

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 industrialisation. As on 28/02/2015, there are 77 Large Scale, Scale and 8949 Micro, Small and Medium Enterprises available with an investment of Rs.2902.58 Crores and providing employment to 102887 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 121 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 projected for implementation 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 & Medium Enterprises (SME) clusters in collaboration with the Confederation of Indian industry (CII) and to provide modern marketing, appropriate technology ad to achieve quality products. Financial support for setting up of sales emporia / exhibition 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.)

The aim of new Industrial policy is to provide a comprehensive , investment friendly document to ensure rapid, sustainable, balanced industrial development in this Union

Territory so as to generate maximum employment opportunity to the people of this UT and to bring a significant increase in the Gross State Domestic Product .The policy of the Government is to encourage eco-friendly industries preventing water/power intensive and polluting industries in this Union Territory. The policy clearly speaks out the various methods to be adopted and effective action to be taken remove the existing barriers and to ensure hassle free investment climate to boost investor’s confidence to invest in this Union Territory. The proposed simplified, time-bound e-portal licensing mechanism would help the entrepreneurs to set up their industries within stipulated time period.

As for policy would catalyze the business opportunities in manufacturing, specifically in the area of Micro,Small and Medium enterprises (MSMEs) on line with the Make in India concept.

The Union Territory of Puducherry being an investor-friendly it has proven track record of attracting surplus investment and has witnessed vibrant industrial growth over the years. Even though there was some industrial slow down for a few years because of the general down turn in the economy, the growth continues. Puducherry has nearly 77 large and 8949 Micro, Small and Medium Enterprises (MSMEs)and with an investment of Rs. 2902.58 crores, these industries are deemed to be the life blood of Puducherry economy providing employment to about One lakh Two thousand eight hundred and eighty seven persons.

“MAKE IN INDIA”- A BOOST TO THE MANUFACTURING SECTOR

The Prime Minister of India, in the month of September 2014 launched ‘Make in India’, a major national initiative which focuses on making India a global manufacturing hub.Key thrust of the programme would be on cutting down in delays in manufacturing projects clearance, develop adequate infrastructure and make it easier for companies to do business in India.

All the concerned departments in Puducherry have been directed to complete the action advised by the Ministry of Commerce and Industry, Government of India, in respect of timeline for issue of clearances for ease of doing business and furnish compliance report. Action has been taken to set up two more Industrial Estates in Puducherry and a Rural Economic Zone (Industrial estate) in Karaikal.

A National Workshop on “Make in India” was held at New Delhi organized by Department of Industrial Policy and Promotion, Government of India. Wherein it was committed for transforming India into one of world’s most transparent, competitive and profitable nation to manufacture and also framed timelines for Ease of Doing Business.

The Government of Puducherry has taken effective steps towards achieving the objective. An Industrial Guidance Bureau (IGB) is already functioning as a single window mechanism, to facilitate the entrepreneurs in obtaining clearances from various Departments / Agencies in a time bound manner for setting up of industrial establishment.

The Department of Industrial Policy & Promotion, GOI has insisted to Implement and enforce single window clearance institutional mechanism for starting up of business with all relevant officer (with authority to approve applications) of various departments housed in a single office for providing approvals and clearances. The Government will establish the Institutional Mechanism Forum.

OUTLAY AT A GLANCE

Sector : INDUSTRIES

No. of Schemes : 12

Department : INDUSTRIES & COMMERCE

(Plan: 11 + CSS: 1)

(₹ in lakh)

| | | |
|--|---|----------|
| Annual Plan 2014-15 Actual Expenditure | : | 8856.96 |
| Annual Plan 2015-16 Approved Outlay | : | 5000.00 |
| Annual Plan 2015-16 Revised Outlay | : | 4639.60 |
| Annual Plan 2016-17 Proposed Outlay | : | 19723.46 |

(₹ in lakh)

| Sl. No. | Name of the Scheme | Annual Plan 2014-15 | Annual Plan 2015-16 | | Annual Plan 2016-17 | |
|---|---|---------------------|---------------------|----------------|---------------------|--------------------------|
| | | Actual Expdr. | Approved Outlay | Revised Outlay | Proposed Outlay | Of which capital content |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| VILLAGE & SMALL INDUSTRIES | | | | | | |
| 1. | Development of Handicrafts | 89.55 | 100.00 | 76.31 | 102.70 | -- |
| 2. | Development of Khadi & village Industries | 766.23 | 850.00 | 680.00 | 3029.00 | -- |
| 3. | Development of Coir Industries | 57.46 | 92.00 | 47.50 | 415.00 | -- |
| Sub-Total | | 913.24 | 1042.00 | 803.81 | 3546.70 | -- |
| INDUSTRIES (OTHER THAN VILLAGE & SMALL INDUSTRIES) | | | | | | |
| 4. | Training | 182.57 | 270.00 | 215.66 | 276.05 | -- |

| Sl. No. | Name of the Scheme | Annual Plan 2014-15 | Annual Plan 2015-16 | | Annual Plan 2016-17 | |
|---------|--|---------------------|---------------------|----------------|---------------------|--------------------------|
| | | Actual Expdr. | Approved Outlay | Revised Outlay | Proposed Outlay | Of which capital content |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 5. | Promotion Campaign for attracting foreign investment and Marketing & Publicity | 98.89 | 110.00 | 99.52 | 178.00 | -- |
| 6. | Strengthening of District Industries Centre | 65.41 | 76.00 | 103.79 | 135.00 | -- |
| 7. | Development of Silk Industries | 14.79 | 15.00 | 10.22 | 16.95 | -- |
| 8. | Motivation of entrepreneurs to start Industries & Fiscal Assistance to Industries / Motivation of unemployed persons to start self-employed enterprises scheme 2016 (MUPSES) | 566.32 | 550.00 | 539.00 | 761.00 | -- |
| 9. | Share Capital / Grant-in-aid assistance to PDL, PIPDIC, PTC/ Swadeshee-Bharathee Textile Mills Ltd. | 6541.8 | 2789.00 | 2712.93 | 14612.00 | -- |
| 10. | Strengthening of Directorate of Industries | 27.57 | 50.00 | 18.09 | 56.00 | -- |

(₹ in lakh)

| Sl. No. | Name of the Scheme | Annual Plan 2014-15 | Annual Plan 2015-16 | | Annual Plan 2016-17 | |
|---------|--|---------------------|---------------------|----------------|---------------------|--------------------------|
| | | Actual Expdr. | Approved Outlay | Revised Outlay | Proposed Outlay | Of which capital content |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 11 | Setting up of Growth Centre at Polagam | 400.00 | 1.02 | -- | -- | -- |
| | Sub-total | 7896.84 | 3861.02 | 3699.21 | 16035.00 | -- |
| | Total (Plan) | 8810.08 | 4903.02 | 4503.02 | 19581.70 | -- |
| | Centrally Sponsored Scheme(CSS) | | | | | |
| 12. | National Mission on Food Processing | 46.88 | 96.98 | 136.58 | 141.76 | |
| | Total (Plan + CSS) | 8856.96 | 5000.00 | 4639.60 | 19723.46 | -- |

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 and to restore the traditional handicrafts.
 - 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.
 - To promote and develop the vanishing trades of Traditional Unit/Units under Viswakarma Category Viz. Blacksmith, Carpenter, Bronzsmith/Coppersmith, Sculptor and Gold.
3. **Actual Physical Achievements made in the Annual Plan 2014-15 :**
1,094 Persons were benefitted
4. **Physical Achievements for the Annual Plan 2015-16:**
425 Persons were benefitted
5. **Proposed Physical Targets for the Annual Plan 2016-17 :**
1,750 Persons will be benefitted
6. **Remarks** : Continuing Scheme.

Scheme No. 2

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. **Name of the Scheme** : Development of Khadi & Village Industries Board
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. Actual Physical Achievements made in the Annual Plan 2014-15 :

1194 Persons were benefitted

4. Physical Achievements for the Annual Plan 2015-16:

1275 Persons were benefitted

5. Proposed Physical Targets for the Annual Plan 2016-17 :

1400 Persons will be benefitted

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.

3. Actual Physical Achievements made in the Annual Plan 2014-15 : 599 Persons

4. Physical Achievements for the Annual Plan 2015-16: 375 Persons

5. Proposed Physical Targets for the Annual Plan 2016-17 : 750 Persons

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 of U.T. of Puducherry
- To motivate entrepreneurship among the youth.

➤ The period of training varies from 6 to 12 months.

3. **Actual Physical Achievements made in the Annual Plan 2014-15 :** 1109 Persons
4. **Physical Achievements for the Annual Plan 2015-16:** 600 Persons
5. **Proposed Physical Targets for the Annual Plan 2016-17 :** 2400 Persons
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 / Exhibition/Sales rebate
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.

3. **Actual Physical Achievements made in the Annual Plan 2014-15 :** 30 Persons
4. **Physical Achievements for the Annual Plan 2015-16:** 40 Persons
5. **Proposed Physical Targets for the Annual Plan 2016-17 :** 150 Persons
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 post and infrastructure facilities to suit to the present requirements in discharging various functions.

3. **Actual Physical Achievements made in the Annual Plan 2014-15 : --**
4. **Physical Achievements for the Annual Plan 2015-16: --**

5. Proposed Physical Targets for the Annual Plan 2016-17 :

- 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.

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 loans 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.

3. Actual Physical Achievements made in the Annual Plan 2014-15 : --

4. Physical Achievements for the Annual Plan 2015-16: 60 Persons

5. Proposed Physical Targets for the Annual Plan 2016-17 : 75 Persons

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 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 based industries.

As these units in this UT have to depend the neighbouring States for raw material as well as for marketing their finished products, it is necessary to compensate these inherent disadvantages by way of financial incentives.

To encourage un-employed persons to start self employment in manufacturing or service sector enterprises.

To arrange loans through Banks to start self employed enterprises by the un-employed persons upto Rs.2 lakhs

3. Actual Physical Achievements made in the Annual Plan 2014-15 :

- 75 Small and Micro industrial units were registered and provided employments to 859 persons.
- 214 nos. of un-employed persons were encouraged to start self employment in manufacturing or service sector enterprises.

4. Physical Achievements for the Annual Plan 2015-16:

- During 2015-2016, Medium-2, Small-23, Micro-64 industries units are registered with an investment of Rs.63.53 Crores providing employment to 920 persons. And an amount of Rs.3,18,27,258 was sanctioned as subsidy to the entrepreneurs during 2014-2015.
- 250 nos. of un-employed persons are encouraged to start self employment in manufacturing or service sector enterprises.

5. Proposed Physical Targets for the Annual Plan 2016-17 : 40 units

- 1000 nos. of un-employed persons were encouraged to start self employment in manufacturing or service sector enterprises.

6. Remarks : Continuing Scheme

PATTERN OF ASSISTANCE :

I. For Puducherry District (including Mahe & Yanam Regions)

- (i) 50% of the project cost excluding pre-operative and preliminary expenses will be granted as subsidy for the project not exceeding Rs.50,000/- and
- (ii) 35% of the project cost excluding pre-operative and preliminary expenses to a maximum of Rs.35,000/- will be granted as subsidy for project cost exceeding Rs.50,000/- but less than Rs.2.00 lakhs.

II. For Karaikal District:

- (i) 55% of the project cost will be granted as subsidy for the project not exceeding Rs.50,000/- and
- (ii) 35% of the project cost upto a maximum of Rs.40,000/- will be granted as subsidy for project cost exceeding Rs.50,000/- but less than Rs.2.00 lakhs.

Scheme No. 9

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

- 1. Name of the Scheme** : Share Capital / Grant-in-aid assistance to Pondicherry Distilleries Limited, PIPDIC, Pondicherry Textiles Corporation, Swadeshee Bharathee Textile Mills Ltd.
- 2. Objective of the Scheme** :
To provide financial assistance to the Public Sector Undertakings
- 3. Actual Physical Achievements made in the Annual Plan 2014-15 :**
➤ Grant in aid to a tune of Rs.65.42 crore released to Public Sector Undertakings
- 4. Physical Achievements for the Annual Plan 2015-16:**
➤ Grant in aid to a tune of Rs.27.89 crore released to Public Sector Undertakings
- 5. Proposed Physical Targets for the Annual Plan 2016-17 :**
➤ Grant in aid to a tune of Rs.146.12 crore 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 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 made in the Annual Plan 2014-15 :

- Maintenance of posts, purchase of office equipments etc.

4. Physical Achievements for the Annual Plan 2015-16:

- Maintenance of posts, purchase of office equipments etc.

5. Proposed Physical Targets for the Annual Plan 2016-17 :

- Maintenance of posts, purchase of office equipments etc.

6. Remarks : Continuing Scheme

Scheme No. 11

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : Setting up of Growth Centre at Polagam/Rural Economic Zone.

2. Objective of the Scheme :

Provision of funds is for payment of enhanced compensation to the land owners, whose land has been acquired for setting up of Growth Centre at Polagam. Now the Government proposed to establish Rural Economic Zone (REZ) over an area of 25 acres at Polagam, Karaikal. At present, provision of funds were made in the BE 16-17.

3. Actual Physical Achievements made in the Annual Plan 2014-15 : --

4. Physical Achievements for the Annual Plan 2015-16: --

5. Proposed Physical Targets for the Annual Plan 2016-17 : --

6. Remarks : Continuing Scheme

Scheme No. 12

Sector : INDUSTRIES

Implementing Department : INDUSTRIES & COMMERCE

1. Name of the Scheme : National Mission on Food Processing (CSS)

2. Objective of the Scheme :

National Mission on Food Processing (NMFP) a Centrally Sponsored Scheme is implemented by this Department. The following components are implemented.

- 1) Technology Up gradation/Establishment/Modernization of food processing Industries.
- 2) Cold storage, Value addition and preservation infrastructure for non-horticultural products.
- 3) Human resources Development (HRD) for
 - a. Creation of Infrastructure facilities for running Degree/Diploma/Certificate courses in Food Processing Technology.
 - b. Entrepreneurship Development Programme (EDP).
 - c. Food Processing Training Centre (FPTC).
- 4) Scheme for Promotional Activities.
 - a. Organizing seminars/workshops.
 - b. Conducting Studies/Surveys.
 - c. Support to exhibitions/Fairs.
 - d. Organizing Study Tours.
- 5) Modernization of Meat Shop.
- 6) Scheme for Reefer Vehicles.

3. Actual Physical Achievements made in the Annual Plan 2014-15 : --

4. Physical Achievements for the Annual Plan 2015-16:

- ₹1.41 Crores has been released as grant-in-aid under this scheme to 3 units.

5. Proposed Physical Targets for the Annual Plan 2016-17 : --

6. Remarks : Continuing Scheme