

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 industrialization. There are 71 Large Scale, 169 Medium Scale and 7681 Small Scale and Micro Industries available with an investment of Rs.2156.41 Crores and providing employment to 92,087 persons. During the X Plan period, 25 LSI, 35 MSI and 940 SSI have been set up with an investment of Rs.610.74 Crores providing employment to 11468 persons. The Industrial Guidance Bureau networking the licensing and clearing agencies has been established to help the entrepreneurs to set up their units expeditiously. The Pondicherry Industrial Promotion Development and Investment Corporation (PIPDIC), a state owned Finance Corporation has been playing a catalytic role in the industrial development.

Village and Small Enterprises, which are mainly owner-run enterprises will be motivated to generate employment. Silk Villages with Silk Weaving Units and Coir Village will be set up in Puducherry. IT, Bio-technology and such other industries will be given importance. However, polluting industries will not be permitted. For the faster industrial growth, investment in the field industrial infrastructure development will be encouraged with the Public Private participation.

The major project proposed to be implemented during 2008-09 is setting up of a port based Special Economic Zone at Growth Centre, Karaikal, where adequate area of land is available. An Information Technology Park in the notified IT Corridor area in Puducherry is proposed to be set up. Land is to be identified for the setting up of an Apparel Park in Puducherry. For setting up of a multi-product SEZ in Puducherry, lands to the extent of 336 Ha. acquired and handed over to the Special Purpose Vehicle for development. Additional compensation for the lands acquired for SEZ is contemplated. A Unit of Pondicherry Distilleries Ltd. (Govt. of Puducherry undertaking) is to be set up in Karaikal. The existing Distillery unit in Puducherry will be expanded with diversified activity on commercial basis to create more employment.

The Industrial Guidance Bureau with E-platform will be re-vitalized. Since Karaikal is formed as a separate District, an independent District Industries Center will be opened in Karaikal. It is proposed to form Small & Medium Enterprises (SME) Clusters in collaboration with the Confederation of Indian Industry (CII) and to provide modern marketing, appropriate technology and to achieve quality products. Financial support for setting up of sales emporia / exhibitions in important cities and rent subsidy for such sales emporia are contemplated. The employment potential in IT, ITES and other service sectors will be fully utilized by giving training to the educated youth. It is also proposed to set up CAD/CAM/CAE Training Centres at Puducherry Management Productivity Council, Puducherry.

Share capital contribution will continue to the Govt. owned textile mill, namely Pondicherry Textile Corporation and Swadeshee-Bharathee Textile Mills Ltd.

A Non-Resident Indian (NRI) Cell has been formed in the Department of Industries and Commerce in order to promote and channelise investment from Non-Resident Indian (NRIs) and Persons of Indian Origin (PIOs) to participate in industrial and economic development of Puducherry. The Cell will be the nodal agency for addressing the grievances of NRIs/PIOs pertaining to the UT of Puducherry. Promotional campaigns and Investors Meet will be organised within and outside the country to attract Foreign Direct Investment (FDI).

Further, it has been decided to establish micro industrial estates in all the rural constituencies of UT of Puducherry ranging from 2 to 5 acres to promote native entrepreneurs to set up micro, tiny manufacturing and service enterprises to boost the local economy and to generate employment opportunities.

OUTLAY AT A GLANCE

Sector : INDUSTRIES

No. of Scheme : 15

Department : INDUSTRIES & COMMERCE

(Rs. in lakh)

Tenth Five Year Plan 2002-07 Actual Expenditure	:	20780.05
Annual Plan 2006-07 Actual Expenditure	:	9022.41
Eleventh Five Year Plan 2007-12 Approved Outlay	:	40127.64
Annual Plan 2007-08 Approved Outlay	:	7560.00
Annual Plan 2007-08 Revised Outlay	:	5060.00
Annual Plan 2008-09 Proposed Outlay	:	8653.63

(Rs. in lakh)

Sl. No.	Name of Scheme	Annual Plan 2006-07	Annual Plan 2007-08		Annual Plan 2008-09
		Actual Expdr.	Approved Outlay	Revised Outlay	Proposed Outlay
(1)	(2)	(3)	(4)	(5)	(6)

VILLAGE & SMALL INDUSTRIES

1.	Development of Handicrafts	112.23	289.00	199.00	340.00
2.	Development of Khadi & village Industries	325.87	390.00	390.00	400.00
3.	Development of Coir Industries	20.81	21.00	51.00	25.00
Sub-Total		458.91	700.00	640.00	765.00

INDUSTRIES (OTHER THAN VILLAGE & SMALL INDUSTRIES)

4.	Training	282.30	207.45	371.00	500.00
5.	Marketing & Publicity	101.97	112.10	120.00	135.00
6.	Strengthening of District Industries Centre	20.60	20.70	35.00	40.00

(Rs. in lakh)

Sl. No.	Name of Scheme	Annual Plan 2006-07	Annual Plan 2007-08		Annual Plan 2008-09
		Actual Expdr.	Approved Outlay	Revised Outlay	Proposed Outlay
(1)	(2)	(3)	(4)	(5)	(6)
7.	Motivation of entrepreneurs to start Industries & Fiscal Assistance to Industries	167.64	675.00	675.00	675.00
8.	Share Capital / Grant-in-aid assistance to PDL	--	100.00	100.00	100.00
9.	Share Capital / Grant-in-aid assistance to PIPDIC	5650.00	3084.65	2.00	2830.00
10.	Share Capital / Grant-in-aid assistance to PTC	1700.00	2100.00	2550.00	2813.63
11.	Share capital / Grant-in-aid assistance to Swadeshee-Bharathee Textiles Mills Ltd.	625.31	500.00	500.00	700.00
12.	Strengthening of Dte. of Industries	15.68	16.10	22.25	19.98
13.	Development of Silk Industries	--	19.00	19.75	50.00
14.	Promotion Campaign for attracting foreign investment	--	25.00	25.00	25.01
15.	Panchayats Window	--	--	--	0.01
Sub-Total		8563.50	6860.00	4420.00	8448.63
Total		9022.41	7560.00	5060.00 #	8653.63 #

Rs.301.00 lakhs will be allocated in the Draft Annual Plan 2008-09 for the development of SCs. The programme will be finalised in co-ordination with Adi-Draavidar Welfare Department which has been declared as the Nodal Department for Monitoring the implementation of SCSP. Rs.188.35 lakhs have been allocated for the development of SCs in the Revised Annual Plan 2007-08.

Scheme No. 1

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
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 addition 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 emphasized on the training for skill formation 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.

- 3.(a) Actual physical Achievement 2006-07** : 1123 persons
- (b) Anticipated Physical Achievement 2007 - 08** : 1600 persons
- (c) Programme envisaged for Annual Plan 2008-09** : 1700 persons

- 4. Remarks** : Continuing scheme

I. TRAINING:**a. Training in various Handicrafts at Union Territory of Puducherry:**

Under this training scheme the Master Craftsperson is paid with honorarium, compensation amount for the raw materials wasted by the candidates during training. The trainee will be paid a stipend amount every month.

Period of Training - One year

Eligibility criteria :

For Trainees :

- 18-35 years of age
- No specific qualification – any literate youth.
- Continuous residence of minimum 3 years in UT of Puducherry.

PATTERN OF ASSISTANCE:

For Trainees: Stipend: Rs.1500/- per month per trainee

- For Trainers: i) Honorarium: Rs.300/- per trainee per month (maximum Rs.3000/- per month).
- ii) Compensation for wastage of raw materials: - Rs.200/- per trainees per month (maximum Rs.2000/- per month)

II. ADVANCED TRAINING:

Advanced training will also be given to the candidates who would like to learn the exquisite skill of the craft in other States, for which traveling allowance, stipend and accommodation charges will be given to the candidates.

Eligibility:

Period of training	: As prescribed by the training Institution
Qualification of trainees	: -do-
Age for Trainees	: Age limit is 18-35 years.
Residence of trainees	: Continuous residence of minimum 3 years in the UT of Puducherry.

PATTERN OF ASSISTANCE:

Course fee	: As prescribed by the training institution.
Accommodation charges for trainees	: Rs.500/- per trainee per month.
Stipend	: Rs.2500/- per trainee per month.
Travelling Allowance	: To & Fro 2 nd class (berth) Train fare.

**III. DESIGN DEVELOPMENT TRAINING FOR MASTER CRAFTSPERSON
(New component)**

Objective of the Training:

The objective of the training is to coin the crafts person of this Union Territory acquiring modern skill on moulding and designing their vanishing crafts so as to fetch the customer and create more marketability. This kind of training enable the craftsperson certainly makes a significant effect on the development of modern art and techniques in their

craft in this Union Territory. Further, these training will also pave way for transplanting some more new crafts in this Union Territory from other States.

Period of Training : As prescribed by the Training Institution

Eligibility

1. No age limit and education qualification any literate craftsperson.
2. Craft person/artisans of this Union Territory having units in their respective Craft satisfactorily for more than 3 years.

PATTERN OF ASSISTANCE:

- i) Course fee as prescribed by the training Institution.
- ii) Accommodation charges Rs.1000/- per Month/per craftsperson
- iii) Remuneration: Rs.3000 per month per craftsperson
- iv) Travelling Allowance: To & Fro 2nd class (berth) Train fare

IV. 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/ any other suitable policy. The premium amount per artisan will be shared both by the Government and the artisan proportionately at the rate of 80:20. There are about 2000 artisans and it is proposed to cover about 200 artisans every year which includes renewal every year.

Eligibility:

- i. All handicraft artisans who are the resident of this Union Territory.
- ii. The other conditions are as fixed by the Life Insurance Company of India.

PATTERN OF ASSISTANCE:

The premium amount as stipulated in the Insurance policy.

V. EXHIBITION:

Apart from conducting various handicraft exhibitions locally, it is 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 organized by the reputed organization. The cost towards traveling allowance, daily allowance, transportation of goods, stall rent, interior decoration, etc., will be borne under the scheme.

Eligibility:

- i. All the craftsperson having their handicrafts units in this Union Territory.

PATTERN OF ASSISTANCE:

- i. Travelling Allowance: To & Fro 2nd class (birth) Train fare.
- ii. For participating in the exhibition being conducted at A1 cities in India, the participants are entitled to avail daily allowance @ Rs.300 per day per craftsperson.
- iii. For participating in the exhibition being conducted at other than A1 cities in India, the participants are entitle to avail Daily allowance @ Rs.200/- per day per craftsperson.
- iv. For participating in the exhibition being conducted locally i.e within the own region the participants are entitle to avail Daily allowance @ Rs.150/- per day.
- v. Actual expenditure met by the Artisans for transporting the handicraft goods from unit to exhibition spot is entitles to pay.

VI. ADMINISTRATIVE GRANT AND GRANT TO HANDICRAFT SOCIETIES LIKE PUDUMAI, PUDUCHERRY, TOY MAKERS SOCEITY, PUDUCHERRY, PUGHAZH KARAIKAL, KARAIKAL HANDICRAFTS SOCIETY FEDERATION, KARAIKAL, MAHALIR SOCIETY, YANAM WOMEN'S CO-OPERATIVE SOCIETY, YANAM FOR PARTICIPATING OR CONDUCTING EXHIBITION IN INDIA.

The Puducherry Pudumai Handicrafts Artisans Co-operative Society Ltd., is playing major part in marketing of Handicraft products of the Artisan in Puducherry. To enable the society to participate in the exhibition arranged by others or to conduct exhibition of its own for sales cum display of their products in the important places of India, for which Grant of Rs.10 lakhs per annum is provided to Pudumai society.

Also, it is proposed to give upto Rs.2.00 lakhs per annum as grant to all other Handicrafts society in the Union Territory of Puducherry to enable them to organize or to participate in exhibitions to promote marketability of Handicrafts products as per the terms presented hereunder.

Eligibility:

- i. The Handicraft society should be registered either as a Co-operative Society or under Society act.
- ii. The members of the Society should be an artisan approved either by the State Government or Development Commissioner (Handicrafts)
- iii. The Society should deal only the handicraft products produced by the artisans of this Union Territory of Puducherry .

PATTERN OF ASSISTANCE:

- i. For conducting of exhibition by Pudumai Handicrafts artisans society, Puducherry grant of Rs 10 lakhs per annum is provided.
- ii. For other societies which deals handicrafts promotion grant of Rs.2 lakhs per annum is provided for conducting/participating of various exhibitions in and around India for 5 years.

VII. GRANT OF FINANCIAL ASSISTANCE TO OLD CRAFT PERSONS:

The craft persons, 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 such of those craft persons who find difficult to take up a job or strain physically to maintain their living when their income falls below the normal need. Such crafts persons are considered for grant of financial assistance as they are in indigent circumstances.

Eligibility:

- i. The Artisans who should complete 60 years of age on the date of application.
- ii. The income of the applicant from all sources must not be Rs.40,000/-(Rupees forty thousand only) per year.
- iii. The applicant should not be recipient of similar financial assistance from any other source.
- iv. The craftsperson should be native of this Union Territory or have resided for not less than five years and a certificate from the competent author to be produced to this effect.

Nature of Assistance:

- i. Financial Assistance in the form of monthly sustenance allowance of Rs.2000/- (Rupees two thousand only).
- ii. In the event of death of the Artisan his/her spouse will be entitle to avail 50% of the sustenance allowance i.e. Rs.1000/- till his/her life time .

Period of Assistance:

- i. This Assistance will be extended till the life time of the beneficiary from his 60th year(on completion of 60). But, it should be got renewed by the beneficiary every year.
- ii. This assistance will further be continued to the spouse 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.1000/- only i.e. 50%.

Mode of Implementation:

- i. Applicant should apply in the prescribed form to this Office directly addressed to the General Manager, District Industries Centre, Puducherry-9.
- ii. Any application received through any organization or association will not be accepted.

Application and its enclosure:

Applications should be duly supported by the following documents.

- i. 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.

- ii. Age certificate from the appropriate authority. **OR**
- iii. Required certificates in respect of income and age should be furnished by the craftsperson himself/herself in the form of an affidavit declared before a First Class Magistrate.

Disbursement of Assistance:

- i. The assistance would be disbursed by the General Manager, District Industries Centre, Puducherry.
- ii. The income certificate furnished by the craftsperson will hold good for a period of three years for which the financial assistance is sanctioned. However, the renewal of financial assistance for a subsequent term of three years, the craftsperson will be furnished a fresh income certificate.
- iii. Government may also at their discretion to terminate the financial assistance without assigning any reasons at any time when the beneficiary is found to have furnished false certificate or statement or is found ineligible at any later date.

Scheme No. 2

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
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, Programme/activities with a view to create rural employment. To achieve the above object, it is proposed to continue the financial assistance to the Pondicherry Khadi and Village Industries Board in the form of grant to meet out the administrative expenses of the Board. Besides, it is also proposed to provide grant for development of Khadi and Village Industries.

- 3.(a) **Actual physical Achievement 2006-07** : Administrative Grant
- (b) **Anticipated Physical Achievement 2007 - 08** : Administrative Grant
- (c) **Programme envisaged for Annual Plan 2008-09** : Administrative Grant
4. **Remarks** : Continuing scheme

Under the scheme, financial assistance will be granted in the form of Grant-in-aid as administrative grant to meet the recurring and non-recurring expenditure of the Puducherry Khadi and Village Industries Board. Grant of sales rebate for sale of Khadi products will continue. Grant of financial assistance for developmental activities of the Board for starting of the new units on need based will be made.

Scheme No. 3

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
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. The scheme envisages training to rural poor in producing coir rope, coir mat and coir matting and other advance techniques in coir products. The period of training varies from 6 to 12 months. In this Scheme the XI Five Year Plan period, following are the components:

- Training
- Advanced training
- Setting up of coir growth centre
- Exposure tour for the coir artisans
- Conducting of exhibition
- Grant to coir cluster/society/agency etc
- Grant of margin money for availing capital loan
- Grant of subsidy for raw material procurement
- Entrepreneur development programme

The training will be imparted in the tiny SSI units and if needed in the registered co-operative society. Advanced training will also be given to the candidates who like to upgrade their skill through Institution in other states.

A “Coir Growth Centre” is proposed to be set up to promote various coir activities in this Union Territory, by creating sufficient infrastructure to give intensive training in mechanization and diversification of coir and its allied sector.

It is also proposed to form an apex Society or a Coir agency so that every promotional aspect in respect of Coir sector would be taken care through such society. The said agency/society can also be act as implementing agency in respect of implementation of various schemes, applicable under ‘SFURTI’ scheme of Coir Board in this Territory. The Society will be provided under the scheme the grant for its administrative function and the pattern of assistance of every component to be implemented under the scheme.

- 3.(a) **Actual physical Achievement 2006-07** : 352 persons
- (b) **Anticipated Physical Achievement 2007 - 08** : 750 persons
- (c) **Programme envisaged for Annual Plan 2008-09** : 850 persons
4. **Remarks** : Continuing scheme

I. TRAINING:

Period of Training : Varied from 6-12 months

For Trainees :

- Age 18-35 years
- All literate person, no any specific qualification
- Native of Puducherry or having continuance 3 years residence.

PATTERN OF ASSISTANCE:

For Trainees: Stipend - Rs.1500/- per month per trainee

For Trainers:

- (i) Honorarium: Rs.300/- per trainer per month (maximum of Rs.3000/- Per month)
- (ii) Compensation: Rs.200/- per trainer per month (maximum of Rs.2000/- Per month)

II. ADVANCED TRAINING:

Objective of training:

The objective of this training programme is to develop the existing skill of the Coir artisans or the interested person to acquire the latest skill & modern technologies by undergoing such Advance/high skilled training available in the various places of India.

Period of Training : As prescribed by the training institution.

Eligibility :

- Qualification as prescribed by the training institution
- Age limit is 18-35years.
- Residence-Native of Puducherry or having 3 years continuous residence in Puducherry.

PATTERN OF ASSISTANCE:

- Course fee for the training is as prescribed by training Institution.
- Stipend for the trainees is Rs.2500/- per month per trainee.
- To and Fro travelling allowance through 2nd sleeper class in train Fare
- Accommodation for the trainees is Rs.500/- per month per trainee.

III. SETTING UP OF COIR GROWTH CENTRE:

It is an approved one in Xth plan and continuing in this XI Five Year Plan also. Under this plan, suitable land at Coir concentrated area to be acquired. Subsequently required infrastructure facilities in the Coir Centre to be created such as readymade working shed, common facilities Centre and other amenities etc for the

Coir entrepreneurs. It is also proposed to implement Coir Board scheme viz. SFURTI, etc., in the Coir Growth Centre.

IV. EXPOSURE TOUR FOR THE COIR ARTISANS:

Under this plan, the Coir artisans of this Union Territory are exposed to various coir units located in other States for acquiring the latest techniques and innovative ideas. The expenses relating to arrangement of this tours, such as arrangement of conveyance, accommodation, fees if any to be paid to visiting institution, others etc will be paid and as well as the participant will be provided Rs.150/- per day per person as D.A under this scheme.

V. CONDUCTING OF EXHIBITION:

The objective is to create awareness among the public on the usage of variety in coir products and market promotion. The exhibitions will be conducted within Puducherry Union Territories (i.e. all the four regions viz. Puducherry, Karaikal, Mahe and Yanam) by inviting other State Coir units to participate so as to create more awareness among the public and to explain the public about friendly environment nature of the Coir products and also to encourage them to buy various modern coir products and coin the people to have at least one product of coir at their house and this will encourage to set-up more new units in new products.

PATTERN OF ASSISTANCE:

- The participants both local and outsider will be paid Rs.150/- per head per day during the exhibition period.
- The participants are given to and fro travelling expenses in 2nd sleeper class in Express trains (Production unit to exhibition place)
- Actual transportation charges paid by the participants for taking their coir products from its industrial units to exhibition place.
- Stall in the exhibition will be provided for the participants at free of cost.

VI. GRANT TO COIR CLUSTER / SOCEITY / AGENCY ETC.:

Objective:

Objective of this component is to encourage unemployed rural youth/ artisan person to involve them in the manufacturing of coir products and its sales. Grant for Administration and Developmental purpose will be given to the society/cluster/agency, etc., with a view to develop the coir industries in this Union Territory.

Eligibility:

- The society/cluster/agency etc should be registered under Co-operative act or any other society act.
- The society/cluster/agency etc should deal with the coir products.
- The members of the organization should be coir artisans.

PATTERN OF ASSISTANCE:

Grant of Rs.2 lakhs per society per year for five years to meet the Administrative expenses and developmental activities of the society/cluster/agency etc.

VII. GRANT OF MARGIN MONEY FOR AVAILING CAPITAL LOAN: (New Component)

Objective :

Objective of this plan is to encourage the entrepreneur to set up Coir Industries and the issue of margin money grant will certainly reduce the initial financial crisis of the entrepreneur while availing term loan/ working capital loan for setting up of new industries or the renewal and the management of existing coir industries. The maximum limit of margin money grant is upto 25% of the loan amount and restricted to Rs.25 lakhs i.e., for one crore project.

Eligibility:

- The unit to be setup in the Union Territory of Puducherry.
- The promoter should ascertain the availability of loan and production of loan sanctioned letter of the financial institution.
- The Unit should start its commercial production within six months from the date of release of the Margin Money Grant.
- The promoter should produce necessary undertaking letter assuring that he will run the unit successfully for 5 years after establishment of unit

PATTERN OF ASSISTANCE:

- On receipt of sanction order of the financial institution the 25% margin money on the loan amount will be released to the bank on behalf of the entrepreneurs.

VIII. Grant of subsidy for Raw Materials Procurement

The neighbouring states namely Kerala, Karnataka and South Tamil Nadu are attributing major scopes for Coir Industries because of stock of enough raw materials (i.e. fibre/curling fibre) available within the states. In order to promote Coir Industries in this Territory it is very essential to consider subsidy on Raw Material Procurement so that the new units can survive with competitive situation of the units in neighbouring states. Considering this aspects it is proposed to provide 15% as subsidy on the annual Procurement of Raw Material subject to a maximum of Rs.5.00 lakhs per annum per unit.

IX. ENTREPRENEUR DEVELOPMENT PROGRAMME:

Objective of the plan is to provide entrepreneurs training for promoting of new prospective entrepreneur. The awareness programme will also be arranged for existing coir industries to input both modern technology, schemes and incentive available in State Grant, etc.

Scheme No. 4

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
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 U.T. of Pondicherry
- ii) To motivate entrepreneurship among the youth.
- 3.(a) **Actual physical Achievement 2006-07** : 1785 persons
- (b) **Anticipated Physical Achievement 2007 - 08** : 3000 persons
- (c) **Programme envisaged for Annual Plan 2008-09** : 3300 persons
4. **Remarks** : Continuing scheme

I. TRAINING FOR EDUCATED UNEMPLOYED.**A. INPLANT TRAINING:(Industries & Service oriented).**

The basic skills and hands on experience has become much essential and prerequisites to educated unemployed person to equip them self towards demand on employment opportunities as well as self employment.

It is therefore, under this programme, proposed to impart training to the unemployed youth in selected trades which have good potential of providing employment opportunities to them. The training will be provided in the actual field of working nature of the respective trades in the Service Providing /Manufacturing unit, which would gear up and help the trainees for their employment/starting self venture.

Trades, for the in-plant training programme, have been chosen after careful scrutiny of the ones which have sustained demand for employment. Provision for inclusion of more trades as per the requirements of the industrial establishment has also been made. The period of training is 1 year.

During the period of training the trainees will be paid based on their minimum educational qualifications fixed for the respective trade.

Age limit	18-35 Years.
SSLC/ITI/H.Sc.	Rs.1500/-
Graduate / Dip. In Engg. or Equivalent	Rs. 2500/-
Degree in Engg./Post graduate in Science or Engg.	Rs. 3000/-

During the period of training, the trainees may waste some of the raw materials of this unit/Industries for which an amount up to Rs.300/- per trainee/per month to be paid to the unit/industry as compensation for wastage of raw materials. This will not be paid to the Government Department/Agencies

B.VOCATIONAL TRAINING: (Institution oriented)

Few trades like tailoring & Embroidery, Beauty Parlour, Arts & Design, Computer operations, etc.. provides employment opportunities broadly. Imparting training in these trades tend to create more employment opportunities for the unemployed youths to pursue career opening widely besides self ventures.

Therefore, it is proposed to impart training in these trades to the unemployed youth. This is an institution based in general. The period of training is 6 months.

- | | |
|--|----------------|
| 1. Age limit | 18—35 years |
| 2. Educational qualification & Stipend eligible
HSC/SSLC /ITI & above | Rs.1500/- p.m. |
| 3. Period of training | 6 months. |

During the period of training, the master trainer/institution will be given a honorarium of Rs.500/- per trainee per month. The trainees may waste some of the raw materials of institution/ centers for which an amount Rs.300/-per trainee per month will be paid to the training centers/institution/units as compensation.

C.ADVANCE/HIGH SKILLED TRAINING :

In the present circumstances of rapid development in a broad spectrum, adding value to oneself is becoming indispensable to comprehend employment opportunities. It is more so in the industrial field where technical advancements galore. Such value additions towards advanced/high skills are being offered by reputed institutions of the country.

As a part of putting efforts towards augmenting the skill levels of the educated youth, and thus their employment and entrepreneurship opportunities, it is proposed to sponsor the interested lot to such institutions situated in the neighboring states of our country for training in selected trades offered by them.

Eligibility:

Qualification : As prescribed by the Training units/ Institutions.

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

PATTERN OF ASSISTANCE :

For Training units / Institutions: Course fees / Honorarium and accommodation as prescribed by Training Centre / Institution will be paid.

1. For Trainees :

- (i) Stipend:
 - a) Upto HSC/ITI etc. : Rs.2500/- p.m.
 - b) For degree / Diploma holders(3 yrs)/ Post graduate: Rs.3000.- p.m.
- (ii) Travelling Allowances:
One time to and fro traveling expenses will be restricted to 2nd class Train fare.
- (iii) Accommodation charge fixed by the institute will be bare.

2. Mode of payment:

- i. Payment pertaining to the training Institute/Training center inclusive of accommodation charges will be made as per norms.
- ii. The Stipend and Traveling allowance as applicable under the scheme for the trainees will be paid only after successful completion of training and based on the attendance particulars furnished by the training institute.

II. TRAINING TO ENTREPRENEURS (MANAGEMENT TRAINING)

Under the scheme, it is proposed to give management training to the entrepreneurs and industrialist or their representatives in the various disciplines namely, Financial management, Marketing management, Personnel Management, Quality control and Productivity etc.. It is proposed to utilize expertise available in the Puducherry Management Productivity Council, National Productivity Council, SIET Institute Hyderabad, SISI Chennai, CII, Industrial Associations, NGO of Industrial Experience , etc.

Under the scheme 90% of course fee to be paid by the entrepreneur/industrialists or their representative for undergoing the management training programme will be given as subsidy.

III. ENTREPRENEURSHIP DEVELOPMENT PROGRAMME:

Inclination to become a master of his own is there in good number of people. They only need little prodding in the form of motivation and knowledge about the basic skill, process, quality, marketing, etc. in the product of their interest, to venture themselves into entrepreneurship. Therefore, it is proposed to arrange Entrepreneurship Development Programmes for them to establish their own ventures. The programmes contains motivating the prospective entrepreneurs, highlight respective projects, the course of actions to be taken by them for setting up and successful running there unit. The programmes either be on broad spectrum or product based. The entire expenditure will be met out under the scheme.

IV. GRANT-IN-AID TO THE PUDUCHERRY MANAGEMENT PRODUCTIVITY COUNCIL

The Puducherry Management Productivity Council (PMPC) was formed on 8th July 1988. It was an autonomous body aided by the Government of Puducherry and managed by

an Executive Body. Main objectives of the council is to inculcate productivity consciousness at all level 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 strength is economic base for smooth functioning, it is proposed to give grant-in-aid to the council every year approved by General Body of the Puducherry Management Productivity Council. Every month minimum 3 management programmes being conducted wherein representative of various lectures delivered by the faculty members from reputed organization both Government and private. It is also proposed to release one time grant of Rs.60.00 lakhs for the setting up of CAD/CAM/CAE Training Centres at Puducherry.

V. PERMANENT ACCOMMODATION FOR PUDUCHERRY MANAGEMENT PRODUCTIVITY COUNCIL (PMPC):

It is proposed to provide a permanent accommodation for the Puducherry Management and Productivity Council by either acquiring land or by purchasing the same either ready built accommodation of 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.

Scheme No. 5

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

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

The objective of the Scheme is to promote sale of products of SME, Tiny and Cottage Sector. In the present scenario, the global trend creates heavy competition in marketing section. The SME, Tiny and cottage industries are necessarily to be supported in a suitable form for promotion of market tie-up for sale of their products. Considering the importance on the market promotions for SME, Tiny and Cottage sectors, the Scheme existing in the X five year plan has to be continued in the XI five year plan with certain new components.

- i) Sales Rebate
- ii) Organizing / Participation in Exhibitions / Trade Fairs / Expo / Seminars / Investors' Meet
- iii) Conduct of Buyer-Seller Meets
- iv) Financial Assistance for setting up of Sales Emporia by Industrial Associations, CII and Handicrafts Societies
- v) Rent Subsidy for Sales Emporia established by Handicrafts Societies

- vi) Grant-in-aid to Industrial Associations, CII, Industrial NGOs for promotion of SME Clusters.
- vii) Scheme on Advertisement and Publicity.
- viii) Project Guidance Cell – cum – Technical Library.

- 3.(a) Actual physical Achievement 2006-07** : 108 units
- (b) Anticipated Physical Achievement 2007 - 08** : 360 persons
- (c) Programme envisaged for Annual Plan 2008-09** : 400 persons
- 4. Remarks** : Continuing scheme

Inclusion of new components:

- (i) Grant-in-aid to Industrial Associations/CII/Industrial NGOs/Promotion of SME cluster.
- (ii) Grant of financial support for setting up of sales emporia/exhibition in the important Cities.
- (iii) Grant of rent subsidy for sales emporia.
- (iv) Scheme for Project Guidance Cell-cum-Technical library.

PATTERN OF ASSISTANCE

(i) Sales Rebate

The existing or newly established Sales Emporia/Show Rooms recognized by the Government of Puducherry for sale of Handicrafts, Tiny and Cottage Industries products manufactured by the units in the Union Territory of Puducherry are eligible for a Sales Rebate of 15% on their sales. Each Emporia will be entitled to avail 15% as Rebate on their Sales subject to a maximum of Rs.15.00 lakhs per annum.

(ii) Organizing/Participation in Exhibitions/Trade Fairs/Expo/ Seminars/ Investors' Meets, etc.

- In order to attract industries to invest in Puducherry, Promotion Campaigns, Investors' Meets, Seminars, etc., are to be arranged both within India and abroad.
- To enable the market promotion for SME products exhibitions in important Cities/Towns are to be arranged and participation in the exhibitions organized by other agencies to be encouraged by way of display of industrial products, display-cum-sales of handicraft products, cottage industries products in order to boost the sales. This will help them in increasing the marketability of these products.
- Participation in the trade fairs conducted by other agencies by way of setting up a separate pavilion to display the industrial products, display cum sale of handicraft/tiny/cottage industries products are ensured. The participating artisans/industrialists will be paid the traveling expenses at second-class railway fare and D.A. at the rate of Rs.400 per day per person.

- Payment of honorarium and winter clothing for the Officials of this Department on duty in India International Trade Fair, New Delhi and other Fair/Exhibitions held in other major cities.
 - a) Honorarium at the rate of Rs.400/- per day in addition to the normal D.A.
 - b) Winter clothing allowance not exceeding Rs.3,500/- during such trade fair.

(iii) Conduct of Buyer - Seller Meets

Considering the importance of marketing promotion, Buyer – Seller Meets are to be organized with an aim to interact both Buyer and Seller to have closeness for a better business prospects. These meets will be organized directly or through Industrial Associations, CII, Industries Field NGOs, etc. The entire expenditure will be met out under this scheme.

iv) Financial Assistance for setting up of Sales Emporia / Exhibition Centres by Industrial Associations, CII and Handicrafts Societies

For promotion of Handicrafts, Coir, Jute, Cottage and Tiny Industrial products, it is proposed to provide financial support through their Societies in acquiring suitable buildings/premises and providing infrastructure facilities for setting up of sales emporia / Exhibition Centres locally and in important cities in India. The entire expenditure will be borne under the Scheme.

(v) Rent Subsidy for Sales Emporia established by Handicrafts Societies

In order to encourage marketability it is proposed to provide rent subsidy at the rate of 90% or maximum of Rs.10000 per month. Also Financial Assistance is proposed to be extended for providing infrastructure facilities to such buildings/premises. The 75% of the expenses of infrastructure facilities/interior decoration works in the sales emporia building/premises are proposed to be borne under this scheme subject to a maximum of Rs.1.50 lakhs or the actual whichever is less for running the emporia at a minimum period of 3 years.

(vi) Grant-in-aid to Industrial Associations, CII, Industrial NGOs for promotion of SME Clusters

For smooth survival of the SME, Tiny and Cottage Industries it is proposed to extend certain essential facilities required to Industries under Cluster approach. A minimum of 10 SME/Tiny/Cottage Industries may be brought under the cluster to avail the benefits required. Under this approach, technical advice, important business techniques, skill promotion, important product methods, etc. will be assisted. The financial support towards this would be the 75% of the actual cost, subject to a maximum of Rs.3.00 lacs per unit in a cluster.

Any creation of Infrastructure provision required for cluster development such as Common Facility Centre, common testing lab, Conventional Centre, training centre facilities, etc., will be considered. The expenditure towards this will be met out under this Scheme.

(vii) Scheme on Advertisement and Publicity

To have a wider reach of the Schemes/Subsidies/Assistance/extended by the Government for Industrial Development and sustainability among the entrepreneurs/public/investors, Advertisement and Publicity is proposed through electronic media such as Television Channels, Official Websites, News Papers, Magazines, distribution of Pamphlets during Fairs/Exhibitions/Expos/Investors' Meets etc. are proposed.

(viii) Project Guidance Cell – cum – Technical Library

In order to guide the entrepreneurs in preparation of project profiles/project reports, it is necessary to set up a Project Guidance Cell – cum – Technical Library fully equipped with all required data in the District Industries Centre, Puducherry.

Scheme No. 6

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. Name of the scheme : Strengthening of District Industries Centre

2. Objective of the Scheme :

To strengthen the District Industries Centre by creation of post and infrastructure facilities to suit to the present requirements in discharging various functions.

3.(a) Actual physical Achievement 2006-07 :

Met out salaries and office expenses

(b) Anticipated Physical Achievement 2007 - 08 :

Met out salaries and office expenses

Karaikal region

i) Creation of post:

General Manager	(Rs.10,000-16,500)	-1 post
Project Manager	(Rs.8000-13000)	-1 post
Junior Accounts Officer	(Rs.6500-10500)	-1 post
Superintendent	(Rs.6500-10500)	-1 post
Dy. Functional Manager	(Rs.5500-9000)	-2 posts
Technical Officer	(Rs.5000-8000)	-4 posts
Stenographer Gr.II	(Rs.5000-8000)	-1 post
Assistant	(Rs.5000-8000)	-1 post
Stenographer Gr.III	(Rs.4000-6000)	-1 post

L.D.C.	(Rs.3050-4590)	-2 posts
Driver	(Rs.3050-4590)	-1 post
Peon	(Rs.2550-3200)	-2 posts

ii) Purchase of Vehicle:

Four wheelers	-1 Nos.
Two wheelers	-2 Nos.

iii) Purchase of computers and accessories -14 nos.

iv) Purchase of furniture and office equipment on need base.

(c) Programme envisaged for Annual Plan 2008-09 :

To meet out salaries and office expenses
Opening of an independent DIC at Karaikal District

Puducherry region:

i) Creation of post

Functional Manager	(Rs.8000-13000)	:	2 posts
Project Manager	(Rs.8000-13000)	:	2 Posts
Superintendent	(Rs.6500-10500)	:	1 post
Dy. Functional Manager	(Rs.5500-9000)	:	3 posts
Technical Officer	(Rs.5000-8000)	:	6 posts
Assistant	(Rs.5000-8000)	:	1 post
Field Enumerator	(Rs.4000-6000)	:	2 posts
U.D.C.	(Rs.4000-6000)	:	6 posts
L.D.C.	(Rs.3050-4590)	:	1 post
Driver	(Rs.3050-4590)	:	2 posts
Peon	(Rs.2550-3200)	:	5 posts

ii) Purchase of vehicles:

Four wheelers	:	2 nos.
Two wheelers	:	2 nos.

iii) Purchase of computers and accessories : 10 nos.

iv) Purchase of furniture and office equipment on need base.

Karaikal region

i) Creation of post

General Manager	(Rs.10,000-16,500)	:	1 post
Project Manager	(Rs.8000-13000)	:	1 post
Junior Accounts Officer	(Rs.6500-10500)	:	1 post
Superintendent	(Rs.6500-10500)	:	1 post
Dy. Functional Manager	(Rs.5500-9000)	:	2 posts
Technical Officer	(Rs.5000-8000)	:	4 posts

Stenographer Gr.II	(Rs.5000-8000)	:	1 post
Assistant	(Rs.5000-8000)	:	1 post
Stenographer Gr.III	(Rs.4000-6000)	:	1 post
L.D.C.	(Rs.3050-4590)	:	2 posts
Driver	(Rs.3050-4590)	:	1 post
Peon	(Rs.2550-3200)	:	2 posts

ii) Purchase of vehicles:

Four wheelers	:	1 no.
Two wheelers	:	2 nos.

iii) Purchase of computers and accessories : 14 nos.

iv) Purchase of furniture and office equipment on need base.

Mahe region

i) Creation of post

Dy. Functional Manager	(Rs.5500-9000)	:	1 post
Technical Officer	(Rs.5000-8000)	:	1 post
U.D.C.	(Rs.4000-6000)	:	1 post
Peon	(Rs.2550-3200)	:	2 posts

ii) Purchase of vehicles:

Two wheelers	:	2 nos.
--------------	---	--------

iii) Purchase of computers and accessories : 2 nos.

iv) Purchase of furniture and office equipment on need base.

Yanam Region

i) Creation of post

Dy. Functional Manager	(Rs.5500-9000)	:	1 post
Technical Officer	(Rs.5000-8000)	:	1 post
L.D.C.	(Rs.3050-4590)	:	1 post
Peon	(Rs.2550-3200)	:	1 post

ii) Purchase of vehicles:

Two wheelers	:	1 no.
--------------	---	-------

iii) Purchase of computers and accessories : 2 nos.

iv) Purchase of furniture and office equipment on need base.

v) Construction of additional office building

4. Remarks : Continuing scheme

Creation of Post:

Gr.A – 6 posts, Gr.B – 10 posts, Gr.C – 32 and Gr.D - 10

Due to increased activities of the office when compared to the past, additional posts are required to implement the plan schemes in an effective manner. As far as Karaikal region is concerned, consequent on the formation of a separate District for development of the region, it is proposed to have separate office for District Industries Centre. For this, the required posts are proposed to be created.

Besides creation of posts, it is proposed to provide infrastructural facilities such as vehicles, computers, furniture and equipment etc. It is also proposed to provide additional accommodation for this office either by making addition to the existing building or construction of a new building by acquisition of suitable land, which will be easy access to the Head office.

Scheme No.7

Sector : INDUSTRIES

Implementing INDUSTRIES &
Department : COMMERCE

1. Name of the Scheme : Motivation of Entrepreneurs to start industries & Fiscal Assistance to Industries
2. Objectives of the Scheme:

To promote industrial development in the Union Territory of Puducherry for giving employment opportunities and to attract investment to this territory, this department provides various financial incentives for setting up new industries, for expansion of existing industries giving encouragement to eco-friendly units, for developing infrastructure, for giving more focus on bringing IT, Bio-Technology industries. As the Units in this UT have to depend the neighbouring States for raw materials as well as for marketing their finished products, it is necessary to compensate these inherent disadvantages by way of financial incentives.

- 3.(a) **Actual physical Achievement 2006-07** : 46 Units
- (b) **Anticipated Physical Achievement 2007 - 08** : 101 Units
- (c) **Programme envisaged for Annual Plan 2008-09** : 60 Units
4. **Remarks** : Continuing scheme

PATTERN OF ASSISTANCE :

This incentive scheme comprises of various components, as detailed hereunder:-

(I) Motivation of SC/ST/Women entrepreneurs to start industries**(a) Investment Subsidy**

Investment subsidy at 25 % on the fixed capital to SC/ST/Women entrepreneurs who invest in the Micro, Small, Medium and Large Enterprises, 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 machinery therein for which subsidy has been availed should not be shifted without the prior approval of the Director of Industries.
- iii) The unit, the machinery 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 & machinery.
 - 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.

(b) 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.

(c) Interest subsidy

The Micro, Small Enterprises 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.

(d) Employment Incentive for SC/ST/Women entrepreneurs

- 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 at least 10 persons. Wage / Employment subsidy will be considered after verification of the previous years records by the Directorate of Industries.

(II) Fiscal Assistance to Thrust Area Industries

(a) Capital Investment Subsidy

Investment subsidy at 25 % on the fixed capital to Micro, Small, Medium and Large Enterprises in the area of industries identified as thrust area industries, subject to maximum of Rs.25.00 lakhs will be granted. Jewelry manufacturing industries is also included in the thrust area industries.

- 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 machinery therein for which subsidy has been availed should not be shifted without the prior approval of the Director of Industries.
- iii) The unit, the machinery 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 & machinery.
 - 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.

(b) Employment Incentive to Thrust area industries

- 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 at least 10 persons. Wage / Employment subsidy will be considered after verification of the previous years records by the Directorate of Industries.

(III) Connectivity Incentive

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 authorized/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.

(IV) Incentives to infrastructure developers

Pondicherry UT is to be developed in the IT and Bio-Technology sector at par with other States. In this connection development of infrastructure is one of the bottleneck. To sort out the issue the Infrastructure developers / Industrial units for IT and Bio-Technology sector (those who develops minimum of 50,000 sq ft constructed area with all amenities) will be given a subsidy of 25% of the fixed assets subject to a maximum of Rs 1 crore. The investment made for IT/Bio-Technology units on building will be considered for 25% subsidy subject to a limit of Rs.25 lakhs if the extent of built area is less than 50000 sq.ft. and not less than 5000 sq.ft. 25% Infrastructure subsidy subject to maximum of 25 lakhs on approach road, gas lines, power lines, water lines, etc. will also be granted with a view to promoting growth of industries in this UT for both new & existing industries.

(V) Uplifting the PMRY entrepreneurs and self employed youth

The PMRY entrepreneurs are the first generation entrepreneurs and facing financial crunch in successful implementation of the project. In order to backup their project, financial support in the form of subsidy @ 25% of the project (which includes working capital) subject to a maximum of Rs 25,000 may be given. This subsidy will be over and above the PMRY grant. Project of Rs.10,000/- and less subsidy will be 50%.

Self employed youths who are availing assistance from the nationalized banks / Financial institution will also be given this incentive. This assistance is restricted to industry & industry oriented service sector.

(VI) Capital investment subsidy for modernisation:-

The Ministry of Industry, Govt. of India is implementing a scheme for the grant of 15% subsidy under credit linked capital subsidy scheme for modernisation. 10% additional over and above the GOI scheme will be granted by the UT Government.

(VII) Special package of incentives for Mega Industries:-

For mega IT industries (Investment above Rs 25 Crore), a special package of incentives will be devised on case to case basis by the IGB, based on its economic contribution to the UT.

(VIII) Encouraging Tissue culture, Ornamental fish export units

The setting up of units for Tissue culture and ornamental fish exporting will be encouraged by providing 35% capital investment subsidy subject to a limit of Rs 30 lakhs.

(IX) Power subsidy

Grant of Power subsidy will be considered for new and existing Micro, Small, Medium, Large enterprises at the rate of 25% subject to a limit of Rs 1 lakh per month for a period of five years.

(X) Transport subsidy

Grant of Transport subsidy for raw materials and finished goods will be considered with a view to promoting growth of industries in this UT for both new & existing industries to compensate the increase in the cost of production due to VAT.

(XI) Fuel Subsidy

Grant of Fuel subsidy for the purchase of hydrocarbons like LDO/Furnace oil/Natural gas from Govt. companies will be considered with a view to promoting growth of industries in this UT for both new & existing industries to compensate the increase in the cost of production due to VAT.

(XII) Foreign Trade Subsidy

Grant of Foreign Trade subsidy on C&F charges incurred at ports for export/import purpose will be considered with a view to promoting growth of industries in this UT for both new & existing industries to compensate the increase in the cost of production due to VAT.

Scheme No. 8

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. **Name of the scheme** : Share capital / Grant-in-aid Assistance to PDL.

2. **Objective of the Scheme** :

Share capital assistance will be provided to Pondicherry Distilleries Ltd. for the starting of new arrack and blending unit at Karaikal District.

3.(a) **Actual physical Achievement 2006-07** : Nil

(b) **Anticipated Physical Achievement 2007 - 08** :

Financial assistance for the setting up of new arrack blending and bottling unit at Karaikal.

(c) **Programme envisaged for Annual Plan 2008-09** :

Financial assistance for the setting up of new arrack blending and bottling unit at Karaikal.

4. **Remarks** : Continuing scheme

Scheme No. 9

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. **Name of the scheme** : Share Capital / Grant-in-aid assistance to PIPDIC

2. **Objective of the Scheme** :

This scheme is mainly to develop the existing industrial estates, new industrial estates, SEZ., Sedarapet and Technology parks and 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.

An infrastructure balancing scheme is proposed to be established to provide faster infrastructural facilities for the IT /eco-friendly units. An IT Park in the notified IT Corridor and Apparel Park will be set up in Puducherry and a port based SEZ will be set up in Karaikal. Capital contribution will be made to PIPDIC. Enhanced compensation for the lands acquired for SEZ., Puducherry is also contemplated.

Private sector will be encouraged to establish Industrial Estates in the Union Territory of Puducherry and financial support will be given to meet the development cost.

Further, it is proposed to establish micro industrial estates in all the rural constituencies of UT of Puducherry ranging from 2 to 5 acres to promote native entrepreneurs to set up micro, tiny manufacturing and service enterprises to boost the local economy and to generate employment opportunities.

3.(a) Actual physical Achievement 2006-07 :

Land to the extent of 336 Ha. acquired for the setting of SEZ at Sedarapet and handed over to the SPV for development.

(b) Anticipated Physical Achievement 2007 - 08 :

- i) Construction of flatted sheds at Electronic Park, Thirubuvanai.
- ii) Phase II work of IT Park, Kalapet will be taken up.
- iii) Improvement of internal roads at Mettupalayam industrial estate.
- iv) Establishing of micro industrial estates in all the rural constituencies.
- v) Construction of Export Facilitation Centre at J.N. St., Puducherry.

(c) Programme envisaged for Annual Plan 2008-09 :

Capital contribution to PIPDIC for IT Park, Apparel Park and SEZ., Puducherry & Karaikal and Establishing of micro industrial estates.

4. Remarks : Continuing scheme

Scheme No. 10

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. Name of the scheme : Share Capital / Grant-in-aid Assistance to PTC

2. Objective of the Scheme :

To provide share capital contribution to Government owned AFT to meet the working capital as well as to modernize its spinning weaving and processing facilities to increase productivity and to sustain its competitive strength.

3.(a) Actual physical Achievement 2006-07 :

- i) Fund for working capital
- ii) Fund for modernization

(b) Anticipated Physical Achievement 2007 - 08 :

- i) Fund for working capital
- ii) Fund for modernization

(c) Programme envisaged for Annual Plan 2008-09 :

- i) Fund for working capital
- ii) Fund for modernization

4. Remarks : Continuing scheme**Scheme No. 11**

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE**1. Name of the scheme :** Share capital / Grant-in-aid assistance to Swadeshee-Bharathee Textile Mills Limited**2. Objective of the Scheme :**

The Swadeshee-Bharathee Textile Mills Ltd. was registered on 4th July 2005 with the intent of acquiring and managing the assets contained in the erstwhile Sri Bharathi Mills and Swadeshi Cotton Mills in Pondicherry which were run by the National Textile Corporation Ltd. The assets of the mills with the lands, buildings, machines and workmen were proposed to be transferred with a consideration of Rs.39.50 Crs on 1st of April 2005 in an MOU between the NTC and PTC. Subsequently, a decision was made to transfer the assets mentioned in the MOU to a new entity namely, the Swedeshee Bharathee Textile Mills Ltd.

The issue of payment of consideration for the mills from the Government of Pondicherry is still under process. It is essential to have funds to run and manage the mills, purchase of raw materials, payment of wages and meeting of statutory dues is the immediate requirement.

3.(a) Actual physical Achievement 2006-07 :

Fund for working capital and settlement of statutory dues

(b) Anticipated Physical Achievement 2007 - 08 :

Fund for working capital and settlement of statutory dues

(c) Programme envisaged for Annual Plan 2008-09 :

Fund for working capital and renovation of machinery

4. Remarks : Continuing scheme

Scheme No. 12

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

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

For effective implementation of various plan schemes of the Department and to promote sustainable industrialization of the Union Territory, it is felt absolutely necessary to strengthen the establishment of the Directorate of Industries. Computerization 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 office automation and equipments including computers and vehicles required for improving the efficiency of office functioning would also be met under the scheme.

The Micro, Small, Medium Enterprises Development (MSMED) Act 2006.

The Micro, Small, Medium Enterprises Development (MSMED) Act 2006. has been enacted first time in the country for development of Industrial and service sectors. According to this Act the earlier concept of “Industries” has been changed to “Enterprises”. Manufacturing enterprises have been defined in terms of investment plant & machinery (excluding land & buildings) and further classified in to

- Micro enterprises- Investment up to Rs 25 lakhs
- Small enterprises- Investment above Rs 25 lakhs & up to Rs 5 crore.
- Medium enterprises – Investment above Rs 5 crore & up to Rs 10 crore.

Service enterprises have been defined in terms of their investment in equipment (excluding land & buildings) and further classified into:

- Micro enterprises- Investment up to Rs 10 lakhs
- Small enterprises- Investment above Rs 10 lakhs & up to Rs 2 crore.
- Medium enterprises – Investment above Rs 2 crore & up to Rs 5 crore.

MSMED Act 2006 has been implemented in this UT of Puducherry.

Purchase preference policy

The purchase preference policy for procurement by the Govt. Departments / Public sector corporation and other agencies etc. from the Micro and Small enterprises will be notified under the provisions of MSMED Act 2006.

MSE Facilitation Councils for delayed payment

The Interest on Delayed Payments to Small Scale and Ancillary undertaking Act 1993 as amended in 1998 shall be subsumed in to MSMED Act 2006. Under the provisions of the MSE Act 2006, a Facilitation councils has been constituted in this UT to safeguard the interest of the MSE Units.

Industrial Guidance Bureau (IGB)

An Industrial Guidance Bureau (IGB) has been constituted in lieu of the Single Window Committee, in order to ensure timely, simplified and single point contact system for issue of clearances for setting up of an industry. The important feature of the IGB is that it is available on the electronic platform. The entrepreneurs desirous of investing in Puducherry shall be extended all facilities through the IGB in the process of obtaining clearances from various departments in a time bound manner. This will expedite the course of setting up of projects, saving time and resources. It is proposed to revitalize the IGB to be accessible from the internet by the entrepreneurs and concerned departments

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 2006-07 :

Met out the salaries of staff and office expenses

(b) Anticipated Physical Achievement 2007 - 08 :

- i) To meet out the salaries of staff & Office expenses
- ii) Purchase of new computer systems & furniture.
- iii) Creation of two Posts of Stenographer Gr.II.
- iv) Industrial Guidance Bureau will be re-vitalized.

(c) Programme envisaged for Annual Plan 2008-09 :

To meet out the salaries of staff & Office expenses

4. Remarks : Continuing scheme

Scheme No. 13

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. Name of the scheme : Development of Silk Industries

2. Objective of the Scheme :

A new scheme is envisaged for the development of silk industries in Puducherry. Certain pockets of this Union Territory having sizeable weavers society particularly engaging in silk industries. In order to promote silk industries it is proposed to provide training for promotion of the artisans/weavers. Also it is important to revamp the existing silk weaving units by replacing the old looms and to add new looms, it is proposed to establish new silk weaving centres for which financial support in the form of margin money for the loan sanctioned for the silk projects by banks will be provided under the scheme. During the XI Five Year Plan, the following components are proposed to be implemented.

- Training
- Grant to society for purchase of looms
- Grant of margin money for availing capital loan

3.(a) Actual physical Achievement 2006-07 : Nil

(b) Anticipated Physical Achievement 2007 - 08 : 90 persons

(c) Programme envisaged for Annual Plan 2008-09 : 125 persons

4. Remarks : Continuing scheme

I. TRAINING:

Objective of the training:

Objective of this training is to develop the skill in silk weaving sector for the rural youth by the weaving society so as to equip them in the manner as required to the present nature of techniques.

Period of Training : One year

Eligibility for trainees :

- Age 18-35 years
- All literate youth (no any specific qualification)
- Native of Puducherry or having continuance 3 years residence in this Territory.

PATTERN OF ASSISTANCE:

For Trainees: Stipend: Rs.1500/- per month per trainee

For Trainers:

- i) Honorarium: Rs.500/- per trainer per month (maximum of Rs.5000/- Per month)
- ii) Compensation: Rs.500/- per trainee per month
- iii) For wastage of (maximum of Rs.5000/-
- iv) Raw material : Per month)

II. GRANT OF SUBSIDY:

Objective:

Its objective is to promote societies/agencies for the silk weavers as members after effective implementation of various schemes for silk weaving sector. Under this plan one time grant upto Rs.2 lakhs per annum will be granted for each society/agency for meeting its administrative and developmental expenses. The grant will be available for first five years of all new society.

Eligibility:

- All Societies which are registered under either Co-operative Society Act or Society Act.

- All the members of the society should be silk weaving artisan.
- The society should deal with only silk products.

PATTERN OF ASSISTANCE:

Grant of Rs. 2 lakhs per annum per society for five years to meet the administrative expenses and developmental activities of the society/agency etc.

III. GRANT OF MARGIN MONEY FOR AVAILING CAPITAL LOAN:

Objective :

Objective of this plan is to encourage the entrepreneur to set up Silk weaving units and the issue of margin money grant will certainly reduce the initial financial crisis of the entrepreneur while availing term loan/ working capital loan for setting up of new silk weaving units or the renewal and the maintenance of the existing silk weaving units. The maximum limit of margin money grant is upto 25% of the loan amount and restricted to Rs.50,000/- for Rs. 2 lakhs project.

Eligibility:

- The promoter belongs to the Union Territory of Puducherry by virtue of birth or by residing continuously for 5 years in this Union Territory .
- The Unit should be setup in the Union Territory of Puducherry .
- The promoter should ascertain the availability of loan and production of loan sanctioned letter of the financial institution.
- The Unit should commence its commercial production within six months from the date of release of Margin Money Grant and the promoter should run the unit successfully for five years.
- The income of the promoter and family members should not be Rs.40,000/- and more from all source.

PATTERN OF ASSISTANCE:

- On receipt of sanction order of the financial institution the 25% Margin Money Grant on the loan amount will be released to the bank behalf of the entrepreneurs.

Scheme No. 14

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. **Name of the scheme** : Promotional campaign for attracting foreign investment

2. **Objective of the Scheme** :

In order to promote and channelise investment from Non-Resident Indian (NRIs) and Persons of Indian Origin (PIOs) to participate in industrial and economic development of Puducherry. A Non-Resident Indian (NRI) Cell has been formed in the Department of Industries and Commerce. The Cell will also be the nodal agency for addressing the grievances of NRIs/PIOs pertaining to the UT of Puducherry.

3.(a) **Actual physical Achievement 2006-07** : Nil

(b) **Anticipated Physical Achievement 2007 - 08** :

- i) Proposed to visit France and Saudi Arabia to meet NRIs to encourage them to invest in this UT of Puducherry.
- ii) Proposed to participate in the Pravasi Bharatiya Divas (NRIs All Over World Meet) at New Delhi during the month of January 2008.

(c) **Programme envisaged for Annual Plan 2008-09** :

- i) Promotional campaigns and Investors Meet will be organised within and outside the country to attract Foreign Direct Investment (FDI).
- ii) Participation in the Seminars and Exhibitions to attract NRI/FDI.

4. **Remarks** : Continuing scheme

Scheme No. 15

Sector : INDUSTRIES

Implementing : INDUSTRIES AND
Department COMMERCE

1. **Name of the Scheme** : Panchayat window

2. **Objective of the Scheme** :

Based on the statement of conclusions signed between Union Minister for Panchayati Raj and Chief Minister of Puducherry, it has been committed to devolve the functions to PRIs through activity mapping, followed by matching transfer of funds in respect of devolved functions, which will require creation of Panchayat sector window in each department. Panchayat window will be entrusted with all relevant schemes pertaining to the

activities devolved to village and commune panchayats including activity mapping. Since the process of activity mapping has not been completed, a token provision is provided in the Annual Plan 2008-09.

- 3.(a) Actual physical Achievement 2006-07** : --
 - (b) Anticipated Physical Achievement 2007 - 08** : --
 - (c) Programme envisaged for Annual Plan 2008-09** : Token provision
- 4. Remarks** : New scheme