



**PIPDIC**

**PONDICHERRY INDUSTRIAL PROMOTION DEVELOPMENT  
AND INVESTMENT CORPORATION LIMITED**

**(A GOVT. OF PUDUCHERRY UNDERTAKING )**

**PONDICHERRY INDUSTRIAL PROMOTION DEVELOPMENT AND  
INVESTMENT CORPORATION LIMITED**

**Dear Entrepreneur:**

The Pondicherry Industrial Promotion Development and Investment Corporation Limited (PIPDIC) was set up by the Government of Puducherry in the year 1974 plays dual role of industrial development and financing. PIPDIC has been playing a pivotal role in the development of Micro, Small and Medium Scale Enterprises (MSMEs) in the Union Territory of Puducherry for the last 43 years of its existence. I am happy to state that the Government of Puducherry has announced a New Industrial Policy with attractive fiscal incentives to ensure vibrant Growth of industrial sector in the Union Territory of Puducherry. PIPDIC provides financial assistance for manufacturing and service sector projects under its various schemes. For the benefit of entrepreneurs we have brought out this brochure which gives the details of incentives and concessions offered by the Government of Puducherry and the various schemes in operation and procedures for availing the financial assistance. I am sure you will find this brochure very useful and informative.

**MANAGING DIRECTOR**

**Place :** Puducherry.

**Date :** 06-10-2017

## ***THE LEGEND OF PUDUCHERRY***

The Union Territory of Puducherry is constituted out of the four erstwhile French establishments of Puducherry, Karaikal, Mahe and Yanam. It is interesting to note that Puducherry is not a single block of territorial entity. While Puducherry is located about 160 kms south of Chennai, Karaikal lies about 140 kms further down south near Nagapattinam, Mahe lies on the western ghats surrounded by Karala and is about 653 kms away from Puducherry and Yanam is about 840 kms north east of Puducherry, near Kakinada in Andhra Pradesh. Puducherry can be accessed through Chennai airport, while Yanam is about 200 kms from Vishakapatnam airport. Mahe can be reached from Calicut airport which is 70 kms from Mahe. The total area of all the regions is 479 sq.kms with a population of about 14 lakhs as per last census.

Built by the French, Puducherry town is well planned. The "Grid pattern of town planning" unique in the country the Gothic architecture, all give the aura of a French town, Puducherry is an oval shaped. 'boulevard town' which resembles a typical medieval French township, dotted with finely built monuments, majestic mansions, architecturally imposing churches, neatly laid roads, beautiful promenades and lush green parks. Little wonder, Puducherry is often referred to as the 'French Riviera of the East'.

Puducherry has very good infrastructural facilities like roads, electricity, water supply, abundant availability of technical and skilled manpower. The Government of Puducherry provides attractive incentives and concessions to investors. Above all, Puducherry has a very informal work culture where all government executives and even Ministers are easily approachable. Puducherry provides a peaceful and quality work force and all these have made Puducherry a haven for existing and new industrial units.

## **INCENTIVES AND CONCESSIONS TO INDUSTRIES :**

### **Motivation of entrepreneurs to start industries and fiscal assistance and incentives offered by Government of Puducherry under New Industrial Policy - 2016**

#### **1. Capital Investment Subsidy: (For new and expansion of existing industries)**

- a) For Micro & Small Enterprises, 40% on the investments made on land, building, plant and machinery subject to a maximum of Rs.40.00 lakhs.
- b) For Medium & Large Enterprises, 35% on the investments made on land, building, plant and machinery subject to a maximum of Rs.35.00 lakhs.
- c) For Women/SC/ST Entrepreneurs, 45% on the investments made on land, building, plant and machinery subject to a maximum of Rs.75.00 lakhs.

#### **2. VAT / SGST: (For new industries)**

- a) For Micro & Small Enterprises, 100% of the net VAT/SGST paid will be reimbursed for a period of 5 years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions.
- b) For Medium Enterprises, 75% of the net VAT/SGST paid will be reimbursed for a period of 5 years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions.
- c) For Large Enterprises, 50% of the net VAT/SGST paid will be reimbursed for a period of 5 years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions.

#### **3. Interest Subsidy: (For new industries)**

The industrial units availing loan from financial institutions towards creation of fixed assets and for working capital shall be eligible for an interest subsidy to an extent of 25% of the annual interest amount paid, for five years which shall be admissible from the date of commencement of commercial production, subject to a maximum of Rs.5 lakhs per annum for a period of 5 years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions.

#### **Incentives:**

- 4. Stamp Duty Exemption :** 100% stamp duty exemption for purchase/lease mortgages and hypothecations of land/shed / buildings.
- 5. Infrastructure Development (For IT / ITES):** 30% subsidy subject to a maximum of Rs.1 crore will be granted on the investment made on building with a minimum extent of 50000 sq.ft. constructed area, by the infrastructure developers / industries for leasing out to IT industries or for own industrial use (for manufacturer of computer systems, software / Information Technology Enabled Services, Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO)).

6. **Power Subsidy (For all Industries):** Fixed power cost reimbursement of 50 paise per unit for a period of five years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions.
7. **Generator Subsidy:** 50% subsidy with a ceiling of Rs.5 lakhs per industrial unit for micro, small and medium industrial units.
8. **Employment Incentive:** Wage / employment subsidy of 20% wage / salary up to a maximum of Rs. 5 lakhs per annum, in case of workers who are covered under Provident Fund (PF) (if applicable) will be granted for a period of five years for Puducherry and Karaikal regions and 7 years for Mahe and Yanam regions. Wage / employment subsidy would be available only if the units provide direct employment to at least 10 persons and at least 60% of the employment to the people of Union Territory of Puducherry.
9. **Subsidy to Pollution Control Equipment:** The units which are installing pollution control equipment will be granted subsidy @ 25% upto a maximum of Rs. 5 lakhs.
10. **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 a maximum of Rs.10 lakhs.
11. **Skill Enhancement Fund:** 50% of fees subject to a maximum of Rs. 3,000 per person for 2 weeks duration training on skill upgradation programme conducted by the Puducherry Management and Productivity Council or any other institutes approved by the Department of Industries and Commerce.
12. **Quality certification subsidy:** Assistance will be granted to the eligible MSMEs for maximum 3 quality certifications @ 50% of the cost of quality certification with a ceiling of Rs. 2 lakhs.
13. **Intellectual Property Protection Support:** Assistance @ 50% subject to a maximum of Rs.2 lakhs for meeting the expenditure for obtaining domestic patent and Rs. 5 lakhs for international patent.
14. **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 and display material subject to a maximum of Rs. 5 lakhs.
15. **Assistance for Energy and Water Conservation :** 50% cost of energy / water audit conducted in a unit by a recognized institution / consultant subject to a limit of Rs.25,000 will be reimbursed to MSME.

16. **State Awards:** Cash award of Rs.2.00 lakhs and a citation will be given.

**Conditions:**

The enterprises availing the aforesaid subsidies shall have to recruit local persons to the extent of a minimum of 60% of the total strength. However in deserving hi-tech, knowledge based enterprises the failure to adhere to the stipulation will be considered for exemption on case to case basis.

**Fast Track Single Window System:**

Industrial permission / licence / clearance / No Objection Certificate will be issued within 30 days from the date of application through Industries and Commerce Department's Single Window System.

**GRANT OF FINANCIAL INCENTIVES FOR HOTELS / RESORTS AND OTHER TOURISM ROJECTS:**

The incentive shall apply to all classified hotels / resorts and heritage category hotels as classified by the Ministry of Tourism, Government of India completed and commissioned, and in continuous commercial operation from the year 2005 onwards.

The incentive shall be only in the form of capital grant.

- (i) Rs.2.00 lakhs per room subject to a maximum of Rs.30.00 lakhs for a **one star category hotel.**
- (ii) Rs.3.00 lakhs per room subject to a maximum of Rs.75.00 lakhs for a **two star category hotel.**
- (iii) Rs.3.00 lakhs per room subject to a maximum of Rs.100.00 lakhs for a **three star category hotel.**
- (iv) 25% on the capital investment subject to a maximum of Rs.100.00 lakhs for hotels / tourism related projects having **more than three star classification.**

***SCHEMES OF THE CORPORATION***

## **GENERAL TERM LOAN SCHEME**

**Scheme objective** : To extend financial assistance for new enterprises to establish Micro / Small / Medium units and for expansion, modernization, diversification etc., by the existing units.

**Eligibility criteria** : All Small / Medium and service sector units are eligible for financial assistance. Proprietary concern, partnership firm, private limited and public limited companies are eligible for financial assistance.

**Purpose**

: Loan shall be considered for acquiring fixed assets viz purchase of land, construction of building and purchase of machinery / equipments, electricals, miscellaneous fixed assets etc.,

**Project cost**

:The project cost ceiling for extending financial assistance by PIPDIC is Rs.20 crores in respect of small & medium scale enterprises.

**Loan limit**

: Financial assistance up to a maximum of Rs.10 crores per project.

**Debt Equity Ratio**

: The DER shall be 3:1 for loans up to Rs.25.00 lakhs and 2:1 for loans above Rs.25.00 lakhs.

**Terms of Assistance : (i) Repayment period** : Maximum of 8 years including moratorium period of maximum of 2 years depending upon the period of implementation.

**(ii) Collateral Security** : Apart from mortgage / hypothecation of proposed fixed assets, Collateral security in the form of immovable property shall be offered as per the lending policy of the corporation indicated in Annexure.

**(iii) Interest Rate:** Refer rate of interest table at Annexure.



**MERIT LOAN SCHEME FOR GOOD BORROWERS:**

**Scheme objective** : To build up quality loan portfolio by extending financial assistance to Good Borrowers in standard accounts with simplified procedure.

**Eligibility criteria** : Already assisted units of PIPDIC whose loan accounts are clarified as “standard Accounts” continuously for 3 years are eligible for assistance. Good Borrowers who have already settled the loan account with PIPDIC are also eligible for assistance.

**Purpose** : Loan shall be considered for construction of additional building, for purchase of additional machinery and equipments essential for expansion / modernization/ diversification and also to meet the working capital needs.

**Loan limit** : The maximum amount of loan shall be the actual amount repaid by the unit, out of financial assistance availed from PIPDIC.

**Debt Equity Ratio** : The debt equity ratio shall be 2:1

**Terms of Assistance** : **Repayment period:** Maximum of 5 years excluding the moratorium period of maximum 6 months.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Concessional rate of interest will be charged. The rate of interest shall be 1% less than the normal term loan interest rates indicated in the interest table at annexure.

**Special Features of the scheme** : No application is required to be submitted. Only a requisition letter along with 3 years audited financial statements and IT returns to be submitted.

- No investigation fee is charged for processing.
- 1% interest concession is extended.
- Simplified procedure:
- Simple Documentation.

***SCHEME FOR TOURISM RELATED ACTIVITIES:***

**Scheme objective** : To extend financial assistance to promoters setting up of tourism related activities.

**Eligibility criteria** : Proprietary, Partnership and Limited companies are eligible for financial assistance.

**Purpose** : For setting up or development of amusement parks, cultural centers, restaurants, tourist service agencies including expansion and modernization of existing project. Purchase of land for the project shall not be considered for loan.

**Project cost** : The cost of the project shall not exceed Rs.1200.00 lakhs

**Quantum of loan** : Loan shall be considered as per the DER norms of 2:1.

**Debt Equity Ratio** : The DER shall be 2:1.

**Terms of Assistance : Repayment period:** Maximum of 10 years including moratorium period of maximum 2 years depending upon the period of implementation.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Refer rate of interest table at Annexure.

**SCHEME FOR HOTEL AND RESTAURANT PROJECT :**

**Scheme objective** : To extend financial assistance to entrepreneurs for setting up of Hotel / Restaurant project.

**Eligibility criteria** : Proprietary, Partnership and Limited companies are eligible for financial assistance.

**Purpose** :  
For setting up of Hotels / Restaurants including expansion and modernization of existing project. Purchase of land for the project shall not be considered for loan.

**Quantum of loan** :  
Loan shall be considered as per the DER norms of 2:1.

**Debt Equity Ratio** : The DER shall be 2:1.

**Terms of Assistance** :  
**Repayment period** : Maximum of 10 years including moratorium period of maximum 2 years depending upon the period of implementation.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Refer rate of interest table at Annexure.

**SCHEME FOR MARRIAGE HALL/COMMUNITY HALL/CONVENTION CENTRE/COMMERCIAL COMPLEX**

**Scheme Objective** : To Extend financial assistance for construction of Marriage hall, Community hall, Convention centre and Commercial complex and acquisition of capital goods / requirements, etc.

**Eligibility criteria** : Proprietary, Partnership and limited companies are eligible for Financial assistance.

**Purpose** : The loan shall be considered for construction of building and For purchase of all essential, Capital goods required for the Project, except land.

**Quantum of loan** : Financial assistance will be considered as per DER norms up to a Maximum loan of Rs.250.00 lakhs.

**Debt Equity Ratio** : The DER shall be 3:1 for loans upto Rs.25.00 lakhs and 2:1 for loans above Rs.25.00 lakhs

**Terms of assistance** : i) Repayment period : Maximum of 10 years including moratorium period of maximum of 2 years.

(ii) Collateral Security: Apart from mortgage/ hypothecation of proposed fixed assets, Collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

(iii) Interest Rate : Refer rate of interest table at Annexure.

## SINGLE WINDOW SCHEME

- Scheme Objective** : To provide timely working capital assistance to Micro and Small enterprises along with term loan for acquiring fixed assets for entrepreneurs setting up new projects.
- Eligibility criteria** : All new Micro and small enterprises with total project outlay including total working capital requirement shall be upto Rs.200.00 lakhs are eligible.
- Purpose** : The term loan shall be considered for acquiring fixed assets and the Working capital loan shall be considered for meeting the working capital requirement of the project.
- Project cost** : The total project outlay including total working capital requirement shall not exceed Rs.200.00 lakhs.
- Loan limit** : Loan shall be considered as per DER norms.
- Debt Equity Ratio** : The DER shall be 3:1 for loans upto Rs.25.00 lakhs and 2:1 for loans above Rs.25.00 lakhs
- Terms of assistance** : **(i) Repayment period** : Maximum of 8 years including moratorium period of maximum of 2 years.
- (ii) Collateral Security** : Apart from mortgage/ hypothecation of proposed fixed assets, Collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.
- (iii) Interest Rate** : Refer rate of interest table at Annexure.

**SCHEME FOR COTTAGE AND VILLAGE INDUSTRIES  
(COMPOSITE LOAN SCHEME FOR MICRO ENTERPRISES)**

**Scheme Objective** : To extend financial assistance of both term loan and (or) working capital loan to new /existing micro enterprise projects.

**Eligibility criteria** : All Artisans Village and Cottage industries and Micro Enterprises projects promoted by resident of Puducherry are eligible for financial assistance.

**Purpose** : The loan shall be considered for purchase of new machinery / Equipments and to meet the working capital requirement.

**Quantum of loan** : The maximum of loan to be considered under the scheme is Rs.25 .00 lakhs per unit.

**Debt Equity Ratio** : The DER shall be 3:1 for loans upto Rs.25.00 lakhs.

**Terms of assistance: (i) Repayment period** : Maximum of 8 years including moratorium period of maximum of 1 year.

**(ii) Collateral Security** :Apart from mortgage/ hypothecation of proposed fixed assets, Collateral security in the form of immovable property shall be offered as per the lending policy of the corporation indicated in Annexure.

**(iii) Interest Rate** : Refer rate of interest table at Annexure.

## **SCHEME FOR SMALL ROAD TRANSPORT OPERATORS (SRTOs)**

**Scheme Objective :** To extend financial assistance for acquiring new Transport vehicles (Goods & Passenger vehicle)

**Eligibility criteria :**

Resident of Puducherry are eligible for financial assistance.

**Purpose :** To meet the expenditure towards cost of chassis , body Building. Second hand vehicles are not eligible for assistance.

**Quantum of loan :** 70% of the cost of vehicle, excluding road tax and insurance.

**Terms of assistance :** (i) **Repayment period :** Maximum of 58 monthly instalments. Including moratorium period of maximum of 3 months.

(ii) **Collateral Security :** Apart from hypothecation of proposed vehicle, Collateral security in the form of immovable property shall be offered as per the lending policy of the corporation indicated in Annexure.

(iii) **Interest Rate :** Refer rate of interest table at Annexure.

**SCHEME OF ASSISTANCE TO WOMEN ENTREPRENEURS :**  
**(Mahalir Udavi)**

**Scheme objective** : To extend financial assistance to new /existing Micro enterprises project promoted exclusively by women entrepreneurs / consisting of majority of women entrepreneurs.

**Eligibility criteria** : All existing and New Micro enterprises projects promoted exclusively by women entrepreneurs / consisting of majority of women entrepreneurs.

**Purpose** : Loan shall be considered for acquiring fixed assets and to meet the working capital requirement.

**Project cost** : The cost of the project shall not exceed Rs.20.00 lakhs

**Quantum of loan** : Financial assistant up to a maximum of 75% of project cost shall be considered.

**Debt Equity Ratio** : The DER shall be 3:1.

**Terms of Assistance: Repayment period** : Maximum of 10 years including moratorium period of maximum 2 years depending upon the period of implementation.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Refer rate of interest table at Annexure.



**SCHEME FOR MEDICAL PROFESSION :**

**Schemes for Hospital / Nursing Homes :**

**Scheme objective** : To extend financial assistance to qualified Medical Practitioners for setting up of small Hospitals / Nursing Home / Poly clinics etc.,

**Eligibility criteria** : Proprietary concern, partnership & Limited companies promoted by post graduate Doctors are eligible for financial assistance.

**Purpose** : Loan shall be considered for construction of hospital building and purchase of electro medical and other related equipments for setting up of hospitals/ nursing homes.

**Project cost** : The cost of project shall not exceed Rs.500.00 lakhs.

**Quantum of loan**

: Loan shall be considered as per DER norms of 2:1

**Debt Equity Ratio** : The DER shall be 2 :1.

**Terms of Assistance :Repayment period:** Maximum of 8 years including moratorium period of maximum 2 years depending upon the period of implementation.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Refer rate of interest table at Annexure.

### **SCHEME FOR PROFESSIONALS:**

**Scheme objective** : To extend financial assistance to qualified professionals for setting up of professional practice / consultancy venture.

**Eligibility criteria** : Qualified professionals in Management, Accountancy, Medicine, Architecture Engineering etc., are eligible for financial assistance.

**Purpose** : For setting up of professional practice / consultancy venture and also for acquisition of additional equipments required.

**Project cost** : The cost of project shall not exceed Rs.20.00 lakhs and the cost of land & building shall not exceed 50% of total outlay.

**Quantum of loan** : Loan shall be considered as per DER norms

**Debt Equity Ratio** : The DER shall be 2:1.

**Terms of Assistance : Repayment period** : Maximum of 8 years including moratorium period of maximum 1 year.

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest rate** : Refer rate of interest table at Annexure.

**SCHEME FOR PURCHASE OF PADDY HARVESTING MACHINE :**

- Scheme objective** :To extend financial assistance to local Agriculturist for purchase of Tractor and Harvesting machine to harvest the crops.
- Eligibility criteria** :  
All agriculturist belonging to Union Territory of Puducherry are eligible for financial assistance.
- Purpose** :Loan shall be considered for the purchase of tractor and harvesting machine to harvest the crops.
- Quantum of loan** :Up to 70% of cost of Tractor and harvesting machine.
- Debt Equity Ratio** :The DER shall be 2:1.
- Terms of Assistance :**  
**Repayment period:** Maximum of 58 monthly instalments including moratorium period of maximum 3 months.
- Collateral Security** :  
Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.
- Interest Rate** : Refer rate of interest table at Annexure.

**CAR LOAN SCHEME :**

**Scheme objective** : To extend financial assistance for purchase of new car for personal use.

**Eligibility criteria** : Permanent Employees of Government of Puducherry & Government of Puducherry undertakings are eligible for financial assistance.

The employee shall have the left over service equivalent to loan repayment period and the take home salary shall not be less than one third of the gross salary after deduction of loan instalment.

**Purpose** : Loan shall be considered for purchase of new car for personal use.

**Quantum of loan** : Maximum of 70% of cost of vehicle excluding road tax, insurance / registration charges shall be considered for loan.

**Debt Equity Ratio** : The DER shall be 2:1.

**Terms of Assistance** : **Repayment period:** Maximum repayment period of 7 years shall be considered depending upon the service period left.

**Collateral Security** :  
Apart from Hypothecation of proposed vehicle, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** : Refer rate of interest table at Annexure.

**FINANCIAL ASSISTANCE FOR SETTING UP OF COLD STORAGE :**

**Scheme objective** : To extend financial assistance for setting up of cold storage facilities.

**Eligibility criteria** : Proprietary , partnership , Public / Private Ltd., companies, Co-Op societies, Marketing Committees, Boards and Agro industries Corporation are eligible for financial assistance.

**Purpose** : Loan shall be considered for construction of building and for purchase of capital goods required for setting up of cold storage facilities.

**Loan limit** : Term loan shall be considered as per Debt Equity norms of PIPDIC up to a maximum of Rs.250.00 lakhs.

**Debt Equity Ratio** : The DER shall be 3:1 for loans up to Rs.25.00 lakhs and 2:1 for loans above Rs.25.00 lakhs.

**Terms of Assistance** : **Repayment period:** Maximum of 8 years including moratorium period of maximum 2 years depending upon period of implementation

**Collateral Security** : Apart from mortgage/ Hypothecation of proposed fixed assets, collateral security in the form of immovable property shall be offered as per the lending policy of the Corporation indicated in Annexure.

**Interest Rate** :Refer rate of interest table at Annexure.

### SPECIFIC AND SPECIAL SCHEMES OF ASSISTANCE

- ❖ Short Term financial assistance to Good Borrowers.
- ❖ Financial assistance to Launderers and Barbers.
- ❖ Scheme for marketing organizations and for purchase of mobile sales van.
- ❖ Scheme for acquisition of equipments and others.
- ❖ Scheme for setting up of Industrial Estates.
- ❖ Scheme for Development, maintenance and construction of Roads.
- ❖ Refinance scheme for Technology Development and modernization.
- ❖ Refinance scheme for acquisition of ISO 9000 Certification for SSI units.
- ❖ Technology upgradation Fund Scheme.
- ❖ Financial assistance for taking over of existing assets / enterprises.
- ❖ Scheme for qualified professionals and Good Borrowers for purchase of 4 wheeler for own use.
- ❖ Equipment refinance scheme.

**ANNEXURE**  
**INTEREST RATE STRUCTURE**

Interest rate p.a.

SI.No.	Term loans and working capital loans	
A	Upto Rs.25.00 lakhs	10%
B	Above Rs.25.00 lakhs and upto Rs.50.00 lakhs	11%
C	Above Rs.50.00 lakhs and Term loan to MSI	12%

- Concessional rate of interest of 0.5% less than the normal rate is charged for units promoted by Women / SC / ST / Differently abled persons.

**INVESTIGATION FEES**

SI.No.	Loan Amount	Investigation Fees
A	For loans upto Rs.25.00 lakhs	0.50% of the term loan applied plus service tax as applicable
B	For loans above Rs.25.00 lakhs	0.75% of the term loan applied plus service tax as applicable
C	For Women / SC / ST and Differently abled Entrepreneurs	50% concession on investigation fee

**COLLATERAL SECURITY NORMS**

**The norms for acceptance of collateral security while considering sanction of term loans:**

- In respect of immovable property situated in the Union Territory of Puducherry, the value of the property to be offered shall be not less than the amount of term loan sanctioned.
- In respect of immovable property situated outside the Union Territory of Puducherry, the value of the property to be offered shall be not less than 150% of loan amount in case of land with building. In case the property to be offered is only land, the value of the same shall be not less than 200% of the loan amount.
- In respect of units promoted by women / SC/ ST / Differently abled persons, the value of the property to be offered is reduced and fixed at 50% of loan amount.
- The valuation of the properties to be offered as security shall be assessed by engaging Chartered Engineers / valuers from the approved panel of the Corporation.

**CHECK LIST FOR LOANS UP TO Rs.10.00 lakhs**

<b>Sl.No.</b>	<b>Particulars to be submitted at the time of filing loan application</b>
1.	Copy of acknowledgement of MSME Registration Certificate obtained from Industries Department.
2.	Copy of lease deed for the work premises in 10.00 Rupees stamp paper.
3.	Copy of sale deed for the work premises in case the premises is owned by the applicant.
4.	Quotation from selected supplier for all machinery & equipments proposed with detailed specification and Catalogue (original to be produced)
5.	Two comparative quotations from standard suppliers for all machinery & equipments proposed (original to be produced)
6.	Selected machinery supplier's client list with detailed postal address.
7.	Proof for sale price of end product and quotations for main raw-materials to be used.
8.	Tie-up letters for marketing the product.
9.	Copy of partnership deed and acknowledgement of Registrar of Firm in the case of partnership concern.
10.	Copies of Pan card, Voters Identity, Ration card, Aadhar card and Bank pass book.
11.	Profitability statement detailing monthly sales / income and expenditure details.
12.	Consent letter to offer collateral security to the extent required by PIPDIC.
13.	Investigation fee @ <b>0.50% on the loan amount</b> applied plus applicable service tax For Women/SC/ST/Differently abled entrepreneurs- 50% has to be paid.

<b>Sl.No.</b>	<b>Particulars to be submitted either during processing time or after sanction of loan.</b>
1.	Applicable licence copies Inspector of factories approval, Municipal / Panchayat permission, Pollution clearance etc.,
2.	Original title deed, Antecedent title deeds, Encumbrance certificate for 30 years, valuation Certificate from approved panel valuer of PIPDIC, FMB copy, Patta copy and Legal opinion report for collateral security property.



**CHECK LIST FOR TRANSPORT LOANS**

<b>Sl.No.</b>	<b>Particulars to be submitted at the time of filing loan application</b>
1.	Copy of the proceedings obtained from Transport Department.
2.	Copy of the Ration card.
3.	Copy of the Aadhar card.
4.	Copy of the Birth certificate.
5.	Copy of the Nativity / Residence certificate.
6.	Copy of the community certificate in case of SC / ST.
7.	Copy of the Pan card.
8.	Copy of the Bank pass book.
9.	Copy of the Driving licence.
10.	Copy of the partnership deed in the case of partnership concern.
11.	Original quotation for vehicle / chassis / body building works.
12.	Copy of the RC book for existing vehicle.
13.	Consent letter to offer collateral security to the extent required by PIPDIC / Copy of documents for the collateral security property.

<b>Sl.No.</b>	<b>Particulars to be submitted either during processing time or after sanction of loan.</b>
	Original Title deed, Antecedent title deeds, Encumbrance certificate for 30 years, valuation certificate obtained from approved panel valuer of PIPDIC, FMB copy, Patta copy and Legal opinion report for collateral security property.

**CHECK LIST FOR LOANS ABOVE Rs.10.00 LAKHS & UP TO Rs.25.00 LAKHS**

<b>SI.No.</b>	<b>Particulars to be submitted at the time of filing loan application</b>
1.	Copy of acknowledgement of MSME Registration Certificate obtained from Industries Department.
2.	Copy of lease deed for the work premises in 10.00 Rupees stamp paper.
3.	Copy of sale deed for the work premises in case the premises is owned by the applicant.
4.	Site and factory building plan with machinery layout & civil estimate obtained from approved panel valuer of PIPDIC (2 copies).
5.	Quotation from selected supplier for all machinery & equipments proposed with detailed specification and catalogue (original to be produced)
6.	Two comparative quotations from standard suppliers for all machinery & equipments proposed (original to be produced)
7.	Comparative statement for machinery with justification for choosing the supplier.
8.	Selected machinery supplier's client list with detailed postal address and copy of proof for having registered as an approved supplier with other financial institutions / banks.
9.	Proof for sale price of end product from the existing manufacture / dealer.
10.	Quotation / bill copies for each item of raw materials to be used with arrangements for regular supply.
11.	Manufacturing process details with flow chart.
12.	Statistics for demand & supply position of product with proof, existing competitions, major consumers details and tie-up letters for marketing the product.
13.	Copy of partnership deed and acknowledgement of Registrar of firms in the case of partnership firm or Memorandum & Articles of Association in the case of private Limited company.
14.	Bio-Data of all the promoters (Duly filled in all respect as per the format enclosed)
15.	Copies of Pan card, Voters Identity, Ration card, Aadhar card and Bank pass book.
16.	To prepare appraisal report the details asked for in the application at page Nos.12,13,14 & 15 are to be furnished compulsorily.
17.	Consent letter from bank for sanction of working capital loan.
18.	Consent letter to offer collateral security to the extent required by PIPDIC.
19.	Balance sheet & profit & loss account for last 3 years and bankers details for interested concerns/existing unit.
20.	Investigation fee @ <b>0.50% on the loan amount</b> applied plus applicable service tax For Women/SC/ST/Differently abled entrepreneurs 50% has to be paid.

<b>SI.No</b>	<b>Particulars to be submitted either during processing time or after sanction of loan.</b>
1.	Applicable licence copies, PPA approval Inspector of factories approval, Municipal / Panchayat permission, Pollution clearance etc.,
2.	Original title deed, Antecedent title deeds, Encumbrance certificate for 30 years, valuation certificate obtained from approved panel valuer of PIPDIC, FMB copy, Patta copy and Legal opinion report for factory site & collateral security property.

**CHECK LIST FOR LOANS ABOVE Rs.25.00 LAKHS**

<b>Sl.No.</b>	<b>Particulars to be submitted at the time of filing loan application</b>
1.	Copy of acknowledgement of MSME Registration Certificate obtained from Industries Department.
2.	Copy of Registered lease deed for the work premises for the period not less than 8 years or consent letter to produce registered lease deed for the work premises.
3.	Copy of sale deed for the work premises in case the premises is owned by the applicant.
4.	Site and factory building plan with machinery layout & civil estimate obtained from approved panel valuer of PIPDIC (2 copies).
5.	Quotation from selected supplier for all machinery & equipments proposed with detailed specification and catalogue (original to be produced).
6.	Two comparative quotations from standard suppliers for all machinery & equipments proposed (original to be produced).
7.	Comparative statement for machinery with justification for choosing the supplier.
8.	Selected machinery supplier's client list with detailed postal address and copy of proof for having registered as an approved supplier with other financial institutions / banks.
9.	Proof for sale price of end product from the existing manufacture / dealer.
10.	Quotation / bill copies for each item of raw materials to be used with arrangements for regular supply.
11.	Manufacturing process details with flow chart.
12.	Statistics for demand & supply position of product with proof, existing competitions, major consumers details and tie-up letters for marketing the product.
13.	Copy of partnership deed and acknowledgement of Registrar of firms in the case of partnership firm or Memorandum & Articles of Association in the case of private Limited company.
14.	Bio-Data of all the promoters (Duly filled in all respect as per the format enclosed)
15.	Copies of Pan card, Voters Identity, Ration card, Aadhar card and Bank pass book.
16.	Detailed project report on the project.
17.	To prepare appraisal report the details asked for in the application at page Nos.12,13,14 & 15 are to be furnished compulsorily.
18.	Consent letter from bank for sanction of working capital loan.
19.	Consent letter to offer collateral security to the extent required by PIPDIC.
20.	Balance sheet & profit & loss account for last 3 years and bankers details for interested concerns/existing unit.
21.	Track record, name & address of concerns and type of consultancy service rendered by the consultant, if any.
22.	Details of effluent and arrangement proposed for treatment & disposal of effluent if any during process.
23.	Investigation fee @ <b>0.75% on the loan amount</b> applied plus applicable service tax For Women/SC/ST/Differently abled entrepreneurs 50% has to be paid.

<b>Sl.No.</b>	<b>Particulars to be submitted either during processing time or after sanction of loan.</b>
1.	Applicable licence copies, PPA approval Inspector of factories approval, Municipal / panchayat permission, Pollution clearance etc.,
2.	Original title deed, Antecedent title deeds, Encumbrance certificate for 30 years, valuation certificate obtained from approved panel valuer of PIPDIC, FMB copy, Patta copy and Legal opinion report for factory site & collateral security property.

**CHECK LIST FOR AVAILING LOAN FOR CONSTRUCTION OF HOTELS /  
KALYANAMANDAPAM / COMMUNITY HALL / COMMERCIAL COMPLEX /  
COMMERCIAL GODOWN**

<b>SI.No.</b>	<b>Particulars to be submitted at the time of filing loan application</b>
1.	Copy of the sale deed for the work site.
2.	Copy of site & building plan approved by PPA (2 copies)
3.	Estimate for building & other civil works obtained from approved panel valuer of PIPDIC.
4.	Quotation from selected supplier for all the equipments, viz. lift, Generator set, Air Conditioners, Kitchen equipments, Furnitures, EPABX system, Television, Refrigerators, Heaters etc., proposed with detailed specifications and catalogues (original quotations to be produced).
5.	Two comparative quotations from standard suppliers for all the above equipments proposed. (original quotations to be produced).
6.	Comparative statement for equipments with justification for choosing the supplier.
7.	List of equipments proposed to be purchased for Hotel/ Kalayanamandabam /Community Hall / Commercial Complex / Commercial Godown.
8.	Selected supplier client list with detailed postal address and copy of proof for having registered as an approved supplier with other financial institutions / banks.
9.	Detailed project report on the project.
10.	Copy of partnership deed and acknowledgement of Registrar of firms in the case of partnership firm or Memorandum & Articles of Association in the case of Private Limited company.
11.	Bio-Data of all the promoters (Duly filled in all respect as per the format enclosed).
12.	Copies of Pan Card, Voters identity, Ration card, Aadhar card & Bank pass book for all the promoters.
13.	Brief write up on the scope of the project.
14.	Consent letter to offer collateral security to the extent required by PIPDIC.
15.	Balance sheet & profit & loss account for last 3 years and bankers details for interested concerns / existing unit.
16.	<p><b>Investigation fee to be paid as detailed below:</b></p> <p>For loans upto Rs.25.00 lakhs - 0.50% on the loan amount applied plus applicable service tax</p> <p>For loans above Rs.25.00 lakhs - 0.75% on the loan amount applied plus applicable service tax</p> <p>For Women/SC / ST/Differently abled entrepreneurs - 50% has to be paid.</p>

<b>SI.No.</b>	<b>Particulars to be submitted either during processing time or after sanction of loan.</b>
1.	Applicable licence copies Municipal / Panchayat permission, Food licence etc.,
2.	Original Title deed, Antecedent title deeds, Encumbrance certificate for 30 years, valuation certificate obtained from approved panel valuer of PIPDIC, FMB copy, Patta copy and Legal opinion report for the site & collateral security property.

## **Industrial Estates of PIPDIC in Puducherry & Karaikal**

### **PUDUCHERRY REGION:**

PIPDIC is having four industrial estates in Puducherry region as under:

METTUPALAYAM (167 acres)	}	The allotment of shed/plot in these estates were fully made and no vacant land/shed are available at present.
SEDARAPET (62 acres)		
THIRUBUVANAI (52 acres)		
KIRUMAMPAKKAM (25 acres)		

### **NEW INDUSTRIAL ESTATES UNDER DEVELOPMENT:**

#### **Sedarapet Industrial Estate (Phase-I)**

A new industrial estate at Sedarapet village to an extent of around 65 acres of land has been recently established and the allotment is under progress. The premium lease amount for the land is fixed as Rs.1320/- per.sqmt.

#### **Sedarapet-Karasur new Industrial Estate (Phase – II)**

The Govt. of Puducherry has recently notified to transfer about 800 acres of land at Karasur, Sedarapet Rev. Village, Puducherry in favour of PIPDIC to establish a new industrial estate. The Corporation is going to take up infrastructural works in the said land and allotment of land to needy entrepreneurs will commence shortly.

### **KARAIKAL REGION:**

#### **Industrial Growth Centre, Polagam, Karaikal: (597 Acres)**

Industrial Growth Centre, Karaikal is located close to Minor Port and Power Plant. Developed/Undeveloped plots are readily available for allotment. In phase- I(A) 200 acres of land has been already developed. Phase – I (B) (200 acres) and Phase-II ( 197 acres) of land will be developed shortly. The premium lease amount for developed land is Rs.575/- sqmt and Rs.275/-sqmt. for the un-developed land. The allotment of land in Industrial Growth Centre, Polagam, Karaikal has already commenced and about 450 acres of land is available for allotment to the new entrepreneurs on merits.

For more details visit our web-site.

## **Criteria for Evaluation of allotment of plot / land / shed in PIPDIC's Industrial Estates**

**PIPDIC has framed criteria for allotment of plot / land / shed in PIPDIC's Industrial Estates, which are given below :-**

- ❖ **Investment on the Project;**
- ❖ **More Employment Generating Unit;**
- ❖ **Project set up by local entrepreneurs;**
- ❖ **Hi-technology projects;**
- ❖ **Agro based Industries;**
- ❖ **Less water consuming projects;**
- ❖ **Project set up by women entrepreneurs;**
- ❖ **Project set up by NRIs; and**
- ❖ **Employment Oriented Projects.**

**NOTE:**

**Timeline for processing the allotment applications**

**15 days from the date of approval of Allotment committee**



***For more information please contact:***

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