

INDUSTRIES

The Union Territory of Puducherry 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. As on 28/02/2013, there are 77 Large Scale, 187 Medium Scale and 8525 Small Scale and Micro Industries available with an investment of ₹2874 Crores and providing employment to 100884 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 Puducherry 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. A separate scheme, namely 'Motivation of Unemployed Persons to start Self-employed Enterprises' (MUPSES) Scheme is being operated for providing financial assistance to owner-run enterprises and so far 2414 persons were benefited. Financial assistance for setting up of manufacturing enterprises will also be provided. 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 2013-14 is setting up of a Multi-product Special Economic Zone by converting Growth Centre, Karaikal and another Multi-Product SEZ in Puducherry. It is also proposed for setting up of an Integrated Textile Park in Puducherry.

An independent District Industries Centre will be opened in Karaikal. It is proposed to form Small 8 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.

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

Establishment of mini industrial estates in the rural constituencies of UT of Puducherry and Karaikal 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.

Further, the PIPDIC has also proposed to start Skill Development Mission in this UT of Puducherry. It has already appointed M/s.IL&FS CDI as the consultant for mapping the skill gaps, identifying the groups to be trained and the training courses. The project envisages to impart training to about 20,200 persons in five years period through skill schools by M/s.IL&FS CDI.

A new Industrial Policy has been finalised after publishing the draft policy in the State Gazette on 28/11/2012, inviting comments /views and the policy will be released soon with the aim of achieving a sustained and balanced development of industrial growth in all the regions of this UT. so as to create maximum employment opportunity to the people of this territory.

The new policy will give priority to industries that substantially fulfil all or most of the following criteria :

- Energy efficient and eco friendly industries.
- Low water intensive industries
- Employment Intensive industries,
- Industries which can sustain on local resources
- Industries that generate multiplier effect,
- High technology, high productivity and knowledge based industries,
- Export oriented industries,
- Industries having large national market and proven domestic competence such as automobiles etc.
- Small and Medium Enterprises of diverse nature

To make the system of single window clearance more effective, the procedure for issue of clearances will be streamlined. An IT enabled, online submission and tracking of applications has been made ready and will be rolled out shortly. Monitoring and Consultative mechanism will be set up for curtailing procedural delays so as to promote the industrial growth in the right perspective paving way for sustainable economic growth. It is proposed to give training to 5500 people by District Industries Centre in implant training, handicrafts, Coir & Silk weaving. It is proposed to encourage 1000 people to set up business/industries through MUPSES scheme. In order to promote MSME sector, the following incentives are proposed to the new industries of this sector :

- i) Technology acquisition fund : Assistance for acquisition of appropriate technology in any form for specific product / process will be provided by way of 50% grant subject to maximum of ₹10 lakh.
- ii) Skill Enhancement Fund: 50% of fees subject to a maximum of ₹3,000 per person for 2 weeks duration training on skill up-gradation programme conducted by the Puducherry Management and Productivity Council or any other institutes approved by the Department of Industries & Commerce.
- iii) Quality certification subsidy: Assistance will be granted to the eligible MSMEs for maximum 3 quality certifications @ 50% cost of quality certification with a ceiling of ₹2 lakh for 5 years.
- iv) Intellectual Property Protection Support: Assistance @ 50% subject a maximum of ₹2 lakh for meeting the expenditure for obtaining domestic patent and ₹5 lakh for international patent.
- v) Market Development support : Assistance to MSME units for participation in international trade fair as a part of industry association will be given @ 50% of total rent and literature & display material subject to a maximum of ₹5 lakh.
- vi) Assistance for energy & water conservation : 50 % cost of energy / water audit conducted in a unit by a recognized institution / consultant subject to a limit of ₹25,000 will be reimbursed to MSME.

OUTLAY AT A GLANCE

Sector : INDUSTRIES

No. of Schemes : 10

Department : INDUSTRIES & COMMERCE

(₹ in lakh)

| | | |
|--|---|----------|
| Eleventh Plan 2007-12 Actual Expenditure | : | 34962.32 |
| Annual Plan 2011-12 Actual Expenditure | : | 8473.10 |
| Annual Plan 2012-13 Approved Outlay | : | 9000.00 |
| Annual Plan 2012-13 Revised Outlay | : | 5840.40 |
| Annual Plan 2013-14 Proposed Outlay | : | 4500.00 |

(₹ in lakh)

| Sl. No. | Name of the Scheme | Eleventh Plan 2007-12 | Annual Plan 2011-12 | Annual Plan 2012-13 | | Annual Plan 2013-14 | |
|---|---|--------------------------|------------------------|------------------------|-------------------|------------------------|--------------------------------|
| | | Actual Expdr. | Actual Expdr. | Approved Outlay | Revised Outlay | Proposed Outlay | Of which capital content |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| VILLAGE & SMALL INDUSTRIES | | | | | | | |
| 1. | Development of Handicrafts | 876.08 | 100.68 | 156.00 | 40.58 | 164.50 | -- |
| 2. | Development of Khadi & village Industries | 2794.11 | 650.00 | 650.00 | 650.00 | 400.00 | -- |
| 3. | Development of Coir Industries | 436.18 | 66.06 | 98.00 | 61.26 | 134.50 | -- |
| Sub-Total | | 4106.37 | 816.74 | 904.00 | 751.84 | 699.00 | -- |
| INDUSTRIES (OTHER THAN VILLAGE & SMALL INDUSTRIES) | | | | | | | |
| 4. | Training | 1390.80 | 219.60 | 250.00 | 84.61 | 323.00 | -- |

| Sl. No. | Name of the Scheme | Eleventh Plan 2007-12 | Annual Plan 2011-12 | Annual Plan 2012-13 | | Annual Plan 2013-14 | |
|---------|---|--------------------------|------------------------|------------------------|-------------------|------------------------|--------------------------------|
| | | Actual Expdr. | Actual Expdr. | Approved Outlay | Revised Outlay | Proposed Outlay | Of which capital content |
| 5. | Promotion Campaign for attracting foreign investment and Marketing & Publicity | 572.35 | 99.91 | 109.81 | 91.78 | 800.00 | -- |
| 6. | Strengthening of District Industries Centre | 229.14 | 53.57 | 11.00 | 49.35 | 58.00 | -- |
| 7. | Development of Silk Industries | 39.44 | 10.38 | 15.00 | 12.36 | 8.50 | -- |
| 8. | Motivation of entrepreneurs to start Industries & Fiscal Assistance to Industries | 2604.19 | 523.05 | 650.00 | 159.20 | 104.01 | -- |
| 9. | Share Capital / Grant-in-aid assistance to PDL, PIPDIC, PTC/ Swadeshee-Bharathee Textile Mills Ltd. | 25866.00 | 6720.00 | 7043.02 | 4670.20 | 2460.49 | 2284.49 |
| 10. | Strengthening of Directorate of Industries | 154.03 | 29.85 | 17.17 | 21.06 | 47.00 | -- |
| | Sub-total | 30855.95 | 7656.36 | 8096.00 | 5088.56 | 3801.00 | 2284.49 |
| | Total | 34962.32 | 8473.10 | 9000.00 | 5840.40 | 4500.00 | 2284.49 |

Scheme No. 1

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. **Name of the Scheme** : Development of Handicrafts
2. **Objective of the Scheme** :

To revive the vanishing crafts / trades of traditional units under Viswakarma Category viz., blacksmith, carpenter, bronze smith / goldsmith / coppersmith & sculptor, to restore the traditional handicrafts, to develop the skill in order to create better employment opportunities and to boost the livelihood of rural people. Training is given to the candidates in the crafts in which they have aptitude. The period of training is six months.

3. **Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :**

4919 persons benefited.

4. **Physical Achievements for the Annual Plan 2012-13:**

467 persons were benefited.

5. **Proposed Physical Targets for Annual Plan 2013-14:**

1750 persons will be benefited.

6. **Remarks** : Continuing Scheme

Scheme No. 2

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & 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 objective, it is proposed to continue the financial assistance to the Pondicherry Khadi and Village Industries Board in the form of grant. Besides, it is also proposed to provide grant for development of Khadi and Village Industries.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

4325 persons benefited.

4. Physical Achievements for the Annual Plan 2012-13:

1194 persons were benefited.

5. Proposed Physical Targets for Annual Plan 2013-14:

1275 persons will be benefited.

6. Remarks : Continuing Scheme

Scheme No. 3

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & 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 is 6 months. 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.

Land acquisition has been done and leveling the site and construction of compound wall for setting up of Coir Growth Centre at Chinnaveerampattinam in Ariyankuppam Commune. The Coir society is acting as implementing agency in respect of implementation of various schemes, applicable under 'SFURTI' scheme of Coir Board in this Territory. In order to avail the benefit under "SFURTI" scheme, the share of Artisan/Societies to be paid to Coir Board is being met out under the scheme.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

2714 persons benefited.

4. Physical Achievements for the Annual Plan 2012-13:

525 persons were benefited.

5. Proposed Physical Targets for Annual Plan 2013-14:

1900 persons will benefited.

6. Remarks : Continuing Scheme

Scheme No. 4

Sector : INDUSTRIES
Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Training

2. Objective of the Scheme :

To create more employment opportunities for the educated unemployed youth and to motivate entrepreneurship among youth. The period of training varies from 6 to 12 months.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

9426 persons benefited.

4. Physical Achievements for the Annual Plan 2012-13:

1350 persons were benefited.

5. Proposed Physical Targets for Annual Plan 2013-14:

1500 persons will be benefited.

6. Remarks : Continuing Scheme

Scheme No. 5

Sector : INDUSTRIES
Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Promotion Campaign for attracting foreign investment and Marketing & Publicity

2. Objective of the Scheme :

To promote sale of products of SME, Tiny and Cottage Sector. In the present scenario, heavy competition is found in marketing section. Hence, 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.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

931 persons benefited.

4. Physical Achievements for the Annual Plan 2012-13:

120 persons were benefited.

5. Proposed Physical Targets for Annual Plan 2013-14:

350 persons will be benefited.

6. Remarks : Continuing Scheme

Scheme No. 6

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & 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 posts and infrastructure facilities to suit to the present requirements in discharging various functions.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) : Nil

4. Physical Achievements for the Annual Plan 2012-13: Nil

5. Proposed Physical Targets for Annual Plan 2013-14:

Regional office for District Industries Centre at Karaikal will be set up.

6. Remarks : Continuing Scheme

Scheme No. 7

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Development of Silk Industries

2. Objective of the Scheme :

To promote Silk Industries, training is imparted for promotion of the artisans/weavers and also to revamp the existing silk weaving units by replacing the old looms and to boost the

silk weaving sector. 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. The period of training is 6 months.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

169 persons benefited.

4. Physical Achievements for the Annual Plan 2012-13:

57 persons were benefited.

5. Proposed Physical Targets for Annual Plan 2013-14:

75 persons will be benefited.

6. Remarks : Continuing Scheme

Scheme No. 8

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Motivation of Entrepreneurs to start industries and fiscal assistance to industries

2. Objective of the Scheme :

To promote industrial development in the Union Territory of Puducherry for giving employing 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. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

- i) 6 large scale, 17 medium scale and 727 small and micro units with an investment of ₹.380 crores established for providing employment to 7324 persons.
- ii) Subsidy released to 143 women entrepreneurs and 2238 unemployed persons for starting their own enterprises..
- iii) Subsidy disbursed to 65 units under thrust area.

4. Physical Achievements for the Annual Plan 2012-13:

- i) 97 Small and micro industrial units were registered and provided employment to 1136 persons.
- ii) Subsidy were disbursed to 3 women entrepreneurs / 168 owner for run enterprises.

5. Proposed Physical Targets for Annual Plan 2013-14:

- i) Announcement of new industrial policy.
- ii) An integrated Textile Park will be set up in Puducherry.
- iii) Facilitate to set up a Mega food processing park under Central Assistance.
- iv) Subsidy will be provided to 50 entrepreneurs to set up industries.

6. Remarks : Continuing Scheme

Scheme No. 9

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Share capital, Grants-in-aid to Pondicherry Distilleries Limited / Pondicherry Industrial Promotion Development and Investment Corporation / Pondicherry Textile Corporation / Swadeshee Bharathee Textile Mills Ltd

2. Objective of the Scheme :

To provide financial assistance to the Public sector undertakings.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

Grants-in-aid released to Public Sector Undertakings.

4. Physical Achievements for the Annual Plan 2012-13:

Grants-in-aid were released to Public Sector Undertakings.

5. Proposed Physical Targets for Annual Plan 2013-14:

Grants-in-aid will be released to Public Sector Undertakings.

6. Remarks : Continuing Scheme

Scheme No. 10

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Strengthening of the Directorate of Industries

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.

3. Actual Physical Achievements during Eleventh Five Year Plan (2007-12) :

Maintenance of posts, purchase of office equipments etc.

4. Physical Achievements for the Annual Plan 2012-13:

Maintenance of posts, purchase of office equipments etc.

5. Proposed Physical Targets for Annual Plan 2013-14:

Maintenance of posts, purchase of office equipments etc.

6. Remarks : Continuing Scheme