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La Gazette de L'État de Poudouchéry
The Gazette of Puducherry

PART - II

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GOVERNMENT OF PUDUCHERRY

DIRECTORATE OF INDUSTRIES AND COMMERCE
(SECRETARIAT WING)

(G.O. Ms. No. 6/Ind.&Com./331, Puducherry, dated 15th June 2026)

NOTIFICATION

The Lieutenant-Governor, Puducherry, is pleased to notify the "Puducherry Public-Private Partnership (PPP) Policy for Infrastructure Development, 2026" appended as Annexure to this Notification, for the purpose of establishing a comprehensive Public-Private Partnership Policy to create a structured and transparent framework for Private Sector Participation in construction, infrastructure development, modernization, operation and maintenance of public assets across the

Union territory of Puducherry and it aims to promote collaboration between Government Entities and Private Investors to accelerate infrastructure creation and enhance the overall investment climate.

This Notification shall come into force with effect from the date of its publication in the Official Gazette of the Government of Puducherry.

(By order of the Lieutenant-Governor)

A. VIKRANTHRAJA,
Secretary to Government (Industries and Commerce).

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1. *Preamble :*

- Infrastructure Development plays a critical role in enabling sustainable economic growth, strengthening Industrial ecosystems, and improving the quality of Public services. Rapid urbanization, evolving Infrastructure requirements across Sectors and increasing expectations of citizens necessitate continuous investment in modern Infrastructure.
- Traditional Public Sector investment has historically supported Infrastructure development. However, the growing scale and complexity of Infrastructure requirements demand innovative models for financing, delivery and long-term asset management. Public-Private Partnerships (PPP) have emerged as a strategic mechanism to combine the strengths of the Public Sector with the efficiency, innovation and financial capacity of Private Enterprises.
- PPP arrangements enable Governments to collaborate with Private Sector Partners to design, finance, develop, operate and maintain Public Infrastructure assets, Public buildings and service-oriented construction projects through structured contractual frameworks. These Partnerships create opportunities to mobilize Private capital, improve project delivery timelines, enhance service quality and ensure lifecycle efficiency in Infrastructure development.

- Under a PPP arrangement, Infrastructure assets and Public services continue to serve the broader Public interest while benefiting from the managerial capabilities, technological expertise and operational efficiencies of Private Sector Participation. PPP frameworks also enable risk sharing between the Public and Private Sectors, ensuring that risks are allocated to the entity best equipped to manage them effectively.

- Modern PPP frameworks emphasize performance-based contracting, transparent procurement mechanisms and outcome-oriented Infrastructure development. These frameworks focus on clearly defined service standards, long-term contractual commitments and measurable performance indicators to ensure efficient delivery of Public Services and Infrastructure outcomes.

- Well-designed PPP frameworks also promote innovation in Infrastructure development by encouraging Private Sector Participation in project planning, financing structures, operational strategies and technological integration. Such approaches contribute to reducing lifecycle costs, accelerating project implementation and improving service quality.

- The Government of Puducherry recognizes that strengthening Infrastructure across Departments and Public agencies is essential for achieving long-term economic transformation. The Union Territory's development vision emphasizes the creation of modern Infrastructure ecosystems that support Industrial growth, urban services, social Infrastructure, tourism, logistics, Public amenities and sustainable regional development.

- In this context, the Government seeks to establish a comprehensive Public-Private Partnership Policy to create a structured and transparent framework for Private Sector Participation in construction. Infrastructure development, modernization, operation and maintenance of Public assets across the Union Territory. This policy aims to promote collaboration between Government Entities and Private Investors to accelerate Infrastructure creation and enhance the overall investment climate.

- While this policy shall serve as the principal framework for PPP initiatives undertaken by the Directorate of Industries and Commerce and PIPDIC, it may also function as an enabling and advisory framework for other Government Departments, Boards, Corporations, Local Bodies and Agencies undertaking construction and Infrastructure projects across the Union Territory. Adoption by such Entities shall be based on project suitability and may be undertaken on a request basis for technical support from the PPP Cell.

- In addition to facilitating new Infrastructure creation, the Government recognizes the importance of revival, restructuring, monetization, redevelopment and where necessary, orderly closure of underutilized, financially stressed or non-operational Public Assets and Enterprises across the Union Territory. Such assets may include Government Corporations. Public Sector Undertakings, Mills, Cooperative Societies, Industrial Estates and other Public Infrastructure Entities where Private Sector Participation, structured redevelopment, or professional transaction support can unlock economic value and restore productive use.

- The policy therefore also enables the use of PPP and allied frameworks for revival of sick units, asset monetization. concession-based redevelopment, debt restructuring, insolvency or winding-up assessments and strategic exit support, wherever such interventions are considered necessary by the Government or the concerned Administrative Department.

- The PPP Policy provides a structured framework for identifying, developing, procuring, implementing and monitoring PPP projects. It establishes Institutional Mechanisms, Project Development Processes, Procurement Guidelines, Risk Allocation Principles and Governance Structures necessary to support successful PPP implementation. Through this policy, the Government aims to foster a robust ecosystem for Infrastructure investment by encouraging Private Participation, ensuring transparency in project execution and safeguarding Public interest while promoting sustainable economic development.

2. *Policy Context and Rationale :*

2.1. Emerging Infrastructure Needs

- Industries form the backbone of manufacturing-led economic growth. Well-planned Industrial Infrastructure including factory sheds, internal roads, power supply, water systems, drainage, common facility centres and other support Infrastructure within Estates is essential for attracting investment, enabling MSMEs and Industrial units to grow and strengthening Puducherry's manufacturing ecosystem.

- The Directorate of Industries and Commerce and PIPDIC have been developing and managing Industrial Estates across the Union territory of Puducherry. However, growing demand from Industries, aging Infrastructure within existing Estates and the need to develop new Estate Infrastructure require investments that go beyond traditional budgetary allocations.

2.2. Need for Private Sector Participation

- The scale of investment required to develop, upgrade and maintain Industrial Estate Infrastructure increasingly exceeds the fiscal capacity of the Government. Budgetary resources alone are insufficient to meet the growing Infrastructure demands of existing and upcoming Industrial Estates in Puducherry.

- Private Sector participation offers a practical solution. Private Partners bring financial resources, construction expertise, operational efficiency and modern facility management capabilities that can significantly improve the quality and sustainability of Industrial Estate Infrastructure.

- PPP arrangements within Industrial Estates allow the Government to leverage Private capital and expertise while retaining regulatory oversight and ensuring that Estate Infrastructure continues to serve the needs of Industrial units and MSMEs.

2.3. Revival, Restructuring and Monetization of Existing Public Assets.

- The Government recognizes that, in addition to the need for creation of new Infrastructure assets, there exists a parallel requirement for the revival, restructuring, redevelopment, monetization and where necessary, orderly closure of underutilized, financially stressed, or non-operational Public assets and Enterprises within the Union Territory. Such assets may include Government corporations, Public Sector undertakings, Mills, Cooperative societies, Industrial Establishments and other Public Infrastructure assets.
- In several cases, such assets require structured interventions for restoration of productive use, redevelopment of existing facilities, monetization of dormant resources, resolution of financial stress, or strategic repurposing in alignment with Public interest and Sectoral priorities. The Government considers that Private Sector Participation, concession-based redevelopment, asset monetization frameworks and professionally managed restructuring approaches may provide suitable pathways for such interventions.
- Accordingly, the policy framework also extends to brownfield Infrastructure revival, distressed asset resolution, Cooperative and Corporation restructuring, concession-led redevelopment and strategic monetization of Public assets, wherever such interventions are considered appropriate by the Government or the concerned Administrative Department.

2.4. Improving Efficiency in Infrastructure Delivery

- Infrastructure within Industrial Estates developed through PPP arrangements can be delivered more efficiently through performance-based contracts where the Private Partner is accountable for construction quality, timely delivery and long-term maintenance of Estate Assets.

- Such arrangements encourage the Private Partner to adopt modern construction practices, efficient facility management systems and proactive maintenance protocols ensuring that Industrial Estate Infrastructure remains functional, reliable and fit for Industrial use throughout the contract period.

2.5. Enhancing Value for Money in Public Infrastructure

- A key rationale for adopting PPP frameworks within Industrial Estates is to ensure that Infrastructure investments deliver optimal value for money. PPP arrangements that combine Private Sector efficiency with Public Sector oversight can deliver better Infrastructure outcomes at lower lifecycle costs compared to traditional procurement methods.
- Rigorous feasibility assessments, competitive procurement and performance-linked contracts ensure that Estate Infrastructure Projects are structured efficiently and that Public resources are utilized responsibly.

2.6. Need for a Structured PPP Policy Framework

- To effectively harness Private Sector Participation in Industrial Estate Infrastructure development, a clear and structured policy framework is essential. Such a framework provides clarity to Government Departments, Private Investors and Financial Institutions on the procedures, Governance structures and contractual arrangements applicable to PPP projects within Industrial Estates in Puducherry.
- A dedicated PPP policy for Industrial Infrastructure also strengthens investor confidence by ensuring transparency and predictability in project development and procurement processes thereby creating a more attractive environment for Private investment in Puducherry's Industrial Sector.

3. *Vision and Strategic Objectives :*

3.1. Vision

- To transform Puducherry's Industrial Estates into modern, well-serviced and competitive Industrial destinations through structured Public-Private Partnerships that leverage Private Sector Expertise, innovation and capital while safeguarding Public interest.
- The Government of Puducherry recognizes that high quality Industrial Estate Infrastructure is a prerequisite for attracting investment, enabling manufacturing growth and generating sustainable employment across the Union Territory. By establishing a robust PPP framework for Industrial Estate Infrastructure development, the Government seeks to bridge the gap between growing Infrastructure demands and available Public resources.
- This policy aims to create an enabling environment where the Public Sector and Private Enterprises collaborate effectively to plan, finance, develop, operate and maintain Industrial Estate Infrastructure. Through this Partnership-driven approach the Government intends to deliver world-class Industrial facilities that support the growth of existing Industries, attract new investment and strengthen the competitiveness of MSMEs across Puducherry.
- The PPP framework will be guided by principles of transparency, accountability and value for money ensuring that Industrial Estate Infrastructure is developed efficiently and sustainably while remaining aligned with the broader Industrial development objectives of the Union Territory.

3.2. Strategic Objectives

The PPP Policy aims to achieve the following strategic objectives:

Accelerate Infrastructure Development within Industrial Estates

o To facilitate timely development and modernization of Infrastructure within Industrial Estates by mobilizing Private Sector investment and expertise.

PPP arrangements enable integrated project design, financing, construction and operation within a unified framework thereby improving coordination and accelerating implementation of critical Estate Infrastructure.

Mobilize Private Investment in Infrastructure

- o To attract Private investment for Industrial Estate Infrastructure development thereby reducing the financial burden on Public resources. By creating a transparent and investor-friendly framework the Government intends to encourage participation from domestic and international investors in developing and managing Industrial Estate Infrastructure across Puducherry.

Improve Quality of Industrial Estate Infrastructure

- o To enhance the quality, functionality and long-term sustainability of Infrastructure within Industrial Estates including Factory Sheds, Internal roads, Power Supply Systems, Water Supply Systems, Drainage networks and Common facility centres. Private Sector participation introduces modern construction practices, efficient facility management and proactive maintenance systems that improve overall Estate Infrastructure quality.

Support MSMEs Growth and Industrial Competitiveness

- o To create well-serviced and modern Industrial Estates that provide MSMEs and manufacturing units with the Infrastructure support necessary to enhance productivity, reduce operational costs and improve competitiveness. Quality Estate Infrastructure directly contributes to the growth and sustainability of Industrial units operating within Puducherry's Estates.

Ensure Value for Money in Infrastructure Investments

- o To ensure that Industrial Estate Infrastructure projects deliver optimal value for money through efficient project design, effective risk allocation and lifecycle cost management. PPP procurement frameworks encourage competitive bidding and performance-based contracting thereby maximizing the long-term benefits of Infrastructure investments.

Promote Innovation in Estate Infrastructure Development

- o To encourage the adoption of modern technologies, innovative construction methods and efficient facility management systems within Industrial Estates. Private Sector Partners bring specialized expertise and innovative approaches that improve Infrastructure quality while reducing operational and lifecycle costs. Strengthen Institutional Capacity.
- o To build strong institutional capabilities within the Directorate of Industries and Commerce for PPP project development, procurement management, contract administration and performance monitoring thereby ensuring effective and sustainable implementation of PPP initiatives within the Industrial Estates.

4. *Scope and Applicability :*

4.1. Scope of the Policy

- This Public-Private Partnership Policy establishes the framework for enabling Private Sector participation in the development, financing, operation and maintenance of Infrastructure within Industrial Estates across the Union territory of Puducherry.
- The policy provides guidance for identifying, structuring, procuring, implementing and monitoring PPP projects within Industrial Estates. It aims to facilitate collaboration between Government Entities and Private Partners in order

to improve Infrastructure delivery, enhance the quality of Estate facilities and optimize the use of Public resources for Industrial development.

The scope of this policy extends to Infrastructure projects within Industrial Estates that require significant investment, specialized technical capabilities or long-term operational expertise where Partnership arrangements with the Private Sector can improve project efficiency and sustainability.

4.2. Applicability

- This policy shall apply to all Departments, Industrial Estate Management Agencies and Government Bodies responsible for planning, developing, implementing or managing Industrial Estate Infrastructure across the Union Territory of Puducherry including Estates managed by the Directorate of Industries and Commerce and the Puducherry Industrial Promotion Development and Investment Corporation (PIPDIC).

- Government Entities undertaking Industrial Estate Infrastructure initiatives shall adopt PPP models in accordance with the provisions of this policy where such arrangements are determined to deliver improved outcomes for Industrial units and MSMEs operating within the Estates.

- This policy shall apply to both existing Industrial Estates and upcoming Industrial Estates proposed for development across all four regions of the Union Territory namely Puducherry, Karaikal, Mahe and Yanam.

- For other Government Departments, Boards, Corporations, Local Bodies and Agencies undertaking construction or Infrastructure projects within the Union Territory, this policy shall function as an Advisory and facilitative framework. Such Departments may adopt the provisions, model documents, institutional support and technical assistance available under this policy based on project requirements and subject to request-based engagement with the PPP Cell.

4.3. Eligible Categories for PPP Projects

PPP arrangements under this policy may be adopted for the following categories of Infrastructure within Industrial Estates, but are not limited to:

1. Factory sheds and Industrial buildings including standard design factory sheds, flatted factory complexes and plug-and-play Industrial facilities.
2. Internal roads and Estate connectivity Infrastructure including roads, pathways and internal circulation networks within Estate boundaries.
3. Power supply Infrastructure including substations, internal distribution networks and energy supply systems within Estates.
4. Water supply systems including overhead tanks, pipelines and water distribution networks within Estate boundaries.
5. Drainage and stormwater management systems within Industrial Estates.
6. Common facility centres providing shared services, testing facilities, quality certification centres and other support services for Industrial Units.
7. Effluent treatment plants and waste management Infrastructure serving Industrial Units within Estates.
8. Worker amenity facilities including canteens, restrooms, residence, hospitals and welfare centres within Estate boundaries for labour and workforce.
9. Any other Infrastructure within Industrial Estates as may be identified by the Government from time to time.
10. Revival, restructuring, redevelopment, monetization, leasing, repurposing or strategic exit of sick Industrial Units, Government Corporations, Public Undertakings, Mills, Cooperative Institutions and other underutilized Public assets and Enterprises.

11. Feasibility studies, concessionaire structuring, technical advisory, transaction support, insolvency or winding-up assessment, closure support and transfer or redevelopment of Public assets and Enterprises wherever such interventions are undertaken at the request of the Government or the concerned administrative Department / Unit.

4.4. Types of Projects Eligible for PPP

PPP arrangements under this policy may be adopted for different categories of Infrastructure projects depending on their nature, investment requirements and operational characteristics.

Eligible project types may include:-

1. Greenfield Projects

Development of new Infrastructure assets or facilities through Private Sector Participation.

2. Brownfield Projects

Modernization, expansion, or rehabilitation of existing Infrastructure assets.

3. Operation and Maintenance Projects

Engagement of Private Partners for efficient operation and maintenance of existing Public Infrastructure facilities.

4. Integrated Infrastructure Projects

Projects involving the development of Infrastructure assets along with long-term service delivery responsibilities.

5. Asset Monetization Projects

- Structured Partnerships that allow Private Sector Participation in managing and upgrading existing Public Infrastructure assets while generating revenue for further Infrastructure development.

- PPP arrangements may also involve the creation of special purpose project Entities responsible for financing, developing and managing Infrastructure assets under the contractual framework.

4.5. Project Size and Financial Threshold

- PPP frameworks are generally suitable for projects that involve significant capital investment, long operational lifecycles or complex project management requirements. Government Entities proposing PPP projects shall ensure that the scale of the project is sufficient to justify the transaction costs associated with PPP project preparation, procurement and contract management.
- Specific project size thresholds and financial evaluation criteria may be defined by the Government through appropriate guidelines or notifications issued from time to time.

4.6. Optional Departmental Adoption

- Departments proposing major construction, Public asset development, Public service facilities, or Infrastructure modernization projects may voluntarily adopt this policy framework in full or in part and may seek PPP Cell support for project development, transaction structuring and procurement.

5. *Definition of Public-Private Partnership :*

5.1. Definition

For the purpose of this policy, a Public-Private Partnership (PPP) means an arrangement between a Public agency and a Private Sector Participant for the provision of Industrial Estate Infrastructure through investment made or through design, development, construction, maintenance or operation undertaken by the Private Sector Participant, where risks are allocated between them such that the Private Sector Participant takes on the risk beyond the stage of design and construction and the payment for the services are performance linked in the form of user charges, annuities or unitary payments.

5.2. Distinction between PPP and Traditional Procurement

- PPP arrangements differ from conventional Public procurement approaches in several important ways.
- Under traditional procurement models, the Government is typically responsible for financing, designing, constructing and operating Infrastructure assets. Private contractors are generally engaged only for specific tasks such as construction or service delivery and the Government assumes most project risks.
- In contrast, PPP arrangements integrate multiple project responsibilities within a single contractual framework where the Private Partner assumes significant responsibilities for project financing, construction and long-term operations. Risk allocation is structured to ensure that project risks are managed by the Entity best equipped to handle them.
- PPP projects also emphasize performance-based service delivery, where payments are linked to service quality and operational efficiency rather than simply to asset creation.
- This integrated approach allows PPP frameworks to deliver Infrastructure assets and services more efficiently while ensuring accountability and transparency in project implementation.

5.3. Role of Public and Private Partners

PPP projects involve clearly defined roles and responsibilities for both Public and Private Sector Partners.

The Public Sector is responsible for:

(a) Identifying Infrastructure priorities and project opportunities;

(b) Establishing policy frameworks and regulatory oversight;

(c) Ensuring alignment of projects with Public interest objectives;

(d) Conducting project evaluation and approval processes;

(e) Monitoring project implementation and service performance; and

(f) Ensuring compliance with contractual obligations.

The Private Sector Partner is responsible for:

(a) Project design, development and financing;

(b) Construction and implementation of Infrastructure assets;

(c) Operation and maintenance of Infrastructure facilities;

(d) Delivery of services according to agreed performance standards; and

(e) Compliance with contractual obligations and regulatory requirements.

Private Sector Partners may also establish special purpose project Entities responsible for implementing and managing PPP projects under the contractual framework.

6. *Institutional Framework for PPP Governance :*

6.1. Introduction

- The effective implementation of Public-Private Partnership projects within Industrial Estates requires a robust institutional framework that ensures coordination among Government Entities, facilitates efficient project development and enables effective monitoring of project implementation.
- A well-structured governance framework helps ensure transparency, accountability and consistency in the planning, procurement and management of PPP projects within Industrial Estates. It also strengthens the Government's ability to evaluate project proposals, allocate risks appropriately and ensure that PPP projects align with the Industrial development priorities of the Union Territory.

- This policy establishes an institutional framework to support the identification, evaluation, approval, implementation and monitoring of PPP projects within Industrial Estates across Puducherry, Karaikal, Mahe and Yanam.

6.2. PPP Nodal Agency

The Puducherry Industrial Promotion Development and Investment Corporation (PIPDIC) shall function as the Nodal Agency responsible for facilitating and coordinating all PPP initiatives within Industrial Estates across the Union Territory. PIPDIC shall serve as the Central Institution responsible for promoting PPP projects, supporting project development and providing technical guidance to Government Departments and Agencies undertaking PPP initiatives within Industrial Estates and may additionally provide advisory, documentation, project preparation and procurement support services to other Government Departments and Agencies upon request.

Under PIPDIC a dedicated PPP Board shall be constituted to provide strategic oversight, policy direction and approval for PPP projects within Industrial Estates. The PPP Board shall be responsible for all matters concerning PPP implementation including project identification, project development, preparation of standard documents and model concession agreements.

Composition of the PPP Board

The PPP Board shall consist of the following members:

(i)	Chief Secretary, Puducherry	. .	Chairperson
(ii)	Secretary, Industrial Development, Trade and Commerce.	. .	Vice-Chairperson
(iii)	Secretary, Finance	. .	Member
(iv)	Secretary, Public Works Department	. .	Member
(v)	Secretary, Law	. .	Member

(vi)	Secretary, Electricity	..	Member
(vii)	Managing Director, PIPDIC	..	Member
(viii)	Director of Industries and Commerce	..	Member
(ix)	General Manager, PIPDIC	..	Member
(x)	Any other member(s) as nominated by the Chairperson.		

The responsibilities of the PPP Board are as follows:

- Approving the overall policy direction for PPP projects within Industrial Estates.
- Approving project concepts and feasibility studies submitted by PPP cell.
- Reviewing and approving procurement documents and concession agreements.
- Reviewing and approving the shelf of PPP projects identified for implementation.
- Periodic review of PPP project implementation and performance.

6.3. PPP Cell / PPP Unit

A dedicated PPP Cell shall be established within PIPDIC to serve as the technical and operational arm for all PPP initiatives within Industrial Estates across the Union Territory. The PPP Cell shall function under the Managing Director, PIPDIC and shall be the primary unit responsible for driving PPP project development from identification to implementation. The key functions of the PPP Cell shall include:–

- Preparing a shelf of potential PPP projects across the Union Territory based on Infrastructure requirements identified by the PPP Cell itself, directions received from the Government from time to time and proposals received from Private Sector bodies and Industrial Associations.

- Conducting feasibility studies for identified projects and initiating project preparation including preparation of Detailed Feasibility Reports, Detailed Project Reports and other requisite documents that need to be placed before the PPP Board for approval.
- Managing and coordinating the entire tender process for PPP projects within Industrial Estates including issuance of EOI, RFQ and RFP documents, conducting pre-bid meetings, evaluation of bids and preparation of evaluation reports. However, all approvals relating to bid documents, evaluation reports and award of contracts shall vest with the PPP Board.
- Developing standardized model documents including Request for Expression of Interest, Request for Proposal, concession agreements and other contract documents for various categories of Industrial Estate Infrastructure projects.
- Making standardized model documents available to other Government Departments on request thereby promoting consistency and efficiency in PPP procurement across the Union Territory.
- Supporting contract management and project monitoring of PPP projects within Industrial Estates.
- Provide transaction advisory support, standardized documentation, project structuring assistance, feasibility support and bid process management assistance to other Departments of the Government of Puducherry on a request basis for Infrastructure and construction projects identified by such Departments.
- The PPP Cell may also provide support for revival, restructuring, redevelopment, monetization, leasing, repurposing or strategic exit of sick Industrial Units, Government Corporations, Public Undertakings, Mills, Cooperative Institutions and other underutilized Public assets and Enterprises. Such support may include

feasibility assessment, concessionaire structuring, technical advisory, transaction support, insolvency or winding-up assessment, closure support and transfer or redevelopment of Public assets and Enterprises wherever such interventions are undertaken at the request of the Government or the concerned Administrative Department or Unit.

- Any other work as allotted by the PPP Board.

The PPP Cell may consist of professionals with expertise in Infrastructure finance, engineering, project management, legal structuring and procurement. The PPP Cell shall make available learning and referencing resources on its web portal from time to time to support PPP project development across Departments.

7. *PPP Project Identification and Preparation :*

- The PPP Cell shall have the prime responsibility to identify and screen potential Industrial Infrastructure Development PPP projects across the Union Territory and may additionally assist other Departments in identifying construction and Infrastructure PPP opportunities upon request. The PPP Cell shall create and maintain a PPP project pipeline for Industries-related Infrastructure projects and an advisory pipeline of cross-sector PPP opportunities received from other Departments which shall be placed before the PPP Board for approval.

- Potential PPP projects may be identified through the following sources:

  - o Projects identified by the PPP Cell based on Infrastructure assessment of Industrial Estates / Infrastructure across Puducherry, Karaikal, Mahe and Yanam.

  - o Directions received from any Government Department that requires PPP Cell support for development of Infrastructure.

- o Projects proposed by PIPDIC, the Directorate of Industries and Commerce and other Government Bodies responsible for Industrial Infrastructure management.
- o Proposals received from Private Sector Bodies, Industrial Associations and MSMEs Bodies regarding Infrastructure requirements.
- o References from the Government, Administrative Departments, Public Sector Undertakings, Corporations, Cooperative Institutions, Boards, Societies or other Agencies for revival, restructuring, monetization, redevelopment, closure support or strategic repurposing of underutilized, financially stressed or non-operational Public assets and Enterprises.

- Any Private firm or individual may also approach the PPP Cell with a Concept Note of a potential PPP project within an Industrial Estate. If, the concept is found suitable, the PPP Cell would prepare a Project Report and other supporting documents based on such concept and place it before the PPP Board for approval. The usual bidding process would follow thereafter. This process would not provide any priority in procurement to the firm or individual who has suggested such project and the bidding would be transparent. However, this would open avenues for Private Entities to provide suggestions on potential projects and create business opportunities which otherwise might not have been explored.

- There shall be no restriction on project size. Small projects or big Partnerships would be encouraged at all levels. The projects may be as small as a Common Toilet Block within an Industrial Estate or as large as a fully developed Industrial complex. For projects with costs lesser than ₹ 10 crore approval of the Secretary, Industries Department would be sufficient and PPP Board approval is not required.

- For projects initiated by Departments other than Industries, the PPP Board shall function in an advisory and technical review capacity unless the concerned Department specifically requests end-to-end transaction support and approval routing under this framework.
- The project so identified would have a potential revenue stream that can be leveraged to recover costs incurred at the initial stage for implementing the project.
- The Project Concept Note would include brief description of the project, components of the project, site details within the Industrial Estate, approximate cost of the project, estimated time of implementation, potential revenue source and possible roles and responsibilities of Private and Public Partners. The numbers mentioned in the concept note can be approximate based on some valid assumptions.
- The PPP Cell shall prepare a Detailed Feasibility Report (DFR) and a Detailed Project Report (DPR) for each identified PPP project within Industrial Estates across the Union Territory before seeking approval of the PPP Board.
- The DFR and DPR together shall include feasibility of the project in all aspects including technical, legal, financial, social and environmental aspects. They shall provide market assessment, cost benefit analysis of the project, detailed engineering designs, drawings, technical specifications, cost estimates, role and risk allocation, Value-For-Money analysis, model of PPP, Rate of Return and implementation schedule.
- The PPP Cell may prepare the DFR and DPR in-house or may hire a Consultant from the open market. The cost of preparation shall be borne by the PIPDIC. However, for projects initiated by other Government Departments, the cost of preparation may be reimbursed by the concerned Department on a case-to-case basis subject to the approval of the Secretary Industries Department.

- The PPP Cell with the assistance of PIPDIC may undertake wider consultation including with Industrial associations, MSMEs bodies, existing Estate occupants and other stakeholders during the preparation of the DFR and DPR to ensure that the project is structured effectively and meets the Infrastructure needs of Industrial Units.
- Upon approval of the DFR and DPR by the PPP Board the PPP Cell shall initiate the tender process using model bid documents pre-approved by the PPP Board including EOI, RFQ, RFP and Concession Agreements. The individual tender documents prepared for each project shall require only the approval of the Secretary Industries Department before issuance.
- Upon completion of the Tender process, the PPP Cell shall prepare an Evaluation Report and place the recommendation for award of contract before the PPP Board for final approval. The contract shall be awarded to the selected Bidder only after receiving the approval of the PPP Board.

8. *PPP Models and Contractual Structures :*

Public Private Partnership projects within Industrial Estates are implemented through various formats based on the nature of the Infrastructure required, the category of Industrial Estate assets and potential revenue sources in the project.

8.1. Construction Models

- ***Build-Operate-and-Transfer (BOT)*** **—** The Private Partner finances, constructs and operates the Industrial Estate Infrastructure for a specified concession period to recover the investment made in the project through user charges collected from Industrial units. The Private Partner transfers the facility to the Government at the end of the concession period.
- ***Build-Own-and-Operate (BOO)*** **—** The Private Partner finances, constructs and operates the Industrial Estate Infrastructure from which the Private Partner is allowed to

recover the total investment by collecting user charges from Industrial units. The ownership of land will be vested by the Government. Under this mode the Private Partner owns the assets of the facility.

- ***Build-Own-Operate-and-Transfer (BOOT)*** **—** The Private Partner finances, constructs, owns and operates the Industrial Estate Infrastructure for a specified period as defined in the Concession Agreement to recover the investment made in the project. The Private Partner transfers the facility to the Government at the end of the concession period.

- ***Build-Transfer-and-Operate (BTO)*** **—** The Private Partner finances and constructs the Industrial Estate Infrastructure and upon satisfactory commissioning transfers the facility to the Government. The Private Partner is then given the right to operate the facility for a specified period to recover the investment. Ownership of the facility always vests with the Government.

- ***Design-Build-Finance-Operate-Transfer (DBFOT)*** **—** The Private Partner is responsible for designing, financing, constructing, operating and maintaining the Industrial Estate Infrastructure for a specified concession period and recovering the investment through user charges, rentals and other charges as incorporated in the contract.

8.2. Operation and Maintenance Models

- ***Management Agreement*** **—** The Government entrusts the operation and management of an Industrial Estate Infrastructure facility to the Private Partner for a specified period. The Government may charge user levies and collect the same either by itself or entrust the collection to the Private Partner.

- ***Lease Management Agreement*** **—** The Government leases an Industrial Estate Infrastructure facility owned by it to the Private Partner which is permitted to operate and maintain the facility and collect user charges to enable recovery of investment in the project.

- ***Build-Lease-and-Transfer (BLT)* —** The Private Partner finances and constructs the Industrial Estate Infrastructure facility and hands it over to the Government. The Government then gives the facility back to the Private Partner on lease for a specified period after which the facility is automatically transferred to the Government.
- ***Rehabilitate-Operate-and-Transfer (ROT)* —** An existing Industrial Estate Infrastructure facility is handed over to the Private Partner to invest, refurbish, operate and maintain for a specified period at the expiry of which the facility is returned to the Government.
- ***Rehabilitate-Own-and-Operate (ROO)* —** An existing Industrial Estate Infrastructure facility is handed over to the Private Partner to invest, refurbish, operate and maintain from which the Private Partner is allowed to recover the total investment by collecting user charges. The ownership of land shall be vested with the Government.

8.3. Selection of Appropriate PPP Model

- The PPP Board would also consider other models of Partnership on a case-to-case basis depending on the nature of the Industrial Estate Infrastructure project.
- The responsibility of design, construction, financing, operations, management, land provision, statutory compliances and monitoring would be held either by the Private Partner or by the Public entity or would be held jointly by both depending on the model adopted for the project and the nature of the Industrial Estate Infrastructure.

9. *Risk Allocation Framework :*

9.1. Introduction

- Risk allocation is a fundamental element of Public-Private Partnership project design. Infrastructure projects typically involve a range of technical, financial, operational and regulatory risks that must be carefully managed throughout the project lifecycle.

- An effective PPP framework allocates risks between the Public Sector and the Private Partner based on the principle that each risk should be assigned to the party best able to manage and mitigate it efficiently. Proper risk allocation improves project bankability, enhances investor confidence and contributes to the successful implementation of Infrastructure projects.
- A well-defined risk allocation framework also promotes accountability and ensures that project risks are identified, assessed and managed in a structured manner throughout the duration of the Partnership agreement.
- PPP cell responsible for PPP projects shall ensure that risk allocation is clearly defined during the project structuring stage and incorporated into the contractual framework governing the Partnership.

9.2. Principles of Risk Allocation

The allocation of risks in PPP projects shall be guided by the following principles:

(a) Risks should be allocated to the party best able to manage them efficiently.

(b) Risk allocation should promote cost efficiency and operational effectiveness.

(c) The allocation framework should provide clarity and certainty to both parties.

(d) Risks should be identified and assessed during the project preparation stage.

(e) Contractual arrangements should clearly define responsibilities and mitigation mechanisms.

These principles ensure that risks are managed effectively while maintaining a fair balance between Public Sector objectives and Private Sector incentives.

9.3. Construction Risk

- Construction risk refers to the possibility that the Infrastructure project may face delays, cost overruns, design defects, or technical challenges during the construction phase.
- In most PPP arrangements, construction risk is typically allocated to the Private Partner because the Private Sector is generally responsible for project design, engineering and construction activities.
- The Private Partner is expected to manage construction timelines, coordinate contractors, ensure adherence to technical specifications and complete the project within the agreed schedule and budget.
- Proper allocation of construction risk encourages efficient project execution and strengthens accountability during the construction phase.

9.4. Financing Risk

- Financing risk relates to the availability and cost of funds required for project implementation. This includes risks associated with raising capital, fluctuations in interest rates and challenges in securing project financing.
- In PPP projects where the Private Partner is responsible for financing the Infrastructure asset, financing risk is typically borne by the Private Partner.
- The Private Partner is responsible for arranging equity investments, securing debt financing and managing financial risks associated with project funding.
- However, Government support mechanisms may be introduced in certain cases to enhance project viability and attract investments.

9.5. Demand or Revenue Risk

- Demand risk refers to uncertainties associated with the level of usage or demand for the Infrastructure service provided by the project.
- In projects where revenues depend on user charges or service demand, fluctuations in demand may affect the financial viability of the project.
- Depending on the project structure, demand risk may be allocated to the Private Partner, the Public Sector, or shared between both parties.
- Where demand risk is significant, appropriate mechanisms such as minimum revenue guarantees, availability-based payments, or revenue-sharing arrangements may be incorporated into the contractual framework.

9.6. Operational Risk

- Operational risk refers to the risk associated with the performance and efficiency of Infrastructure operations during the operational phase of the project.
- This includes risks related to maintenance, service quality, operational costs, equipment reliability and overall facility management.
- Operational risk is generally allocated to the Private Partner responsible for operating and maintaining the Infrastructure assets.
- Performance standards and service benchmarks are typically defined in the PPP contract to ensure that the Private Partner delivers Infrastructure services in accordance with agreed quality requirements.

9.7. Regulatory and Legal Risk

- Regulatory risk refers to potential changes in laws, regulations, policies, or administrative procedures that may affect the implementation or operation of the project.

- Legal risks may arise from delays in obtaining permits, regulatory approvals, or compliance with statutory requirements.
- The Public Sector typically retains responsibility for managing regulatory and policy-related risks, as Government Authorities are responsible for the legislative and regulatory environment in which PPP projects operate.
- However, PPP contracts may include provisions to address the impact of regulatory changes on project viability.

9.8. Environmental and Social Risk

- Infrastructure projects may have environmental and social impacts that may be addressed through appropriate planning, mitigation measures and regulatory compliance.
- Environmental risks may include impacts on natural resources, pollution, waste management and ecosystem sustainability. Social risks may include issues related to community displacement, land acquisition and stakeholder engagement.
- PPP Cell shall ensure that environmental and social assessments are conducted during project preparation and that mitigation measures are incorporated into project planning and implementation.
- Private Partners responsible for project execution shall comply with environmental regulations and social safeguards throughout the project lifecycle.

9.9. Force Majeure Risk

- Force majeure refers to unforeseen events beyond the control of the contracting parties that may affect the performance of the PPP agreement.
- Such events may include natural disasters, extreme weather events, major Public emergencies, or other extraordinary circumstances that disrupt project implementation or operations.

- PPP contracts shall include provisions defining Force majeure events and establishing procedures for managing such events, including mechanisms for relief, contract adjustments, or suspension of obligations where necessary.

9.10. Risk Monitoring and Management

Risk Management is an ongoing process that continues throughout the lifecycle of a PPP project.

PPP Cell to establish mechanisms to monitor risks, evaluate potential impacts, and implement mitigation strategies where necessary.

Risk Monitoring Mechanisms may include:

(a) Periodic Project Performance Reviews

(b) Financial and Operational Reporting

(c) Risk Assessment Updates

(d) Independent Technical Audits

These mechanisms ensure that project risks are managed proactively and that PPP projects remain financially sustainable and operationally efficient over the long term.

10. *Financial Support Mechanisms and Incentives :*

10.1. Introduction

- The development of Infrastructure projects through Public-Private Partnership arrangements often require significant capital investment and long-term financial commitments. While many PPP projects can be financially viable through revenue generation mechanisms such as user charges or service payments, certain Infrastructure projects may require financial support mechanisms to enhance their commercial viability.

- To facilitate Private Sector Participation and attract investment in Infrastructure development, the Government may provide appropriate financial support mechanisms and incentives where necessary. These mechanisms are designed to address project viability gaps, reduce financial risks and encourage participation from Private investors and financial institutions.

- Financial support measures should be structured in a manner that promotes efficient Infrastructure development while ensuring responsible use of Public resources and maintaining transparency in project financing arrangements.

10.2. Viability Gap Funding

- Viability Gap Funding (VGF) may be provided to support Infrastructure projects that are economically desirable but may not be financially viable on a standalone basis.
- VGF refers to financial assistance provided by the Government to bridge the gap between the project's investment requirements and the revenue that can be generated from the project.
- This financial support may be provided during the project development or construction phase to enhance project viability and enable Private Sector participation in Infrastructure projects that deliver significant Public benefits.
- The provision of VGF shall be subject to project evaluation and approval processes to ensure that such support is justified and aligned with Infrastructure development objectives.

10.3. Capital Grants and Financial Assistance

In certain cases, the Government may provide capital grants or financial assistance to support the development of Infrastructure projects implemented through PPP arrangements.

Capital grants may be provided to:-

(a) Support initial project investment requirements;

(b) Improve financial viability of Infrastructure projects;

(c) Facilitate development of Infrastructure in priority Sectors; and

(d) Support projects with significant Public service benefits.

The provision of Capital Grants shall be based on project-specific assessments and shall be structured in a transparent and accountable manner.

10.4. Land Support and Asset Contribution

Infrastructure projects often require access to land or existing Public assets for development and operation. The Government may facilitate PPP projects by providing land or access to Public Infrastructure assets where appropriate.

Support mechanisms may includes:–

(a) provision of Government-owned land for project development;

(b) long-term lease arrangements for Infrastructure assets; and

(c) access to existing Infrastructure facilities required for project implementation.

Such support measures can significantly improve project viability by reducing upfront investment requirements and facilitating project implementation.

10.5. Revenue Sharing Arrangements

- PPP projects may incorporate revenue-sharing mechanisms between the Government and the Private Partner.
- Under such arrangements, revenue generated from Infrastructure services may be shared between the Contracting Parties according to the terms specified in the PPP agreement.

- Revenue-sharing arrangements help ensure that both the Public Sector and Private Investors benefit from the financial success of the project while maintaining incentives for efficient project operation.
- Revenue-sharing frameworks may also allow the Government to capture additional value generated from Infrastructure development.

10.6. User Charges and Tariff Mechanisms

- In certain PPP projects, the Private Partner may recover project investment through user charges or service fees paid by Users of the Infrastructure Service.
- User charge mechanisms shall be structured in a transparent and regulated manner to ensure affordability, fairness and sustainability.
- Tariff structures may be defined within the contractual framework and may include provisions for periodic adjustments based on inflation, operational costs, or regulatory requirements.
- Appropriate regulatory oversight shall be maintained to ensure that tariff structures remain consistent with Public interest considerations.

11. *Procurement and Bidding Framework :*

11.1. Principles of PPP Procurement

Procurement processes for PPP projects shall be guided by the following principles:

(i) ***Transparency*** : All procurement processes shall be conducted in a transparent manner with clear documentation and disclosure of evaluation criteria.

(ii) ***Competition*** : Competitive bidding shall be encouraged to ensure participation from qualified Private Sector Entities.

(iii) ***Fairness*** : All bidders shall be treated equally and evaluated based on objective and predefined criteria.

(iv) ***Efficiency*** : Procurement procedures shall be designed to ensure timely selection of Project Partners without unnecessary delays.

(v) ***Accountability*** : Government Entities responsible for procurement shall maintain proper documentation and oversight throughout the bidding process.

These principles help maintain Public trust and ensure that PPP projects are awarded through credible and transparent procedures.

11.2. Expression of Interest (EOI)

The procurement process may begin with the issuance of an Expression of Interest (EOI) to invite potential Private Sector Participants to express their interest in the proposed PPP project.

The EOI stage allows Government Entities to assess the level of market interest and identify potential Participants with the capability to undertake the project.

The EOI document may includes:–

(a) Overview of the proposed project;

(b) Description of Infrastructure services to be developed;

(c) Preliminary project scope;

(d) Eligibility criteria for participation; and

(e) Instructions for submission of expressions of interest.

Based on the responses received, Government Entities may proceed to the next stage of procurement.

11.3. Request for Qualification (RFQ)

Following the EOI stage, a Request for Qualification (RFQ) may be issued to evaluate the qualifications and capabilities of potential bidders.

The RFQ process aims to identify a shortlist of bidders who possess the technical expertise, financial capacity and operational experience required to implement the PPP project.

Evaluation criteria for RFQ submissions may includes:–

(a) Technical experience in Infrastructure development;

(b) Financial capability and investment capacity;

(c) Operational expertise in similar projects; and

(d) Organizational and managerial capabilities.

Only Bidders who meet the qualification criteria shall be shortlisted to participate in the next stage of procurement.

11.4. Request for Proposal (RFP)

After completion of the qualification stage, shortlisted bidders shall be invited to submit detailed project proposals through the Request for Proposal (RFP) process.

The RFP document provides comprehensive information regarding project requirements, technical specifications, contractual obligations and evaluation criteria.

The RFP may includes:–

(a) Detailed project description;

(b) Technical and performance specifications;

(c) Draft concession agreement or contract terms;

(d) Financial and commercial requirements; and

(e) Evaluation methodology and scoring criteria.

Bidders shall submit proposals that address both technical and financial aspects of the project.

11.5. Bid Evaluation

Submitted proposals shall be evaluated using transparent and objective evaluation criteria defined in the RFP document.

Bid evaluation may typically involve the following components:–

(a) Technical evaluation of project design and implementation strategy;

(b) Assessment of financial proposals and investment structure;

(c) Evaluation of operational plans and service delivery mechanisms; and

(d) Assessment of risk allocation and contractual compliance.

The evaluation process shall be conducted by a Designated Evaluation Committee with expertise in technical, financial and legal aspects of PPP projects.

Evaluation procedures shall ensure that project selection is based on merit, technical capability and financial competitiveness.

11.6. Selection of Preferred Bidder

- Upon completion of the evaluation process, the Bidder offering the most advantageous proposal in terms of technical quality, financial sustainability and overall project value shall be selected as the preferred Bidder.
- The selection process shall be conducted in accordance with established procurement guidelines and evaluation procedures.
- The preferred Bidder may be invited for final negotiations and clarification of contractual terms prior to project award.

11.7. Contract Award and Financial Close

Following the selection of the preferred Bidder and completion of negotiations, the Project Contract shall be awarded to the selected Private Partner.

The Contract award stage may includes:–

(a) Signing of the concession agreement or project contract;

(b) Establishment of project implementation arrangements;

(c) Completion of financial closure; and

(d) Confirmation of financing arrangements for the project.

Financial close represents the stage at which all financing agreements required for project implementation have been finalized and the project is ready for implementation.

11.8. Procurement Transparency and Oversight

To maintain transparency and integrity in PPP procurement processes, Government Entities shall ensure that procurement activities are conducted with appropriate oversight and documentation.

This may include:

(a) Maintaining records of procurement decisions;

(b) Publishing procurement notices and results where applicable;

(c) Conducting procurement audits where required; and

(d) Ensuring compliance with applicable regulatory frameworks.

These measures help ensure that PPP procurement processes remain fair, transparent and accountable.

12. *Dispute Resolution and Grievance Mechanisms :*

Public-Private Partnership projects within Industrial Estates involve long-term contractual relationships between PIPDIC, the Directorate of Industries and Commerce and Private Sector Partners. Due to the complexity and duration of these arrangements disputes or disagreements may arise during different stages of the project lifecycle including procurement, construction, operation and maintenance of Industrial Estate Infrastructure. An effective Dispute Resolution Framework is essential to ensure that such issues are addressed in a timely, fair and transparent manner without disrupting project implementation or the functioning of Industrial Units within the Estate.

- ***Disputes during Procurement*** — Disputes or grievances may arise during the procurement and bidding stages of PPP projects particularly in relation to qualification decisions, evaluation procedures or procurement documentation. PIPDIC shall establish procedures to address such grievances in a structured and transparent manner including submission of written representations by Bidders and review of procurement decisions by the PPP Board.

- ***Dispute Resolution during Project Implementation*** **—** Disputes between PIPDIC or the Directorate of Industries and Commerce and the Private Partner may arise during the implementation or operational phases of PPP projects within Industrial Estates. These disputes may relate to contractual obligations, performance standards, financial arrangements or operational issues concerning Estate Infrastructure. PPP agreements shall include clearly defined procedures for addressing such disputes. The first step shall be direct consultations between the contracting parties at the level of the Managing Director PIPDIC. If the dispute remains unresolved it shall be escalated to the PPP Board for review and decision.

- ***Mediation*** **—** In cases where disputes cannot be resolved through direct consultations or escalation to the PPP Board, the parties may consider Mediation as the next step. Mediation involves the engagement of a neutral Third Party who assists the contracting Parties in reaching a mutually acceptable resolution without resorting to formal legal proceedings.

- ***Conciliation*** **—** Where mediation does not result in a Dispute Resolution the Parties may proceed to Conciliation. Conciliation processes aim to facilitate structured dialogue between the Parties and explore potential solutions that address the concerns of both sides while maintaining the integrity of the contractual framework governing the Industrial Estate Infrastructure Project.

- ***Arbitration*** **—** Where disputes cannot be resolved through Negotiation, Mediation or Conciliation, the matter shall be referred to arbitration in accordance with the provisions specified in the PPP agreement and applicable laws governing arbitration procedures in India. The arbitration decision shall be binding on the Parties.

- ***Continuity of Project Operations*** **—** During the Dispute Resolution proceedings both Parties shall make reasonable efforts to ensure that Industrial Estate Infrastructure continues to operate without interruption and that the functioning of Industrial Units within the Estate is not adversely affected.

13. *Policy Implementation Framework :*

13.1. Introduction

- The effective implementation of this Public-Private Partnership Policy requires a coordinated institutional approach, clear operational procedures and defined responsibilities among Government Entities involved in Industrial Estate Infrastructure development across the Union territory of Puducherry.
- This framework ensures that the policy objectives are translated into actionable programs and that PPP projects within Industrial Estates are developed, procured and implemented in a structured and transparent manner. It also facilitates coordination among Departments, strengthens governance mechanisms and ensures that PPP initiatives are aligned with the Industrial development priorities of the Union Territory.

13.2. Institutional Coordination for Policy Implementation

- The implementation of this policy requires coordinated action among PIPDIC, the Directorate of Industries and Commerce, PPP Cell and other Government Bodies involved in Industrial Estate management across Puducherry, Karaikal, Mahe and Yanam.
- PIPDIC as the Nodal Agency with the support of the PPP Cell shall provide guidance, oversight and technical support to implementing agencies to ensure effective project development and execution within Industrial Estates. The PPP Board shall oversee and coordinate all PPP initiatives ensuring alignment with the Industrial development objectives of the Union Territory.

13.3. Development of PPP Project Pipeline

- PPP Cell shall prepare and maintain a pipeline of potential PPP projects within Industrial Estates across the Union Territory. The PPP project pipeline shall include / projects that have been identified through Infrastructure planning exercises and have demonstrated potential for Private Sector participation.

- The development of a structured project pipeline helps provide visibility to potential Investors, enables long-term Infrastructure planning within Industrial Estates, improves coordination among Government Departments and facilitates efficient project preparation and procurement.

- The PPP project pipeline shall be reviewed and updated periodically to reflect evolving Infrastructure requirements of Industrial Estates and emerging investment opportunities.

13.4. Standardized Procedures and Documentation

- To ensure consistency and efficiency in PPP project implementation within Industrial Estates, PPP Cell shall develop and maintain standardized procedures and documentation including project preparation guidelines, procurement documentation templates, model concession agreements, project evaluation frameworks and risk allocation matrices.

- The adoption of standardized documentation helps streamline project development processes; reduces transaction costs associated with PPP project preparation and improves transparency and consistency in PPP project governance across all Industrial Estates.

13.5. Stakeholder Engagement and Investor Outreach

- Successful implementation of PPP initiatives within Industrial Estates requires active engagement with Private Sector investors, financial institutions, Infrastructure developers, Industrial associations and MSMEs Bodies.

- PPP Cell may organize stakeholder consultations, investment promotion events and industry engagement forums to promote PPP opportunities within Industrial Estates and encourage participation from potential investors. Stakeholder engagement initiatives help build investor confidence, improve project structuring and promote collaboration between Government Agencies and Private Sector Participants.

13.6. Advisory and Transaction Support Services

- PPP Cell to support in feasibility studies, concessionaire structuring, technical advisory, transaction support, revival and restructuring assistance, insolvency or winding-up assessment, closure support, transfer structuring and redevelopment advisory services to Government Departments, Public Corporations, Public Undertakings, Cooperative Institutions, Boards, Societies and other Government-backed Agencies.
- Such services may be extended for projects undertaken under this policy framework or for Government-requested interventions relating to revival, monetization, redevelopment, strategic repurposing or orderly closure of Public assets and Enterprises.
- PIPDIC may levy and collect advisory fees, transaction charges, professional service charges or such other cost recovery amounts for provision of the above services, in accordance with fee structures, modalities and engagement processes as may be notified separately by PIPDIC or the Government from time to time.

13.7. Reporting and Accountability

- PPP Cell shall maintain appropriate reporting systems to ensure transparency and accountability in PPP project implementation within Industrial Estates.
- Reporting mechanisms shall include Progress Reports on project development and implementation, financial performance reporting and compliance reporting with contractual and regulatory obligations. These reporting mechanisms enable the PPP Board to monitor the effectiveness of PPP initiatives and ensure that projects are implemented in accordance with policy guidelines.

13.8. Capacity Building and Knowledge Management

- Successful implementation of PPP projects within Industrial Estates require strong institutional capabilities within the PPP Cell and other Government Entities involved in Industrial Estate Infrastructure Development. The PPP Cell shall prioritize capacity building and knowledge management as a continuous and ongoing activity.

- The PPP Cell shall organize training and Skill Development Programs for its staff and other Government Officials involved in PPP project development, procurement and contract management. These programs shall cover areas such as Infrastructure finance, feasibility assessment, risk allocation, legal structuring and project monitoring. Exposure visits to PPP projects implemented in other States and Union Territories shall also be undertaken to understand best practices in Industrial Estate Infrastructure Development and Management.
- The PPP Cell shall establish and maintain a knowledge management system comprising a centralized repository of PPP policies, guidelines and standardized documents, a database of PPP project case studies and lessons learned from implemented projects within Industrial Estates and a dedicated section on the PIPDIC web portal providing access to PPP related resources, project information and updates.

13.9. Periodic Review of PPP Initiatives

- The implementation of PPP initiatives within Industrial Estates shall be reviewed periodically by the PPP Board to evaluate the effectiveness of the policy framework and identify opportunities for improvement.
- Periodic reviews shall assess progress of PPP project implementation, investor participation in PPP initiatives, effectiveness of procurement and governance frameworks and lessons learnt from completed and ongoing PPP projects within Industrial Estates. Insights from these reviews shall be used to strengthen policy frameworks and improve future PPP project development processes.

14. *Monitoring, Evaluation and Policy Review :*

14.1. Introduction

- Continuous monitoring and evaluation are essential to ensure that this Public-Private Partnership Policy remains effective in achieving its objectives of promoting Industrial Estate Infrastructure Development and encouraging Private Sector Participation across the Union territory of Puducherry.

- A structured monitoring and evaluation framework enables the PPP Board to assess the performance of PPP initiatives within Industrial Estates, identify operational challenges and incorporate lessons learnt from project implementation. Such processes help strengthen governance mechanisms, improve project outcomes and ensure that the PPP framework remains aligned with the Industrial development priorities of the Union Territory.

14.2. Monitoring of PPP Program Implementation

- PPP Cell shall establish systems to monitor the implementation and performance of PPP projects within Industrial Estates across the Union Territory.
- Monitoring mechanisms shall include tracking progress of projects within the PPP pipeline, reviewing project implementation timelines, monitoring financial performance and investment mobilization and assessing operational performance of Estate Infrastructure. Monitoring activities help ensure that PPP projects are implemented in accordance with approved project plans and contractual obligations.
- Regular monitoring also enables early identification of issues that may affect project performance within Industrial Estates allowing corrective measures to be taken promptly.

14.3. Evaluation of PPP Project Outcomes

- Evaluation processes shall be conducted periodically by the PPP Board to assess the effectiveness and impact of PPP projects implemented within Industrial Estates.
- Evaluation shall consider factors such as achievement of project objectives, efficiency in project implementation, financial performance and investment mobilization, quality and reliability of Industrial Estate Infrastructure and socio-economic benefits generated for Industrial Units and MSMEs operating within the Estates.

14.4. Program-Level Performance Assessment

- In addition to project level evaluations, the overall PPP program for Industrial Infrastructure Development shall be assessed periodically by the PPP Board. Program level performance assessment shall include the number and value of PPP projects implemented within Industrial Estates, level of Private Sector participation, occupancy and utilization of Estate Infrastructure developed through PPP arrangements and efficiency of project procurement and implementation processes.

14.5. Policy Review and Updates

- This PPP Policy shall be reviewed periodically by the PPP Board to ensure that it remains responsive to evolving Industrial Estate Infrastructure needs, economic conditions and technological advancements.
- Policy reviews shall consider lessons learnt from implemented PPP projects within Industrial Estates, feedback from the Government Departments, Private Sector Stakeholders, Industrial associations and MSMEs Bodies, changes in Infrastructure financing practices and emerging trends in Industrial Estate Development and Management.

Amendments to the Policy

- The Government may amend or update provisions of this policy from time to time based on the findings of policy reviews or emerging Industrial Estate Infrastructure Development requirements. Policy amendments shall follow appropriate approval procedures to ensure that revisions are implemented in a transparent and accountable manner.

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