

## INDUSTRIES

The Union Territory of Pondicherry is an Industrially backward area classified as Category-A, Special District. Due to the pro-active investment policies, hassle free environment and industry friendly Administration, the Union Territory has made rapid strides in industrialisation. As on 31/3/2005, there are 70 large scale, 159 medium scale and 7308 Small Scale Industries providing employment to 88328 persons.

A Technology Transfer cell will be set up to enable the industrialists to upgrade and modernise their technologies and remain competitive in the globalised economy. Technology Business Incubators will be established in association with technical institutions to foster the spirit of entrepreneurship mainly among the students of Pondicherry. Consultancy and research studies will also be conducted. An Industrial Guidance Bureau is established to help the entrepreneurs to set up their units expeditiously. Departments / Agencies providing clearance for the establishment of industrial unit will be networked. It is proposed to establish a New Product Development Centre in collaboration with professional institutions to enable small entrepreneurs to experiment and develop new products.

The Pondicherry Industrial Promotion Development and Investment Corporation (PIPDIC), a State Owned Corporation has been playing a catalytic role in the industrial development by extending term loan, hire purchase and lease finance to the entrepreneurs and by developing new estates/growth centres endowing them with infrastructure facilities. During the Tenth Plan period PIPDIC would implement various infrastructural projects such as Growth Centre at Polagam, Karaikal, an Electronic Industrial Estate and Software Technology Park (STP) in Pondicherry, Integrated Infrastructure Development Project(IIDP). It is proposed to form a venture capital fund with Government of Pondicherry and SIDBI as settlers of the fund. For setting up of Special Economic Zoned(SEZ) area of about 800 acres level acquisition is under progress. For which sufficiency and adequate fund is required. The SEZ Project would provide more export earnings and mass employment to this Territory. The administration will provide financial assistance to the corporation for effective and successful implementation of the above schemes. The projects are in various stages of implementation. Therefore, in the interest of overall industrial development in the Union Territory of Pondicherry, financial assistance to the Corporation is necessary for effective and successful implementation of the schemes.

The Pondicherry Textile Corporation, another State owned Corporation, provides employment to about 3454 workers, besides generating indirect employment to more than 25000 people. As the biggest industrial employer and foreign exchange earner of the Union Territory of Pondicherry, it plays a very important role in the economy of Pondicherry. It has been proposed to implement a comprehensive modernisation programme at a cost of Rs.104 crores in a phased manner. The Corporation has also proposed for Voluntary Retirement scheme at a cost of Rs.25 crores to further reduce the man power strength. It is, therefore necessary to assist the Pondicherry Textile Corporation, so as to revitalise the Corporation. Two cotton and spinning mills which were run by NTC were transferred to the newly incorporated body, viz. Swadeshee Bharathee Textile Mills Ltd. which is a Government of Pondicherry undertaking. The land, building and machinery and workmen are proposed to be transferred. The issue of payment of consideration for the transfer is under process. It is essential to have funds to run and manage the new undertaking.

The District Industries Centre, provides all services and support to the small entrepreneurs in the preparation of suitable schemes and assist in getting the required licences and clearances, procurement of machinery and other required help etc., through the Single Window System. It arranges for training in the field of Engineering, Electrical, Technology, Handicrafts, Coir and in various other fields to the educated as well as unemployed youth and also arranges loan through Nationalised Banks for setting up of small

industry thereby creating more employment opportunities. It makes Entrepreneur and his employees aware of the latest technology.

Advanced training will also be given to the candidates who would like to acquire the advanced skill of the trade from other states. The District Industries Centre acquired land at Sardar Valabai Patel Salai, Pondicherry to set up a Show Room. A sales emporia will be set up in Karaikal region to give better marketing facilities to the tiny handicrafts and small scale units. Land measuring 7-26-06 H.A.CA has been acquired at Murungappakkam, Pondicherry to set up Craft Village. The District Industries Centre implements Prime Minister's Rozgar Yojana, a self employment scheme of the Govt. of India and other self employment schemes sponsored by the State Government.

As part of the objective of attaining electronic governance, it is proposed to computerise the entire activities of the Industries Department. IT Policy of (Point No.3.1) the Government aims at bringing in Electronic Governance thereby improving productivity and efficiency in providing Government services to the Public, issue of Provisional Registration and Permanent Registration Certificates have been computerised. In accordance with the initiatives to be taken for implementing **e-governance** (Point No.3.2.3), this Department hosted its own Website in the Internet providing the requisite information for investors to enable them to invest in Pondicherry including the advantages of investing in Pondicherry, procedure, infrastructure available etc.

## OUTLAY AT A GLANCE

Sector : INDUSTRIES

No. of Schemes : 14

Department : INDUSTRIES & COMMERCE

(Rs. in lakh)

Tenth Plan 2002-07 Approved Outlay	:	15500.00
Annual Plan 2004-05 Actual Expenditure	:	2652.53
Annual Plan 2005-06 Approved Outlay	:	4250.00
Annual Plan 2005-06 Revised Outlay	:	4250.00
Annual Plan 2006-07 Proposed Outlay	:	10324.27

(Rs. in lakh)

Sl. No.	Name of the Scheme	2004-05	2005-06		2006-07
		Actual Expenditure	Approved Outlay	Revised Outlay	Proposed Outlay
(1)	(2)	(3)	(4)	(5)	(6)
<b>VILLAGE &amp; SMALL INDUSTRIES</b>					
1.	Development of Handicrafts	82.41	112.87	112.87	116.29
2.	Development of Khadi & village Industries	339.02	388.00	388.00	400.00
3.	Development of Coir Industries	14.05	16.65	16.65	33.29
<b>Sub-Total</b>		<b>435.48</b>	<b>517.52</b>	<b>517.52</b>	<b>549.58</b>
<b>INDUSTRIES (OTHER THAN VILLAGE &amp; SMALL INDUSTRIES)</b>					
4.	Training	120.16	218.74	218.74	249.68
5.	Motivation of SC/ST/Women entrepreneurs to start Industries	98.71	100.00	100.00	100.00
6.	Fiscal Assistance to New Industries	--	25.00	25.00	25.00
7.	Marketing & Publicity	73.64	93.00	93.00	93.00

(1)	(2)	(3)	(4)	(5)	(6)
8.	Share capital assistance to public sector corporation (PIPDIC&PDL)	--	100.00	100.00	450.00
9.	Development of Infrastructure for Industrial Promotion	424.00	1340.00	1440.00	2020.00
10.	District Industries Centre	18.21	28.00	28.00	28.00
11.	Assistance for restructuring of AFT Mills of PTC Ltd. and and Swadeshi Bharathi Textiles Mills Ltd.	1437.00	1700.00	1700.00	6694.00
12.	Incentives for Pollution control equipments and Energy saving devices	21.85	0.01	0.01	0.01
13.	Strengthening of Dte. of Industries	23.48	27.73	27.73	15.00
14.	Development of infrastructural facilities in Tsunami affected areas in Karaikal region	--	100.00	--	100.00
	<b>Sub-Total</b>	<b>2217.05</b>	<b>3732.48</b>	<b>3732.48</b>	<b>9774.69</b>
	<b>Total</b>	<b>2652.53</b>	<b>4250.00</b>	<b>4250.00</b>	<b>10324.27</b>

## Scheme No. 1

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Development of Handicrafts
2. **Objective of the Scheme** :
  - i. To revive the vanishing crafts and to restore the traditional Handicrafts.
  - ii. To develop the skill in order to create better employment opportunities and to boost the livelihood of rural people who have contributed a significant share to exports by the Union Territory of Pondicherry.

The development of Handicrafts is a source of additional income particularly to the rural poor. Such activities come handy for practicing when farm activities are not there or the income generated from the agricultural sector is very low. Further it also increases the export potential of the country. Therefore, the scheme has to be continued.

The Planning Commission, Government of India has laid emphasis on the training for skill formation so as to improve employment opportunities. The crafts, which are being practiced traditionally, are the only source of livelihood for many rural people who have contributed a significant share to exports. This scheme envisages and attempts to create more employment opportunities for the rural folk and to raise their living standards. Under this scheme, training is given to the candidates in the crafts in which they have aptitude. The period of training varies from 6 to 12 months.

### I. TRAINING:

Under training scheme the Master Craftsperson is paid with honorarium, subsidy amount for the rent paid to the premises, compensation amount for the raw materials wasted by the candidates during training. The trainee will be paid a stipend amount every month. Advanced training will also be given to the candidates who would like to learn the exquisite skill craft in other regions and in other states, for which traveling allowance and stipend amount and accommodation charges will be given to the candidates. It is also proposed to give training to 50 candidates exclusively in the Coastal areas, who were affected by Tsunami.

### II. HANDICRAFTS AWARD

State Handicrafts Award Competition is conducted every year to select outstanding masterpieces identified and encourage skilled craftsperson. One Master Craftsperson from each region is selected as state awardee and honoured by awarding cash prize of Rs.10000/- along with Tamarapatra. One Craftsperson from each region is also selected for merit certificate and will be provided with a cash prize of Rs 5000/-.

### III. INSURANCE SCHEME FOR ARTISANS:

An important welfare measure for the Craft persons is to cover the artisans under Insurance. This insurance cover for each artisan would be followed by pattern of Janashree Bima Yojana, LIC. The premium amount of Rs.100/- per annum per artisan will be shared by the Government and the artisan in the ratio of 80:20. There are about 2000 artisans and it is proposed to cover about 500 artisans every year.

#### IV. EXHIBITION :

Apart from conducting handicraft exhibition in all the four regions, it is also proposed to participate in National Handicraft Expos/Mini Handicrafts Expos/Handicrafts Fairs/Market meets/Exhibition/Handicrafts workshop in the Union Territory of Pondicherry and also in other States of the country for which the cost towards travelling allowance, dearness allowance to the crafts persons and charges towards transportation of goods, rent for stall and interior decoration, if any will be borne by the Government.

#### V. ADMINISTRATIVE GRANT AND GRANT TO HANDICRAFT SOCIETIES LIKE PUDHUMAI, PONDICHERY, TOY MAKERS SOCIETY, PONDICHERY, PUGHAZH KARAİKAL, KARAİKAL HANDICRAFTS SOCIETY FEDERATION, KARAİKAL MAHALIR SOCIETY, YANAM WOMEN'S CO-OPERATIVE SOCIETY, YANAM FOR PARTICIPATING OR CONDUCTING EXHIBITION IN INDIA.

The handicraft societies like Pondicherry Pudhumai Handicrafts Artisans Co-operative Society Ltd., Pughazh, Karaikal) sells the products of its members through their show rooms. They have to be sold by conducting exhibitions at various other places on the occasion of festivals/important events, for which grant of Rs.4 lakhs to Pudhumai, Pondicherry and Rs.1 lakh to Pughazh, Karaikal per year is proposed to be provided.

To enable the society to participate in the exhibition arranged by others or to conduct one or two exhibition for sales cum display of their products in the important places of India, for which Grant of Rs.4 lakhs per year is at present is provided to Pudhumai Society. Further, the G.I.A. to the Pudhumai Society is enhanced to Rs.8.00 lakhs to enable them to participate in various kinds of exhibitions outside Pondicherry.

An amount of Rs.2.00 lakhs as grant is proposed to be given to the Toy Makers' Society, Pondicherry to enable them to participate in various exhibitions.

It is also proposed to give Rs.1.00 lakhs as G.I.A. to the Karaikal Mahalir Society and Karaikal Handicrafts Society Federation.

An amount of Rs.2.00 lakhs is also proposed to be given to the Yanam Co-operative Society.

#### VI. GRANT OF FINANCIAL ASSISTANCE TO OLD CRAFT PERSONS

The craftsperson who worked for their craft and contributed in their early age for the improvement of the craft, need to be protected in their old age. Hence, under the scheme financial assistance is proposed to be given to them who find difficult to take up a job or strain physically to maintain their living when their income falls below the normal need. Such craftspersons are considered for grant of financial assistance as they are in indigent circumstances.

#### **Details of Pattern of Assistance.**

##### TRAINING

- a. Honorarium to Mastercrafts person at the rate of Rs 250/- per trainee up to a maximum of Rs 2500/- per month.
- b. Stipend to a trainee at Rs 750 per month.
- c. Compensation towards wastage of raw materials at Rs 50/- per trainee per month up to a maximum of Rs 500/- per month.
- d. Rent subsidy at Rs/- 50 per trainee per month up to a maximum of Rs 500/- per month.

- e. Master craft person brought from other states will be paid a honorarium of Rs.5000/- p.m for a period of two years. This guarantee amount has to be paid to attract new crafts into our Union Territory. However, Tamilnadu craft persons will be paid Rs.3000/- per month in Pondicherry and Karaikal, Kerala State craft persons will be paid only Rs.3000/- only per month in Mahe and Andhra Pradesh craft persons will be paid Rs.3000/- only per month at Yanam. Similarly craft persons moving from one region to another region will also be paid Rs.3000/- only per month as honorarium. However craft persons moving between Pondicherry & Karaikal will be paid honorarium as per clause (a) mentioned above.

#### ADVANCED TRAINING

- a. Stipend to a trainee at Rs 1000/- per month.
- b. Travelling allowance limited to II class railway fare.
- c. Accommodation charges will also be given as per norms.

#### EXHIBITION

1. The participants will be paid the actual cost of transportation of goods or Rs.1000/- whichever is less.
2. The participants will be paid a D.A. of Rs.100/- per day.
3. Travelling Allowance limited to second class railway fare to one person of the unit.

#### GRANT OF FINANCIAL ASSISTANCE TO CRAFT PERSONS.

##### 1. Eligibility

- a. Master craftsman, who are in receipt of National Award or state award in Handicrafts, are eligible for being considered for old age financial assistance.
- b. The income of the applicant from all sources must not be Rs.24,000/- (Rupees twenty four thousand only) per year.
- c. The applicant should not be recipient of similar financial assistance from any other source.
- d. The applicant should not be less than 60 years of age on the date of application.
- e. The crafts person should be native of this Union Territory or have resided for not less than five years and a certificate from the competent authority to be produced to this effect.

##### 2. Nature of Assistance

Assistance from Government in the form of monthly sustenance allowance of Rs 1000/- (Rupees one thousand only) per month.

##### 3. Period of Assistance.

This assistance will be for the life time of the beneficiary from his 60th year. But it should be got renewed by the beneficiary every year. This assistance will further be continued after the death of the beneficiary till the life time of the spouse subject to fulfilling the income criteria. The pension amount will be restricted Rs 500/-only i.e 50%.

##### 4. Mode of Implementation

Application will be called through wide publicity every year. Applicant should apply in the prescribed form to this office directly addressed to the General Manager, District Industries Centre, Pondicherry -9.

Any application received through any organisation or association will not be accepted.

5. Applications should be duly supported by the following documents.

a. A certificate from the District collector/ Dy. Commissioner certifying the financial position of the applicant including a certificate that the applicant is not in receipt of financial assistance from any other source.

b. Age certificate from the appropriate authority.

OR

Required certificates in respect of income and age mentioned above can also be furnished by the craftsperson himself/ herself in the form of an affidavit declared before a First class Magistrate.

6. Disbursement of Assistance.

a. The assistance would be disbursed by the General Manager, District Industries Centre, Pondicherry.

b. The income certificate submitted by the craftsperson will hold good for a period of three years for which the assistance is sanctioned. However, the renewal of assistance for a subsequent term of three years, the craftsperson will be asked to submit a fresh income certificate.

c. Government may also at their discretion to terminate the allowance without assigning any reasons at any time when the beneficiary is found to have furnished false statement or is found ineligible at any later date.

#### INSURANCE SCHEME FOR ARTISANS:

The artisan should not be recipient of similar Insurance scheme from any other Department (or) Organization and should produce an undertaking letter.

#### 3.(a) Actual physical Achievement 2004-05 :

Persons trained	-	910 nos.
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#### (b) Anticipated Physical Achievement 2005-06 :

Training to persons	-	624
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Exhibition	-	200
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Pension	-	1
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Insurance	-	400
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#### (c) Programme envisaged for Annual Plan 2006-07 :

Training	-	548
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Exhibition	-	150
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Insurance	-	400
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Pension	-	1
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4. Remarks : Continuing scheme



## Scheme No. 2

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Development of Khadi & Village Industries

2. **Objective of the Scheme** :

To Promote and develop the Khadi and Village Industries programmes/activities with a view to create rural employment.

To achieve the above object, it is proposed to continue the scheme i.e. to give grant to Pondicherry Khadi and Village Industries Board to meet out its administrative expenses during Tenth Plan period.

3.(a) **Actual physical Achievement 2004-05** : Administrative grant

(b) **Anticipated Physical Achievement 2005-06** : Administrative grant

(c) **Programme envisaged for Annual Plan 2006-07** : Administrative grant

4. **Remarks** : Continuing scheme

## Scheme No. 3

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Development of Coir Industries

2. **Objective of the Scheme** :

To develop coir and coir based industry and to generate employment for the downtrodden and needy people. This scheme envisages training to rural poor in producing coir rope, coir mat and coir matting and other coir products. The period of training is normally 6 to 12 months.

During the X Five Year Plan period, it is proposed to continue the training programme in coir rope, mat and coir matting and coir based products and to promote establishment of mechanised coir units viz., by utilising motorised rafts in the production of coir yarn etc. The training will be imparted in the SSI units and if needed in the registered co-operatives society. Advanced training will also be given to the candidates who like to upgrade their skill through institution available in other states for which travelling allowance and stipend amount and accommodation charges will be given to the candidates.

Under the scheme, a "Coir Growth Centre" would be set up after getting poromboke land on transfer from Revenue Dept. It is also proposed to put up fencing or compound wall to this site. In the Centre, various coir based industrial units would be set up. Besides, a training institute to give intensive training in mechanization and diversification of coir would also be set up. It is also proposed to form an apex Society so as to develop the coir technology and to avail of the subsidy provided by the Central Coir Board and to avail loan from Bank, etc. It is also proposed to provide by way of grant to this society towards the Members' share capital contribution as well as for administrative grant.

## I. INSURANCE SCHEME FOR ARTISANS

An important welfare measure for the craft persons is to cover the artisans under insurance. This insurance cover for each artisan would be followed by pattern of Janshree Bhima Yojana, LIC. The premium of Rs.100/- per annum per artisan will be shared by the Government and the Artisan in the ratio of 80:20. It is proposed to cover about 200 artisans every year.

Pattern of Assistance:

COIR ROPE MAKING AND COIR MATTINGS: (Period of training is six months)

- a. Honorarium to Master craftsman at the rate of Rs.150/= per month, per trainee up to a maximum of Rs.1,500/= per month.
- b. Stipend to a trainee at Rs.750/= per month.
- c. Compensation towards wastage of raw materials at Rs.50/= per month per trainee up to a maximum amount of Rs.500/= per month.
- d. Rent subsidy at Rs.50/= per trainee per month up to a maximum of Rs. 500/= per month.

## II. INSURANCE SCHEME FOR ARTISANS

The artisans should not be recipient of similar insurance scheme from any other Department (or) Organisation and should produce an undertaking letter. The eligibility criteria, etc. are applicable as provided for the Handicrafts artisans

## III. ADVANCED TRAINING

- a. Stipend to a trainee at Rs.1000/- per month.
- b. Travelling Allowance limited to II class railway fare –two times for to & fro fare.
- c. Accommodation charges will be paid as Rs. 500 p.m.

### 3.(a) Actual physical Achievement 2004-05 :

Persons Trained - 210 nos.

### (b) Anticipated Physical Achievement 2005-06 :

Training to be given - 178 nos.

### (c) Programme envisaged for Annual Plan 2006-07 :

Training will be given - 225 nos.  
Insurance - 200 nos

### 4. Remarks : Continuing scheme

This department proposes to set up a Coir Growth Centre at Pondicherry. In the centre coir based industrial units would be set up in this Five Year Plan period. This Department also proposes to give training in Coir Mat Weaving to 50 candidates in Coastal areas, who were affected by the Tsunami.

**Scheme No. 4**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Training
2. **Objective of the Scheme** :
- i. To create more employment opportunities for the educated unemployed youth of Union Territory of Pondicherry.
  - ii. To motivate entrepreneurship among the youth.

**I. TRAINING FOR EDUCATED UNEMPLOYED.****A. INPLANT TRAINING:**

It is proposed to impart inplant training to the unemployed to make them acquire better skill in the trade so as to start either their self ventures or to get employed in established industries. It is proposed to select suitable persons and to place them in the existing Industries for training for a period of 1 year. During the period of training, they will be paid monthly stipend in the following rates based on their educational qualification.

H.Sc and below	: Rs 750/-
Graduate / 3 years Diploma in Engg. Or equivalent	: Rs 1500/-
Degree in Engineering / post graduate in Arts & Science or equivalent	: Rs 2,000/-

During the period of training, the trainees may waste some of the raw materials for which an amount up to Rs 200/- per trainee per month to be paid to the industry which imparts the training as compensation for wastage of raw materials.

**B. VOCATIONAL TRAINING:**

Till 9<sup>th</sup> Five Year Plan, certain trades such as Tailoring, jute etc. which are more relevant to the rural / Village women were considered under the scheme of inplant training. After the successful completion of the training course, some of the beneficiaries set up their own industries and some have got employment opportunity, which helped them to get additional resources. The response for this trade is mainly from women and that too from rural areas. The training for such trades i.e Garment Manufacturing Technology (GMT), beauty parlour, etc, are to be considered under the scheme of vocational training. Further it is also proposed to give Vocational Training to 50 candidates of Coastal areas who were affected by Tsunami.

- |  |   |                |
|--|---|----------------|
| 1. Age limit                                     | - | 18 – 35 Years. |
| 2. Qualification and Stipend eligible            |   |                |
| i. ITI/HSC/SSLC/Passed Std VIII and above        | - | Rs.750/- p.m.  |
| ii. Graduate and Diploma in Engg (3 year course) | - | Rs.1,500/-p.m. |
| 3. Period of training                            | - | 6 Months       |

During the period of training, the master trainer/institution will be given as Honorarium Rs.350/- per trainer per month and rent subsidy of Rs.500/- per month for an institution will also be granted. The trainees may waste some of the raw materials which belong to the institution/ centres for which an amount of Rs.100/- per trainee per month will be paid to the training centre/institution/units as compensation.

### C. ADVANCE / HIGH SKILLED TRAINING

Under this Advanced / High skilled Training programme the candidates, who have completed the basic training and interested for advance training in their trade or the candidates who are willing to undergo some special high skilled Training are sponsored to the relevant reputed units or Institutions situated in the other States of India so as to develop their skills for making them to start their own ventures or to get suitable employment opportunity.

Eligibility:-

Qualification: As prescribed by the Training Units / Institutions.

Residence : Candidates should reside in this Union Territory of Pondicherry.  
(Minimum 3 years continuous residence required)

#### **Pattern of Assistance:-**

##### I. For Training Units / Institutions:

Course fees / Honorarium and accommodation charge are proposed to be granted to the trainer as per their norms and conditions.

##### II. For Trainees:

###### (i) Stipend:-

- A) Upto +2 / ITI, etc., : Rs. 1,500/- per month per trainee.
- B) For Degree / Diploma holders (3 years Course) / Post Graduate : Rs. 2,000/- per month per trainee.

###### (ii) Travelling allowance:

One time to and fro traveling expenses restricted to 2<sup>nd</sup> class train fare

##### III. Mode of payment:

- i) Payment pertaining to the trainer will be issued in the form of cheque as required by the trainer.
- ii) The monthly stipend for the trainees will be issued to trainees through the trainer after receipt of the attendance particulars of the trainees from the trainer every month.
- iii) Travelling Allowance for onward journey will be issued to the selected candidates at the time of issuing Reporting Order and the Traveling Allowance for return journey will be issued to the trainees through the trainer after receipt of requisite letters from the trainer.

### II. TRAINING TO ENTREPRENEURS (MANAGEMENT TRAINING)

Under the scheme, it is proposed to give management training to the entrepreneurs and industrialists or their representatives in the various disciplines namely, Financial Management, Marketing Management, Personnel Management, Quality control, and Productivity etc. It is proposed to utilise expertise available in the Pondicherry Productivity Council, National Productivity Council, SIET Institute Hyderabad, SISI Madras etc. Under the scheme 90% of the expenditure incurred by the entrepreneur/ industrialists or their representative for undergoing the management training programme will be given as subsidy by the Government and the remaining 10% will be borne by the beneficiaries.

### III. ENTREPRENEURSHIP DEVELOPMENT PROGRAMME

It is proposed to arrange entrepreneur development programme/awareness programme for educated unemployed youth and for persons who availed Voluntary Retirement Scheme (VRS) to set up their own venture, to create awareness about the quality, new scheme, etc., under self-employment scheme. This training highlights the action to be taken by the entrepreneurs for setting up of industry. The amount provided in the Budget 2005-06 is meant for giving honorarium to the guest lectures providing course materials, practical training expenses, visiting well developed industrial units, training aids and other miscellaneous expenses. During the financial year 2006-07 it is proposed to provide training for 450 trainees.

### IV. GRANT-IN-AID TO THE PONDICHERY PRODUCTIVITY COUNCIL.

The Pondicherry Productivity Council was formed on 8th July 1988. It is an autonomous body aided by Government of Pondicherry and managed by an Executive body. Main objectives of the Council is to inculcate productivity consciousness at all levels of national life such as industry, agriculture, health, education, research and development, science and technology including defence, man power, communications, conservation of natural resources etc., and bring all round improvement by paving way for productivity drive in all spheres of economic activities of the nation. To achieve these objectives the Council has to involve in various functional activities. Its activities have now multiplied manifold and therefore to strengthen its economic base, for smooth functioning, it is proposed to give grant-in-aid to the council every year approved by General Body of the Pondicherry Productivity Council. Every month, one management programme is being conducted wherein representative of various industries participate and undergo training and are also benefited by the various lectures delivered by the faculty members from reputed organization both Government and private.

### V. PERMANENT ACCOMMODATION FOR PONDICHERY MANAGEMENT PRODUCTIVITY COUNCIL:

It is proposed to provide a permanent accommodation for the Pondicherry Management and Productivity Council by either acquiring land or by purchasing the same either ready built accommodation or vacant site & then to construct a complex providing for administrative wing and for training hall with full infrastructures. The entire expenditure in this connection will be borne by the Government.

#### 3.(a) Actual physical Achievement 2004-05 :

i) Persons Trained	1484 nos.
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#### (b) Anticipated Physical Achievement 2005-06 :

i) Inplant training	-	923
ii) Vocational training	-	567
iii) Management training	-	700
iv) EDP Programme	-	150

#### (c) Programme envisaged for Annual Plan 2006-07 :

i) Inplant training	-	950
ii) Vocational training	-	500
iii) Management training	-	450
iv) EDP Programme	-	100

4. Remarks : Continuing scheme

During the X Five-Year Plan this Department is to be introduce new components of Summer Training and Vocational Training.

## Scheme No. 5

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Motivation of SC / ST Women entrepreneurs to start industries
2. **Objective of the Scheme** :

A scheme was initiated during the Seventh Plan period to extend extra facilities to SC/ST entrepreneurs, who intend to start industries / self-employment industrial units. This scheme continued during the Tenth Plan period also with enhanced incentives. The incentive was also extended to the women entrepreneurs also.

Subsidies and incentives under the scheme shall be admissible in respect of industrial units fully owned by the SC/ST/Women entrepreneurs. In case of Partnership and Private Ltd., companies all the partners, share holders and the Board of Directors should belong to SC/ST/Women as the case may be.

The amount of subsidies, incentives availed under the scheme shall be refunded fully with interest in case new partners or share holders or Board of Directors belonging to other castes or men as the case may be are included in the business within five years from the date of availing of the subsidy.

The entrepreneurs should inform the Department of his/her proposal to set up his/her own industrial unit and to avail the benefits under the scheme with the provisional Registration Certificate, Project Report, Sources of finance etc., to the Department well in advance in the prescribed format. The entrepreneurs should submit their application for the payment of subsidy/incentive within 6 months from the date of functioning of their unit/commencement of commercial production in the prescribed format. Six months period is relaxable to a period of one year at the discretion of the Director on genuine cases.

### 3.(a) Actual physical Achievement 2004-05 :

Subsidy given to SC/ST/Women entrepreneurs - 15 units

### (b) Anticipated Physical Achievement 2005-06 :

Subsidy to SC/ST/Women entrepreneurs - 18 units

### (c) Programme envisaged for Annual Plan 2006-07 :

Subsidy to SC/ST/Women entrepreneurs - 20 units

4. **Remarks** : Continuing scheme

### Pattern of Assistance

Rent Subsidy:

- i) SC/ST/Women entrepreneurs, who starts the industry in a rented building, will be granted a rent subsidy for the period of first five years as detailed below.
- a. For the first two years - 50 % of the rent
  - b. For the third year - 40 % of the rent
  - c. For the fourth & Fifth year - 30 % of the rent

- ii) In the case of industrial units situated in the sheds or premises owned by Govt. Departments including local bodies or to Govt. Undertakings or Govt. sponsored societies, the rent fixed by such organizations shall be taken into account.
- iii) In the case of industries situated in the sheds or premises owned by private individuals or body's the rent actually charged or the rent value as fixed by P.W.D whichever is less will be taken into account.

### **Interest subsidy**

The industrial units, which have availed loan from financial institution towards creation of fixed assets and for working capital, an interest incentive to an extent of 25% of the annual interest amount paid, for five years shall be admissible from the date of commencement of commercial production.

The maximum amount of subsidy to each industry shall not exceed Rs.75,000/- in any financial year.

The interest subsidy will be admissible only in cases of loan availed in

- i) PIPDIC, Pondicherry or any other Govt. Corporations.
- ii) Scheduled Banks including Coop. Banks
- iii) Govt. Sponsored Coop. Societies
- iv) Finance or Nidhi companies approved by the Reserve Bank of India.

Interest subsidy shall be paid to the entrepreneurs on prompt payment of interest to the financial institutions/banks concerned and on the production of the required "No Due Certificate" of interest from them.

### **Special Investment Subsidy**

A special investment subsidy at 25 % on the fixed capital invested by the SC/ST/Women entrepreneurs, subject to maximum of Rs.25.00 lakhs will be granted.

- i) Investment subsidy shall be admissible for setting up of new industries and for expansion of existing industries subject to aggregate subsidy of Rs.25 lakhs.
- ii) The unit should be run for a minimum period of five years. Further, either the unit or the machineries therein for which subsidy has been availed should not be shifted without the prior approval of the Director of Industries.
- iii) The unit, the machineries for which subsidy has been availed should not be sold within the period of five years from the date of disbursement of subsidy.
- iv) The subsidy is admissible on the investments made on the land, buildings & machineries.
  - a) Investment on land means the value as per land documents (sale deed)
  - b) Investment on building means the value assessed by a competent engineer approved by Govt. for valuation.
  - c) The investment on machinery means the initial purchase price of the machinery and other equipments.

The subsidy amount will be disbursed directly to the financial institutions/banks, if they financed by such institutions.

## Employment Incentive

- i) "Wage / Employment subsidy of 20% Wage/Salary, in case of such workers who are covered under Provident Fund (PF), will be granted for a period of 5 years. This would be limited by the minimum wages prescribed by Govt. from time to time. Further the maximum amount which can be given as subsidy would be Rs.5 lakhs per annum per unit under this provision;
- ii) Wage / Employment subsidy would be available only if the units provide direct employment to atleast 10 persons. Wage / Employment subsidy will be considered after verification of the previous years records by the Directorate of Industries.

### Scheme No. 6

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Fiscal Assistance to New Industries
2. **Objective of the Scheme** :

To promote industrial development in the Union Territory of Pondicherry by providing fiscal assistance to new Industries.

In order to attract investment to this territory and to sustain the industrialisation process this department intends to give capital investment subsidy and other subsidies to the industries proposed to be set up in this Territory in the thrust areas like I.T, Electronics, Biotechnology, food processing eco-friendly industries and exporting units. The capital investment subsidy is on the investment made in Land, Building and Machinery. Special incentives for IT / Eco-friendly industry are also proposed to be given.

If the incentives are not offered, the investor may not choose to invest in Pondicherry, as Pondicherry has no raw material resources and no market for the finished products. It is necessary to compensate these inherent disadvantages by the provision of fiscal incentives.

- 3.(a) **Actual physical Achievement 2004-05** : --
- (b) **Anticipated Physical Achievement 2005-06** : 4 Units
- (c) **Programme envisaged for Annual Plan 2006-07** : 4 Units

Formulation of guideline for issue of certification subsidy, Sales tax reimbursement subsidy, power subsidy and other subsidies for IT / eco-friendly Industries/EOU's, subsidies for R&D units and incubators, subsidies for Technology Upgradation of Exporting units, special incentives for IT industries etc. Units to be benefited by grant of investment, interest subsidy to IT and other thrust area industries - 15 Nos.

4. **Remarks** : Continuing scheme

### Pattern of Assistance :

#### I. Capital Investment Subsidy

In order to attract investment to this territory and to sustain the industrialisation process, capital investment subsidy will be granted to the industries proposed to be set up in this Territory in the thrust areas/eco-friendly industries/exporting units. The capital



investment subsidy is to be considered on the investment made in Land, Building and Machinery.

The rate of investment subsidy to be disbursed after due consideration and approval is 20% subject to the maximum limit of Rs.20 lakhs.

## II. Interest Subsidy

- i) The industrial units which have availed loan from financial institution towards creation of fixed assets and for working capital, an interest incentive to an extent of 25% of the annual interest amount paid, for five years shall be admissible from the date of commencement of commercial production.
- ii) Maximum amount of subsidy to each industry should not exceed Rs. 75,000/- in any financial year.

## III. Subsidy for captive Generation of power to IT units:

As per the IT policy of the Govt. of Pondicherry, a subsidy of 50% subject to a ceiling of Rs.15 lakhs shall be paid to the entrepreneurs for installing captive generation sets.

## IV. Connectivity Incentive

The IT policy of the UT of Pondicherry has recognised the importance of connectivity between the computing devices as extremely important to the growth of the information technology industry in the UT. In order to facilitate data transfer connectivity, it is proposed to provide subsidy on the leased lines / RF (Radian Frequency) obtained either from Department of Telecom or from other authorised/licensed vendors. The units could avail the subsidy @ 50% of the lease rental that it pays for its data line/RF subject to a maximum of Rs.10 lakhs per annum. It would be admissible annually for three years or the date of closure of the scheme, whichever is earlier. A unit would receive subsidy on actual annual lease rental paid for the connectivity of the nearest available international gateway. Any fixed costs paid in the process of installing these lines will not be admissible for the connectivity incentive.

## V. Interest subsidy

- i) The IT industries/ Thrust area industries / exporting units which have availed loan from financial institution towards creation of fixed assets and for working capital, an interest incentive to an extent of 25% of the annual interest amount paid, for five years shall be admissible from the date of commencement of commercial production.
- ii) The maximum amount of subsidy to each industry shall not exceed Rs. 75,000/- in any financial year.

The interest subsidy will be admissible only in cases of loan availed in

- i) PIPDIC, Pondicherry or any other Govt. Corporations.
- ii) Scheduled Banks including Coop. Banks
- iii) Govt. Sponsored Coop. Societies
- iv) Finance or Nidhi companies approved by the Reserve Bank of India.

Interest subsidy shall be paid to the entrepreneurs on prompt payment of interest to the financial institutions/banks concerned and on the production of the required "No Due Certificate" of interest from them.

## VI) Employment Incentive

- i) " Wage / Employment subsidy of 20% Wage/Salary in case of such workers who are covered under Provident Fund (PF) will be granted for a period of 5 years. This would be limited by the minimum wages prescribed by Government from time to time. Further the maximum amount which can be given as subsidy would be Rs 5.00 lakhs per annum per unit under this provision;
- ii) Wage/ Employment subsidy would be available only if the units provide direct employment to atleast 10 persons. Wage/ Employment subsidy will be considered after verification of the previous years records by the Directorate of Industries.

### Scheme No. 7

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Marketing and Publicity
2. **Objective of the Scheme** :

To promote sale of products of small scale industries, cottage and tiny sector products.

Marketing is the greatest problem for the cottage & tiny units and small scale industries. Many units become sick due to the marketing problem. Sales rebate of 15% was given for sales of products through recognized emporia during the past plan periods, in addition to the exhibition being conducted by the District Industries Centre in Pondicherry and other States. District Industries Centre has been participating in exhibitions being held in other cities like Madras, Bangalore and India International Trade Fair, New Delhi etc., These Exhibitions serve as an effective tool for promotion and sale of cottage and tiny and small scale industries sector products. Hence, this scheme has to be continued during X plan period also.

#### Scheme details in IX plan:

Under this scheme the following incentives and assistance are to be given to the industrial units to enhance their marketing power.

- i) Sales Rebate
- ii) Exhibition and Participation in Trade Fairs:
- iii) Payment of Honorarium and winter clothing for the duty staff at Delhi, India International Trade Fair.
- iv) Incentives to SSI units acquiring ISO certification
- v) Appointment of service provider/advertisement agency for attracting entrepreneurs

Provision of a showroom.

In order to provide permanent show-room in the midst of the city to display and promotion of SSI, cottage and tiny sector products suitable land was acquired in Sardar Vallabhai Patel Salai, Pondicherry (1040 Sq.ft). In order to implement the Scheme, the building has been constructed. The Building is being provided to the Industries to exhibit their products and the products of the PKVIB.

#### 3.(a) Actual physical Achievement 2004-05 :

Industries were assisted - 150 units

**(b) Anticipated Physical Achievement 2005-06 :**

Industries to be assisted - 190 units

**(c) Programme envisaged for Annual Plan 2006-07 :**

Industries to be assisted 100 units

Sales rebate 1 No.

Assistance to Marketing agency

**4. Remarks :** Continuing scheme

**Pattern of Assistance :**

**i. Sales Rebate**

The products manufactured by the local cottage and Tiny sector units are eligible for a sales rebate of 15% on the total sales value, for the products sold through sales emporia recognised by the Government of Pondicherry.

**ii. Exhibition and Participations in Trade Fairs/Expo's/ other Melas:**

In order to attract industrialists to invest in Pondicherry, promotion campaigns, investment meets, seminars etc. will be arranged both within India and abroad. Professional agencies will be engaged for the marketing of Pondicherry as an investment destination. CDs, floppies print material, videos etc. will be prepared for the publicity. Wide publicity through advertisements about the Schemes implemented for Promotion of Industries in the Union Territory of Pondicherry in suitable media will be made. It is proposed to participate in Investment meets, seminars, etc organised by other agencies both within the country and abroad. Further, under this scheme, it is proposed to conduct Exhibition in important towns and cities to display the products of Industrial Units of this Territory (SSI products, Handicrafts and cottage industrial products) to advertise the products and boost the sales. This will help them to increase their marketing ability. Also it is proposed to take part in the trade fairs conducted by any other agencies, duly taking up a separate pavilion to display the industrial products. The cost towards posting of staff for exhibition and traveling allowance, dearness allowance, transportation of goods, decoration, rent for stall etc., will be met under this scheme. The participating industrialists/artisans will be paid traveling expenses at second class railway fare and D.A at the rate of Rs.300/- per day per industrialist/Artisan.

**iii. Payment of honorarium and winter clothing for the duty staff of official of this Department at Delhi, India International Trade Fair.**

a) Honorarium at rate of Rs.300/- per day in addition to the normal D.A.

b) Winter clothing allowance not exceeding Rs.3000/- each.

**Scheme No. 8**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

**1. Name of the Scheme :** Share Capital Assistance to Public Sector Corporations (PIPDIC & PDL)

**2. Objective of the Scheme :**

Share capital assistance will be provided to PIPDIC & Pondicherry Distilleries.

**3.(a) Actual physical Achievement 2004-05 :** --

(b) **Anticipated Physical Achievement 2005-06** : --

(c) **Programme envisaged for Annual Plan 2006-07** :

Share capital assistance for IT Park Phase-II work.

4. **Remarks** : Continuing scheme

#### **Scheme No. 9**

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. **Name of the Scheme** : Development of Infrastructure for Industrial Promotion

2. **Objective of the Scheme** :

This scheme, previously known as Development of New Industrial Estate and improvement to existing Industrial Estate will be continued in the X Five year Plan period to develop.

- |    |                              |    |                       |
|----|------------------------------|----|-----------------------|
| a) | Existing industrial estates. | b) | New Industrial estate |
| c) | Growth Centre.               | d) | Technology parks.     |

To foster industrial growth in the Union Territory of Pondicherry and to provide improved infrastructures to facilitate the entrepreneurs to set up their industries in the Union Territory of Pondicherry.

Besides, Industrial Growth Centre which would help promote rapid and sustained industrial development of backward areas along with concomitant infrastructure development, thereby bringing about a balanced development of such areas would be set up in the Union Territory of Pondicherry. These growth centres conceptualized by the Government of India, are expected to act as a magnet for attracting industries to backward areas and would be endowed with infrastructure facilities on par with the best available in the country. One growth Centre is under implementation in Polagam, Karaikal. The Government of India had introduced a scheme Integrated Infrastructural Development Project for Small Scale Industries in rural/backward areas. It has been decided by the Government that PIPDIC would be the implementing agency of the IID scheme to be implemented at Sedarapet. It has also been proposed to maintain the existing infrastructure facilities in Industrial estates.

An infrastructure balancing scheme is proposed to be established to provide faster infrastructural facilities for the IT /eco-friendly units. When any of the departments responsible for providing infrastructure are not able to do so for want of funds, they may make use of the funds available under this scheme to meet the urgent needs of the IT / eco-friendly units. Funds will be released to PIPDIC. PIPDIC in turn will release the amount to the needy agencies.

Private sector will be encouraged to establish Industrial Estates in the Union Territory of Pondicherry and develop cost will be reimbursed to the extent of 10% subject to maximum of Rs.50 lakhs.

This scheme has been proposed in the IX Five Year Plan and continued in the 10<sup>th</sup> Five Year Plan, to foster the development of export oriented industries in the Union Territory of Pondicherry and to bring them all under one roof. The Export Processing Zone would be developed in Pondicherry as per the guidelines of Government of India, Ministry of Commerce. A Special Economic Zone (SEZ) will be set up under this scheme.

**3.(a) Actual physical Achievement 2004-05 :**

Grant released to PIPDIC for Growth Centre and SEZ.

**(b) Anticipated Physical Achievement 2005-06 :**

- |   |   |   |
|---|---|---|
| i) SEZ<br>ii) Integrated Infrastructure Development<br>iii) Development of infrastructural facilities in<br>Mettupalayam & Sedarapet Industrial estates | } | Release of grant to<br>implementing<br>agency PIPDIC. |
|---|---|---|

**(c) Programme envisaged for Annual Plan 2006-07 :**

Funds for SEZ

**4. Remarks :** Continuing scheme

**Scheme No. 10**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

**1. Name of the Scheme :** District Industries Centre

**2. Objective of the Scheme :**

The Scheme " District Industries Centre" is meant to provide all services and support required by the small entrepreneurs such as identification of suitable schemes, preparation of feasibility reports, credit facilities and inputs for marketing and extension services at one place for setting up of small and village industries. District Industries Centre, assists all small scale, medium and large industries in obtaining various clearances and licence under Single Window System and also implements self-employment schemes like PMRY. To attend the above activities and to provide continued systematic service, it is proposed to continue this plan schemes "District Industries Centre" during the 10<sup>th</sup> Five Year Plan (2002-2007) period.

**3.(a) Actual physical Achievement 2004-05 :**

To meet the salaries of staff in Pondicherry & Karaikal.

**(b) Anticipated Physical Achievement 2005-06 :**

To meet the salaries of staff in Pondicherry & Karaikal.

**(c) Programme envisaged for Annual Plan 2006-07 :**

To meet the salaries of staff in Pondicherry & Karaikal.

**4. Remarks :** Continuing scheme

**Scheme No. 11**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

**1. Name of the Scheme :** Assistance for restructuring of Anglo French Textile Mills of Pondicherry Textiles Corporation Limited

## **2. Objective of the Scheme :**

To provide financial assistance to Government owned Anglo French Textiles / Swadeshi Cotton Mill and Shri Bharathi Mill to modernise its spinning weaving and processing facilities to increase productivity and to sustain its competitive strength.

The Mill has drawn up a comprehensive modernisation programme at a cost of Rs.104 crore to be executed in a phased manner.

The Corporation would be able to improve the following thro' the comprehensive modernisation programme.

- i) Upgrading of machines to meet the quality requirement of the market & to achieve higher machine and labour productivity.
- ii) Diversification of product mix for increased turnover.
- iii) Reduction of uneconomical activities like old spinning machinery, plain looms in 'A' Unit and Narrow width Howa looms in 'B' Unit. (in order to improve the financial performance of the Mill.)
- iv) Rationalization of work loads effected with modernisation & increased work norm and shedding of redundant surplus manpower through VRS.
- v) Strengthening of building structure particularly in 'A' Unit.
- vi) Reduction in waste/damage and in manufacturing costs.

As per the comprehensive modernisation programme it is proposed to modernise the Spinning, Weaving, Weaving preparatory and processing Departments of the Mill.

Revenue Expenditure :- Presently the wage bill has also gone up through the sanctioning of two interim relief to the workers by the Govt. The award of Special Industrial Tribunal has been implemented which increased the wage cost. These additional financial commitments and bonus have to be met only from the share capital contribution to be received from the Govt., since the corporation is incurring loss and is in a tight financial position.

### **3.(a) Actual physical Achievement 2004-05 :**

- i) Provided Share capital assistance to AFT to meet out revenue expenditure
- ii) Provided grant-in-aid to AFT for implementing VRS

### **(b) Anticipated Physical Achievement 2005-06 :**

- i) Funds for working capital
- ii) Payment of Grant-in-aid for VRS
- iii) Funds for modernization

### **(c) Programme envisaged for Annual Plan 2006-07 :**

1. Financial assistance for modernisation and restructuring of Anglo French Textiles.
2. Funds for voluntary retirement scheme
3. Fund for working capital as share capital.
4. Financial assistance for modernization and restructuring of Swadeshi Cotton Mill & Sri Bharathi Mill.

## **4. Remarks : Continuing scheme**

**Scheme No. 12**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Incentives for Pollution control equipments and Energy saving devices
2. **Objective of the Scheme** :
- i. To encourage the entrepreneurs to install pollution control equipments in their units, so as to promote and maintain clean and pollution free environment in the Union Territory of Pondicherry.
  - ii. To encourage the entrepreneur to install energy saving devices and to use alternative sources of energy in lieu of petroleum and electricity.
  - iii. To conduct carrying capacity study on the establishment of industrial units through professional agencies.
- 3.(a) **Actual physical Achievement 2004-05** :
- |   |   |         |
|---|---|---------|
| Subsidies & incentives for Industrial units | - | 8 units |
|---|---|---------|
- (b) **Anticipated Physical Achievement 2005-06** : --
- (c) **Programme envisaged for Annual Plan 2006-07** : --
4. **Remarks** : Continuing scheme

**Scheme No. 13**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

1. **Name of the Scheme** : Strengthening of Directorate of Industries
2. **Objective of the Scheme** :

For effective implementation of various plan schemes of the Department and to promote sustainable industrialisation of the Union Territory, it is felt absolutely necessary to strengthen the establishment of the Directorate of Industries and other Regional Offices. Computerisation of the entire activities of the Industries Directorate to achieve simple, moral, accountable, responsive and transparent governance/ administration is proposed. Further this Department hosted an own website in the Internet comprising procedures to allow people to make complaints and suggestions electronically. The expenditure on account of purchase of machineries, office automation and equipments including computers and vehicles required for improving the efficiency of office functioning would also be met under the scheme.

State Level Awards for successful entrepreneurs :

It is proposed to institute schemes of State Level Awards for promoting entrepreneurship and to recognize the achievements of successful entrepreneurs in the SSI sector. It is needles to emphasize that the awards to the successful entrepreneurs will serve as a morale booster in their future endeavors and will be an inspiration for others to emulate them and there by contribute to the quantitative and qualitative improvements to the industrial scenario in Pondicherry. The awards proposed are:

- i) The most successful entrepreneurs award.
- ii) The most successful women entrepreneurs award
- iii) Award for Excellence in quality of products
- iv) Award for excellence in exports.

Each award has a specific objective and will consist of a) cash prize of Rs.10,000/-; b) Certificate of merit and c) a memento. The awards are open to all small scale units and the Directorate of Industries & Commerce will be the implementing agency. The units should be permanently registered with the Directorate of Industries & Commerce. The SSI unit shall not be permitted to get the award continuously for more than two years in a row for a particular category. For selecting the awardees, a State Level Committee will be constituted. The award will be granted once in each financial year.

The considerations on which the awards will be granted are as follows:

- i) Rate of growth as seen from investment, production, employment offered and profits.
- ii) Use and choice of technology
- iii) Self dependence
- iv) Product development and quality control.

Weightage would be given to entrepreneurs from SC/ST Category.

#### Technology Transfer Cell:

Technology is the key for industrial growth. Use of appropriate technology increases the efficiency of production and adds to the profitability of the unit.

In order to ensure that the industrial units in Pondicherry especially the small scale units adopt the appropriate technologies and thereby contribute to the growth of Pondicherry, it is proposed to establish a Technology Transfer Cell in the Directorate of Industries and Commerce. The objectives of the Cell are to enable the industrial units in Pondicherry to upgrade their technology and adopt new technologies involving (1) introduction of new tools and equipments for production; (2) changes in the manufacturing process; (3) improvement in the quality of products and quality management and use of I.T. tools.

Technology Transfer Cell will comprise of a Technology Bank which will provide information on technologies available for different sectors, their applications, sources, institutional infrastructure, sources finance for acquiring technology. The Cell may undertake the following other functions. (1) to assess the present level of technology in various sectors and suggest upgradation to motivate the units to obtain ISO Certification; (2) to organise awareness campaign regarding quality, standardisation and customer satisfaction to create infrastructure facilities in various technical institutions; (3) to promote environmental friendly technologies; (4) to promote energy conservation; (5) to provide consultancy services to encourage product excellence, arrange buyer-seller meets, documentation of latest developments in the areas and technology process export to gain market opportunities etc.

Action has already been taken to prepare a master plan for Industrial Development of Pondicherry through reputed consultants.

#### Incubators :

Many budding entrepreneurs find it difficult to translate their business ideas into commercial enterprises. It is proposed to establish Technology Business Incubator in association with technical institutions like Engineering College, Medical, Agri and Veterinary College or University Departments.



The above three centers may be formed as society and the financial assistance can be given as share capital / grant-in-aid.

#### Export Promotion Cell

The U.T Pondicherry is already famous for their leather, handicraft textile products in the world. During 2003-04, Rs.529 Crs worth of goods was exported from this territory. Avenues for exporting the other commodities to various countries need to be ascertained for boosting the exports of this territory. In order to achieve this export promotion cell is proposed to be formed in this Dept. in association with Dy. Director General of Foreign trade & Asst. Collector (Excise & Customs) & Export promotion Councils.

#### Establishment of Nodal Agency for promotion of IT Industries

It is proposed to establish a Nodal promotional and facilitation agency for the IT Industries. The agency will be responsible for (1) marketing Pondicherry as IT destination and (2) Single point contact for the prospective investors and existing players.

The agency will act as a single window for the prospective investors and act as a bridge between the Government and IT Industries. A nodal officer will be appointed by Government of Pondicherry to head the agency. The agency will also have an interactive portal to promote Pondicherry as a global destination for IT Industries. The portal will provide detailed information on investment potential of Pondicherry, existing industrial scenario, Government policies and incentives, access to data bases and a platform for discussion. The agency will also extend assistance in securing approvals from the Government agencies and provide sufficient manpower for training and other support services. Financial assistance will be provided by the department for the establishment and successful functioning of the agency.

#### WTO

Due to the lifting of quantitative restrictions on exports with effect from April, 2001, industrial products manufactured in India, especially, those in the Small Scale Sector are facing stiff competition from substitute imported goods. While opening up of imports under WTO regime poses a threat to Indian Industry, it also offers an opportunity of reaching out to the world market through aggressive exports. In the context of this liberalized, import-export regime, industry has to improve the quality of goods and cut cost of production to internationally acceptable levels. This requires thorough examination of the production processes and cost of production.

#### **3.(a) Actual physical Achievement 2004-05 :**

Met out the salaries of the staff, purchased office equipment and settlement of final bills to M/s. ICRA for Industrial Master Policy.

#### **(b) Anticipated Physical Achievement 2005-06 :**

- i. To meet out the salaries of staff
- ii. Purchase of New Computer Systems.
- iii. Purchase of computer stationery.
- iv. Payment of Electricity arrear bills in respect of Thattanchavady Industrial Estate streetlights.
- v. Conduct of Training Programme on Scope for investment in Bio-Sector and Packing for Exports and Bar-Coding, etc.

**(c) Programme envisaged for Annual Plan 2006-07 :**

- i. To meet out the salaries of staff
- ii. Payment of AMC to the Computer Systems.
- iii. Purchase of computer stationery, books, etc.
- iv. Payment of Electricity bills in respect of Thattanchavady Industrial Estate streetlights.
- v. Conduct of seminars.

**4. Remarks :** Continuing scheme

**Scheme No. 14**

Sector : INDUSTRIES

Implementing INDUSTRIES &  
Department : COMMERCE

**1. Name of the Scheme :** Development of infrastructural facilities in Tsunami affected areas in Karaikal region.

**2. Objective of the Scheme :**

Development of infrastructural facilities in Tsunami affected areas in Karaikal region.

**3.(a) Actual physical Achievement 2004-05 :** --

**(b) Anticipated Physical Achievement 2005-06 :** --

**(c) Programme envisaged for Annual Plan 2006-07 :**

- i. Relaying of roads with underground drainage system.
- ii. Construction of collection yard at one spot for collection of garbage.
- iii. Construction of new overhead tank with motor pump capacity of 10 HP
- iv. De-siltation of Estate water wells.
- v. Rewiring of Estate street lights by posting of new Lamp Post and replacement of all street lights by Sodium vapour lamp.
- vi. Formation of new park with water fountain facility at the Estate entrance.
- vii. Construction of Security Room

**4. Remarks :** Continuing scheme