



GOVERNMENT OF PUDUCHERRY

Speech by

Thiru **N. RANGASAMY**  
Hon'ble Chief Minister of Puducherry

at the

## **57<sup>th</sup> Meeting of the National Development Council**

at

*Vigyan Bhavan  
New Delhi*

on

**27<sup>th</sup> December 2012**



*Hon'ble Prime Minister,*

*Hon'ble Deputy Chairman, Planning Commission,*

*Hon'ble Chief Ministers and distinguished  
Members of this august House,*

It gives me immense pleasure and privilege to participate in the deliberations of the 57<sup>th</sup> meeting of the National Development Council convened today for consideration and approval of the Draft Twelfth Five Year Plan. At the outset I would like to convey my warm greetings and best wishes for the New Year 2013.

2. I accept that the broad vision and aspirations which the Twelfth Plan seek to fulfil are reflected in Faster, Sustainable and More inclusive growth. The simultaneous achievement of each of these elements is critical for the success of the Plan.

**3.** Draft Twelfth Five Year Plan has focused mainly on poverty reduction, group equality, regional balance, inclusiveness and inequality, empowerment and employment programmes which will help the country for a faster, more inclusive and sustainable growth. I strongly believe that our Nation is capable of achieving the annual average growth rate of 9% at the end of the Plan period. Other than the target of GDP, at the end of the Twelfth Five Year Plan, Government of India expects the Agriculture growth rate at 4% and Manufacturing growth rate at 10%. I endorse the core indicators and the priorities outlined in the Twelfth Plan document.

**4.** I agree that the preparation of the Five Year Plan for the Country is an opportunity to look back and take stock of the situation, identify the strength that can be leveraged and the constraints that could hold it back and on this basis develop a strategic agenda. I would like

to place on record my sincere appreciation for the commendable work done by Planning Commission under the guidance of Dr. Montek Singh Alhuwalia, Deputy Chairman, Planning Commission for bringing out a well drafted Twelfth Plan document.

**5.** At this forum, I would like to inform that Puducherry district has been selected as one of the pilot districts for implementation of Direct Cash Transfer system from 1-1-2013. Under financial inclusion, Puducherry has achieved 89% of the total households in the Union Territory. Apart from this, the Aadhaar generated in respect of Puducherry district is 8.12 lakh against the total enrolled population of 8.99 lakh. These two factors have played a decisive role to select Puducherry as one of the pilot districts. We have made all preparedness to roll out the Direct Cash Transfer system from 1<sup>st</sup> January 2013. This would help the beneficiaries to get the cash benefits directly and provide direct income support.

**6.** I would like to inform this forum that the Union Territory of Puducherry had achieved the Annual average GDP growth rate of 12.28% for the Eleventh Plan which is more than the All India Annual Growth rate. However, Primary Sector accounts for 4.94% against 30% three decades ago. In spite of this change, which is indicative of the transition to a more diversified economy, agriculture continues to be a main source of livelihood in the territory. A key objective of the future development should be to achieve a balanced and sustainable growth in this sector with a more diversified agricultural base integrated with environmental safeguards. Accordingly, in the Twelfth Five Year Plan attempts will be made to improve the base of agriculture and allied activities. Since important resources like land and water are becoming scarce, they have to be used intensively and effectively for producing more per unit area / per unit of water. Production of high value crops like vegetables

and flowers are being taken up in the place of conventional cereal crops. We would focus on increasing shift to horticulture, floriculture and fisheries. Natural resource based integrated farming system with crop diversification and livestock integration would be promoted by availing the funds under the RKVY programme. The RKVY programme of Government of India is implemented in the territory with lot of involvement and enthusiasm. Projects worth ₹ 33.64 crore have been sanctioned under RKVY whereas ₹ 11.74 crore has been released. We have already addressed Ministry of Agriculture to release the balanced sanctioned amount so that the implementation of the programmes will not be hampered.

7. Most of the new schemes of Government of India are implemented in Union Territory of Puducherry as a pilot and have been successfully implemented. I request in this forum

that instead of considering us like other States for implementing the Centrally Sponsored Scheme, 100% funds may be given for all the Centrally Sponsored Scheme.

**8.** I would like to bring the notice of this forum that the Union Territory of Puducherry is deprived of funds under plan due to changes in the pattern of plan financing adopted since 2006-07. Consequent to this, the grant portion has been drastically reduced and to that extent the Union Territory is forced to go in for loan component. Though Puducherry Union Territory has a Legislature, it is not considered under devolution formula of the Central Finance Commission which is causing severe financial strain upon the Union Territory Administration. We have been pleading in the appropriate forums for this cause since this hampers the devolution of funds and the financial needs of Panchayat Raj Institutions and Urban Local Bodies could not

be fulfilled. I would sincerely request this forum to consider release of ₹ 300 crore as special grant to Local Bodies in the absence of devolution of funds. The special grant needs to be ensured till constitutional amendment is brought in for inclusion of the Union Territory with Legislature in the Terms of Reference of the Central Finance Commission.

**9.** I am thankful to Planning Commission for allocating ₹ 200 crore under Normal Central Assistance for the implementation of Thirunallar Temple Town Project and for infrastructure facilities of Government Medical College in the current financial year which would help the Administration for creation of infrastructural facilities.

**10.** The industrial scenario in Puducherry is facing decreasing trend. Though Puducherry acts as a educational hub most of the technically



qualified people could not find an employment as industries are slowly moving away from Puducherry as all industrial concessions have been withdrawn. The central investment subsidy which was prevalent two decades back may be reintroduced to retain the existing industrial base besides attracting major industries. This would facilitate large employment opportunities for skilled and semi-skilled personnel and reduce unemployment. The Draft Industrial Policy has been prepared and the thrust areas are manufacturing, IT & IT enabled services, alternative and renewable energy, bio-technology based industries. In the secondary sector, more emphasis would be on small and medium enterprises and small scale service business enterprises so as to generate more employment both in rural and urban areas. The industries would be promoted in such a way that water intensive, power intensive and polluting units would be discouraged during the Twelfth Five Year Plan.

**11.** Tourism is a potential area to generate much needed resources. Tourism has gained magnificent dimension and is emerging as the largest industry for generating employment and is a powerful vehicle for economic growth in Puducherry. We have seen the growth of 12.13% in tourist arrivals during 2011 and to achieve the target of 12% each year in the Twelfth Plan various infrastructural projects like Special Tourism Zone, Five Star Resort, Water Theme Park, Family Entertainment Centres are planned through -PPP mode so that tourist would prefer Puducherry as their favoured destination. We would like to make Puducherry as a week-long tourist destination rather week-end destination. Already Puducherry has rail connectivity with all metros. We will be achieving shortly the air connectivity for Puducherry which would further boost the tourist arrival.

**12.** In view of the proposed efforts taken under the tourism and infrastructure sectors, I request the Planning Commission to provide substantial Central Assistance to the Union Territory of Puducherry during Twelfth Five Year Plan.

**13.** I am thankful to Hon'ble Prime Minister for having given an opportunity to express the issues concerned. I do hope that the Twelfth Plan will increase the tempo of development and achieve faster, inclusive and sustainable growth.

**Thank You !**