Agricultural Chemistry with 30 students (5 students in each discipline) per year. The Teaching/Academic staff strength of the college at present is 54. Well equipped Library is available to satisfy the academic needs of Under graduate and Post graduate students. One student co-operative store is available for the benefit of students. There is one canteen functioning for the staff and students of this Institute. The Government of Pondicherry has released financial assistance / grant-in-aid from 1987-88 to 2005-06 to an extent of Rs.96.70 crore. The grant-in-aid released during 2005-06 is Rs.6.07 crore. A sum of Rs.7.00 crore is provided in the approved outlay of 2006-07 for the college. The proposed outlay for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and the Annual Plan 2007-08 are Rs.4.41 crore, Rs.80.05 crore and Rs.5.99 crore respectively.

##### **6.1.2 Perunthalaivar Kamaraj Krishi Vigyan Kendra**

Krishi Vigyan Kendra was started during 1974 as Nation's first KVK by the Indian Council of Agricultural Research(ICAR), New Delhi. This Kendra is established with a main aim of updating the technical knowledge and skill of the farm public under Transfer of Technology project of ICAR. Here farmers, farm women, rural youth, extension functionaries of the development departments are being trained on agriculture and allied fields. On farm Trials and Front Line Demonstration(FLD) are also being carried out in farmers fields. This Kendra has All India Coordinated Rice Improvement Programme (AICRIP) of Directorate of Rice Research(ICAR), Hyderabad, coordinating the multi disciplinary and multi location test in paddy. this Kendra produces Tissue Culture Banana/Orchids, Bio-agents and good quality paddy seeds and distribute them to farmers.

This Kendra takes care of the training needs of the farming community, conducting refresher courses for the technical staff of the Department of Agriculture, conducting front line demonstrations in the farmers' fields and undertaking research in the field of Agriculture. Since its inception 6 varieties of rice have been released. The Tissue culture, laboratory and bio control laboratory facilities are provided to cater to the needs of the farming community. The farmers are imparted training in the field of Crop husbandry. Horticulture, Inland fishing, Animal husbandry and Home science. This Kendra offers a certificate course on Vocational agriculture with an intake of 24 students getting a stipend of Rs.600/- per student.

The grant-in-aid received from the Government of Puducherry from the date of starting of this Kendra till 2005-06 is Rs.12.20 crore and the amount released during 2005-06 is Rs.2.37 crore. A sum of Rs.2.00 crore is provided in the Annual Plan 2006-07. The Proposed outlay for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.2.72 crore, Rs.34.26 crore and Rs.5.18 crore respectively. In addition to these the Kendra has received grant-in-aid to the tune of Rs.0.37 crore from the ICAR during the period from 2001-02 to 2005-06. The KVK is manned by the following Technical staff viz. Principal, Training Associate - 6, Training Assistant - 3, Senior Scientist - 1, Junior Scientists - 2, Pathologist (BCL) - 1 and Entomologist (BCL) - 1.

This Kendra has well equipped Tissue culture Laboratory and Bio Control Laboratory for the production of Tissue Culture Banana/Orchids and Bio agents respectively. Horticulture nursery with green house available for the production of planting materials. Well furnished training hall is available for training the farmers and others. demonstration units under horticulture, home science, fisheries, animal husbandry, agricultural engineering are also established to support the training of farmers. This Kendra also has adequate land in which orchards were established. Vast area of wetland is available for paddy seed production.

Apart from training and research activities, this Kendra is also involved in paddy seed production and distribution to farmers of Pondicherry region.

### **6.1.3 Krishi Vigyan Kendra, Karaikal**

This KVK i.e. Farm Science Centre has been established during March 1995 at Madur under Transfer of Technology (ToT) Project of Indian Council of Agriculture Research (ICAR) and registered as Society since 2001 with the Chairmanship of the Regional Administrator, Karaikal.

The core objects of this institute to undertake and co-ordinate education, research and its application in agriculture and allied sciences, to update the technical skill of farmers and to link with departments towards integrated development of rural community of Karaikal region.

This Kendra functions with the mandates as under:

1. Organising vocational training to farmers, farm women and rural youth;
2. Organising in-service training to extension personnel;
3. Conducting 'On-Farm Tests' for identifying suitable technologies; and
4. Conducting 'Front Line Demonstrations' on major crops.

This Krishi Vigyan Kendra is provided with grants under both ICAR and SGP for implementing mandatory programmes as well development of infrastructure facilities. Training courses are conducted in Agronomy, Extension, Horticulture, Plant Protection, Fisheries, Home Science, etc. by the concerned scientists both on-campus and off-campus. For each training course of one to three days duration, 20-30 participants are selected among the practicing farmers, farm women, youth and extension functionaries.

Front Line Demonstration and On-Farm Tests are conducted in farmers' fields itself on Paddy, Pulses, Oil Seeds, Coconut, Vegetable crops, etc. with technological interventions for identifying as well popularizing specific sustainable land use systems. Wet lands belonging to the Agricultural department to an extent of 20 ha. are set apart for this Institute. At present, this Kendra is functioning in the premises of the existing Vocational Agricultural School as administrative building and training hall are yet to be constructed. This Kendra is running a Vocational Agricultural School to train the farm youth in Scientific Agriculture for one-year period. Production and distribution of quality seeds of suitable varieties of various crops are also carried out with revenue realization to the tune of Rs.6.00 lakh per annum. Farm Advisory Services are extended by this Kendra to the farming community as well as to Self Help Groups to Karaikal region. A sum of Rs.90.58 lakh is released to the Krishi Vigyan Kendra by the Union Territory Government during 2003-04 and 2004-05. A sum of Rs.13.22 lakh is released in 2005-06. The approved outlay for 2006-07 is Rs.45.00 lakh. The outlay proposed for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.82 lakhs, Rs.1250.00 lakh and Rs.250 lakhs respectively.

A model orchard cum nursery by formation of broad bed trenches system to an extent of 3.00 acres was established in the year 2004-05 at an estimated cost of Rs.0.60 lakh. The civil work of construction of Administrative building out of ICAR funds at an estimated cost of Rs.44.95 lakh has been taken up in the year 2004-05 and the work is progressing. A part time tailoring unit to impart training to 20 Rural women folks for a duration of six months was started in July, 2005. As per the Action Plan for introduction of Jatropha cultivation, Jatropha curcas covering to an extent of one acre were planted in the institutional farm of this Kendra in July, 2005. As an experimental basis Sweet Sorghum in an extent of 1 acre as planted in June 2005. Acquisition of additional lands for expansion of the farm to an extent of 03H-88A-00C is under progress.

#### **6.1.4 Rajiv Gandhi College of Veterinary and Animal Sciences**

The Rajiv Gandhi College of Veterinary and Animal Sciences, Puducherry came into its existence on 14th of October 1994. The college is wholly funded by the Government of Pondicherry and is managed by a Board of Governors with Chief Secretary to the Government of Puducherry as its Chairman and the Dean of the College as its Member Secretary. The main objective of the Pondicherry Veterinary College Society is to impart courses in undergraduate and post graduate programmes and to undertake research and extension activities in the field of veterinary sciences and animal husbandry for improving the health and production of livestock in Puducherry Union Territory.

The college had adopted Veterinary Council of India (VCI) regulations and curricula since its inception for the Five year B.V.Sc & AH Degree Programme. It is

recognized by the VCI and is permanently affiliated to Pondicherry University. The college is involved in all the three important activities viz. Teaching, Research and Extension. The Pondicherry Veterinary College started functioning in a rented building of Pondicherry Milk Union (PONLAIT) by admitting 30 students for the I BVSc & AH degree programme. After the laying of foundation stone for the Permanent College Complex by Smt. Sonia Gandhi in a state function on 27th September 1995 the college was rechristened as Rajiv Gandhi College of Veterinary and Animal Sciences. The college has established all the 18 departments as stipulated by the VCI and the faculty strength at present is 58. Now the college is admitting 60 students for BVSc & AH programme and 15 students for PG programme. So far, eight batches of students have graduated from this college. The college is functioning with 125 nos. of teaching and non-teaching staff and 16 nos. of Daily Rated employees.

In the first phase, five academic buildings were constructed. During the second phase, construction of two academic blocks, one administrative building, one men's hostel, one women's hostel, 4 Type V, 6 Type IV and 4 Type II quarters was completed. During the year 2005-2006, the construction of academic blocks for the departments of Veterinary Public Health, Veterinary Parasitology, Post mortem facility for Veterinary Pathology and Type V Quarters has been taken up. The establishment of Bio Technology center is in progress. The college has established an instructional farm complex, which is maintaining various breeds of cattle, buffaloes, sheep, goats, pigs, dogs and poultry in addition to a fodder farm. Laboratory animals are also being maintained in the Instructional Farm Complex. It is being used to train the farmers and farm women in addition to the routine practicals for the students of the College.

The Department of Livestock Products Technology is involved in the utilization and hygienic processing of farm produce as well as sale of the products. In addition to sale of fresh meat viz. chicken, mutton, pork and fresh farm eggs, some of the raw material is converted into processed products like sausages, salami, nuggets, bacon and balls utilizing chicken, mutton and pork. With the creation of additional facilities now the department is able to supply quality chicken initially to the Government General Hospitals, JIPMER and later extended to Jail. Since April 2005 the chicken eggs are being sold to the PAPSCO.

The college has established all the four clinical departments viz Veterinary Clinical Medicine, Gynaecology and Obstetrics, Veterinary Surgery and Preventive Medicine a Veterinary Teaching Hospital at Mettupalayam by converting the Veterinary Dispensary of the Department of Animal Husbandry. This facility is being used to impart training to the students in diagnosis and treatment of animals. In addition, Ambulatory Clinic facilities for diagnosis and treatment of animals are extended at the doorsteps of the animal owners spread over 12 villages of Puducherry. The college library serves the students, faculty and non-teaching staff. Apart from the regular services, photocopying and CD Rom database services are also made accessible to the students and faculty. The library has a collection of 4,260 books, 20 National and 22 International journals. Centralized computer facility: is available for the use of students and faculty. In addition, each department is provided with a personal computer. The computer centre is having a Local Area Network (LAN) with a Windows 2003 server. All the departments located in main campus using a Wireless network was completed. All the departments are sharing a high-speed broadband Internet connection (512 KBPS) for the Internet facility.

Faculty Development Programme: The policy of the college is to invest in faculty development by encouraging the participation of faculty in participation and presentation of papers in seminars, workshops, symposia etc in addition to deputing them for pursuing higher studies leading to doctoral degrees. So far four faculty members have completed their studies and two are at various stages of their Ph.D.programme. CALPI (Capitalisation of Livestock Programme Experiences India), a Project of the Swiss Agency for Development & Cooperation and implemented by Intercooperation has chosen our college and organized need based Faculty Development Programmes in phases in collaboration with the Administrative Staff College of India (ASCI), Hyderabad at our college. This programme entirely funded by CALPI benefited almost all the faculty members participated in the programme.

The Department of Veterinary and Animal Husbandry Extension has adopted a few villages in Pondicherry region to expose the students in planning and implementing various extension programmes, and in the process helped the livestock owners in improving their knowledge and skills in scientific management of their livestock. The department has laid fodder demonstration plots to popularize Hybrid Napier fodder in the villages. The college has been organising workshops/seminars /symposia on various aspects of veterinary and animal husbandry since 2001.

The College has completed almost 12 years of its existence. Up to the year 2005-06 the Government of Puducherry has released Rs. 5363.41 lakhs as Grant in aid (GIA) to this college. The Grants-in-aid received in 2005-06 is Rs.5.50 crore. The approved for 2006-07 is Rs.5.50 crore and the amount proposed for Revised Annual Plan is Rs.5.00 crore. The proposed outlay for the Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.30.00 crore and Rs.6.00 crore respectively. The GIA is being utilized mostly for infrastructure development, laboratory equipments and staff salaries in addition to the maintenance of livestock farm and veterinary teaching hospital. The construction of academic blocks and creation of infrastructure facilities is being taken up in a phased manner.

### **6.1.5 Pondicherry Institute of Hotel Management & Catering Technology**

The Pondicherry Institute of Hotel Management and Catering Technology, Pondicherry is an Institute where a person with attitude is trained to acquire the necessary skills to have a larger career in hospitality industry. The Institute was established by the Government of India, Ministry of Tourism, in the Union Territory of Pondicherry in 9th October 1991 and is sponsored by the Government of Pondicherry with a prime objective of developing human resource for the hospitality industry. Besides, it provides job opportunities to the youth in a wide range. They are all working all over the country and some are working in abroad also.

The institute is offering 18 months Craft courses in three disciplines namely House Keeping, Food and Beverage Service and Food Production and three year Diploma in Hotel Management and Catering Technology. The intake capacity for the craft courses is 25, 30 and 30 respectively and 20 for the Diploma course. For all the Craft courses first preference will be given to candidates of UT of Pondicherry. To improve the practical knowledge of students, the Institute has successfully organized the Asian Food Festival viz. "EEAST ASIA 2006" in Puducherry in 2006-07. Any unfilled seats remaining will be filled up by other state students. This institute has a total academic staff strength of 7 and there is no daily rated employees/staff. The

Government of Pondicherry has released a sum of Rs.5.19 crore as grants-in-aid to the institute till the financial year 2005-06 as detailed below. The outlay earmarked for the institute for the Annual Plan 2006-07 is Rs.1.00 crore. The outlay proposed under Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 is Rs.7.53 crore, Rs.2.05 crore and Rs.0.35 crore respectively.

(Rs. in crore)	
1996-1997	0.12
1997-1998	0.10
1998-1999	0.14
1999-2000	0.45
2000-2001	0.51
2001-2002	1.20
2002-2003	Nil
2003-2004	1.00
2004-2005	0.33
2005-2006	1.34
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<b>Total</b>	<b>5.19</b>
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Out of the grant in aid of Rs.5.19 crore released by Government of Pondicherry, a sum of Rs.1.53 crore sanctioned for the acquisition of lands and the remaining amount would be utilized for the construction of Institute with the development of infrastructure.

#### **6.1.6 Pondicherry Engineering College**

The Pondicherry Engineering College was started during 1985-86. It is an educational institution promoted and fully funded by the Government of Puducherry by releasing grant-in-aid to the college through the Education department. The grant-in-aid released till 2004-05 is Rs.37.92 crore and Rs.9.48 crore for 2005-06. The approved outlay for 2006-07 is Rs.8.60 crore. The outlay proposed for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.9.00 crore, Rs.50.00 crore and Rs.9.00 crore respectively.

The college offers 8 under graduate degree courses and 8 post graduate degree courses in Engineering and Technology with intake capacity of 420 and 104 respectively. It also offers M.C.A. and M.Sc. (Material Science) with intake capacity of 30 and 10 respectively. The teaching / academic staff strength of the college is 227.

The college has a total built up area of 35843.90 sqm. The build up area of the Administration building, Department buildings including workshops, library, open air theatre is 4932.40 sqm, 24201.20 sqm, 2937.00 sqm and 740.30 sqm respectively. An auditorium of 750 seating capacity with a built up area of 3,033 sqm. is being built in the campus so that the scientific and cultural programmes of National and International level can be organized. There are separate hostels for Boys and Girls to accommodate around 350 Boys and 150 Girls. A Dispensary is functioning with a qualified CMO, Nurses and other supporting staff to cater to the needs of 2000 students and staff. A Biomass Gasifier power plant of 100 KW capacity is being set up in Pondicherry Engineering College campus with the help of DRDA. A Town

Centre of the college has so far trained around 1431 Government officials and 283 Public in the areas of MS Office, Java Programming & Web Design, Auto Cade, Oracle 8 etc.

A language laboratory at a total cost of Rs.2.20 lakh has been set up to strengthen students in the area of soft skills. About 100 books on various competitive examination and public speaking and personality development have been procured. Infrastructure and facilities including coaching are also available for these students to prepare for TOEFL and GRE.

Endowment Lecture are being arranged by Canara Bank, Syndicate Bank, Indian Overseas Bank and Indian Bank. A VSNL sponsored Panel Discussion is held every year. The NSS units of the college conduct social service programme including blood donation camps, campus cleaning programmes etc. The training and placement cell of the college achieve a record number of 233 campus placement during 2003-04. Industry institute participation cell has been opened to have interaction with the industries to increase R & D activities and up date the syllabus based on the requirement of the labour market.

### **6.1.7 Pondicherry Institute of Post Matric Technical Education Society**

The Pondicherry Institute of Post Matric Technical Education Society, Pondicherry is an autonomous society sponsored by the Government of Pondicherry established in October 1988 with the objectives of to impart Post-Matric Technical Education, Technician Education and training in various Engineering subjects and make it sensitive and relevant to the changing industrial, technological, social environment and new emerging areas and to provide an easy access to the working personnel in industry and to the weaker sections of the Society, especially in the rural areas etc.

The functioning of the Society is managed by a Governing Body. The Secretary to Government (Education), Pondicherry is the Ex-Officio Chairman and the Director of Collegiate and Technical Education, Pondicherry is the Ex-Officio Member Secretary of the Society. Other committees such as Finance Committee, Building Committee, and Purchase Committee etc. advise the Governing Body in the activities of the society.

At present four Polytechnic Colleges viz., Women's Polytechnic College, Pondicherry, Karaikal Polytechnic College, Karaikal, Indira Gandhi Polytechnic College, Mahe and Dr. B.R. Ambedkar Polytechnic College, Yanam. are functioning under the PIPMATE imparting three years Post Matric Diploma Courses. A total number of 1530 students (866 boys and 664 girls) are studying in these institutions. All these 4 Institutions have achieved satisfactory results in the Board examinations. These four polytechnics are offering nine diploma courses. The annual intake of students in the first year at present is 520. The institute wise no. of students is as follows:

Women Polytechnic College, Pondicherry	- 160
Karaikal Polytechnic College, Karaikal	- 320
Indira Gandhi Polytechnic College, Mahe	- 60
Dr.B.R.Ambedkar Polytechnic College, Yanam	- 60
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<b>Total</b>	<b>- 600</b>
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The total teaching, non-teaching and administrative staff of PIPMATE and its institutions as on 22.9.2004 is 74, 38 and 56 respectively (168 regular staff + 4 staff on consolidated wage).

The recurring and non-recurring expenditure of PIPMATE and the four institutions functioning under its administrative control are met out from the Grants-in-Aid received from the Government through the Education Department, Pondicherry. The grants-in-aid received till 2004-05 is Rs.55.64 crore. The grant-in-aid for the year 2005-06 was Rs.5.00 crore. The approved outlay for the year 2006-07 is Rs.5.00 crore. No grant-in aid has been received from any other source. The grant in aid till 2004-05 has been fully utilised. The proposed outlay for Revised Annual Plan 2006-07 is Rs.5.00 crore and the Annual Plan 2007-08 is also Rs.5.00 crore. The outlay proposed for the Eleventh Plan 2007-12 is Rs.30.00 crore.

All the Polytechnic Colleges functioning under the control of PIPMATE are established with the due approval of the All India Council for Technical Education (AICTE) and are affiliated to Directorate of Technical Education, Chennai. The various norms and standards stipulated by AICTE, for Polytechnic Colleges such as building, staff strength, scale of pay etc. are being followed by PIPMATE society.

The laboratories, workshops etc. of all the institutions have been equipped with modern sophisticated machineries and equipments and infrastructure facilities to suit the syllabus prescribed by the Board. Except Polytechnic College at Mahe, all the other institutions are functioning in their own building. The Polytechnic at Mahe will also have the own building in the near future. The number of students benefited during the year 2004-05 was 1530 and number of students to be benefited for the year 2005-06 is 1610.

AICTE has accorded approval for starting of the following new courses in 2005-06.

**Women’s Polytechnic College, Pondicherry.**

*Table – 6.1*

Sl. No.	Name of the course	Intake
1.	Electrical and Electronics Engineering	30
2.	Fashion Technology	30
3.	Packaging Technology	30

**Dr. B.R. Ambedkar Polytechnic College, Yanam**

*Table – 6.2*

Sl. No.	Name of the course	Intake
1.	Mechanical Engineering	30

These courses will be started after creating the required posts and other infrastructural facilities.

All the Polytechnic Colleges functioning under the control of PIPMATE were established with the due approval of the All India Council for Technical Education

(AICTE) and are affiliated to Directorate of Technical Education, Chennai. The various norms and standards stipulated by AICTE for Polytechnic colleges such as building, staff strength, scale of pay etc. are being followed by PIPMATE Society. The laboratories, workshops etc. of all the Institutions has been equipped with modern sophisticated machineries equipments and infrastructure facilities to suit the syllabus prescribed by the Board. Except the Polytechnic college at Mahe all the other College at Mahe will be undertaken during the current financial year. It will be completed in a phased manner. Women's Polytechnic College, Pondicherry is an institution identified by Ministry of Human Resource Development, Government of India, for imparting education to Physically Handicapped persons to integrate them in the mainstream of Technical Education. On these criteria, AICTE has allocated additional 25 seats over and above the existing intake exclusively for admitting PH persons. But these seats could not be filled for want of 10th passed Physically Handicapped girl students. This institute also gives short term training courses as vocational education creating job opportunities for them under Centrally Sponsored Scheme for the welfare of Physically handicapped. This activity is carried out from 2001-02 and a grant of Rs.5.00 lakh during 2001-02, Rs.9.00 lakh for 2002-03, Rs.8.00 lakh for 2003-04 and Rs.5.00 lakh for 2004-05 were released by Government of India through Technical Teachers Training Institute, Chennai, who is the Nodal Agency for this scheme.

### **6.1.8 Bharathiar Palkalaikoodam**

Bharathiar Palkalaikoodam is a multi-art complex established in 1988. to commemorate the Birth Centenary of Poet Subramania Bharathi. It is governed by the members of the Governing Body. The Hon' ble Minister for Art & Culture is the Chairman of the body. The Member Secretary of Bharathiar Palkalaikoodam is the head of Institution for the purposes of carrying-out the day to day duties and functions of the Institution.

The objects of Bharathiar Palkalaikoodam is to establish a memorial in Pondicherry in the name of Poet Subramania Bharathi which shall take the shape of a Multi-Art Complex. With this object the Bharathiar Palkalaikoodam, Pondicherry was started with three departments viz. Music, Dance and Arts & Crafts. Bharathiar Palkalaikoodam is located at Ariyankuppam in the land which was acquired by the Govt. to an extent of 10.5 acres. Presently, the college is running in the acquired land, in temporary thatched sheds (30 Nos.) and in Semi A/c Sheet sheds class rooms (9 Nos.). Funds (Rs.50.00 lakh) have been received from the Govt. during 2001-02 financial year to start the I Phase of the construction work of the academic block. Public works department is attending the works connected with the construction.

This Institution is run by Grant-in-Aid from Govt. of Pondicherry, allotted through the Directorate of Art & Culture. Till 2004-05 the grant-in-aid released to the Palkalaikoodam by the Govt. of Pondicherry is Rs.9.48 crore and the amount released in 2005-06 is Rs.1.65 crore. The approved outlay for 2006-07 is Rs.1.30 crore. The outlay proposed under Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.1.40 crore, Rs.8.20 crore and Rs.1.50 crore respectively.

The details of the courses offered and for crorewise intake capacity are as follows:

3 years Degree course (old pattern) in Music, Dance and Fine Arts	- 30	in each
4 years Degree course(new pattern) in Music Dance and Fine Arts	- 30	"
2 year Certificate course in Taval and Nadaswaram	- 15	"
2 years Certificate course in Drawing and Painting at Mahe	- 20	"
Six months part time Evening Course Music-vocal, Dance, Drawing/Painting	- 20	"

This Palkalaikoodam is affiliated with Pondicherry University. So far 10 batches of students have successfully completed their degrees. Most of them were appointed as Music / Dance / Craft Teacher in the Schools and most of other students have got placements in Govt. Institutions, Public and Private Sector undertakings. This institution has a rich collection of library books with foreign journals and foreign publications numbering to about 6500. In addition, 1000 audio cassettes are available containing Carnatic, Classical Vocal, Classical Instrumental, Devotional Songs, Bharatha Natyam songs etc. Video Cassettes of eminent Artists are also available in the Library. Thavil and Nadaswaram Diploma course (Three years) has been started from this academic year 2003-04 in BPK Campus, Pondicherry. Certificate courses (Two years) in Fine Arts has been started from the Academic year 2003-04 in Mahe region. Sand image camp has been conducted during 2003-04. To inculcate and nurture the foundations of the three cultural subjects, a short term (6 months) evening courses in Music, Dance and Arts & Crafts is being offered to the School going children and working people. The total teaching and non teaching staff strength of the Palkalaikoodam is 80.

The staff and students in the three departments take part in several Local, State level and National Level Competitions, Exhibitions and Cultural Programmes and win prizes and awards.

### **6.1.9 Mahatma Gandhi Post Graduate Institute of Dental Sciences**

Mahatma Gandhi Dental College and Hospital has been established as a society and started the BDS course in the year 1990. During the year 1999, MDS course has been started in the Dental College. The College was shifted from the Old Secretariat Building to the new campus at Indira Nagar, Gorimedu on 3.11.1999. This college and Hospital Building have Ground and Three floors with provision for interconnection between all buildings with lift facilities. The Basic Medical Science Department with a plinth area of 4,980 Sqm. is having 30 beds. The Dental Department Block with a plinth area of 12,200 Sqm. is accommodating wards for 100 beds. The Hospital Service Block consists of Ground and First floor with plinth area of 950 Sqm. The Administrative Block is also a four storeyed building with a total plinth area of 3,485 Sqm. The ground and first floor accommodates Administrative Office, Bank, Post Office, Vehicle parking, seminar rooms, Conference Hall and Principal's Chamber etc. Second and Third floor accommodates Library. Hostels for Gents and Ladies have been constructed aesthetically to accommodate 76 inmates in each building. Each hostel provides single, double and triple bedded rooms, kitchen, dining hall, recreation hall and guest rooms with attached toilets. Badminton court has also been provided in the inner courtyard. The vehicle parking shed has been constructed to accommodate 16 four wheeler vehicles. To create awareness among the public and patients about the importance of medicinal plants and herbs

an "Herbal Garden" has been developed in an area of 1200 sqm. As a part of sport activities, Basketball and volleyball courts have been constructed and illuminated with high mast flood lighting arrangements. The campus has been provided with black topped road facilities and with proper drainage arrangement.

The Government has planned to upgrade this college into Post Graduate Institute of National repute. The World Health Organisation and Government of India have chosen Mahatma Gandhi Dental College and Hospital as the centre for Oral Health Survey 2003-05 for the South Zone. The grant –in-aid released by the Government of Puducherry from the date of starting till 2005-06 is Rs.62.43 crore and it is Rs.6.40 crore for the year 2005-06. The approved outlay for the 2006-07 is Rs.6.40 crore. The proposed outlay for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.5.40 crore, Rs.30.00 crore and Rs.6.50 crore respectively.

The Mahatma Gandhi Dental College is offering five years BDS course and three years MDS courses in three disciplines and the intake capacity is forty students for BDS course and six students for MDS courses. (2 for each discipline). The total teaching / academic staff strength of the college is 181. In addition to these, 30 nos. of daily rated staff/casual labourers are also working in the college and hospital.

The institution is undertaking various dental health welfare programmes namely:

1. Oral Cancer Detection Programme.
2. Adopting 2 Community and Primary Health Centres, Govt. of Pondicherry.
3. School dental health programme covering U.T. of Pondicherry.
4. Organising Dental Camps in the entire U.T. of Pondicherry and adjoining territories of Tamil Nadu.
5. Conducting other various dental health programmes.

All investigations and dental treatments are undertaken free of cost. There is co-ordination with JIPMER and General Hospital, Pondicherry for special investigations and teaching. A Quarterly Dental Bulletin titled "PONDENT" is published regularly.

#### **6.1.10 Mother Theresa Institute of Health Sciences (Pondicherry) Society**

The Mother Theresa Institute of Health Sciences was established by the Government of Puducherry to develop the requirements of health care personnel by providing health care educational courses for the Union Territory of Puducherry. The Institution was started in September, 1991 as Puducherry centre for Paramedical Education' at the Government General Hospital, Puducherry with the four Diploma courses of Medical Laboratory Technology (DMLT), Certified Radiological Assistants (DCRA), Multipurpose Health Worker-Male (DMPHW-M) and Multipurpose Health Worker-Female (DMPHW-F). In the subsequent academic year the two degree courses of Bachelor of Nursing (B.Sc. Nursing) and Bachelor of Physiotherapy (BPT) were started along with

diploma courses of Pharmacy (D. Pharm) and Paramedical Ophthalmic Assistant (DPOA). The diploma courses of D. Pharm and DMLT were upgraded as degree courses from the academic year 2001-2002.

The degree courses of B.Sc.(Nursing), B.P.T., B.Sc., MLT and B. Pharm are affiliated to Pondicherry University and diploma courses of DCRA, DMPHW-F and DMLT are affiliated to Board of Medical Education, Government of Puducherry. The B. Pharm. Course is recognized by the Pharmacy Council of India and All India Council for Technical Education (AICTE). The B.Sc., (Nursing) and DMPHW-F courses are recognized by the Nursing Councils.

All the courses are being conducted in the new MTIHS campus at Indira Nagar, Gorimedu from February, 2006.

On 6th May, 1999 the Institute was registered as “Mother Theresa Institute of Health Sciences (Puducherry) Society, Puducherry” and has been functioning as autonomous Institute, funded by the Government of Puducherry. The Government of Puducherry has constituted the General Body and the Governing Body of the Institute for efficient management of the Institute vide G.O. Ms. No. 32/Health dt.30-04-1999. The Chief Secretary to Government of Puducherry is the Chairperson and Secretary (Health) is the Vice-Chairperson of the Governing and General Body. Till 2004-05 an amount of Rs.12.40 crore was released by the Government of Puducherry and for the Annual Plan 2005-06, it is Rs.4.32 crore. The approved outlay for the Annual Plan 2006-07 is Rs.4.32 crore. The outlay for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.4.14 crore, Rs.34.00 crore and Rs.6.00 crore respectively.

### Courses offered and intake capacity course-wise:- Degree Courses

Table – 6.3

Sl. No.	Courses & Duration (Yrs.)	University / Council affiliation	Total	Seats			
				Category	Region		
1.	B.Sc(Nursing) 4years	Pondicherry University & Nursing Council	60	Gen	30	Puducherry	38
				SC/ST	10	Karaikal	9
				MBC	12	Mahe	2
				OBC	8	Yanam	2
						All India	9
2.	B.P.T. (Physiotherapy) 4½years	Pondicherry University	16	Gen	8	Puducherry	10
				SC/ST	3	Karaikal	2
				MBC	3	Mahe	1
				OBC	2	Yanam	1
						All India	2

3.	B.Pharm. (Pharmacy) 4years	Pondicherry University, Pharmacy Council of India & AICTE	60	Gen 30 SC/ST 10 MBC 12 OBC 8	Puducherry 38 Karaikal 9 Mahe 2 Yanam 2 All India 9
4.	B.Sc. (MLT) (Medical Lab. Technology) 3years	Pondicherry University	12	Gen 6 SC/ST 2 MBC 2 OBC 2	Puducherry 6 Karaikal 2 Mahe 1 Yanam 1 All India 2

### Diploma Courses: Puducherry

Table – 6.4

Sl. No.	Courses & Duration (Yrs.)	University / Council affiliation	Total	Seats	
				Category	Region
1	DMPHW (Multipurpose Health Worker – Female) 1 ½ years	Board of Medical Education, Pondicherry &TamilNadu Nursing Council	12	Gen 6 SC/ST 2 MBC 2 OBC 2	Puducherry 10 Mahe 1 Yanam 1
2	DCRA (Certified Radiological Assistants) 2 years	Board of Medical Education, Puducherry.	12	Gen 6 SC/ST 2 MBC 2 OBC 2	Puducherry 8 Karaikal 2 Mahe 1 Yanam 1

### Diploma Courses: Karaikal

Table – 6.5

Sl. No.	Courses & Duration (Yrs.)	University / Council affiliation	Total	Seats	
				Category	Region
1	DMPHW (Multipurpose Health Worker – Female) 1 ½ years	Board of Medical Education, Pondicherry & Tamil Nadu Nursing Council	12	Gen 6 SC/ST 2 MBC 2 OBC 2	Karaikal 10 Mahe 1 Yanam 1

2	DMLT (Medical Lab. Technology) 2 years	Board of Medical Education, Puducherry.	12	Gen	6	Karaikal	8
				SC/ST	2	Puducherry	2
				MBC	2	Mahe	1
				OBC	2	Yanam	1

The Institution is functioning with 93 regular Teaching / Academic Staff and with 8 technical staff in Engineering Cell.

This Institute has started functioning in the new building with a land area of 0.88 Hect (2.17 acres) at R.S. No. 206/9 of Thattanchavadi Revenue village, Indira Nagar, Gorimedu, Puducherry. The total built up area is of 11040 sqm. It has been completed at an approximate cost of Rs. 9.37 crores and it comprises of three blocks viz North wing, Central wing and South wing. It is RCC framed three storeyed building using design mix M25, TMT bars and is designed to withstand earthquake.

#### 6.1.11. Puducherry Government Medical College

Approval of the Planning Commission of India has been obtained by the U.T. Government to establish a first ever Government Medical College in the U.T. of Puducherry by registering a Society fully controlled by the Government of Puducherry on 8.6.2005. As a first step about 40 acres of private land was acquired at Kadirkamam in Oulgaret Revenue Village, by the Government at a cost of Rs.18 crores and the same had also been transferred to the Medical College Society facilitating for the construction of medical college, hospital, staff quarters, students' hostels, play grounds including cricket stadium/swimming pool of Internal standards and other essential infrastructure facilities as per the medical Council of India norms and for the future expansion purposes.

This U.T. Government through the Ministry of Health and Family Affairs, new Delhi addressed the Medical Council of India together with necessary enclosures for obtaining permission of the Central Government for establishing medical college, Government of India had also considered the said proposal. The Medical Council of India is also therefore, addressed by this administration to make their inspection of the Buildings by the end of February, 2007. Grant-in-aid received from the Government of Puducherry during 2005-06 is Rs.1.08 crore and the budgeted outlay for the Annual Plan 2006-07 is Rs.20 crore. The approved outlay proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.45.11 crore, Rs.551.65 crore and Rs.85.00 crore respectively.

This Medical College will start functioning during the academic year 2007-08 by accommodating about 150 for MBBS course and hospital containing about 300 beds initially with all facilities in a single campus. The existing staff on deputation and regular basis is 33. It is proposed to recruit regular teaching/academic staff numbering 1376 and 35 nos. of Daily Rated employees/staff: 35 The infrastructure facility for the Medical College will be provided on par with the Medical Council of India norms.

**PROFESSIONAL COLLEGES / EDUCATIONAL – INSTITUTIONS**

(Rs. in lakh)

Table – 6.6

Sl. No.	Name of the Educational Institution	Annual Plan 2002-03	Annual Plan 2003-04	Annual Plan 2004-05	Annual Plan 2005-06	Annual Plan 2006-07		Eleventh Plan 2007-12	Annual Plan 2007-08
		Actuals	Actuals	Actuals	Actuals	Approved Outlay	Revised Outlay	Proposed outlay	Proposed outlay
1.	Pt. Jawaharlal Nehru College of Agriculture	632.88	667.41	486.00	606.91	700.00	441.00	8,005.00	599.00
2.	Perunthalaivar Kamarajar Krishi Vigyan Kendra, Pondicherry	140.00	151.00	169.00	237.09	200.00	272.00	3,426.00	518.00
3.	Krishi Vigyan Kendra, Karaikal	--	34.00	56.58	13.22	45.00	82.00	1,250.00	250.00
4.	Rajiv Gandhi College of Veterinary and Animal Sciences	500.47	542.19	525.51	550.00	550.00	500.00	3,000.00	600.00
5.	Pondicherry Institute of Hotel Management and Catering Technology	--	100.00	33.17	232.88	100.01	752.55	205.00	35.00
6.	Pondicherry Engineering College	903.00	733.00	773.00	948.00	860.00	900.00	5,000.00	900.00

Sl. No.	Name of the Educational Institution	Annual Plan 2002-03	Annual Plan 2003-04	Annual Plan 2004-05	Annual Plan 2005-06	Annual Plan 2006-07		Eleventh Plan 2007-12	Annual Plan 2007-08
		Actuals	Actuals	Actuals	Actuals	Approved Outlay	Revised Outlay	Proposed outlay	Proposed outlay
7.	Pondicherry Institute of Post-Matric Technical Education Society	507.82	471.00	482.97	500.00	500.00	500.00	3,000.00	500.00
8.	Bharathiar Palkalaikoodam	100.00	150.00	181.35	165.00	130.00	140.00	820.00	150.00
9.	Mahatma Gandhi Post Graduate Institute of Dental Sciences	590.00	590.00	640.00	640.00	640.00	540.00	3,000.00	650.00
10.	Mother Theresa Institute of Health Service	28.95	350.00	482.00	432.00	432.00	414.00	3,400.00	600.00
11	Pondicherry Medical College Society	--	--	--	108.00	2,000.00	4,511.00	55,165.00	8,500.00
<b>Total</b>		<b>3,403.12</b>	<b>3,788.60</b>	<b>3,829.58</b>	<b>4,433.10</b>	<b>6,157.01</b>	<b>9,052.55</b>	<b>86,271.00</b>	<b>13,302.00</b>

## 6.2 PUBLIC SECTOR UNDERTAKINGS

**Public Sector Undertakings in the UT of Pondicherry maybe broadly classified into two groups (i) Commercial and (ii) Service oriented organization. Commercial undertakings were created with the objectives of producing goods and services at competitive rates to serve the public better. The details of commercial undertakings are given below :-**

### 6.2.1 Pondicherry Agro Service and Industries Corporation Limited

The Pondicherry Agro Service and Industries Corporation Limited, Commonly known as "PASIC" was incorporated in the year 1986 under the Companies Act 1956 as No.399 of 1986. The main objective of the Corporation is supply of all Agricultural Inputs like Fertilizers, Seeds, Organic Manures, Plant Protection Chemicals and Equipments Horticultural Planting Materials, Agricultural Implements & Tools, Bio Fertilizers, Soil amendments etc., to the farming community at a reasonable price under one roof at the right time. To cater to the needs of the farming community there are network of 40 Agro Depots in all the four regions apart from 3 Horticultural show rooms called "Vasantham" and 5 Vegetable outlets in Pondicherry and Karaikal including the four vegetable sale outlets in "Uzhavar Sandhai". Because of the establishment of network of Agro Depots in urban, semi urban and rural areas, the requirement of Agricultural inputs of the farmers are met within a radius of 2 Kms.

The demand for certified seed is increasing every year. The policy of the Government of Pondicherry is to increase the Seed Replacement Ratio from the present 35% to 60% by the end of the 10th Plan.

Further, the consumption of Certified seed is increasing every year in Pondicherry region for which we need godown facilities for storing the Certified seeds and the seeds purchased from the seed growers in Pondicherry region.

It is proposed to purchase site in 3 places approx. area of 2500 sq.ft. each in rural areas viz. Kanniyakoil, Sedarapet and Thondamanatham in Pondicherry region for constructing modern seed godowns for storing the Certified/Truthful seeds produced by the farmers and to cater to the need of the farming community of the Pondicherry region and for distribution of the same to the needy farmers at the right season and also for string the Agricultural inputs like Fertilisers, Pesticides and Agricultural implements and other inputs requirements.

PASIC serves to the Farmers and the Public by undertaking Production and Marketing activities. It produces "Pondicherry" Water with "ISI 9001" Mark, different grades of Fertilizer Mixtures, Horticultural Planting Materials, Garbage Compost, Bio-Fertilizers and Bio-Pesticides. PASIC undertakes the purchase and Marketing of Agricultural Inputs, Fertilizers, different kinds of Plant Protection Chemicals, Certified and Truthfully labeled seeds of different varieties, Plant Protection equipments, etc. Different kinds of vegetables, fruits and eggs required to the Public, School, Central Kitchens, School canteens in Pondicherry and Karaikal regions are supplied by the PASIC. Further PASIC supply such things to the hostels run by Ad-Welfare and Social welfare departments, Health institutions, Government Hospitals and JIPMER hospital. It supplies computer stationeries and spares to different Government departments and institutions. It also deals with the supply of Cement, Pipes and Cables, Solar equipments etc. The PASIC also undertakes consultancy and civil

works execution. It has a Mega Godown at Arasur which also serving as a stock point for the fertilizer manufacturers. PASIC is maintaining two horticultural farms at Karuvadikuppam and Arasur.

The Mineral Water unit established in the year 1989 and PASIC had been a pioneer in this field. The Civil Wing undertakes construction of building to Government Departments and Institutions in all the four regions and also erection of modern rice mill and milk chilling plant at Karaikal. At present the annual turnover of business of PASIC is Rs.37.00 crore approximately. The PASIC's Market share on Fertilizer is 40% Plant protection chemicals 45% and seeds around 80%. PASIC is the only Corporation in Pondicherry which running on profit from the inception and paying Dividend to the Government regularly. The Corporation is running profitably since its inception and also with sound financial position. The Corporation has so far paid a dividend of Rs.256.47 lakh to the Government of Pondicherry. 295 regular employees and 107 daily rated employees are working in the corporation. Further, the corporation gives indirect employment to 550 persons.

Orchids and other cut flowers are being produced in Pondicherry area. The cut-flowers will be marketed through an exclusive showroom with all infrastructure facilities to be opened in the heart of the city at a cost of Rs.15.00 lakhs (approximately). It is programmed to setup a cold storage and other infrastructure facilities for procurement and storage of Orchids and other cutflowers produced by the farmers of this region. The cutflowers will be marketed to the distant markets like Chennai and Bangalore with help of Air-conditioned vehicles at a cost of Rs.50 lakhs to help the flouricultural farmers. This Corporation will implement a new scheme for rendering guidance to the urban horticulture lovers named as "Hort-Care" which will help the Urban Horticulture lovers and the public in Pondicherry to maintain their home gardens. The technical guidance will be given to the public and necessary garden works like manuring, potting, repotting, plant protection measures will be undertaken at a fixed nominal cost. The Bio-Technology Division of this Corporation has prepared a detailed project report to scientifically dispose off 300 MTs of Municipal Solid Waste generated per day at Pondicherry, as per the request of the Commissioner, Pondicherry Municipality. A site of 25 acres has been allotted by the Municipality for the Corporation ahs the technologies for these ventures but the financing of the ventures is a real big constraint. Hence the Government has to extend its support to these ventures by providing more financial grants-in-aid, as a complete solution for the Municipal Solid Waste Management at Pondicherry.

Till 2005-06 the Government of Pondicherry has released a sum of Rs.1311.51 lakh in the form of managerial subsidy, grant-in-aid and share capital assistance. The financial assistance earmarked for the PASIC in the Annual Plan for 2006-07 is Rs.80.00 lakh and the outlay proposed for the Revised Annual Plan 2005-06, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.0.80 crore, Rs.5.40 crore and Rs.1.50 crore respectively.

## **6.2.2 Pondicherry Co-operative Sugar Mills**

The Pondicherry Co-operative Sugar Mills was registered as Co-operative Society under the Pondicherry Co-operative Societies Act, 1972 on 24.7.1976. The mill started its first crushing operations on 18.1.1984. The main activity of the mills is to produce and sell white crystal sugar. The mill is located in an area of 120 acres at Lingareddipalayam in Mannadipet Commune area. From 31.7.1989, the mill is being

administered by the Administrator appointed by the Govt. of Pondicherry. The total membership including Govt. is 11,951.

The share capital invested by Government of Pondicherry as on 31-03-2005 is Rs.45,90,65,000/-. In the Annual Plan 2006-07, an amount of Rs.7.00 crore is earmarked for the mill and the amount proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.7.00 crore, Rs.135.60 crore and Rs.19.00 crore respectively. The share capital received from the institutions and members is Rs.430.21 crore. Production of sugar per year on an average is 220000 qutls. and the turn over per year is 200000 qutls.

The mill was in profit till 1993-94 and it started incurring losses from 1994-95 due to the glut in the market and consequential gap between the realization and the cost of production. Eventhough the mill is bound to pay only Statutory Minimum Price as per Clause 3 of Sugar (Control) Order, 1966, the mill has been paying abnormally higher cane price as announced by the Government of Pondicherry. Further Rs.13,500/- is being paid as bonus to the employees of the mills whereas the mill is bound to pay only the minimum bonus of 8.33% as per the Payment of Bonus Act. Because of these two reasons, the additional financial commitments for the mills for the last 10 years were Rs.59.72 crore whereas the accumulated losses of the mills as on 31.3.2004 is Rs.36.05 crore.

The Govt. of Pondicherry has been releasing share capital every year for the purpose of expansion and modernization of the mills under the head of "assistance to the sugar mills". But, as there is a wide gap between the SMP and the cane price announced by the Govt. of Pondicherry and as the mill is in severe financial crunch, the share capital released by the Govt. is being utilized for the purpose of disbursing cane dues to the cane growers. So far, the Govt. of Pondicherry has released Rs.38.40 crore as share capital. Besides, the Govt. of Pondicherry has released grant-in-aid to the sugar mills. The grant-in-aid were released for the purpose of disbursing cane dues to the growers and the same has been utilized for the purpose for which it was released. Necessary utilization certificate for the grant released have also been submitted to the Government. Besides share capital the Government of Pondicherry has released grants-in-aid to the sugar mill. Till 2004-05, an amount of Rs.9.31 crore has been released by the government as grant-in-aid. The amount earmarked to the sugar mill in the budget for the year 2005-06 is Rs.7.00 crore. The outlay proposed for the Revised Annual Plan 2005-06 and Annual Plan 2006-07 are Rs.18.48 crore and Rs.19.45 crore respectively.

The mill crushes on an average 2.20 lakh MTs. of cane and produces on an average 20000 MTs. of sugar. The annual turn over of the mills is Rs.32.63 crore (2004-05). The mills started incurring losses in the year 1994-95 and the accumulated loss of the mills is Rs.36.05 crore. 726 regular employees are working in the mill.

In order to mitigate the loss and to bring the mills out of red, the following steps have been taken:

- (1) Farmers have been encouraged to plant high sucrose varieties for crushing. As such, the percentage of high sucrose varieties

available for crushing has been increased from 14.37% in the year 1998-99 to 67.10% in the year 2004-05. As a result, the sugar recovery has increased from 7.03% in the year 1998-99 to 9.72% in the year 2004-05.

- (2) An expert committee from the National Federation of Co-operative Sugar Factories Ltd., New Delhi was invited to suggest suitable measures to improve the functioning of the mills. The recommendations made by the Committee have been implemented in full and as a result, the crushing rate of the mills has been increased from 1576.339 MTs in the year 1998-1999 to 1470.250 MTs. in the year 2004-05. Besides the non-sugar percentage has also been reduced considerably.
- (3) As the administrative overheads is disproportionately high, a decision has been taken not to fill-up the vacant posts. Eventhough 43 No. of posts are vacant for few years, it is being managed with the available work force without filling up the vacant posts.
- (4) With the active support of the Govt. of Pondicherry the additional cane price payable to the cane growers has been reduced from Rs.52/- m.t. in the year 1998-99 to Rs.37/- m.t. As far as the payment of additional cane price for current season is concerned a decision is yet to be taken.

Because of the above measures the annual financial loss has been reduced from Rs.6.96 crore in 1998-99 to Rs.4.53 crore during 2003-04. To off set the losses of the mills, it is proposed to put up a 30 KL distillery within the premises of the mills. In this regard, M/s. ITCOT, Chennai has been engaged as Consultant organization to prepare the feasibility report on the proposed project. Government of Pondicherry has already approved in principle to set up 30KL distillery unit within the sugar mill premises and to expand the crushing capacity of the mills from 1250 TCD to 2500 TCD. Application for seeking clearance from concerned Ministry for setting up 30 KL distillery has already been submitted. Now a proposal for seeking fund for distillery and expansion will be submitted in due course through Registrar of Co-operative Societies.

#### **Action taken to improve the performance :**

Because of the steep fall in the sugar recovery and sugar prices, the mills sustained financial loss to the tune of Rs.6.89 crore during 1998-99. Based upon the request of the management, an expert committee from the National Federation of Coop. Sugar Factories, New Delhi studied the functioning of the mills and had made certain recommendations for the improved functioning of the mills. Besides, the sugarcane varieties were also gradually replaced with high sucrose varieties.

As a result of the implementation of the above measures, the sugar recovery increased considerably and the financial loss of the mills was reduced as follows:

Sl. No.	Year	Recovery	Average Realisation Rs.P.	Loss (Rs. in lakh)
1.	1999-00	7.76%	1206.00	398.79
2.	2000-01	8.66%	1258.58	127.57
3.	2001-02	9.00%	1286.26	242.52
4.	2002-03	9.60%	1110.56	757.10
5.	2003-04	9.80%	1160.67	452.70

During the financial year 2003-04, the mills has achieved the sugar recovery of 9.8 % and thereby the cost of production was reduced to Rs.1517.82/mt during 2003-04 from Rs.1619.95/mt during 2003-04. However there was a sharp fall in the sugar prices during 2001-02 and the average realisation was only Rs.1105.60 whereas it was Rs.1286.26 during the previous year. Due to poor realisation, the financial loss during 2002-03 increased to Rs.757.10 lacs eventhough there was a remarkable reduction in the cost of production.

During 2004-05, the mill management took following measures to reduce the loss:

- 1) The High Sucrose Varieties of cane was increased to 80 %.
- 2) Suitable measures have been taken to increase the crushing rate.
- 3) The maintenance cost is reduced.
- 4) Special attention is made to improve the quality of sugar.

As a result of the raise in the sugar recovery and improvement in the sales realisation, it is expected that the financial loss in the coming years would be around Rs.1.00 crore (unaudited).

### 6.2.3 Pondicherry Power Corporation

The Pondicherry Power Corporation was incorporated on 30.03.1993 with the objective of generating 32.5 MW of Electricity (22.9 MW from Gas turbine and 9.6 MW from Steam turbine) at Karaikal which is one of the outlying regions of Pondicherry. The required gas is obtained from the Gas wells at Narimanam in the Cauvery basin under an agreement with the Gas Authority of India. The Corporation had received the entire capital cost of Rs.133.04 crores as Share Capital from the Govt. of Pondicherry till 1999-2000 and the same has been utilized for the execution of the Project.

The first and prestigious gas based power plant was set up at T.R. Pattinam, Karaikal, to cater to the power demand of Karaikal region. The plant on Open Cycle (22.9 MW Gas Turbine) was synchronized on 5th March 1999 and the Combined Cycle (9.6 MW Steam Turbine) was synchronized during October 1999. The plant was dedicated to the nation by the Hon'ble Prime Minister of India on 25.05.1999.

The plant was put into commercial operation w.e.f. 3rd January 2000. The entire power generated from the Karaikal Gas Power Plant is supplied to the Electricity Department, Karaikal. The plant is performing extremely well till date. The

target fixed by Ministry of Power for power generation has been exceeded from the year 2000-01 and the details are furnished below:

Table – 6.7

Year	Target fixed by Ministry of Power (in Million Units)	Generation made by Corporation (in M.U)
1999-2000	-	62.73
2000-2001	230.00	234.14
2001-2002	235.00	249.34
2002-2003	235.00	264.00
2003-2004	235.00	275.42
2004-2005	255.00	275.42
2005-2006	250.00	258.33

The Corporation has been making profits since inception and regularly paying dividend to the Government of Pondicherry from the year 2001-02. The details of profit earned and dividend declared by the Corporation for the years 2001-02 to 2005-06 are furnished below:

Table – 6.8

Year	Profit before tax (Rs. in crores)	Profit after tax (Rs. in crores)	Dividend declared (Rs. in crores)
2001-02	8.05	7.32	1.46
2002-03	10.09	8.34	0.83
2003-04	16.11	14.34	1.72
2004-05	12.15	10.74	0.86
2005-06	11.40	8.90	**0.65

\*\* Dividend recommended by the Board of Directors.

During the year 2004-05, Rs.2.00 crores has been donated to the Chief Minister's Relief Fund for Tsunami and for the financial year 2005-06 a sum of Rs. 5.00 lacs were contributed towards Flood Relief Fund.

Taking into account the trend in growth of Industries in the Union Territory of Pondicherry, the Corporation proposes to expand the present power plant capacity at Karaikal by 100 MW at an estimated cost of Rs.400.00 Crores. As against the requirement of 4.85 lacs cubic metres of gas per day for the expansion, the Ministry of Petroleum and Natural Gas has allocated only 3.00 lacs cubic metres of gas per day, that too on fall back basis. However, the Ministry of Petroleum and Natural Gas has been requested to allocate atleast 2.5 lakhs cubic metre of gas per day on firm basis to set up at least a 50 MW Power Plant at a cost of Rs.180.00 crores under the first phase.

The share capital amount of Rs.133.04 crores received from the Government of Puducherry upto 1999-2000 has been fully utilized for the purpose of Generation of Power.

c) The year wise physical target and achievement during the period from 2002-03 to 2005-06 and target for 2006-07.

Table – 6.9

Particulars	2002-03		2003-04		2004-2005		2005-06		2006-07
	Target	Actuals	Target	Actuals	Target	Actuals	Target	Actuals	Target
GENERATION DETAILS									
Generation in MU	242.00	264.02	260.00	275.42	270.00	275.42	256.24	258.33	260.00
Plant Load Factor in %	85.00	92.73	91.32	96.48	94.84	96.74	90.00	90.74	91.32
Auxiliary Consumption in MU	13.07	14.28	14.04	15.07	14.58	15.56	14.04	15.45	15.08
Sale of Power in MU	228.93	249.74	245.96	260.35	255.42	259.86	242.20	242.88	244.92
Gas consumption (Million cu.m)	60.50	62.93	61.98	66.30	64.95	66.53	61.68	62.68	62.68

The Pondicherry Power Corporation was incorporated on 30.03.1993 with the objective of generating 32.5 MW of Electricity (22.9 MW from Gas turbine and 9.6 MW from Steam turbine) at Karaikal which is one of the outlying regions of Pondicherry. The required gas is obtained from the Gas wells at Narimanam in the Cauvery basin under an agreement with the Gas Authority of India. The Power Generated during the year 2005-06 was 258.33 Million Units. The Corporation has strong fundamentals and is financially sound. The Corporation has around Rs.100.00 crores by way of Fixed Deposits in various Nationalized Banks. The Corporation has given employment opportunities to 126 persons (119 regular employees + 7 daily rated employees) including deputationists.

It is proposed to establish a gash power plant at Yanam and an outlay of Rs.75.82 crore in the Eleventh Five Year Plan.

#### **6.2.4 Pondicherry Khadi and Village Industries Board**

PKVIB was established on 15th March 1981 under an act of the State Legislature called the PKVIB Act 1980 to promote and develop programmes with special emphasis to create employment opportunity in rural areas. The Board is running 20 Khadi Spinning Centres, 3 Khadi Weaving Centres and 3 Silk Weaving Centres. These centers are producing cloth and silk sarees for a value of Rs.27.35 lakh and the target for 2005-06 is Rs.49.60 lakh. There are 7 Khadi Bhandars run by the Board through which goods worth around Rs.100.00 lakh is being sold every year. Apart from this the Board is running 9 Village Industrial Units viz. Brush Making, Carpentry an Blacksmithy, Steel Furniture, Leather, Laundry Soap, toilet Soap, Hand Made Paper, Agarbathi and Readymade Garment.

The Board is getting fund from the following sources:

- (i) Grant in aid from the State Government.
- (ii) Grant and Loan from the KVIC, Mumbai.
- (iii) Income by sale of own and purchased KV&I products.

The Board has played a key role in rendering assistance for self employment to rural artisans and institutions. It implements the loan schemes extended by the KVIC and this has benefited the rural public.

Under the Loan Scheme implemented by Board, this Board had extended financial assistance to 2802 beneficiaries and a total amount of Rs.41.27 lakh as grant and Rs.172.74 as loan has been disbursed.

For the year 2001-02 onwards, the Board has implemented the REGP of Margin Money Scheme. So far 59 projects was sanctioned by the Bank on the basis of application sponsored by the Board. The Margin Money amount of Rs.20.90 lakh was released by the Board and Rs.5.14 lakh was released by the KVIC respectively for starting of units respectively. With a total project cost of Rs.103.67 lakhs, the Board was able to generate employment to 370 persons.

The Grant received from the Local Government is utilized mainly for Establishment/Administrative expenses of the Board. Till 2005-06, an amount of Rs.31.20 crore was received from the Government as grant in aid. The approved outlay for the Annual Plan 2006-07 is Rs.400.00 lakh. The outlay proposed for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.400.00 lakhs, Rs.2000.00 lakhs and Rs.450.00 lakhs respectively. 209 regular employees are working in the board and it provides indirect employees to 3300 persons.

### **Action taken to improve the performance :**

#### **I. Marketing :**

- i. With a view to accelerate the sale of Khadi and Village Industries articles produced by the Village artisans and procured from other entrepreneurs, the following action are taken -
  1. Sale of crackers during Deepavali season.
  2. Light and Lamp Exhibition.
  3. Navarathri Kolu and Doll Exhibition.
  4. Pongal Mela.
  5. Reduction Clearance Sales.This apart, the Board is actively participating in various Exhibitions conducted by KVIC, State Government and other Private Organisations.
- ii. The Board has proposed to open three new Khadi Bhandars in the following places -
  1. Villianur
  2. Thirukannur
  3. Palloor, Mahe
- iii. Similarly, the Board has launched Door to door campaign in the Rural areas for promoting the sale of Khadi and Village Industries goods through a Mobile Vehicle.

- iv. Further, the existing Khadi Bhandar at the Head Office premise has been proposed to be converted as Khadi Bhavan to exhibit the Khadi goods in such a manner to attract the public.

## II. Implementation of loan scheme

The implementation of loan scheme by the Board are as follows:

Table – 6.10

Sl. No.	Name of the Scheme	Year	No. of beneficiary	Loan (Rs. in lacs)	Grant (Rs. in lacs)
1.	Old KVIC Loan	1981 - 82 to 1994 - 95	1721	4.71	85.78
2.	CBC Loan	1996 - 97 to 1999 - 00	1081	36.56	86.96
3.	REGP	2001 - 02 to 2004 - 05	92	26.04	103.67
4.	REGP Target	2005- 06	56	41.24	12.34
5.	REGP Target	2006- 07	64	237.16	71.18

## III. Steps taken by Government

The Government have recently decided to take the following step of action into the functioning of the Board vide letter No.J.12014/2/2003/Ind. B dated 09.12.2003 of Under Secretary (Ind. & Com.)

1. Conduct of Physical verification of stocks and assets in the Board by a team of officers and staff of DAT. Accordingly the stocks and assets of the Board has been physically verified by a team of officers from Government.
2. Conduct of Work Study and Viability Study by SISI, Chennai.
3. Streamlining of accounts of the Board by Thiru K. Rajendiran, retired DAT.
4. Creation of post of F.A.-cum-C.A.O.

The Board has resolved for carrying out the above decision of the Government in its meeting held on 28.01.2004. Furthermore, a meeting has been convened under the Chairmanship of His Excellency the Lt. Governor on 03.08.2004 to review the functioning of the Board. A minutes has been drawn by the Secretary to L.G. which contains the remedial measures to be undertaken by the Government / Board for augmenting the activities of the Board.

## **6.2.5 Pondicherry Industrial Promotion Development and Investment Corporation Limited**

The Corporation was established on 17th April 1974. The present authorized share capital of the corporation is Rs.45.00 crore and the paid up share capital is Rs.40.18 crore. This is the only corporation under the administration of the Government of Pondicherry for the development of industries in the Union Territory. To cope up with the increased industrial development and to facilitate the entrepreneurs to set up their industrial units, the corporation is providing term loans and equity assistance on a selective basis. Besides the corporation has developed and is maintaining its own industrial estates/parks with all infrastructural facilities. PIPDIC at present has four industrial estates at Mettupalayam, Sedarapet, Kirumampakkam, Thirubuvanai and technopolis at Kalapet.

PIPDIC has been making profits continuously and the net profit after tax for the financial year ended 31st March 2004 is Rs.4.58 lakh. An amount of Rs.214.72 crore has been sanctioned as loans by the corporation till 31.03.2005. Out of the above, an amount of Rs.187.32 crore has been disbursed.

The Government of India, Ministry of Industries, Department of Industrial Policy and Promotion, New Delhi has accorded approval for the growth center project at Polagam, Karaikal. The estimated project cost is Rs.31.00 crore. An area of 596.65 of land was acquired for this project at an amount of Rs.5.72 crore. For the development works in Phase-I A (Package-I), necessary infrastructure development works such as site grading, formation of artificial lake, formation of internal roads, drainage and road works etc., have been completed at a cost of Rs.9.06 crore. . The Growth Centre was inaugurated by Hon'ble Chief Minister and the developed plots are available for allotment. In the Phase-IA (Package-II), the works with regard to water supply and sewerage net works and construction of over head tank is taken up at an estimated cost of Rs.1.99 crore.

The Phase-I of PONDY Technopolis at Kalapet has become operational. To ensure high speed data communication facility a satellite Earth Station has been provided at a cost of Rs.5.50 crore through STPI under CIB scheme. To provide additional space, it is proposed to construct a multi-storeyed building in Phase-II.

## **6.2.6 Special Economic Zone**

The Ministry of Commerce and Industry have supported the proposal regarding setting up of a Special Economic Zone in Pondicherry. PIPDIC has been nominated as the implementing agency for the project, an area of 351 hectares have been identified at Sedarapet and Karasur Revenue village, to set up the Special Economic Zone in order to boost the Export potential in the union territory of Pondicherry besides providing employment opportunities. The SEZ policy has been notified in the gazette as suggested by Govt. of India. The Government of India has approved in principle the setting up of SEZ. The SEZ project is being set up in Sedarapet and Karasur Revenue Villages in an extent of 840 acres. The Lands were acquired by the Revenue department. The acquisition cost of Rs.67.50 crore(exclusively the structures and trees) is provided to the Revenue department for acquiring the land, out of this amount the Government of Puducherry has provided an amount of Rs.65.60 crore as share capital and the value is not by PIPDIC from its own resources. The Revenue department has indicated the cost of structure and

gress will be Rs.3.42 lakhs, which is to be paid to them. A SPV in association with the private promoters is formed for implementing the project. The formal approval of the Government of India is obtained in August, 2006 for setting up the Multi product zone. Action for getting the SEZ notified by the Government of India is underway.

The share capital contribution of the Government of Pondicherry in PIPDIC upto 31.03.2006 is Rs.42.04 crore. An amount of Rs.1.00 crore is earmarked in the Annual Plan 2006-07 towards share capital contribution to the PIPDIC. The outlay proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.56.54 crore, Rs.100.00 crore and Rs.43.65 crore respectively. 157 regular employees and 4 daily rated employees are working in the corporation

### **6.2.7 Pondicherry Distilleries**

The Distillery has been started 1916 by the erstwhile French Government which was run under a separate department. "Distillery department" after liberation in the Government of Puducherry. Its business was later transferred to Government company incorporated on 8.12.1971 in the name and style "Pondicherry Distilleries Limited". It has the monopoly in manufacture and distribute the country spirit "Arrack" to the licensed vendors in this Union territory of Puducherry including its Karaikal, Mahe and Yanam regions. It is now manufacturing and selling qualitative arrack(plain & coloured), rectified spirit and denatured spirit. The authorized share capital of the company is Rs.9.00 crore and the paid up share capital is Rs.8.45 crore. As on 31-03-2006 the net profit stand at Rs.3.55 crore (provisional) after tax. The company which was earning profit for several years has to cross a severe hurdle when the Supreme Court passed orders for its closure by April'97 since this distillery was located in the residential area. A new site was located and with the financial aid from the Government, a blending and bottling unit was established and commercial production was started during the month of July'98. During 2005-06 the distillery has blended around 139.47 lakh litres and sold the arrack of 129.58 lakh litre. The sole turnover of the distillery is Rs.30.92 crore. 120 licensed vendors were benefited. 116 persons working in the Distillery and indirect employment generation is to a tune of 820. The Government revenue collection by way of sales tax, excise duty and income tax crossed Rs.10.00 crore more.

### **6.2.8 Anglo French Textiles**

Anglo French Textiles, a Unit of Pondicherry Textile Corporation Limited was taken over by Government of Pondicherry under the Anglo French Textile Limited (Acquisition and Transfer of Textile Undertaking) Act 1986. The installed capacity of this Mill at present is 27568 spindles and 1050 looms. Anglo French Textiles, the 104 years old composite textile Mill, is exporting its fabrics to the countries such as U.K. Ireland, France, Belgium, Switzerland, Italy, Egypt, U.A.E. Singapore, Australia, Bangladesh, Sri Lanka, etc., The Company is exporting more than 50% of its production and it is an export house as recognized by the Office of the Joint Director General of Foreign Trade, Ministry of Commerce, Government of India. The Company is producing grey and processed fabrics and made-ups of cotton and polyester. The Mill is earning foreign exchange to the tune of Rs.20 to 25 crores every year through its export of fabrics to Foreign countries. Besides providing direct employment to 3119 persons, the activities of the Mill generate indirect employment and business to various local manufacturers/suppliers in and around Pondicherry. This mill is an ISO 9002 Company since July 1996 and it has

got ISI mark for its three products namely polyester blend shirting, cotton drill and cotton cellular shirting. The Company is supplying dropping parachute cloth and drill cloth to the Defence Department and is registered as a Preferred Manufacturing (Composite Mill) Supplier with Ordinance Cloth Factory, Ministry of Defence.

The Grant-in-aid of Rs.3340.67 lakhs received from the Government of Puducherry till 2005-06 for the purpose of Voluntary Retirement Scheme has been utilized to the extent of Rs.3272.79 lakhs and it has been utilized for the purpose for which it was received. There is an unutilized balance of Rs.60.88 lakhs and the same will be utilized in the year 2006-07 as there is 117 applications pending to be relieved under VRS for which the Corporation has requested grant-in-aid of Rs.4.25 lakhs from Govt. of Puducherry.

The Grant aid of Rs.300.00 lakhs received during the year 2005-06 for the purpose of payment of arrears to the workers, Staff and officers of AFT/PTC has been fully utilized for that purpose. The Government of Puducherry also contribute the share capital amount of Rs.232.61 crore to this mill till 2005-06. The outlay proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.16.52 crore, Ra.100.00 crore and Rs.18.00 crore respectively.

#### **Production and Sales Performance:**

*Table – 6.11*

Year	Production (LakhLr. Mtr.)	Sales Turnover (Rs. In lakhs)
2002-03	149.52	7781.73
2003-04	145.80	8041.12
2004-05	159.03	8729.46
2005-06 (Provisional)	135.00	7400.00
2006-07 (Target)	156.40	9325.30

#### **Reasons for Loss and Action taken by the Management:**

##### (i) Reasons for Loss:-

The Mill has been incurring loss because of various problems, both external and internal. Externally, the primary reason for the loss had been the phenomenal increase in the cost of cotton and yarn since 1993-94. The cotton prices during 1993-94 increased by nearly 74% over the previous year. In fact this sudden increase in the price of cotton had spelt doom to a large number of textile mills all over India during the subsequent period. Since the cotton and yarn costs constitute almost 40% of the total cost, this had hit the textile industry very hard.

Yet another external cause for the loss had been recession in both domestic and foreign textile market. Since 1993-94 the textile market abroad especially in Europe has been going through a recessionary phase. This has substantially affected the turnover of the Mill since at an average about 90% of the export turnover of the Mill comes from Europe. The most damaging phenomenon in the export market has been imposition of the anti-dumping duties by the E.E.C. on the grey fabrics from India on a provisional basis with effect from December 1996 .

This was followed by anti-dumping duty of 24.7% on bed linen (which constitute about 85% of the total export) with effect from the year 1997-98. This anti-dumping duty has been suspended for six months from 15.08.2001. Further due to the September 11 2001 incident in world trade centre in United States, severe recession continuous in the textile market both in export and home sales. The domestic market has also been similarly affected by recession due to a liquidity crunch and there has been no significant increase in the demand for textiles since 1993-94. As a result of this recessionary trend which has been persisting, the sale of fabric in domestic market has also suffered. The European Commission has further imposed Anti Subsidy duty (instead of anti-dumping duty) @ 7.6% on our made-ups exported to the European Countries w.e.f. 18.01.2004.

So far as the internal factors are concerned the prime reason for the loss has been the high cost of production resulting from the increase of raw material cost (as indicated above) as well as increased employee cost. The employee cost consisting of salaries, wages, gratuity welfare benefits, bonus and ex-gratia constitutes nearly 45% of the total cost in this Mill. This increase in cost of production is required to be neutralized either by increase in the realization per mtr. of fabric sold and/or by continuously reducing the fixed cost so as to break-even. Because of the sluggish demand in the textile market the price realization per mtr. could not keep pace with the increase in the fixed cost. It had not been possible to substantially reduce the fixed cost due to various reasons.

Two other reasons for the high cost of production in the Mill are increasing rate of labour absenteeism which stands at 22% and the obsolescence of the machinery resulting in low productivity and high rate of damage.

### **Action taken by the Management**

a) As a revival plan, the Company is implementing Comprehensive Modernisation Programme and the modernisation has been carried out in the following departments since 2000-2001 at a cost of Rs.11 crores out of Rs.22.35 crores received from Govt. of Puducherry.

Spinning Department 'C' Unit	-	Rs.5.32 crores
Processing Department	-	Rs.2.25 crores
Others	-	Rs.3.43 crores
		-----
Total		Rs.11.00 crores
		-----

Further, the proposal for the purchase of modern looms at a cost of Rs.9 crores, Spinning Machineries at a cost of Rs.3.3 crores and Processing machineries at a cost of Rs.1.75 crores (total Rs.14.05 crores) are held up for want of funds for which we need the intervention of the Government .

b) Voluntary Retirement Scheme - To help modernisation and as a measure of restructuring exercise and reduce the surplus labour, Voluntary Retirement Scheme was introduced and about 1373 employees have left their service since 1998-99 to 2005-2006.

c) Constitution of Expert Committee

The Corporation has taken the following steps for the improvement of the mill as per the recommendation of the Expert Committee, convened by the Government.

Gradually the Narrow width looms in the Weaving A Unit are being closed by sending the workers on VRS and the No. of looms working in Weaving A Unit has been brought down from 180 to 144.

The Spinning Department in C units has been modernized with 10 Long Ring Frames and corresponding preparatory machines. The proposal for the purchase of 3 Nos. of Auto Cone Winding Machine is in process.

Proposal to install 14 Nos. of Projectile Looms of 360 cms. width in Weaving B Unit which will produce high valued fabrics in finer counts suitable for export market.

The Processing Department has been modernized with wider width stenter and Calendering Machine and with this, the available capacity for processing wider width fabrics has considerably increased. The proposal to purchase wider width Merceriser machine is in process.

The 7 days working in the production departments has been changed to 6 days working with Sunday holiday for all employees with effect from August 2005. This has reduced the cost at various fronts and reduced the labour shortage. The Production level has been maintained on the 6 days working.

In Marketing, trading is given more importance so that the fabric may be purchased from outside and processed in our Processing Department and can be sold with value added cost.

Recruitment of badli workers wherever there is labour shortage in the production department due to the retirement of workers by superannuation, death, resignation etc., is being done, so that the production is not affected.

In view of the above various actions taken by the Management, the Government and the Management of the Corporation are keen in running the Mill by modernizing the Mill coupled with reduction in the employees by VRS. The Government of Pondicherry is very much keen on reviving these Mills in order to create employment opportunities and has taken steps to appoint SITRA to study the working of the Mills and to suggest ways and means for turn around of the Mill.

No. of Employees:

The total No. of employees as on 01.10.2006 are 3119 (Workers – 2686, Staff and officers - 433)

### **6.2.9 Swadeshee-Bharathee Textile Mills Limited**

Swadeshee Cotton mills and Sri Bharathi mills were established in 18<sup>th</sup> Century in the year 1829 and 1892 respectively. Both the mills were taken over from the National Textile Corporations Limited by the Government of Puducherry from 1.4.2005 with a view to safeguard the interests of the people working in the mills and as well as to make these mills viable.

This share capital account of Rs.8 crore has been received from the Government of Puducherry during the year 2005-06 and 2006-07 for the programmes of the mills. This share capital amount received has been fully utilized for the purchase of raw material renovation of machinery, employees remuneration, electricity charges etc.

The mills are manufacturing yarn and job work fabric processing. The Swadeshee –Bharathee textile mills is having the spindle capacity of 27,652 ring spindles and fabric processing capacity of 20,000 metres per day. Due to extreme financial crunch no replacement work was done for the past 10 years, but for break down maintenance works. Thus very old machinery and building poor work environment. The processing facility available in Shri Bharathee textile mills is inadequate to process the wider width fabrics. Lack of funds is the main reason for not installing capital intensive-high speed-low man power machineries.

After taken over by Government of Puducherry, overall performance of the mill is improving and net loss for the year 2005-06 is reduced to Rs.549.10 lakhs from Rs.779.32 lakhs for the previous years 2004-05(NTC). The percentage of loss reduced is worked out to 29.54%. With a view to improve the profitability, SBTML has planned to invest Rs.100 lakhs for the upgradation of the machineries through 1<sup>st</sup> - Phase Modernization Scheme with the guidelines of South India Textile Research Association(SITRA).

At present in this mill, 603 employees, 32 staff-technical/management and 78 staff -clerical/operational are on the rolls.

#### **6.2.10 Pondicherry Co-operative Spinning Mills Limited**

The Pondicherry Co-operative Spinning Mills Ltd., situated in Thirubuvanai village, is registered under the Pondicherry Coop. Societies Act 1972 during December 1979 and started functioning and commenced its commercial production with effect from 19-03-1984. The mill was started with a capacity of 25080 spindles and subsequently 10080 spindles were added during the year 1995 at the cost of Rs.1200 lakhs.

The prime objective of establishment of the mills is to produce and effect uninterrupted supply of yarn to the Weavers Community of this Union territory of Puducherry, and to provide employment opportunity to economically weaker section. It produces approximately 27 lakh kgs..of Cotton yarn every year and this mill is giving top priority in making yarn suitable for Hand loom weavers.

Machinery (25080) spindles installed in 1982-83 have become materially technologically outdated and efficiency had come down to lowest level. As the working conditions of machinery have become beyond reparable position, it becomes evitable to modernize the machines. At this juncture, the management of the mills has approached M/s. National Coop. Development Corporation for financial assistance under Rehabilitation-cum-Modernization scheme which is exclusively available for Coop. Spinning mills under Government of India Central scheme.

As suggested by M/s.NCDC, the loan application of SPINCO has been routed through Government of Pondicherry to M/s.NCDC and on perusal of application and

project report of SPINCO, M/s.NCDC has sanctioned the block outlay of Rs.29.50 crors towards Rehabitaion-cum-Modernization of SPINCO through Government of Pondicherry.

The total block cost of Rs.29.5 crors consist of the following :

Term loan	:	Rs.1180 .00	lakhs
Investment loan	:	Rs. 885 .00	lakhs
Subsidy	:	Rs. 497.13	lakhs
Society contribution	:	Rs. 387.87	lakhs
		-----	
Total	:	Rs.2950.00	lakhs
		-----	

On completion of all formalities from Government side as well as mill side, M/s.NCDC has released the first installment amount of Rs.1430 lakhs in the middle of September 2006 to the Government of Pondicherry and in turn, the amount has been passed on to our mills by the Government of Pondicherry to take up the modernization programme immediately. The mill management is taking steps to constitute a committee with mill and Government officials to implement the modernization programme in the mills.

B) The Government of Puducherry has released an amount of Rs.11.55 crore(Grant-in-Aid- Rs.1.93 crore + share capital –Rs.9.62 crore) till 2005-06. The outlay proposed for the mill in the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.1.75 crore, Rs.25.00 crore and Rs.9.00 crore respectively.

Table – 6.12

(Rs. in lakhs)			
Year	Grant in Aid	Loan	Remarks
From the date of starting upto 2001-02		1085.00	Mill had availed loan from M/s. IDBI/IFCI/ICICI for commencement of the unit and expansion of the mill. The entire loan amount has been settled by 2000-01
2002-03	--	--	--
2003-04	--	--	--
2004-05	--	178.00	The mill had availed loan from M/s. PSCB for working capital purpose
2005-06	--	500.00 (PSCB CCL)	--
2006-07	250.00 (Subsidy)	1180.00 700.00 (PSCB CCL)	The mill have been granted loan and subsidy from M/s.NCDC through Govt. of Pondicherry for Modernization of the Mills.

D) An amount of Rs.10.98 lakhs sanctioned as loan and subsidy by the Government of Pondicherry for construction of Compound walls in SPINCO during the year 2005-06. In this regard, the management is taking steps to award the work contract during the current year.

The Government of Pondicherry is taking steps to constitute a committee for implementation for the modernization programme in SPINCO and to utilize the loan and subsidy amount of Rs.1430 lakhs received from M/s. NCDC during the middle of September 2006.

E) SPINCO has been sustaining continuous loss during last 5 years due to general recession in the Indian Textile Industry, high establishment cost, low productivity high absenteeism and frequent market fluctuation. The average annual turnover of the mills is about Rs.27 crores. The mill management has been taking various cost control measures to reduce the operating loss in the mills and to bring back the mills into profitability. The net loss of Rs.237 lakhs sustained by the mills during the year 2005-06 is less by Rs.171 lakhs when compared to the net loss amount of RS.407 lakhs sustained by the mills during the previous year 2004-05. At present 639 workers and 55 staff and officers are working in this mill.

#### **6.2.11 Jayaprakash Narayan Co-operative Spinning Mills Limited, Karaikal**

Spinning Mill project was commissioned under the Eighth Five Year Plan Programmes of Union Territory of Puducherry. The Society was registered under the Pondicherry Co-operative Society Act, 1972 in the name of Jayaprakash Narayan Co-operative Spinning Mill on 20.6.1990 and started on 29.12.1990. It was set up as a production unit for producing spun yarn from raw cotton and providing employment opportunities. Bringing up further Socio-Economic development in Karaikal region was also the object of this Project implementation.

The Jayaprakash Narayan Cooperative Spinning Mills Ltd., Karaikal was registered during 1990 and started production during August, 1995. The Mill has a capacity of 18,144 spindles with a paid up share capital of Rs.23.09 crore and authorized share capital of 75.00 crore. The Mill is situated at Keezhamanai village, Karaikal.

As the Government of Pondicherry contributed over 45% of the Project cost of the mill, the Chairman has been appointed by the Government to control the Management and its affairs. The Managing Director carries out the overall executive functions of the Mill. The General Manager exercises his overall control on Administrative functions. The production process is also to be looked after by the Managing Director. The Assistant Spinning Masters, Electrical Engineer and Supervisors will assist him in the process and to control the labourers.

The total project cost of the Mill is Rs.2560 lakh. This has been funded by way of Share Capital of Rs.1280 lakh from Members, Institutions, Individuals and Government of Pondicherry and Term Loan of Rs.2126 lakh from Commercial Banks. The Pondicherry State Cooperative Bank have granted CCL limit of Rs.300 lakh towards Working Capital.

The production process is bifurcated into two main departments viz. Open End Spinning and Ring Spinning. The Mill started its commercial production from

August, 1995 partially through its Pen End Section. The Ring Spinning Section was started during August, 1996. The installed capacity of O.E. Spinning is 768 rotors and Ring Spinning is 18144 Spindles. At present we are producing 20s count in Open End Spinning and 40s count of Ring Spinning.

The finished products of the Mills are marketed in the areas of Coimbatore, Erode, Tiruchengode, Pondicherry and Ichalkaranji. We have also exported a little quantum to Bangladesh through merchant exporters.

Till 2005-06, the Government of Pondicherry has released grant-in-aid of Rs.11.36 crore and share capital amount of Rs.23.01 crore. The grant-in-aid amount is utilized by the mill for repayment of term loan and interest. The outlay for the Annual Plan 2006-07 is Rs.1.75 crore. The outlay proposed for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.1.75 crore, Rs.23.00 crore and Rs.8.26 crore respectively.

During 2005-06 the mill produces 15.95 lakh kgs. of cotton yarn and the proceeds from the sales of yarn is Rs.15.39 crore and the net loss is Rs.1.88 crore (Provisional). Due to delay in project implementation, huge Financial burden like higher rate of interest payment, under utilization of machineries due to absenteeism, increase in the cost of raw material and creation of reserve for depreciation of machineries, the mill incurred losses. Necessary action is being implemented to overcome such situation by way of reducing the high cost loan & interest, to improve machine utilization and reducing absenteeism percentage and increasing the production and decreasing the expenses. The accumulated cash loss and net loss of the mill as on 31.3.2006 is Rs.15.30 crore and Rs.29.77 crore respectively. At present 374 workers and 43 staff and officers are working in the mill.

### **6.2.12 Pondicherry Tourism Development Corporation**

Pondicherry Tourism Development Corporation Limited (PTDC) was incorporated on 19th February 1986 to promote tourism in the Union Territory of Pondicherry. With the introduction of transport service (March 1988) the Company's name was changed to Pondicherry Tourism and Transport Development Corporation Limited (PT&TDC) with effect from December, 1992. Due to the expansion and diversification both in the field of Tourism and Transport, for better results, the corporation was bifurcated by the Government of Puducherry vide G.O. Rt. No.2/Tourism/US/2005, dt.15.3.2005. The new company PTDC as incorporated on 1.4.2005.

The main objectives of the Corporation are :

- i) To provide services to the tourists and travelers in all forms.
- ii) To take over, develop and manage places of tourists interest in the Union Territory of Pondicherry.
- iii) To promote tourism by all ways and means and to adopt such methods and devices and necessary to attract tourists in large numbers.

Initially it was started with the Authorized Share Capital of Rs.20.00 lakh. With the introduction of transport services, the company's name was changed as the Pondicherry Tourism and Transport Development Corporation Limited with effect from December 1992. The present Authorized Share Capital is Rs.30.00 crore and the paid up share capital now is Rs.27.10 crore. The total employees of the

Corporation is about 633. The turn over of the Corporation has been increased from Rs.4.76 crore in the year 1997-98 to Rs.14.00 crore in the year 2003-04. In spite of that, the operational and other overheads are also simultaneously increases, which leads to an accumulated loss of Rs.16.84 crore as on 31.3.2002.

The reasons for the increase in turnover is due to operation of buses in the new routes and the operation of special buses and stoppage of unviable town buses. Periodical maintenance and replacement of vehicles reduces losses. Almost all the vehicles are fully utilized for the increase of revenue during the years. New drivers have been engaged and the maximum utilization of manpower would increase the turnover manifold. The Administrative expenditure is an area of concern since increase in Dearness Allowance and other welfare expenditure such as contribution to Gratuity, EPF and other overheads are not in the hands of the Corporation. In catering systematic Rate Contract for food articles has brought down the input cost to some extent. Water Sports activities have been increased and construction of rooms at Chunnambar would attract tourists. In tourism service, LTC tours have been resumed and new tours to A&N Islands have been operated. The management has taken many steps to strengthen over all functioning of PT&TDCC. The basic strategy is to increase the turnover per employee and reach the break-even point of the Corporation by cost control, ensuring employee discipline, upgrading equipments and infrastructure and looking for new avenues of business.

Till 2001-02 an amount of Rs.3.40 crore was received as grant-in-aid from the Govt. of Pondicherry by the Corporation. The Govt. had decided to convert the above amount as Share Capital vide G.O.Rt.No.59/TOurism/US/2002 dated 7.4.2003. Accordingly, steps are being taken to convert the same as Share Capital. The financial assistance provided by the Government are used for the purpose of the development activities and the settlement of dues. Under the plan scheme "Share Capital Contribution to PT&TDC and joint venture" an amount of Rs.2.00 crore was released during 2005-06. For the Annual Plan 2006-07 an amount of Rs.3.00 crore is provided in the budget. The proposed outlay for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.3.00 crore, Rs.25 crore and Rs.5 crore respectively.

The operational units of the Corporation are classified as below:

- i. Transport
- ii. Restaurant Division
- iii. Water Sports
- iv. Tourism Publicity and Promotion

The Corporation has set up a prestigious Le Café Pondicherry at Beach Road in September 1989 to recreate the French ambience. Since then the Corporation started a chain of 11 Cafeterias in Pondicherry, Karaikal, Mahe. Four Beautiful Seaside Restaurant under the name style Seagulls are functioning. Two in Pondicherry and one each in Karaikal and Yanam which are the profit centre of PT&TDC. The units are evoking very good response from the tourists and public at large. All these catering units have been successful in serving hygienic food and beverages to the tourists and the local people. It is proposed to highlight French Cuisine and ambience in the catering units.

The Tourist Information Bureau is functioning with two Guides and one Receptionist for tourists facilitation. It also takes the Cars and Vans on Hire for tourists. The Information Computer Booth in the Tourism wing is connected with the

National Informatics Centre. It is providing necessary Tourist Information to the visitors.

There are four water sports centers on Pondicherry, Karaikal, Mahe and Yanam equipped with reasonably good water sports equipments. These centers offer good entertainment and highlight Pondicherry's natural resources. At Chunnambar, we also have an eco friendly resort which we started a long side water sport facilities. We are upgrading the resort. At present we are running 10 Pedaling boats, 2 Speed boats and 6 Pleasure Boats in Chunnambar. It is also proposed to increase the water sports activities by opening new water sports units at Ozudu lake and Kanaganeri lake.

### **6.2.13 Pondicherry Road Transport Corporation**

Pondicherry Tourism Development Corporation Limited (PTDC) was incorporated on 19th February 1986 to promote tourism in the Union Territory of Pondicherry. With the introduction of transport service (March 1988) the Company's name was changed to Pondicherry Tourism and Transport Development Corporation Limited (PT&TDC) with effect from December, 1992.

In view of the expansion and diversification in both the Tourism & Transport areas, for the better results, the Corporation was bifurcated by the Government of Pondicherry vide G.O.Rt. No.2/Tourism/US/2005 dt.15.3.2005. A new company Pondicherry Tourism Development Corporation was incorporated on 1.4.2005 and the PT&TDC was renamed as Pondicherry Road Transport Corporation w.e.f. 12.4.2005.

The Government of Puducherry has released the financial assistance to a tune of Rs.4.40 crore to this Transport Corporation during 2004-05 and 2005-06. The budget outlay for the year 2006-07 is Rs.2.30 crore proposed. The outlay in the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.2.17 crore, Rs.4 crore and Rs.1 crore respectively.

At present this Corporation is operating buses in 53 buses in all the four regions. Through its Inter-State routes, Corporation provides direct services to important Tourist places in all the Southern States of India, which includes Mahe, Nagercoil, Bangalore, Tirupathi, Kumuli, Chennai, Vellankenni, Karaikal, Coimbatore etc. Every year buses are replaced for the effective maintenance of vehicle. During the year 2004-05, 4 buses were replaced. Introduction of two Volvo (AC) Buses i.e., one in Pondicherry to Bangalore and the other in Thirunallar to Chennai (ECR) would generate revenue. Periodical replacements of buses reduces the maintenance cost and is comfortable to all the passengers. Steps are being taken to operate the town buses under stoppage. Reservation facilities are provided in Bangalore, Coimbatore, Nagercoil & Kumuli for the improvement of services to the general public. 10 buses are operated by the Corporation by engaging private vehicles on hire basis for the convenience of students of Pondicherry Engineering College. Construction of a new Administrative Building is in progress in the workshop premises.

### **6.2.14 Pondicherry Agro Products, Food and Civil Supplies Corporation**

PAPSCO was incorporated as a subsidiary corporation of PASIC which was later converted into a Govt. owned company during September 1995. The company commenced business from 1.2.1991. The corporation has an authorized capital of Rs.10 crore and paid up share capital of Rs.7.85 crore. The main objective of this

corporation is to supplement the efforts of the Govt. towards strengthening the Public Distribution System and to undertake marketing intervention programme for containing the escalation of prices of essential commodities and also to safeguard the interest of farmers by procurement at remunerative prices not below the level of minimum support price during the peak season of the harvest. It also undertakes supply of essential commodities during emergencies like flood, cyclone and Tsunami. PAPSCO is also running Fair Price Shops in Pondicherry and Karaikal regions. Apart from this Festival Bazaars were opened during festival seasons where essential items including vegetables, fruits, oil, groceries are sold at nominal prices thereby effectively curtailing unnecessary escalation of prices. During the year 2002-03, in order to improve the financial conditions of the Corporation, started diversifying its business activities besides PDS (i.e.) undertaking of retail/wholesale business of Indian Made Foreign Liquors(IMFL) and Medicines in the Union Territory. Further to improve the performance of business activities, it is proposed to obtain dealership / distributorship for LPG, Bitumen, Lubricants and Kerosene, and to install Masala Powder Manufacturing Unit, retail outlets of Petroleum products etc. The Hon'ble Chief Minister has announced in his Budget Speech that in order to uplift the living status of the women belonging to BPL families to provide free LPG connection to 10,000 red cardholders and further, the Hon'ble Minister for Civil Supplies has announced to provide necessary Government assistance to develop infrastructure facilities like establishment of Administrative Block, modern rice mill, construction of godowns and cold storage units to the Corporation. It is proposed to develop infrastructural facilities like establishment of modern rice mill, construction of godowns, cold storage units, purchase of lorries for transporting PDS and non-PDS items. Apart from the PDS activities, the corporation undertakes procurement of agricultural produce by offering remunerative price to the farming community keeping away the middlemen exploitation. Special bazaars during festival and lean seasons, taking over of sick fair price shop running retail outlets for vegetables and fruits are the other activities of the corporation. During the period for 2001-02 to 2005-06 the Government of Pondicherry provided financial assistance amounting to Rs.8.30 crore (Grant-in-aid Rs.4.89 crore + Share capital Rs.3.41 crore) to PAPSCO. The amount provided in 2006-07 is Rs.0.85 crore. The proposed outlay in Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 for this Corporation are Rs.0.85 crore, Rs.4.50 crore and Rs.0.90 crore respectively. The annual turnover of this Corporation during 2004-05 was Rs.42.60 crore.

### **Action taken to improve the performance :**

The Corporation during the past one year has taken necessary efforts to improve the financial performance of the Corporation as detailed below:

#### **1. Undertaking of Sand Mining Activities:**

The Govt. sponsored sand mining programme allotted to PAPSCO from 2001 and carried out to this year also by obtaining license from Revenue Department. This programme helped to boost the financial position of PAPSCO to reduce the losses. The sand mining operation is continuing at present.

#### **2. Undertaking of Indian Made Foreign Liquor business:**

In order to improve the financial health of some public sector undertakings including PAPSCO and cooperatives, as a policy decision, given wholesale and retail licences for vending Indian Made Foreign Liquor in its Budget 2002-03.

Complying the policy decision of the Govt., the Corporation besides PDS diversified its business activities and undertaken the wholesale and retail sale of Indian Made Foreign Liquors during October 2002. As on date, the Corporation is functioning totally 13 No. of IMFL shops in Pondicherry (1 wholesale and 10 retail shops) and Karaikal (2 retail shops). Further, it has been proposed to open a number of shops in the ensuing years so as to maintain quality liquors at affordable rates.

### **3. Opening of Cost Price Shops:**

In order to undertake market intervention activities in the sale of all essential commodities under Non-Public Distribution System in the Union Territory of Pondicherry, Complying the decision of the High Powered Monitoring Cell and with the assistance of the Govt. of Pondicherry, the Corporation has set-up two cost Price Shops at Thattanchavadi and Thavalakuppam during October 2003 and opened 2 more shops at Arumpathapuram and Lawspet during November 2004. Through these shops all essential of diet and non-diet commodities are sold at nominal rate.

### **4. Undertakings of Medicine Business**

In order to supply quality medicines at cheaper rates to the common public and Health Institutions run by both Govt. and private parties, fulfilling the one among the main objective of market intervention activities, the Corporation further diversified its activity by extending the sale of medicines opened one Medical Shop in Pondicherry during February 2004 and two more medical shops during November 2004. The medicines are distributed to the public at discounted rate. Further, it is on the cards of PAPSCO to open retail medical shops in Pondicherry, Karaikal and Mahe regions.

### **5. Government supply of diet and non-diet articles:**

The Corporation has maintained to supply rice, diet, non-diet articles and firewood to Educational Institutions and Hostels through the Education, Adi Dravidar Welfare and Social Welfare Department and supply of Free rice to Fisheries Department. Further, manufacturing and supplying ready to eat nutrition food – Weaning Food to the pregnant women and children in Anganwadies/Balwadies through Social Welfare Department.

The Corporation is taking further efforts to obtain the supply of vegetables, diet and non-diet articles to the Health Department and extend the supply of vegetables to all other Govt. Departments where diet and non-diet articles are supplied.

### **6. Procurement of Paddy:**

In order to protect the interest of the farming community, the Corporation procuring their paddy at remunerative prices through regulated market committees situated at Thattanchavady, Kanniakoil and Madagadipet, serving the public with quality resultant rice in open markets and Government Institutions / departments at affordable rates. The Corporation procures paddy about Rs.3 lakhs to Rs.5 lakhs every day during the harvest season and maintains the market intervention activities at lean season. During the year 2003-04 and 2004-05, the Corporation procured

paddy about 2,304 MT for Rs.1.39 crores and 3,986 MT for Rs.2.24 crores respectively. As the Corporation, serves both the farming community and public since from its inception, and considering the immense necessity of a Modern Rice Mill for PAPSCO for its own, by the Hon'ble Minister for Civil Supplies has assured in the floor of the Assembly to provide necessary financial assistance for establishment of Modern Rice Mill.

## **7. Establishment of Petrol Bunks:**

In order to benefit the farmers and common public, the Corporation established a Petrol Bunk in the rural area – Karayambuthur during March 2005 and sells the unadulterated petrol and diesel at the specified Government. Further, it is proposed to establish more number of petrol bunks in Pondicherry (3), Karaikal (1) and Mahe (1) regions also.

## **6.3 CONCLUSION**

As per the audited accounts of the Corporation, the loss during the year 2000-01 was Rs.61.87 lakh and due to the above developmental activities and action taken by the Corporation, the loss has been considerably reduced to Rs.43.66 lakh (provisional) during 2002-03 and the trend of the Corporation has changed from the loss incurring into profit yielding one during the year 2003-04 and maintained the same profiteering trend during 2004-05 also. As per the Internal Audit Reports, the profit during 2003-04 and 2004-05 is Rs.73.12 lakhs and Rs.75.05 lakhs respectively.

### **6.2.15 Pondicherry Adidravidar Development Corporation Limited**

Pondicherry Adi-dravidar Development Corporation Limited (PADCO Ltd) was incorporated on 26th September 1986, under the Companies Act, with the main objective to uplift the economic conditions of the members of the Adi-dravidar people in the Union Territory of Pondicherry living below the poverty line. Later, based on the orders of the Government, welfare schemes to the members of Safai Karamcharis are also undertaken. PADCO extends financial assistance through banks and imparts training to seek wage/self employment. Apart from this PADCO acts as the channelising agency for the NSFDC and NSKFDC.

PADCO Ltd. is basically a service oriented Corporation extending welfare schemes to the members of Adi-dravidar community and has not undertaken any trading / profit earning activities. Fund to the Corporation is released by the Central and State Governments in the form of Grant-in-aid. Even the expenses towards the salary and other establishment expenditure are released by the State Government. The various grant-in-aids released by the Central and State Governments and its utilization are elaborated below:

As on 31st March 2004 the Authorized Share Capital of the Company is Rs.500.00 lakh and the Paid up Capital is Rs.276.38 lakh. The Central and State Governments release share capital to the Corporation in the ratio of 49:51, which is utilized by this Corporation for the implementation of schemes by release of Margin Money Deposits / Margin Money Loans and creation of Fixed Assets. Till 2003-04 the share capital released by the Central Government is Rs.134.14 lakh and by the Pondicherry Government is Rs.142.24 lakh.

Grant-in-aids for implementation of schemes is released by the State Government in the form of Subsidy, which is released to the targeted people by way of subsidy at the rate of 50% of loan amount under Loan cum Subsidy scheme, and Stipend / Course fee under training scheme. Besides this, the State Government releases Managerial Assistance for the Salary to staff and other office establishment expenses of the Corporation. The Central Government provides SCA to the State Government as an additive to the Special component Plan. The State Government in turn releases the SCA to PADCO for implementing welfare schemes. SCA is utilized by the Corporation towards the release of Subsidy under Loan schemes and stipend & Course fees under the Training Schemes.

The grant-in-aid received from the Government till 2005-06 is Rs.7.41 lakh. The Annual Plan provision for the year 2006-07 is Rs.2.60 crore. The amount proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.2.60 crore, Rs.33.17 crore and Rs.6.16 crore respectively. In the corporation, 51 regular employees and 10 daily rated employees are working.

The Pondicherry Adi-draavidar Development Corporation Limited facilitates the socio economic development of members of Adi-draavidar, Scavengers and Safai Karamcharis of the U.T. of Pondicherry, who are living below the poverty and the double poverty line, by extending concessional financial assistance for setting up of small scale industrial units, Business, Trade and for the creation of fruitful assets and providing training for technical knowledge and to gain self/wage employment.

This Corporation is implementing the following Schemes for the Welfare of Scheduled Castes and Safai Karamcharis:

1. Margin Money Loan-cum-Subsidy Scheme (for SC people)
2. Training Scheme (for SC People)
3. NSFDC sponsored concessional Finance Scheme (for SC People)
4. NSKFDC sponsored concessional Finance Scheme (for Safai Karamcharis)

PADCO Ltd., is a service oriented organization. No production activity is undertaken. As on 31st March 2003, the accumulated loss is Rs.167.55 lakh(unaudited). The reason for the loss is mainly due to the provision made for Bad and Doubtful loans. As on 31st March 2003 an amount of Rs.319.99 lakh is lying as loan and interest overdue with the loanees. The cumulative dues of recovery of loans amounted to Rs.557.87 lakh and the actual recoveries amounted to Rs.237.88 lakh indicating a recovery rate of 42.64%. Maximum efforts are being taken to recover the over dues from the beneficiaries by initiating recovery from the salary of the sureties and by legal action to improve the rate of recovery performance and run the Company in profit.

#### **6.2.16 Pondicherry Corporation for Development of Women and Handicapped Persons Limited**

The Pondicherry Corporation for Development of Women and Handicapped Persons Limited was incorporated on 31.03.1993. The main objective of the Corporation is to make every women and handicapped person socially and economically independent. The Corporation has been imparting training in various skills and also helping the women and handicapped persons to setup their own trade or business.

From 1993-94 to 2005-06 the Government of Pondicherry has released a share capital of Rs.3.24 crore and grant-in-aid to the tune of Rs.19.65 crore. A sum of Rs.1.04 crore is provided in the Annual Plan for 2006-07 towards the financial assistance to this Corporation. The amount proposed for Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.1.04 crore, Rs.59.92 crore and Rs.11.61 crore respectively. In the corporation 364 regular employees and 44 daily rated employees are working. The grant-in-aid being released to the corporation is utilized for administrative expenses, loan schemes, releasing of subsidy, purchase of permanent assets, conducting of training programmes, running of working women hostel at Pondicherry, Karaikal and Mahe, running of Day Care Centres at Pondicherry and Karaikal, disbursement of stipend, etc. This corporation is a service oriented organisation implementing various welfare oriented programmes for the socio economic development of women and handicapped persons.

Financial assistance through Banks has been extended to women and handicapped entrepreneurs for setting up of small business such as canteens, fair price shops, tailoring production units, leather goods units, terracotta production units, STD booths, milch animal, etc, for which this Corporation is giving subsidy.

Arrangement has been made for the formation of self help groups in various villages with a view to increase social awareness, development of leadership qualities and towards building up of self confidence among women. Training on Health, Nutrition, Legal Awareness, Self Confidence, Accounts Maintenance, Leadership Quality, Human understanding etc. are being given to Women of Self Help Groups. After one year Group loan will be sanctioned under this scheme. Under Micro Credit Scheme loan facilities are extended to poor women to run small business such as Vegetable shops, Flower shops & Fruit shops etc., In this scheme Rs.1,000/- to be paid to each women for the above purpose. They have to repay the amount within 100 days. Rs.50/- is collected as Service Charges. They have to get the surety from the Government Servant. This Corporation introduced individual loan scheme with interest, to women whose income is more than Rs.22,000/- but below Rs.60,000/- to run small business such as vegetable shops, provision shops, fire wood shops, textile shops and other trades etc. The Corporation has also been nominated as the channelising agency of the National Handicapped Finance and Development Corporation for extending benefits to the Handicapped Persons NHFDC is providing loans to the Handicapped Persons to setup various business and manufacturing unit to a tune of Rs.4.04 crore upto 2003-04. Apart from this the State Government Schemes such as Margin Money Assistance and Vocational Training are also provided to Handicapped Persons.

The Corporation has also been nominated for giving training in ICDS functionaries under UDISHA scheme. From time to time exhibition and fairs are held both at National and State level to market the handicraft items produced by the Women and Handicapped Persons. Under Bank Loan scheme, loan amount of not exceeding Rs.10,000/- with 1/3 rd subsidy portion is disbursed to women to setup small trades and units through the Nationalized banks. Under the self help group loan scheme, the corporation has given financial assistance to self help groups of women carrying on economic and commercial activities in the U.T. of Pondicherry. The loan is given upto a maximum of Rs.50,000/- per self help group.

## 6.2.17 Pondicherry Backward Classes and Minorities Development Corporation Limited

The Pondicherry Backward Classes and Minorities Development Corporation was registered on 31.3.1999 with an Authorised Share Capital of Rs.5.00 crore as the agency for bringing about development of Backward Classes and Minorities in the Union Territory who form major chunk of the population and the paid up share capital at present is Rs.201.65 lakhs. Besides implementing Loan-cum-subsidy scheme jointly with Banks, Training schemes to the youths, Educational Loan scheme and small vendors loan scheme, etc. out of the funds released from state government, this Corporation also acts as the State Channelising Agency for National Backward Classes and Finance Development Corporation (NBCFDC) and National Minorities Development and Finance Corporation (NMDFC), New Delhi for implementing their Term Loan/Education Loan and other welfare schemes. The share capital assistance and grant-in-aid released from the Government of Puducherry till 2005-06 is Rs.3.87 crore and Rs.5.52 crore respectively. The budget outlay in the Annual Plan 2006-07 is Rs.1.06 crore. The outlay proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.1.81 crore, Rs.26.98 crore and Rs.4.50 crore respectively.

### Loan received from other source viz. National Backward Classes and Finance Development Corporation (NBCFDC) and National Minorities Development and Finance Corporation (NMDFC), New Delhi:

Table – 6.13

Year	(Rs. in lakhs)	
	Loan from NBCFDC	Loan from NMDFC
From the date of starting upto 2001-02	122.91	1.74
2002-03	49.99	23.46
2003-04	50.00	8.46
2004-05	49.95	9.98
2005-06	85.02	2.89
2006-07 (Financial Target)	50.02	22.50

### Utilisation:

The funds received from Government of Puducherry and from National Corporations have been utilised fully for the purpose for which it was sanctioned and received.

## Yearwise physical target and achievement:

Table – 6.14

(Physical: Beneficiaries in nos.)

Sl. No.	Name of the Scheme/ Source of funds	2002-03		2003-04		2004-05		2005-06		2006-07
		P.T.	P.A.	P.T.	P.A.	P.T.	P.A.	P.T.	P.A.	P.T.
I	Apex Corporation Funds:									
	NBCFDC, New Delhi (Backward Classes):									
1	Term Loan	315	110	266	75	313	93	195	180	117
2	Education Loan	60	51	100	61	100	48	80	64	30
3	New Swarnima Loan	50	40	150	111	-	-	-	-	-
	NMDFC, New Delhi (Minority):									
4	Term Loan	55	14	62	15	63	31	63	34	58
II	State funds:									
1	Loan-cum-Subsidy scheme	750	597	700	859	750	646	1000	772	1500
2	Training scheme	45	44	136	101	70	65	300	211	500
3	Educational Loan scheme	-	-	-	-	-	-	150	131	200
4	Small vendors loan scheme	-	-	-	-	250	236	750	726	500

P.T. – Physical Target

P.A. – Physical Achievement

### General activities:

The Corporation was started for the upliftment of the peoples belongs to the weaker sections of the Backward Class and Minority communities. The Corporation is extending Term loans to the beneficiaries for income generating activities towards setting up of small viable trades and education loan to the students from the funds received from NBCFDC & NMDFC, New Delhi under their schemes. Further, the Corporation is implementing subsidy scheme, education loan scheme, job oriented training scheme etc. out of the funds released by the Govt. of Puducherry for the benefit of the said communities.

### Present financial position:

As the Corporation was mainly set up for the economic upliftment of the members of the Backward Classes and Minorities to earn better living and it is managed only with the financial assistance /grant-in-aid released by the Government of Puducherry and on the basis of the release of these funds, the managerial expenses, subsidy payment, training expenses, extension of loans etc. have been incurred by the Corporation. It is functioning purely on service motive by implementing welfare oriented programmes and not on profit earning motive.

The Commission is functioning with eight regular staff on deputation and 38 daily rated staff.

### 6.2.18 Pondicherry Slum Clearance Board

The Pondicherry Slum Clearance Board come into existence with effect from 01-12-1986, under the Provisions of the Slum Areas (Improvement and Clearance)

(Pondicherry Amendment) Act, 1986. The Board has also declared as the Competent Authority to perform the functions and exercise the powers under the said act.

There was no Grant-in-aid / Loan received by the Board for its establishment expenditure as well as seed capital / managerial subsidy has not been released by the Government from 1992-93 onwards. The Board's activities are mainly funded by the Town & Country Planning Department, Pondicherry under Housing sector, for carrying out of development works in the slum areas by a limited allocation every year, since the Board has no resources of its own. The administrative charges levied on scheme works and deposit works, and interest earned on fixed deposits are the major revenue of the Board, to meet out the expenditure on salaries, wages, establishment and maintenance items.

So far a sum of Rs.83.74 crore was released for the implementation of scheme works (SUP, EIUS, VAMBAY & NSDP) to this Board. The amount provided in the Annual Plan for 2006-07 is Rs.4.27 crore and the amount proposed for the Revised Annual Plan 2006-07, Eleventh Plan 2007-12 and Annual Plan 2007-08 are Rs.2.27 crore, Rs.20 crore and Rs.4.00 crore respectively. By utilizing the scheme funds received from the Town & Country Planning Department, Board has so far laid 1,10,110 metres of road in slum areas, the length of surface drain constructed is 77,365 metres and the Board has constructed 147 Nos. of Bathroom and 296 Nos. of Latrines to the benefit of slum dwellers. The Board has constructed 519 nos. of temporary light roof sheds and they were allotted to the victims, whose huts were damaged in fire accidents. Under Slum Upgradation Programme 557 Nos. of developed plots were provided / allotted to the beneficiaries on monthly rental basis and 777 Nos. developed plots were re-assigned on the name of the beneficiaries / allottees. The Board has completed the construction of 1646 tenements and out of this 1534 are allotted. Further 80 tenements are under construction.

The Pondicherry Slum Clearance Board is a service oriented organization, and dealing with the following schemes:

- a) Slum Upgradation Programme,
- b) Environmental Improvement in Urban Slums Scheme.
- c) Valmiky Ambedkar Awas Yojana (C.S.S) and
- d) National Slum Development Programme (C.S.S)
- e) Perunthalaivar Kamaraj Centenary Housing Scheme

and the Board is basically responsible for providing basic amenities and shelter to the homeless as well as to protect the rights, and proper maintenance of the assets created for the benefit of slum dwellers in all the four regions of Union Territory of Pondicherry. Apart from the statutory functions envisaged under the Slum Areas (Improvement and Clearance) Act 1986, the activities of the Board include provision of pucca roads, water supply, electricity, drainage facilities and construction of public toilets in the slum areas in addition to the provision of developed plots and construction of tenements. Since water supply and electricity facilities are taken care of by the concerned departments and local bodies, the Board concentrate on other activities.

Under the "Perunthalaivar Kamaraj Centenary Housing Scheme for Houseless Poor" the Government of Pondicherry has proposed to grant financial assistance of Rs.40,000/- to eligible patta owners of EWS for constructing / re-

constructing their thatched houses with pucca houses with a plinth area of not less than 200 sq. ft. in Pondicherry state. The financial assistance will be given to the beneficiaries in 3 instalments for 7500 beneficiaries every year from 2003-04. The scheme is being implemented in Pondicherry state every year subject to availability of funds. The aim of the scheme is to declare Pondicherry as "Hut Free State". Under the Chief Minister Sanitation Scheme an amount of Rs.10,000/- is issued to all eligible beneficiaries for construction of Sanitary latrine including septic tank. Now, it is proposed to increase the housing subsidy under the "Pondicherry Perunthalaivar Kamarajar Centenary Housing Scheme" from Rs.50,000/- to Rs.1 lakh for construction of houses.

The Board had the sanctioned strength of 6 Gazetted posts and 58 Non-Gazetted posts. Out of the sanctioned strength, 5 Gazetted posts and 3 Non-Gazetted posts were filled up by deputation from the various Government Departments of Pondicherry. Also, 45 Non-Gazetted posts were filled up by direct recruitment from the daily wages employees already working in the Pondicherry Slum Clearance Board. The assets and liabilities created under Slum Clearance / Improvement Scheme by the Town & Country Planning Department was transferred and vested with the Board and own a office building-cum-shopping complex at Savanapet, Pondicherry. The cost of building is at present Rs.40,00,000/-. Also the Office of the Chairman of the Board was accommodated there with computer system and Conference Hall. As the Board is service oriented one and there was no question of production / turnover.

The Government is committed to eradicate the slums in Union Territory of Pondicherry and to provide pucca shelter to the slum dwellers along with Environmental improvements schemes for a better living condition. As a matter of principle, the Board has decided to go in for construction of tenements in all available lands and for this purpose, it has been proposed to purchase private lands and the lands belonging to temples. The board has purchased a land at Mottaitoppu, Saram revenue village measuring 850 sqm. for Rs.7,60,000/- from the Housing Board, Pondicherry, for the purpose of constructing tenement blocks for slum dwellers. Another land measuring 16,374 sqm. (1H-63A-74 Ca) has been purchased by Pondicherry Slum Clearance Board, for Rs.85,14,480/- from Kailasanathar Sri Nithiyakalyana Perumal Devasthanam, Karaikal for construction of tenement blocks for slum dwellers. Further the Revenue Department has issued Government Orders transferring land to the extent of 3.33 Hectares in R.S. No147/2B/2 at Lambert Saravanan Nagar in Reddiarpalayam Revenue Village for slum improvement activities in which 1136 tenements are to be constructed in multistoried blocks.

All these schemes are met out of the funds released by the Town & Country Planning Department as deposits. The administrative charges levied on scheme works and deposit works, and interest earned on fixed deposits are the major revenue of the Board. The revenue derived from the Board's assets were not adequate to meet the Administrative and other expenses of the Board. Therefore, it has to depend upon the Government assistance for its sustenance. Also, the Board is not able to resort to institutional finances in view of the uncertainty of repayment of loans due to the poor returns that are derived from the properties of the Board. However, with the limited resources, the Board is taking all efforts to carry out necessary improvements to improve the slum areas into hygienic environment for a better living condition.

## 6.2.19 Pondicherry Housing Board

The Pondicherry Housing Board was formed in the year 1973 under the Pondicherry Housing Board Act, 1973 (No.7 of 1974) with the assent of the President of India and published in the Extraordinary Gazette of Pondicherry No.119 dt. 05-09-1974. The date of starting the Pondicherry Housing Board was 24.05.1975. The important functions of the Board under the "The Pondicherry Housing Board Act, 1973" is to increase housing capacity in the Union Territory of Pondicherry.

The Govt. of Puducherry has so far released a sum of Rs.14.23 crore as Seed Capital/Grant-in-aid to the Pondicherry Housing Board from the inception of the Board i.e. 1975-76 to 2006-07 for the performance of the functions assigned to the Board. Moreover, a sum of Rs.100.00 lakhs was also received from Government of Puducherry during the year 1990-91 as loan for acquiring of land. The amount was refunded to the Government in the same financial year 1990-91.

### Loans received from the financial institution i.e. HUDCO:

From the inception of the Board, the Board had received a sum of Rs.1669.71 lakhs from HUDCO for implementation of the various housing schemes. The details are as follows:

Table – 6.15

(Rs. in lakhs)

Year	Loan
From the date of starting up to 2001-02	1534.50
2002-03	Nil
2003-04	135.21
2004-05	Nil
2005-06	100.00

During the financial year 2006-07, the Board has proposed to incur a sum of Rs.2153.08 lakhs for acquisition of land and implementation of housing schemes.

### Utilisation of Grant-in-Aid/Seed Capital:

The amount so far received from the Government of Puducherry as Grant-in-aid/Seed Capital was fully utilized and Utilization Certificate has already been issued except for a sum of Rs.194.64 lakhs (Received during 2003-04, 2004-05 and 2005-06). The same will be utilized at the earliest and the Utilization Certificate will be issued. The achievements of the Board During the Year 2002-03 to 2005-06 are as follows:

Table – 6.16

Year	Achievements
2002-03	Sold 42 developed plots at Mettacur, Yanam Constructed Community Hall at Kandanpet
2003-04	Sold 45 developed plots at Moolakulam, Puducherry Constructed 18 MIG Flats at Suthanthira Ponvizha Nagar, Puducherry.
2004-05	Sold 45 developed plots at Thavalakuppam, Puducherry Constructed 28 MIG Flats at Suthanthira Ponvizha Nagar, Puducherry.
2005-06	Sold 46 developed plots at Ariyankuppam, Puducherry Constructed 21 developed plots at Kanuvapet, Villianur.

### **General Activities:**

The Board had implemented various housing schemes by availing loan assistance from HUDCO. Besides the Board had undertaken Deposit Works on behalf of the Government Departments. Further, the Board had developed plots in various places and allotted to the public for construction of houses.

The Board had provided all infrastructural facilities such as formation of roads, electricity and water supply facilities to the Plotted Development Schemes and Housing Schemes before handing over the possession of the property.

With population density in Pondicherry, the highest in the Country in the region of 2029 persons per square kilometer against the population density of Tamilnadu and India averaging 478 and 324 persons per square kilometer the cost of the land is comparatively much higher than other States. Considering the pressure of cost and availability of land, the Board promotes housing schemes using optimum land use models to ensure conservation of lands and in strict conformity with the regulations of the Pondicherry Planning Authority. Due to lack of locally available alternative construction inputs, the cost of construction is also comparatively higher compared to other States.

### **Financial Position of the Board:**

Recently the Government has announced the Revised One Time Rebate Scheme to the allottees in default of their repayment of dues to the Board. The Government has agreed to pay a total compensation of Rs.15.01 crores to the Pondicherry Housing Board. Accordingly, a sum of Rs.200.00 lakhs has been released to the Pondicherry Housing Board during the financial year 2005-06. However, the Board performs the functions assigned to it with the financial

assistance of Government of Puducherry in the form of Grant-in-Aid/Seed Capital and receipt of loan from financial institutions.

The Board has been meeting out its establishment cost from its internal resources over the last thirty years and the Seed Capital support from the Government over the years since 1975-76 had gone into increasing the housing capacity in the Union Territory of Pondicherry. The Board has also managed to raise resources for the implementation of the housing schemes by raising term loans from financial institutions on the strength of its balance sheets and mortgage of its properties. However post implementation of the Revised One Time Rebate Scheme 2005 the Board would require Government Guarantees to support its eroded capital base. Employees on regular basis is 105 Nos. and employees on ad-hoc basis is 20 Nos. Total number of existing staff 125.

#### **6.2.20 Welfare of the Socially/Economically Weaker Section:**

The Board had implemented various schemes for Economically Weaker Sections from its own funds and also from the loans contributed by the Co-operative Department and Fisheries Departments. In the recent years no such scheme has been implemented.

The thrust of the Board has been to develop low income group flats though middle income group flats and occasionally high income group flats are taken up on a modest scale. There is a large demand for housing among the low income group public because this segment is widely neglected by the Private Developers. The main challenge in addressing the requirement of housing to the low income group public is the question of their affordability and the risk of the Board in recovering the amount invested by the Board in such LIG schemes. In fact, Pondicherry Housing Board has partly de-risked this uncertainty through introducing Advance Contribution Method and Third party recognition schemes.

**PUBLIC SECTOR UNDERTAKINGS/BOARDS**

Table – 6.17

(Rs.lakh)

Sl. No.	Name of the Public Sector Undertakings/Boards	Annual Plan 2002-03	Annual Plan 2003-04	Annual Plan 2004-05	Annual Plan 2005-06	Annual Plan 2006-07		Eleventh Plan 2007-12	Annual Plan 2007-08
		Actuals	Actuals	Actuals	Actuals	Approved Outlay	Revised Outlay	Proposed outlay	Proposed outlay
1.	Pondicherry Agro Service Industries Corporation	50.00	50.00	50.00	70.00	80.00	80.00	540.00	150.00
2.	Pondicherry Co-operative Sugar Mill	530.00	845.00	765.00	749.90	700.00	700.00	13,560.00	1,900.00
3.	Pondicherry Power Corporation	--	--	--	--	--	--	7,582.00	--
4.	Pondicherry Khadi and Village Industries Board	242.50	250.00	339.02	406.40	400.00	400.00	2,000.00	450.00
5.	Pondicherry Industrial Promotion Development & Investment Corporation	--	122.00	--	1,017.00	100.00	5,653.98	10,000.00	4,365.00
6.	Pondicherry Distilleries	--	--	--	--	--	--	500.00	100.00
7.	Anglo French Textiles, PTC Ltd.	1,628.00	1,764.00	1437.00	1,799.00	1,700.00	1,651.75	10,000.00	1,800.00
8.	Swedese –Barathi Textile Mills Ltd.	--	--	--	300.00	500.00	548.25	5,000.00	1,000.00
9.	Pondicherry Co-operative Spinning Mills	75.00	75.00	75.00	175.00	175.00	175.00	2,500.00	900.00

Sl. No.	Name of the Public Sector Undertakings/Boards	Annual Plan 2002-03	Annual Plan 2003-04	Annual Plan 2004-05	Annual Plan 2005-06	Annual Plan 2006-07		Eleventh Plan 2007-12	Annual Plan 2007-08
		Actuals	Actuals	Actuals	Actuals	Approved Outlay	Revised Outlay	Proposed outlay	Proposed outlay
10.	Jayaprakash Narayan Co-operative Spinning Mills Limited, Karaikal.	75.00	75.00	75.00	175.00	175.00	175.00	2,300.00	826.00
11.	Pondicherry Tourism Development Corporation	200.00	200.00	527.17	200.00	300.00	300.00	2,500.00	500.00
12.	Pondicherry Road Transport Corporation	--	--	200.00	150.00	230.00	217.00	400.00	100.00
13.	Pondicherry Agro Products, Food and Civil Supplies Corporation	137.72	110.00	90.00	183.35	85.00	85.00	450.00	90.00
14.	Pondicherry Adi-Dravidar Corporation	65.00	71.00	121.00	188.01	260.00	260.00	3,316.95	615.50
15.	Pondicherry Corporation for Development of Women and Handicapped persons	195.31	349.10	202.28	1,149.10	1,036.50	1,036.50	5,992.48	1,161.10
16.	Pondicherry Backward Classes & Minorities Corporation	81.75	81.75	89.00	175.52	106.00	181.00	2,697.99	450.00
17.	Slum Clearance Board	99.97	348.89	176.99	170.30	427.00	227.00	2,000.00	400.00
18.	Housing Board	50.00	75.00	75.00	275.00	275.00	175.00	1,500.00	300.00
<b>Total</b>		<b>3,430.25</b>	<b>4,416.74</b>	<b>4,222.46</b>	<b>7,183.58</b>	<b>6,549.50</b>	<b>11,865.48</b>	<b>72,839.42</b>	<b>15,107.60</b>