

REPORT NO.

181



PARLIAMENT OF INDIA
RAJYA SABHA

DEPARTMENT RELATED PARLIAMENTARY STANDING COMMITTEE
ON COMMERCE

ONE HUNDRED AND EIGHTY FIRST REPORT

Development of Trade and Industries in North Eastern Region

(Presented to the Rajya Sabha on 10th August, 2023)
(Laid on the Table of Lok Sabha on 10th August, 2023)



Rajya Sabha Secretariat, New Delhi
August, 2023/ Shravana, 1945 (Saka)

Website: <http://rajyasabha.nic.in>
E-mail: rsc-comm@sansad.nic.in

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सत्यमेव जयते

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* To be appended at later stage.

**COMPOSITION OF THE COMMITTEE
(Constituted w.e.f. 13th September, 2022)**

1. Dr. Abhishek Manu Singhvi — *Chairman*

RAJYA SABHA

2. Shri Ayodhya Rami Reddy Alla
3. Shrimati Priyanka Chaturvedi
4. Shri Jayant Chaudhary
5. Shri Jugalsinh Lokhandwala
6. Shri Dhananjay Bhimrao Mahadik
7. Shri Deepak Prakash
8. Shri Vikramjit Singh Sahney
9. Shri K. Vanlalvena
10. Vacant

LOK SABHA

11. Shri Prasun Banerjee
12. Shri Raju Bista
13. Shri Rajkumar Chahar
14. Shrimati Kalaben Mohanbhai Delkar
15. Shri Rameshbhai Lavjibhai Dhaduk
16. Shri Arvind Dharmapuri
17. Dr. Nishikant Dubey
18. Shri Santosh Kumar Gangwar
19. Shri Srinivas Kesineni
20. Shri Manoj Kishorbhai Kotak
21. Shri Ajay Kumar Mandal
22. Shrimati Manjulata Mandal
23. Shri Nakul K. Nath
24. Dr. Gautham Sigamani Pon
25. Dr. Manoj Rajoria
26. Shri Nama Nageswara Rao
27. Shri Ashok Kumar Rawat
28. Shri Magunta Sreenivasulu Reddy
29. Shri Prajwal Revanna
30. Shri Gowdar Mallikarjunappa Siddeshwara
*31. Shri Arvind Ganpat Sawant

SECRETARIAT

Dr. Vandana Kumar, Additional Secretary
Smt. Kusum Sudhir, Director
Smt. Nidhi Chaturvedi, Additional Director
Shri Sandeep Pandey, Under Secretary
Ms. Kiran K., Deputy Director
Shri Raghubir Singh, Committee Officer
Shri Atosh Kaushik, Assistant Committee Officer

* Nominated w.e.f. 15th December, 2022.

INTRODUCTION

I, the Chairman of the Department Related Parliamentary Standing Committee on Commerce, having been authorised by the Committee, present this One Hundred and Eighty First Report of the Committee on 'Development of Trade and Industries in North Eastern Region'.

2. The Committee selected the subject for detailed examination on 31st October, 2022 and the same was notified *vide* Parliamentary Bulletin Part-II dated 16th November, 2022. As a part of examination of the subject, the Committee considered the subject in detail in its three meetings wherein it heard the views of Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry; Ministry of Development of North Eastern Region; representatives of Federation of Indian Chambers of Commerce and Industry (FICCI); representatives of Confederation of Indian Industry (CII); representatives of North East Development Foundation (NEDF); Dr. Rakhee Bhattacharjee, Associate Professor of JNU; Dr. Mahendra P. Lama, Professor, Centre for South Asian Studies, JNU and Shri Karan Sharma, Chairman, Arunachal Pradesh Power Corporation Pvt. Ltd.

3. The Committee considered the draft Report and adopted the same at its meeting held on 8th August, 2023.

NEW DELHI;
8th August, 2023
Shravana 17, 1945 (Saka)

DR. ABHISHEK MANU SINGHVI
Chairman,
Department Related Parliamentary
Standing Committee on Commerce
Rajya Sabha.

ACRONYMS

AAICLAS	AAI Cargo Logistics and Allied Services Company Limited
AGNIi	Accelerating Growth of New India's Innovation
AITIGA	ASEAN-India Trade in Goods Agreement
ASCEND	Accelerating Startup Calibre & Entrepreneurial Drive
ASEAN	Association of Southeast Asian Nations
AT&C	Aggregate Technical and Commercial
ATMA	Automotive Tyre Manufacturers Association
BBIN-MVA	Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreement
BCAS	Bureau of Civil Aviation Security
BSNL	Bharat Sanchar Nigam Limited
BTC	Bodo Territorial Council
CBEC	Central Board of Excise and Customs
CBDT	Central Board of Direct Taxes
CCII	Central Comprehensive Insurance Incentive
CCIIAC	Central Capital Investment Incentive for the Access to Credit
CGSS	Credit Guarantee Scheme for Startups
CGST	Central Goods and Services Tax
CII	Central Interest Incentive
CPWD	Central Public Works Department
CTDP	Comprehensive Telecom Development Plan
DAC	Department of Agriculture & Cooperation
DCC	Digital Communications Commission
DFTP	Duty-Free Tariff Preference
DGPS	Differential Global Positioning System
DIB	Delegated Investment Board
DoC	Department of Commerce
DoNER	Development of North Eastern Region
DoR	Department of Revenue
DoT	Department of Telecommunications
DPIIT	Department for Promotion of Industry and Internal Trade
DPR	Detailed Project Report
EDI	Electronic Data Interchange
EI	Employment Incentive
EPF	Employees' Provident Fund
EPS	Employee Pension Scheme
FCI	Food Corporation of India
FDI	Foreign Direct Investments
FFS	Fund of Funds for Startups

FIF	Foreign Investment Facilitation
FPCs	Farmer Producer Companies
FPOs	Farmer Producer Organizations
FSS	Freight Subsidy Scheme
FTP	Foreign Trade Policy
FY	Financial Year
GDP	Gross Domestic Product
GI	Geographical Indication
GST	Goods and Service Tax
IATA	International Air Transport Association
IBP	Indo-Bangladesh Protocol
ICP	Integrated Check-Post
IIFT	India International Foreign Trade
IGST	Integrated Goods and Services Tax
IIG	India Investment Grid
IIHTs	Indian Institutes of Handloom Technology
IILB	India Investment Land Bank
IPA	Investment Promotion Agency
IT	Income Tax
IPRS	Industrial Park Rating System
IWAI	Inland Waterways Authority of India
IWT	Inland Water Transport
JV	Joint Venture
KMMTTP	Kaladan Multi Modal Transit Transport Project
KVIC	Khadi and Village Industries Commission
LAD	Least Available Depth
L& T	Larsen & Toubro Ltd
LCS	Land Custom Stations
MAI	Market Access Initiative
MFI	Micro finance Institutions
MFIN	Microfinance Institutions Network
MIDH	Mission for Integrated Development of Horticulture
MoAs	Memorandum of Association
MoCA	Ministry of Civil Aviation
MoRT&H	Ministry of Road Transport and Highways
MSMEs	Micro, Small & Medium Enterprises
MT	Metric Ton
MUDRA	Micro Units Development & Refinance Agency Ltd.
MVA	Motor Vehicle Agreement
MW	Megawatt

NBFC	Non-Banking Financial Company
NBM	National Bamboo Mission
NEC	North Eastern Council
NECBDC	North East Cane and Bamboo Development Council
NEDFi	North Eastern Development Finance Corporation Ltd.
NEEDS	North East Enterprise Development Scheme
NEEPCO	North Eastern Electric Power Corporation Limited
NEHHDC	North Eastern Handicrafts & Handlooms Development Corporation Limited
NEIDS	North East Industrial Development Scheme
NEIP	North-East Industrial Policy
NEIIPP	North-East Industrial and Investment Promotion Policy
NER	North Eastern Region
NERAMAC	North Eastern Region Agricultural Marketing Corporation
NGO	Non-governmental Organization
NH	National Highways
NHAI	National Highways Authority of India
NHDP	National Handloom Development Programme
NHIDCL	National Highways & Infrastructure Development Corporation Ltd
NIAM	National Institute of Agricultural Marketing
NIFT	National Institute of Fashion Technology
NITI	National Institution for Transforming India
NSA	National Startup Awards
NSS	National Sample Survey
NSWS	National Single Window System
NW	National Waterway
ODOP	One District One Product
PDC	Proposed Date of Completion
PIWTT	Protocol on Inland Waterways Trade and Transit
PMMSY	Pradhan Mantri Matsya Sampada Yojana
PMRPY	Pradhan Mantri Rojgar Protsahan Yojana
PRIME	Promotion and Incubation of Market-driven Enterprises
PSU	Public Sector Undertaking
RAP	Restricted Area Permit
RAS	Re-circulatory Aquaculture System
RBI	Reserve Bank of India
RCC	Reinforced Concrete
RMSS	Raw Material Supply Scheme
SEZs	Special Economic Zones

SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SHUs	Scoville Heat Units
SISFS	Startup India Seed Fund Scheme
SMEs	Small and Medium Enterprises
SQM	Square Meter
SUC	Spectrum Usage Charge
TDC	Target Date of Completion
TI	Transport Incentive
TIES	Trade Infrastructure for Export Scheme
TKK	Tamu-Kyigone-Kalewa
TKM	Tonne-Kilometre
TSPs	Telecom Service Providers
TSS	Total Soluble Solids
TSS	Transport Subsidy Scheme
UDAN	Ude Desh Ka Aam Nagrik
UP	Uttar Pradesh
U.S.A.	United States of America
USOF	Universal Service Obligation Fund
UTs	Union Territories
VGF	Viability Gap Funding

REPORT

INTRODUCTION

The North Eastern Region (NER) comprises eight States, namely Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. The region is 7.98% of the total geographical area of the country and constitutes 3.78% of the total population of India (Census 2011). NER was once well interconnected and central to many trade and economic linkages. This connectivity was lost due to the partition of India in 1947 – the traditional trade transport routes got disrupted, leaving the region practically land-locked and relatively inaccessible to most parts of the world. For instance, before 1947, the distance from Agartala to Kolkata was only 350 Kms through East Bengal, but due to partition, it increased to 1645 kms through Siliguri corridor. The region also lost easy access to important ports of Kolkata and Chattogram as the former became too far to reach and the latter became part of a separate country.

1.2 NER has its own distinct entity and is characterized by its rich bio-diversity, diverse cultures, languages, mineral resources and has immense potential for development. International borders with Bangladesh (1,880 Km), Myanmar (1,643 Km), China (1,300 Km), Bhutan (516 Km), and Nepal (99 Km) compose almost 98 percent of the region's borders, totalling 5,438 Km. Through Myanmar, the region is also connected to the ASEAN, which is a regional bloc of ten south-east Asian nations, namely Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

1.3 Despite the region's abundance of natural resources and biodiversity, NER's industrial development lags behind the rest of the country. Some of the major reasons for the suboptimal industrial development of NER are geographical isolation and lack of basic infrastructural facilities. The NER is also a sensitive zone for natural disasters such as landslides and floods, which makes infrastructural development difficult. Further, connectivity is constrained by lack of substructures such as transportation, information and communications technology and market accessibility.

1.4 The development of NER is plagued with the low level of industrialisation of the region as compared to other regions of the country. The Industrialisation of the NER is crucial as the region can act as a gateway for trade with the Asia-Pacific countries. As per the Economic Survey 2022-23, the NER states generated only 2.2

percent of India's GDP in 2020-21, with Assam accounting for more than half of the region's contribution.

1.5 In view of the foregoing, the Department Related Parliamentary Standing Committee on Commerce has taken up the subject, 'Development of Trade and Industries in North Eastern Region' for examination. The Committee has, in its Report, examined the various issues that are crucial for the development of trade and industry in the North Eastern Region of the country.

TRANSPORT AND CONNECTIVITY

2.1 NER has historically suffered from poor inter-state and intra-state transport connectivity within the region as well as connectivity with the rest of India and neighbouring countries. This has not only impeded everyday life and livelihoods but also industrial development of the region. The poor state of transport infrastructure and regional connectivity in the region has adverse implications for tourism, trade, and commerce. The scarcity of all-weather roads continues to be one of the biggest infrastructural deficits in the region. Rail, water, and air connectivity are the main areas where necessary thrust must be given. The strategic location of the NER and the recent Act East policy of the Government necessitate the creation of robust infrastructure and multimodal connectivity.

Road Connectivity

2.2 The Committee was apprised by the Department for Promotion of Industry and Internal Trade (DPIIT) that the Ministry of Road, Transport and Highways (MoRT&H), through its implementation agencies, has awarded 9,003 Km and constructed 7,422 Km of National Highways (NH) in NER between FY 2014-15 and FY 2022-23 (till 30th Sep 2022) and as a result the total length of national highway has increased to 16,125 Kms in the region. The State-wise details of length of NHs awarded and constructed is mentioned in table below:

Sl. No.	States	NH Length Awarded from FY2014-15 to FY2022-23 (till Sep'22) (in km)	NH Length Constructed from FY2014-15 to FY2022-23 (till Sep'22) (in km)
1.	Arunachal Pradesh	1330	1217
2.	Assam	2285	2289
3.	Manipur	1626	1418
4.	Meghalaya	569	277
5.	Mizoram	1013	727
6.	Nagaland	1181	719
7.	Sikkim	432	282
8.	Tripura	567	493
	Total	9003	7422

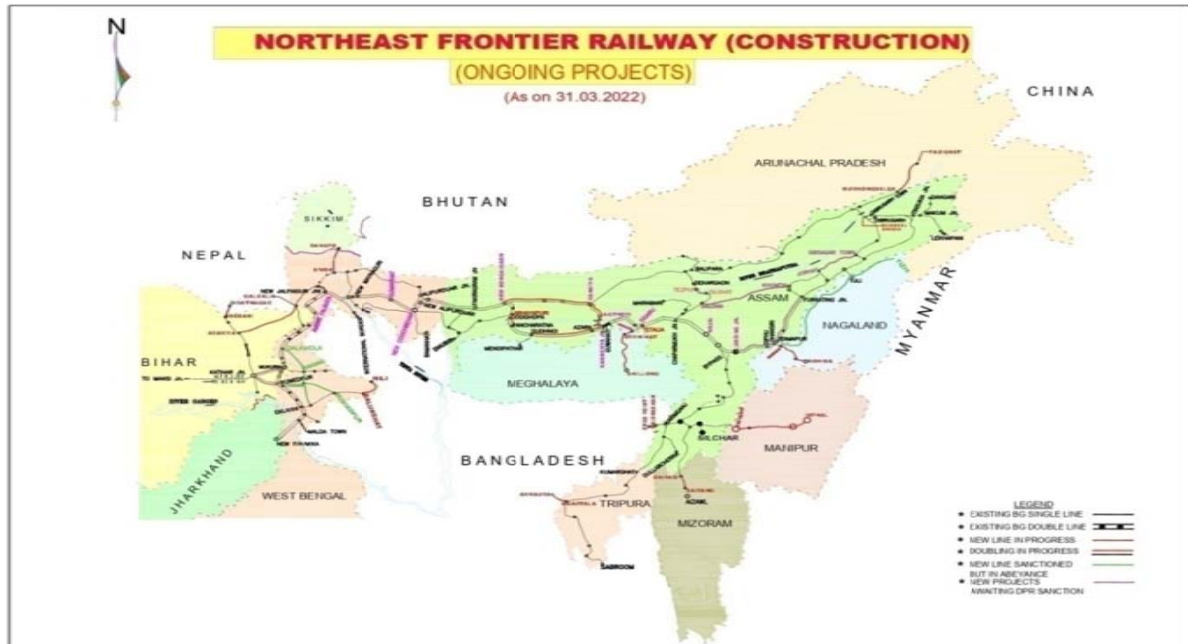
2.3 The Department, in its powerpoint presentation dated 25.11.2022, has highlighted the role of various crucial road projects connecting rural and urban areas, thereby making vital contribution to growth of trade and industries and hence stimulating the economic development of the region. The details of the projects are as follows:

Sr. No.	State	Name of Work	Length (km)	Sanctioned Date	Sanctioned Cost (Cr.)	Date of Award	Length Completed (km)	Physical Progress %	Financial Progress %	Likely Date of completion	
1	Arunachal Pradesh	Roing-Hunli-Anini	183.98	31-03-2016	3449	14-12-2016	131.75	79%	78%	19-06-2023	
		Nechipu – Hoj road	Pertains to MORTH								
2	Assam	New 2 Lane Bridge, over River Brahmaputra, between Maujuli on North Bank & Jorhat on South Bank	Pertains to MORTH								
		MMLP Jogighopha	15.72	03-02-2020	693.97	05-06-2020	-	51%	44%	31-03-2023	
3	Manipur	Imphal Moreh	94.51	16-08-2017	2167.59	01-06-2018	66.26	78%	72%	31-03-2023	
4	Assam	Dhubri Phulbari Bridge	19.28	06-05-2019	4997.04	24-11-2020	0	15%	13%	12-09-2028	
5	Meghalaya	Shillong Dawki Corridor	63.91	13-07-2020	1606.52	02-11-2020	0.15	19%	16%	15-07-2023	
6	Mizoram	Aizwal Tuipang	354.07	30-09-2019	6891.759	25-11-2019	150.693	47%	43%	01-04-2024	
7	Nagaland	Peren-Dimapur-Kohima	159.226	31-03-2016	3991.71	12-05-2016	77.7155	51%	49%	06-06-2023	
8	Sikkim	2-lane tunnel at Singtam-Tarku-Rabangla-Legship-Gyalshing	1.1	09-09-2020	79.21	22-09-2020	0	17%	13%	13-01-2023	
9	Tripura	Manu-Simlung	82.463	13-03-2020	1406.79	30-03-2020	25.705	37%	34%	30-06-2023	

2.4 The Committee appreciates the steps taken to increase the coverage of National Highways in NER. The Committee is of the opinion that coverage of State Highways and minor/district roads connecting villages to nearby towns/industrial centres also needs to be improved. The Committee is of the view that States may be urged to take steps for construction of new state highways & minor/district roads in the region for facilitating better road connectivity. The road network in the bordering areas may also be widened and strengthened to facilitate easy movement of goods and people for cross-border trade. Further, regular maintenance of roads should also be assured since the region is more prone to incessant weather.

Rail Connectivity

2.5 The natural advantages of having an extensive railway system, in terms of lower cost of carriage and ability to carry higher freight volume over long distances, will benefit this region. Rail connectivity in NER is also crucial for establishing a common market with neighbouring countries as well as the ASEAN countries. However, building a railway network in the NER has been a massive challenge due to its mountainous topography. Nonetheless, potential for growth, which comes with the extensive railway network, cannot be constrained by the unsuitable terrain of the region.



Source: DPIIT

2.6 The Department, in its presentation, informed the Committee that 19 projects costing Rs. 77,930 crores for 1,909 Km, falling fully/partly in North Eastern States are under different stages of planning/approval/execution. Further, railway projects of 409 Kms at a cost of Rs. 30,312 crores have been commissioned upto March, 2022.

2.7 The Department vide its powerpoint presentation dated 25.11.2022 shared the details of the projects approved for connecting the capitals of all north-eastern States through railways.

S.No.	State	Capital	Name of project	Remarks
1	Assam	Guwahati		Already connected
2	Arunachal Pradesh	Naharlagun (13 Km short of Itanagar)	Harmuti Naharlagun	Commissioned in Feb 2015
3	Tripura	Agartala	Kumarghat - Agartal	Commissioned in May 2016
4	Manipur	Imphal	Jiribam to Imphal (110.62 km) New Line	55.36 Km – Commissioned. (43.56 km commissioned in Feb'22) TDC December, 2025
5	Mizoram	Sairang (21 km short of Aizawl)	Bhairabi to Sairang - (51.38 km)	Work in Progress TDC - March 24.
6	Sikkim	Rangpo (38 Km short of Gangtok)	Sivok- Rangpo	Work in Progress TDC- Dec 2023
7	Nagaland	Kohima	Dimapur (Dhansiri) - Zubza (Kohima) - (82.50 km)	16.50 km – Commissioned 28.00 km – Sep'23 38.00 km – Mar'26 (Tunnel-07, 6.60 km length, adit for extra phase not found feasible. minimum 47 months for mining @ average 140 m per month progress from

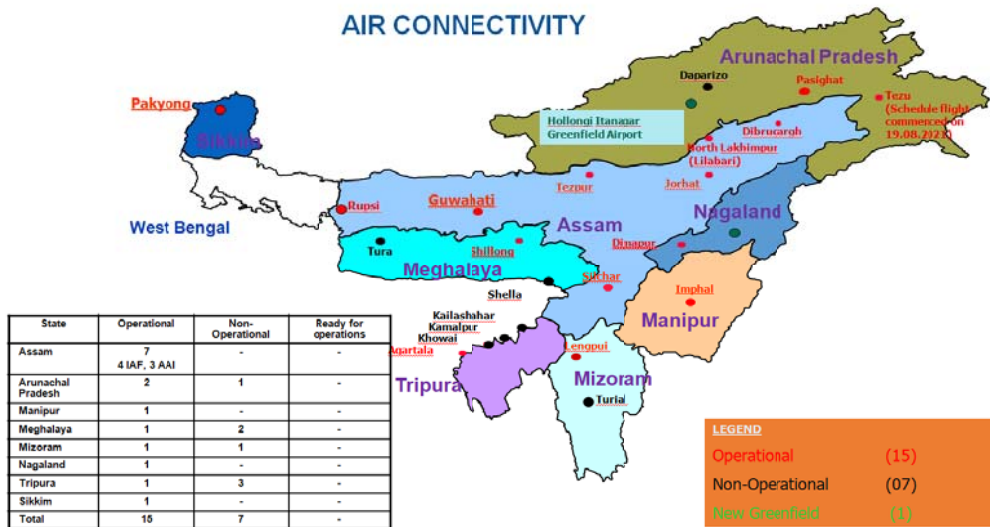
S.No.	State	Capital	Name of project	Remarks
				<i>both faces and escape tunnel ,. Track laying, ventilation etc , it would require at least 56 months. TDC March 2026.)</i>
8	Meghalaya	Shillong	1. Tetelia – Byrnihat (21.50 km) 2. Byrnihat - Shillong (108.40 km)	1. 10 km commissioned, Work in Meghalaya held up due to Khasi Student Union agitation. 2. Work held up due to Non acquisition of land and law & due to Khasi Student Union agitation.

Source: DPIIT

2.8 The Committee opines that improved rail connectivity in the NER will complement regional connectivity initiatives with neighbouring countries also. The Committee takes notes of the Government’s initiative to connect all state capitals in NER with railway. The Committee recommends that these projects may be completed within the scheduled time frame. The Committee further recommends that the frequency of freight trains may be increased and provision for setting up warehousing facility may be made at all existing and upcoming railway stations in NER.

Air Connectivity

2.9 Air connectivity is important for NER as many parts of the region are hilly and difficult to access through road or rail networks. It enables better integration of the region with the rest of the country. Improvement in air connectivity can ensure that even the most remote areas are accessible, enabling the delivery of essential goods and services like medical supplies, food and emergency aid. Improved air connectivity attracts investments and businesses to the region. Industries can flourish as transportation of goods becomes more efficient, leading to increased trade and economic growth. It also opens up opportunities for tourism, which can be a significant source of revenue and job creation in the region.



Source: DPIIT

2.10 The Department has apprised the Committee about 22 new routes being operationalised in the NER. The details are given at **Annexure I**.

Air Cargo Facilities

2.11 The strong relationship between growth in international trade and robust logistics infrastructure is widely acknowledged. The demand for air cargo transportation has increased significantly over the last few years due to shortening of product life cycles and increasing demand for rapid delivery. Indisputably, increasing Air Cargo terminals and their capacity would greatly benefit the exports of the region.

2.12 The Department *vide* its powerpoint presentation dated 25.11.2022 has provided airport-wise details of the cargo handling infrastructure in the North Eastern States as mentioned below:

Sl. No.	States/UTs	Station	Brief on Air Cargo Facilities at NER Airports
1	Assam	Guwahati	<ul style="list-style-type: none"> • AAICLAS has established both Domestic and International Air Cargo facilities along with Cold Storage facility at Guwahati Airport. Guwahati is a gateway port for NER for International Cargo processing. • AAICLAS has established International Air Cargo facility in an area of 271 sqms. with an annual handling capacity of more than 3000 MT with Customs EDI connectivity including Cold Storage facility.

			<ul style="list-style-type: none"> • Domestic Air Cargo in area of 2186 sqms with an annual handling capacity of more than 79,000 MT including Cold Storage facility. • The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
2	Assam	Dibrugarh	<ul style="list-style-type: none"> • Domestic Air Cargo movement is facilitated through Domestic Passenger Terminal w.e.f. 02.08.2021. • However, one of the old building modified suitably for the cargo operations but due to low air cargo volume, cargo movement is facilitated through passenger terminal building at present. • The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
3	Assam	Lilabari	<ul style="list-style-type: none"> • Domestic Air Cargo movement is facilitated through Domestic Passenger Terminal w.e.f. 01.08.2021. • The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
4	Assam	Silchar	<ul style="list-style-type: none"> • At present, only inbound domestic cargo is facilitated through domestic passenger terminal building. • The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
5	Assam	Jorhat	<ul style="list-style-type: none"> • Domestic Air Cargo movement is facilitated through Domestic Passenger Terminal w.e.f. 01.02.2022. • The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State. • No viable vacant area available for construction of new Air Cargo terminal.
6	Assam	Tezpur	<ul style="list-style-type: none"> • Domestic Air Cargo movement is facilitated through Domestic Passenger Terminal w.e.f. 28.07.2022.

			<ul style="list-style-type: none"> The airport is covered under the Krishi Udaan Scheme launched by MoCA for the benefit of local farmers of the State.
7	Assam	Rupsi	<ul style="list-style-type: none"> The airport is covered under the Krishi Udaan Scheme launched by MoCA for the benefit of local farmers of the State. Movement of Domestic cargo through domestic passenger terminal with the approval of BCAS in hand.
8	Manipur	Imphal	<ul style="list-style-type: none"> At present, Domestic Air Cargo currently being handled by Indigo in a separate enclosure. Other airlines are moving their cargo through domestic passenger terminal. The airport is covered under the Krishi Udaan Scheme launched by MoCA for the benefit of local farmers of the State. Construction work for Integrated Cargo terminal along with Cold Storage facility in an area of 1,729 SQM with the annual handling capacity of more than 43,000 MT is in progress. PDC: Mar'2023.
9	Tripura	Agartala	<ul style="list-style-type: none"> Movement of Domestic cargo was facilitated through interim building. On the directions of BCAS and MoCA, domestic cargo movement from interim building has been stopped w.e.f. 06.12.2022. Construction of Domestic Air Cargo Terminal in an area of 1,100 sqms with an annual handling capacity of 40,150 MT. PDC: December' 2022 The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
10	Nagaland	Dimapur	<ul style="list-style-type: none"> Domestic Air Cargo movement is facilitated through Domestic Passenger Terminal w.e.f. 01.08.2021. The airport is covered under the Krishi Udan Scheme launched by MoCA for the benefit of local farmers of the State.
11	Arunachala Pradesh	Hollongi	<ul style="list-style-type: none"> Construction of Regular Domestic Terminal Building work is in progress. The existing building constructed by AAICLAS

			will be used as Cargo building after construction of regular Domestic Terminal.
12	Arunachala Pradesh	Tezu	<ul style="list-style-type: none"> • Tezu Airport has come into operations w.e.f. 19.08.2021. • The existing terminal is very small; however, New Terminal building is under construction. • As of now, there is no such query /information from Freight Forwarders/ parties for air lifting domestic cargo from Tezu Airport.
13	Meghalaya	Barapani (Shillong)	<ul style="list-style-type: none"> • Application for movement of Domestic Air Cargo through Domestic passenger terminal is submitted to BCAS which is under BCAS scrutiny.
14	Mizoram	Lengpui	<ul style="list-style-type: none"> • Lengpui Airport is owned by Govt. of Mizoram and operated by General Administrative Department of Govt. of Mizoram. • Only two airlines (Air India & Indigo) are operating from Lengpui Airport and airlines are handling cargo operations on their own.

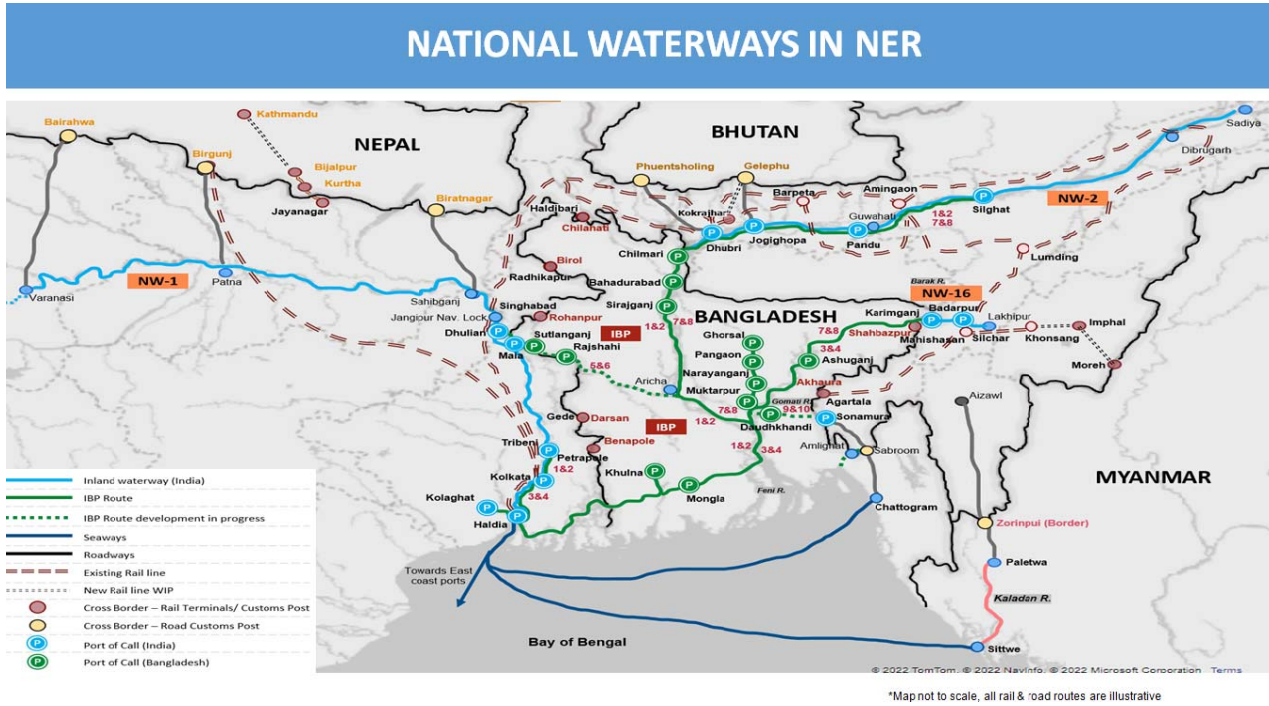
2.13 The Committee observes that, in NER, only Guwahati Airport has both domestic and international cargo facilities along with cold storage facility. Rest of the airports in NER are either handling cargo through domestic passenger terminal or have no air cargo facility. The stakeholders during the deliberations have suggested that more airports in the NER should have cold storage facility and air cargo handling facility to transport items like fruits, flowers and other perishable goods. **The Committee recommends that air cargo handling facility along with cold storage facility may be created at other airports in the region.**

Inland Waterways

2.14 Inland Water Transport (IWT) is a fuel-efficient, cost-effective and environment-friendly mode of transport, especially for bulk goods, hazardous goods and over-dimensional cargo. National Waterways in NER hold significant importance in terms of enhanced trade & commerce across neighbouring countries such as Bangladesh, Bhutan and ASEAN countries.

2.15 The Committee has learnt that twenty waterways of NER were declared as National Waterways (NWs) under National Waterways Act in 2016. These NWs aim to provide hinterland connectivity to Assam, Nagaland, Tripura, Manipur, Mizoram and Arunachal Pradesh and also connect these States with rest of India through Indo-Bangladesh Protocol route.

NWs in NER



2.16 The Department has informed the Committee that the National Waterway 2 from Bangladesh border to Sadiya (891 km) on Brahmaputra is fully developed with fairway of required width & depth for safe movement of Cargo, navigational aids etc. The waterway is fully operational and vessels are moving on it. An amount of Rs. 474.00 crores has been approved for the development of NW 2 during year 2020-21 to 2024-25.

2.17 As regards National Waterway 16 from Lakhimpur to Bhanga (121 Km) on Barak River has been declared as NW-16 in March 2016. The work in Phase- I is likely to be completed in the year 2025. An amount of Rs. 145 crores has been approved for the development of NW-16 and Indo-Bangladesh Protocol route during year 2020-21 to 2024-25. The feasibility study of the remaining 18 waterways is underway.

2.18 The Committee is concerned to note that feasibility studies have not yet been completed for the 18 waterways declared as NWs in 2016. The Committee recommends that the feasibility study for these waterways must be completed in a reasonable time frame and steps may be taken for further development of these NWs to exploit the potential of regional connectivity in NER.

DIGITAL CONNECTIVITY

3.1 Digital infrastructure drives economic growth, social development, and technological advancement, improving the overall well-being and opportunities for individuals and communities worldwide. As per the data published by the Telecom Regulatory Authority of India for the Quarter October-December 2022 (**Annexure II**), the number of internet subscribers per 100 population in Assam and other North Eastern States are 47.42 & 59.66, respectively, against the national average of 62.56.

3.2 The Committee was apprised about the various measures taken to strengthen the digital infrastructure of the region which includes rollout of telecom network (4G and 5G) and expansion of telecommunication infrastructure namely:

- i. Making available sufficient spectrum for mobile services through auction
- ii. Allowing spectrum sharing and trading
- iii. Removal of additional Spectrum Usage Charge (SUC) of 0.5% for spectrum sharing
- iv. Allowing sharing of infrastructure by the Telecom Service Providers (TSPs)
- v. Notifying Indian Telegraph Right of Way Rules, 2016 dated 15.11.2016 for regulating underground infrastructure and over ground infrastructure and amendments thereof.
- vi. Government has been providing USOF support to implement a Comprehensive Telecom Development Plan (CTDP) for extending mobile coverage across the NER.

3.3 Strengthening the digital infrastructure has become critical after the outbreak of COVID-19 pandemic as businesses today have become more dependent on the digital means. Further, digital connectivity is not only essential for businesses but also for further outreach programs like online training, education, outreach and capacity building programs too. The Committee, therefore, recommends that the Government must ensure that the digital infrastructure, including broadband internet and mobile networks, should be enhanced to facilitate investment and growth in NER.

AVAILABILITY OF LAND FOR INDUSTRIAL USE

4.1 Availability of land and its transfer is a crucial factor for industrial development in the states of NER. The total forest cover in the region is 1,69,521 km square, which is about 64.65% of the geographic area as against the national average of 24.3%. Very dense, moderately dense and open forests

constitute 10.95%, 27.65% and 26.06% of the total forest cover, respectively. The Committee was informed by stakeholders that in most NE States and 6th Schedule areas of Assam and Tripura, land cannot be transferred to non-tribals. This acts as a major impediment to attracting investments.

4.2 The Committee was apprised by various stakeholders that there is no database of land with NE States for industrial use. In some States, land that can be acquired from private sources is difficult to convert for industrial use. Also, even in notified industrial areas the process is not well defined. Further, most NER States don't have a provision for the transfer of land to non-native and in the case of lease of land, there is no provision for executing an equitable mortgage over the land.

4.3 The Committee suggests creation of GIS-linked Industrial land bank incorporating features such as plot-level information of the available industrial land, provisions for reclassification of land and facility for an equitable mortgage to streamline the process. This will facilitate reducing the time and cost for industries to acquire land. The Committee also suggests provisions for leasehold rights to be made transferable and mortgageable. The Committee is fully cognizant of the fact that since the discussion on the subject involves land, it is the state government which has local jurisdiction in the matter. Consequently, Committee recommends, in the true spirit of cooperation, that the aforementioned suggestions may be taken up with the State Governments of the NER.

SPECIAL ECONOMIC ZONE (SEZ) IN NER

5.1 A dedicated SEZs Act was enacted in February 2006 with an aim to promote economic growth and development in the form of greater economic activity, promotion of exports, investments and creation of employment and infrastructure. The objectives were to be achieved through incentivizing the SEZ activities in the form of income tax holidays, various exemptions from several indirect taxes and other benefits.

5.2 The Department has apprised the Committee that there are 5 formally approved SEZs in the NER, out of which 4 are notified. Indeed the data provided, suggests that none of these SEZs has ever been operational. The details of SEZs in North-East Region are tabulated below:

Sl. No.	Name of the Developer	Location	Type of SEZ	Area Hectares	Date of Letter of Approval	SEZ Status
1.	Manipur IT SEZ Project Development Company (Ltd.)	Imphal, Manipur	IT/ITES	10.85	29 th October, 2013	Notified
2.	H. N. Company	Dimapur Nagaland	Multi Product	290	30 th July, 2007	Notified
3.	Nagaland Industrial Development	Dimapur Nagaland	Agro	50	27 th February, 2009	Notified
4.	Tripura Industrial Development Corporation Limited	Paschim Jalefa, Sabroom, South Tripura District, Tripura	Agro	16.35	09 th December, 2019	Notified
5.	Department of Information Technology, Government of Sikkim	Namil, 8 th Mile, Ranipol, East Sikkim	IT/ITES	6.32	08 th June, 2021	Not Notified yet.

Source: DPIIT

5.3 The Committee has been apprised by the stakeholders that the region is in dire need for such operational industrial park supplemented with plug and play facilities, road connectivity, power and water supply. The Committee notes that there are 270 operational SEZs in the country, and exports to the tune of Rs 79.62 Lakh Crores (since 2005) have been carried out from these SEZs. However, the North Eastern States have not benefitted from the same and further there are no operational SEZs in the region. It is but obvious that notified SEZs where the legal status is indisputable must be factually operational on the ground with a sense of immediacy and urgency and after providing all support, ancillary and related facilities. The Committee therefore recommends expediting the establishment of the SEZs in NER and prospects of notifying more such SEZs should be explored in consultation with the relevant stakeholders.

MAJOR INTERNATIONAL INFRASTRUCTURAL PROJECTS

India-Myanmar-Thailand Trilateral Highway

6.1 The India - Myanmar -Thailand Trilateral Highway starting from Moreh in India to Mae Sot in Thailand through Myanmar is an important initiative undertaken to enhance connectivity between India and South East Asian region and thereby open up new opportunities for prosperity and economic development. India has undertaken two projects in Myanmar under the Trilateral Highway (total length 1360 km). Details of the projects are as under:

(I) Upgradation of 69 bridges and approach roads on the Tamu-Kyigone-Kalewa (TKK) section of 150 km with an estimated cost of Rs 371 crores. NHA has finalized the bidding process. Govt of Myanmar is being consulted for site handing over dates.

(II) Construction of 120 km of Kalewa-Yagyi section to highway standard with an estimated cost of Rs 1177 crores. This project was sanctioned on 08.06.2016. The current physical progress is 47% as on 30.04.2023. The likely date of completion is December, 2023.

Kaladan Multimodal Transit Transport Project

6.2 Kaladan Multi Modal Transit Transport Project (KMMTTP) at the cost of Rs.2,904 crore, is a strategic connectivity project to connect the eastern ports of India with Myanmar by developing a port at Sittwe on the western coast of Myanmar and linking the Sittwe port with river channel and road to Mizoram. The Committee was apprised that the waterway segment of the project has been completed, while for the road component, IRCON has been appointed as the new project executing agency. IRCON has been awarded contract for the entire 109 km stretch from Paletwa end (Myanmar) to Zorinpuri end (Mizoram).

Indo-Bangladesh Protocol Route

6.3 India and Bangladesh have a Protocol on Inland Waterways Trade and Transit (PIWTT) for facilitating trade and transit between the two countries through the inland waterways, which has been operational since 1972. PIWTT permits movement of goods for inter-country trade as well as transit over barges/vessels through the river systems of India and Bangladesh on specific routes. There are two sub-projects within Indo-Bangladesh Protocol route:

(i) National Waterway 2 (River Brahmaputra, length - 891 km), Sadia to Bangladesh border:

The Committee has been apprised of the development of NW-2 that enables waterway connectivity of NE region with Kolkata/Haldia ports *via* Indo-Bangladesh Protocol Route. The major interventions under this project are (a) Construction of Jogighopa terminal; (b) Construction of Cargo cum Passenger terminal at Bogibeel, Dibrugarh (new component); (c) Alternative Road to Pandu Port; and (d) Ship repair facility at Pandu.

(ii) National Waterways 16 (River Barak – length 121 km) Bhanga-Lakhipur stretch including IBP route in India

The Committee was informed that the National Waterway 16 (NW-16) on Barak River connects Silchar, Karimganj and Badarpur in Cachar valley of Assam through road/ waterway with Haldia and Kolkata ports through Indo-Bangladesh Protocol (IBP) Route. Major activities under the project that are being carried out include construction of Terminal at Sonamura on Gumti river, construction of terminal at Maia on Ganga River and upgradation of Badarpur and Karimganj terminals.

BANGLADESH-BHUTAN-INDIA-NEPAL MOTOR VEHICLES AGREEMENT (BBIN-MVA)

7.1 BBIN MVA was signed in June 2015 during the meeting of the Transport Ministers of the participating countries in Thimpu, Bhutan. The objective of the agreement was construction of economic corridors to facilitate seamless movement of goods and passengers in the sub-region.

7.2 The Committee was informed that in a meeting held in January 2018, Bangladesh, India and Nepal agreed to implement the BBIN MVA, with Bhutan to join after ratification. A draft MoU to implement the BBIN MVA amongst the three countries has been finalized and the Cargo Protocol and the Passenger Protocol of the MVA are under discussion to operationalise the agreement.

7.3 The Committee is of the opinion that regional initiatives like India-Myanmar Trilateral Highway, Kaladan Multimodal Transit Transport Project, India-Bangladesh Protocol route and BBIN Motor Vehicle Agreement have the potential to improve the inter-country movement of goods and passenger vehicles, and they could open new avenues for the development of supply chains and intermodal/multimodal logistics services along with the specified transport corridors in the sub-region which are crucial for

development of trade and industry in the region. These initiatives will further aid in augmenting exports of goods from NER to neighbouring countries. The Committee, therefore, recommends expediting the completion and implementation of these initiatives.

TRADE WITH ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

8.1 As per NITI Aayog, 95 per cent of India's trade with its East and South-East Asian neighbours constitutes products originating from regions other than the NER despite the region's strategic location. The geographical advantage of NER states needs to be utilised to strategically grow trade share of India with the ASEAN countries.

8.2 The Department has informed the Committee about various initiatives taken to boost trade with ASEAN members. Some of these measures include various export facilitative schemes under the Foreign Trade Policy (FTP) such as Market Access Initiative (MAI) scheme under which financial assistance is provided to Export Promotion Council and Trade Bodies for participation of Indian exporters in fairs/exhibitions abroad or for organizing Buyer-Seller Meets. Assistance is provided to States under Trade Infrastructure for Export Scheme (TIES) for setting up and upgradation of infrastructure with overwhelming export linkages.

8.3 Further, to enhance bilateral trade, India and ASEAN signed ASEAN-India Trade in Goods Agreement (AITIGA) on 13th August 2009 under which both the sides have granted substantial tariff concessions on products for trading. The Committee was apprised that, India shifted from barter trade with Myanmar through land route to normal trade in December 2015. The land route trade with Myanmar for long was restricted to 62 items under barter trade system and the shifting to normal trade resulted in expansion of border trade to all tradable commodities also allowing benefits of ASEAN-India Trade in Goods Agreement and Duty-Free Tariff Preference (DFTP) scheme for Least Developed Countries.

8.4 In addition, there are three notified Land Custom Stations (LCS) along the India-Myanmar Border viz. Moreh (Manipur), Zokhawthar (Mizoram), and Nampong (Arunachal Pradesh). Moreh has been developed as Integrated Check-Post (ICP). The Committee notes that Government of India is also undertaking major connectivity projects – such as Kaladan Multi-modal Transit Transport Project and the India-Myanmar-Thailand Trilateral Highway Project – which when completed will enhance trade between NER States and ASEAN countries.

8.5 The Committee notes that total exports from NE States to ASEAN for the period from April to October, 2022-23 is USD 6.18 million. The export data from North Eastern States to ASEAN countries are placed at **Annexure-III**.

8.6 Augmentation of trade between NER and ASEAN is crucial for economic prosperity and industrial development of the region. To strengthen the export linkages with ASEAN, the Committee recommends that the Government should consider starting direct flights to ASEAN Countries under UDAN (International) Scheme, setting up of more Land Custom Stations (LCS) and their subsequent upgradation to Integrated Check Posts (ICP). The Committee also recommends that Government should consider opening of consulate offices of ASEAN countries in NER.

8.7 The Committee further recommends that Government must take steps to identify and promote such industries in NER, which could cater to markets in ASEAN and other neighbouring countries. The required trade facilitation measures like foreign exchange facility, customs, facilitation desks, etc. may be upgraded to facilitate NER's trade with ASEAN countries.

HANDLOOM AND HANDICRAFTS INDUSTRIES

9.1 The handloom and handicraft is one of the critical drivers of economic activity and source of livelihood in NER. The importance of the handloom sector of the region can be gathered from the fact that out of 35 lakh handloom workers in the entire country, more than 18 lakh are in NER. The arts and crafts from NER enjoy popularity all over India. The region has successfully preserved its unique and rich traditional, historical, and cultural identity reflected in its handicrafts and handloom activities such as artistic textile weaving, cane and fibre crafts, wood carvings, jewellery, carpet making, painted wood vessels, and colourful shawls with intricate designs. Most of the region's craft uses raw materials such as cane and bamboo, wood, terracotta, textiles, bell metal, and brass.

9.2 As the nodal agency for development and promotion of handicraft and handloom products in the NER, the North Eastern Handicrafts & Handlooms Development Corporation Limited (NEHHDC) under the MDoNER, provides handholding support to the artisans and weavers of the region. The Committee was apprised about the steps taken for promotion of handloom sector namely:

- i. Steps have been taken to on-board weavers on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations. So far about 1.50 lakh weavers have been on-boarded on the GeM portal, out of which, 16,154 weavers are from NER.

- ii. To enhance productivity, marketing capabilities and ensure better incomes, 144 handloom producer companies have been formed in different States, out of which, 23 producer companies are in NER.
- iii. For export promotion of handloom products, Handloom Export Promotion Council has been participating/organizing international marketing fairs/events. Besides, domestic marketing events are also organised in different parts of the country including NER for the weavers to market and sell their products.
- iv. Weavers are facilitated to sell their products online and 23 e-commerce platforms have been associated with Ministry of Textiles.
- v. A design Resource Centre have been set up in Weavers' Service Centres at Guwahati with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development.
- vi. The States and UTs were requested for their State Handloom Corporations/Co-operatives/Agencies to make purchases of the finished inventory available with the handloom weavers.
- vii. To integrate Craft promotion with tourism, Craft Handloom Villages are set up at Mohpara (Assam) and Moirang (Manipur) in the NER.
- viii. Considering the fact that the course curriculum for Indian Institutes of Handloom Technology (IIHT) needs revamping, a project for restructuring and rebranding of Indian Institutes of Handloom Technology (IIHT) at Guwahati has been undertaken by associating NIFT under special infrastructure & IIHT related project component of NHDP.

9.3 The Committee was also informed that NEC is working with Indian Institute of Foreign Trade (IIFT), Kolkata to promote and increase export market. Capacity building programme for the officials and entrepreneurs of the NER states has started. NEC has been organizing meeting with stakeholder and agency like Walmart to help the States for better understanding of e-marketing. NEC also supports States and Central agencies for participation in various exhibitions.

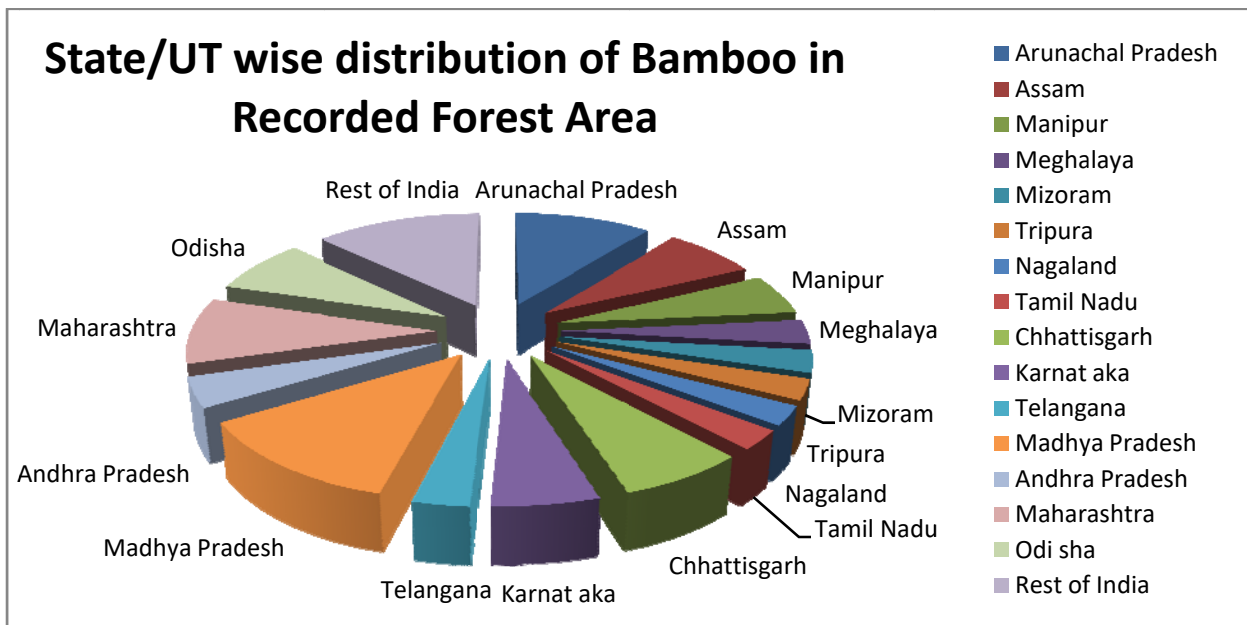
9.4 The Committee is of the view that handloom and handicraft sector is one of the largest unorganized economic activities in NER that provides employment for rural and semi-rural population. Therefore, it is of utmost importance that artisans engaged within the sector must be aware of the Government initiatives. The Committee recommends that concerted efforts should be taken to create awareness about its initiatives under various

schemes/programmes to ensure that the artisans may avail benefits from such schemes/programmes.

9.5 The Committee further recommends that necessary steps may be taken for branding, marketing and advertising the handloom and handicraft products of the region, and efforts must be undertaken to create a mechanism for direct interaction between the producers and consumers by developing proper linkages to supply chain.

BAMBOO INDUSTRY OF THE NER

10.1 Bamboo is one of the most versatile plant species in the world which is capable of providing ecological, economic and livelihood security to the people. Nearly two-fifths of the bamboo stock in India is concentrated in the NER. India is second only to China in terms of bamboo diversity owing to the North Eastern States of India which harbours nearly 90 species of bamboo, 41 of which are endemic to that region. However, the country's share in the global bamboo trade and commerce is still to be explored. Bamboo in the NER has the potential to contribute to the ongoing national initiatives for an *Aatmanirbhar Bharat* by replacing imports with local production. Therefore, it is the need of the hour to explore more impactful initiatives to address the gap in the existing bamboo ecosystem.



10.2 The Committee was informed that the Department of Agriculture & Cooperation (DAC), Ministry of Agriculture & Farmers Welfare is implementing a 100% Centrally Sponsored Scheme called Mission for Integrated Development of

Horticulture (MIDH) in which National Bamboo Mission (NBM) is being implemented as a sub scheme. The Mission envisages promoting holistic growth of bamboo sector by adopting area-based, regionally differentiated strategy and to increase the area under bamboo cultivation and marketing.

10.3 The Committee was apprised about the programs initiated under NBM such as a dedicated marketing page for bamboo launched in the GeM platform and hike in import duty on bamboo imports from 10 percent to 25 percent to encourage use of domestic bamboo for *Aatmanirbhar Bharat*. The details of funds released under National Bamboo Mission to North Eastern states from 2018-19 to 2022-23 are as under:

States	Funds Release (Rs. In Crore)
Arunachal Pradesh	20.90
Assam	9.00
Manipur	15.88
Meghalaya	6.40
Mizoram	25.95
Nagaland	22.08
Sikkim	13.74
Tripura	29.69
Total	143.66

Source: DPIIT

10.4 In addition, 5746 hectare of non-forest area has been planted with bamboo species in the NER, 162 Bamboo Nurseries, 33 bamboo treatment and preservation plant, 208 Product Development and Processing units have been established under the National Bamboo Mission.

10.5 The Committee acknowledges the fact that Bamboo is termed "Green Gold" because of its versatility and potential to change the economy of the region, therefore it is crucial to develop industries related to Bamboo. The Committee recommends that steps should be taken to promote bamboo clusters in the region and for creating awareness regarding the bamboo products through digital as well as physical platforms. The Committee further recommends adequate funds should be provided for the development of primary processing as well as value addition mechanism of Bamboo produce

and diversification of products. To give a thrust to the bamboo mission, a national policy on Bamboo may be made.

RUBBER INDUSTRY IN THE NER

11.1 Rubber is among the important agricultural produce which can attract a lot of investment opportunities in the NER. Tripura is the chief production hub and has been declared the ‘second rubber capital of India’ after Kerala by the Indian Rubber Board with area of 86,892 Ha and Production of 90,712 MT.

11.2 The Department has apprised the Committee that the Central Government has planned rubber plantations on 2 Lakh hectares in the NER. Four major tyre companies represented by Automotive Tyre Manufacturers Association (ATMA) have together undertaken to contribute Rs. 1000 Crore for rubber plantation development in 200,000 hectare land in seven states of North East India, over five years (2021-26).

Cost of production of natural rubber (2021-22)	
State	Cost (Rs/kg)
Karnataka	91.30
Kerala	90.64
Tripura	70.61
Assam	66.01
Cost: All paid out costs of labour and material inputs, interest on working capital and depreciation	
Tapping System: Once in three days	

(Source: Rubber Board)

11.3 As evident from the above mentioned data, NER offers one of the lowest cost of production of natural rubber in the entire country. Further, the Government of Tripura has submitted to the Committee that only 30% of the sheet rubber produced in Tripura is graded sheet, the rest is ungraded sheet, which fetches lower price due to inferior quality. The Committee was apprised that small rubber growers without having smoke house, can make only ungraded sheet and lose the prospect of getting premium price of graded sheet.

11.4 The Committee is of the view that rubber plantation and its related industries form an integral part of the industrial sector of NER. The Committee further notes the various initiatives taken by the Department as well as appreciates the contribution of private stakeholders such as ATMA in the rubber industry of the region. The Committee recommends that a separate fund allocation may be made for the purpose of upgrading smoke houses

scientifically and for the development of infrastructure for processing of field latex and smoking of sheet rubber for small growers.

FOOD PROCESSING INDUSTRY

12.1 North-eastern region, with its agro-friendly climate and agrarian roots, has the potential to be a sunrise zone for the food processing industry. The availability of surplus agricultural and horticultural produce in the region provides opportunities to the food processing industries. For instance, the marketable surplus for pineapple, jackfruit, cabbage, orange and banana is high enough for exports. The processing of the surplus produce leads to better value addition and return to the producers and processors. Food processing benefits not only the growers of agricultural produce but also creates employment in service sector like transportation, packaging, advertising and marketing. However, the food processing industry of NER, apart from natural calamities like floods, submergence, landslides, soil erosion etc faces various other challenges such as lack of transportation, inadequate cold storage facilities and processing of farm produce etc.

12.2 Geographical indications (GI) open doors of international trade by protecting products' names and reputation of the products in the foreign markets. International markets all around the world valuing and recognising GIs, enables businesses to expand their reach and increase exports, which further gives a thrust to economic development of the region. The Committee takes note of the several Agro-based products possessing GI tags from the region that includes the *orthodox tea* from low lands of Assam, *Naga Mircha* which is considered as one of the hottest chillies in the world, *Chak-Hao* which is an aromatic, speciality *glutinous black rice* cultivated in the plains and hills of Nagaland and Manipur, *Large Cardamom* from Sikkim which is also known as Queen of Spice, known for its for its heady aroma, distinguished flavour, high fibre content and premium quality organic produce and several others.

12.3 Statement showing some of the GI tagged products of NER is placed at **Annexure-V**.

12.4 The Committee was informed that since most of the schemes of Ministry of Food Processing Industries (MoFPI) are credit linked, arrangement of promoter's capital and arranging bank credit at par with applicants from other regions is a deterrent for prospective promoters from NER. Low awareness of the benefits available under the scheme and lack of local helping hand in facilitating application process to the schemes is also a challenge. The logistic difficulty in establishing industries due to remoteness and difficult terrain of the region are other important bottlenecks.

12.5 The Committee has also been apprised of the initiatives undertaken by the MoFPI which includes:

- i. **Higher rate of Grants:** In order to attract more promoters, the grant amount is @ 50% on eligible project Cost for NER, while for other projects it is 35% in most of the schemes.
- ii. **Concession in project completion time:** Keeping in view difficult terrain and material supply constraints in NER, projects located in the region are allowed more time in completing the project.
- iii. **Lower requirement of promoter's capital in projects:** Project promoters in NER are required to contribute only 10% in place of 20% required for other regions.

12.6 The Committee recognizes the enormous potential of agriculture, horticulture and food processing industry in the region. The Committee recommends that a dedicated agency may be established for the development and promotion of the region's agriculture and indigenous horticulture products. Further, sub-Himalayan plantation industry with emphasis on tea, bamboo, cane, rubber, betelnut, spices etc may be focused upon with special attention on organic farming. The Committee also recommends the Department to ensure development of Integrated Cold Chain comprising of Cold storages, cargo terminals, Quality testing labs, Processing Unit, Packaging alongwith Mega Food Parks to aid the food processing industry of the region.

QUALITY TESTING AND CERTIFICATION OF FOOD PRODUCTS FROM NORTH EASTERN REGION

13.1 The Committee was apprised by the stakeholders that in order to be certified as an organic product the produce has to be taken to Kolkata, which is not only logistically challenging but also proves costly. Currently, North East India does not have any laboratory which is equipped / recognised for testing of organic food products as per European and US standards. On enquiry by the Committee, the Department informed about the initiatives taken up by MoFPI under the PMKSY where grant-in-aid are provided for setting-up/up-gradation of Food Testing Laboratories (FTL) with the objective of strengthening the quality control infrastructure so as to facilitate supply of hygienic and safe food to the consumer.

13.2 The details of Food Testing Laboratories projects approved in NER under FTL Scheme are as follows:

NER States	Sanctioned	Project Cost (Rs in Cr.)	Approved Grant-in- aid (Rs in Cr.)
Assam	5	17.07	9.60
Manipur	2	12.67	9.40
Nagaland	2	11.69	4.89
Sikkim	2	14.46	5.8
Tripura	1	2.51	0.90

13.3 The Committee was further apprised that organic certification is granted by the certification bodies accredited by National Accreditation Body under NPOP and not based on analysis at laboratory; also, product analysis is carried out only based on risk assessment. It was also informed to the Committee that none of the labs in NER has applied to APEDA for authorisation and testing of organic food products.

13.4 The Committee views NER as the potential front-runner in organic farming and subsequent exporter of organics products from the country. The Committee expresses its concern about the absence of dedicated laboratory for organic certification of produce from the region.

13.5 The Committee, therefore, recommends taking necessary steps to incentivize the operational laboratories in the NER to opt for Certification by National Accreditation Body under the National Programme for Organic Production (NPOP). The Committee further recommends that APEDA may encourage the State Governments of NER to fill the gap in the availability of certification laboratories for organic products.

TOURISM INDUSTRY IN THE NORTH EASTERN REGION

14.1 The North Eastern states are home to scenic natural beauty, salubrious weather, rich biodiversity, rare wild life, historical sites, distinct cultural and ethnic heritage. Further, the high literacy rate does not just make for a tourist friendly experience, but also lends itself to producing a highly skilled workforce in the hospitality sector. All these factors translate NER into a region with enormous potential for the tourism industry.

14.2 The Ministry of Development of North Eastern Region (MDoNER) informed the Committee about the various schemes for development of tourism infrastructure projects in the NER which includes NESIDS for physical infrastructure projects on

water supply, power and connectivity; funds allocation under the Non-Lapsable Central Pool of Resources (NLCPR) scheme & PM-DevINE have also been provided for projects sanctioned to enhance tourism in the region. In addition, NEC also sanctions projects in Tourism sector and supports various festivals & events.

14.3 The MDoNER also informed the Committee that the Ministry of Tourism has sanctioned various infrastructure projects under its schemes i.e., Swadesh Darshan, Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASHAD) scheme, etc. for development of tourism infrastructure in the North Eastern Region. Swadesh Darshan 2.0 has also been launched for development of tourism sector in the region. The Committee has been informed that the Ministry of Tourism has also drafted National Tourism Policy, which aims to create jobs/livelihood particularly for women/other weaker sections of the society and grant industry status and infrastructure status to tourism and hospitality projects with investment through private and PPP mode in tourism sector. National Green Tourism Mission, National Digital Tourism Mission, National Mission on DMOs (Destination Management Organization) and National Mission on Tourism. The Committee was further informed that MDoNER is in the process of setting up a Task Force on Tourism, comprising all stakeholders to develop the sector in alignment with the National Tourism Policy while addressing the specific requirements of the NER.

14.4 The Committee was also apprised of the issues constraining the development of tourism industry such as inter and intra region connectivity, lack of standard accommodation, inadequate branding and marketing, general lack of private investment and restricted movement due to presence of inner line permit etc.

14.5 In view of the rich natural and cultural resources, unique ethnic heritage, archaeological and historical sites in the NER, the Committee feels that NER can be developed as an attractive tourist destination and thereby provide great scope for development of tourism industry in the region. The Committee recommends that tourist circuits and viewpoints should be developed across NER, and connectivity should be provided to these as well as other major tourist destinations of the region. The Committee also recommends promoting tourism in the region by means of advertisement and media campaigns and creating awareness about important fairs and festivals of the region such as Hornbill and Sangai festivals. The Committee further recommends that homestays may be developed across the region to provide an opportunity for the tourists to have an immersive experience and explore the art, culture, crafts and cuisine of the region.

MICRO, SMALL & MEDIUM ENTERPRISES (MSME) IN THE NER

15.1 The MSME sector plays a vital and significant role in the economy of the NER and is an important instrument for enterprise building, income and employment generation. Despite their importance in the region, the number of MSMEs in NER are only 2.98% of the total MSMEs in the country, and accounts for 2.62% of total employment. Among the NER states, Assam has the largest number of MSME enterprises, followed by Tripura and Meghalaya.

15.2 The MDoNER apprised the Committee about various schemes implemented by Ministry of MSME that are targeted at providing credit and financial assistance; skill development training; infrastructure development; marketing assistance; technological and quality upgradation and other services for MSMEs. The various schemes being implemented by the Ministry are Credit Linked Capital Subsidy Scheme (CLCSS), Credit Guarantee Trust Fund for MSEs (CGTMSE), Scheme for Micro and Small Enterprises Cluster Development Programme. The list of Central Government Schemes and Special schemes targeted towards MSMEs in NER in particular has been placed at **Annexure-VI and VII**.

15.3 The Committee was informed that NEDFi under the scheme "North East Entrepreneurs Development Scheme" (NEEDS) provides financial assistance to MSME sector at concessional rate of interest. This has helped NEDFi extend financial assistance and facilitate private investment for industrial development in the region.

15.4 The Committee was also informed about the main challenge faced by the MSME sector of the region which includes owing to low credit deposit ratio, the MSMEs have to depend on the informal credit at exorbitant rate of interest. Due to informal credit, MSMEs are not able to avail the incentives provided by central/state governments. As per NSS 73rd round 2019, there is credit demand of Rs.65,000 crore in the region. Similarly, as per MFIN report, the demand for microfinance in the region ranges between Rs.10,000 crore to Rs.25,000 crore.

15.5 The Government of Tripura has highlighted that availing benefits under the Schemes for MSMEs is time consuming and large numbers of documents are required. Further the process of access to credit from banks is not beneficiary friendly and also the participation of private Banks in priority lending is marginal. It was further informed that even in cases where RBI has issued Guidelines, that there should be no collateral security, some of the Banks are still insisting for security, causing inconvenience to the beneficiaries.

15.6 The Committee recommends that budget allocation under the North East Entrepreneurs Development Scheme (NEEDS) must be enhanced to address the rising demand of credit in the region.

15.7 The Committee also expresses concern over the low credit deposit ratio which has further led to increase in informal credit lending in the region. The Committee therefore recommends that measures must be taken to ensure disbursement of benefits under various schemes to encourage the MSMEs of the region in availing formal credit by means of customer friendly approach and limited documentation etc. The Committee further recommends enforcing the guidelines issued by the RBI and ensuring that no collateral/security is demanded in case of loans upto Rs 10 lakh extended to units in the MSE sector.

DEVELOPMENT OF FISHERIES AND AQUACULTURE IN NER

16.1 Fisheries have a close association with the rural livelihoods and thus, has direct impact on the socioeconomic development of the region. Nearly 95% of people of North Eastern States consume fish. In view of this fact, scientific fish farming could be potential source of income and employment in the region. The region has an availability of diverse aquatic resources, varying from coldwater to warm water, tropical fish to semi-tropical fish to temperate fish for diversification of aquaculture.

16.2 The Department has apprised that Pradhan Mantri Matsya Sampada Yojana (PMMSY) envisages to increase fish production in NER through supply of quality and affordable seed and feed to fish farmers, area expansion, diversification of species, intensification of aquaculture, infusion of modern technologies like Recirculatory Aquaculture Systems, Biofloc, Cage culture, stocking of fingerlings in wetlands and reservoirs etc. The tentative fish production target of 2.99 lakh ton has been given to the NER States. Further, an investment of at least Rs.1503 crore including central allocation of Rs.947 cr. is envisaged for NER under PMSSY for a period of 5 years (2020-21 to 2024-25). The Committee was informed that the Department of Fisheries has supported North Eastern States under the erstwhile Centrally Sponsored Scheme Blue Revolution: Integrated Development and Management of Fisheries with a central financial assistance of Rs.272.10 crore during the period from 2015-16 to 2019-20.

16.3 The Committee observes that the region is bestowed with vast water resources in the form of hill streams, rivers, lakes, floodplain wetlands, reservoirs, mini-barrages, etc. which provide ample scope for fisheries development in this region. Further, the Committee feels that fish being a perishable commodity, fisheries industries must be provided special support in terms of infrastructure such as transport, storage, processing, marketing etc. In addition, suitable insurance coverage must be given to fish farmers since the region is prone to natural calamities such as floods, etc. The Committee also

recommends that the Government must ensure the availability of credit facilities to the fisheries industries of the region.

16.4 The Committee notes the performance of Pradhan Mantri Matsya Sampada Yojana (PMMSY), which came in with effect from the financial year 2020-21 to 2024-25 and urges the Government for constant monitoring of the projects under the scheme and timely disbursement of funds.

SCHEMES FOR PROMOTION OF INDUSTRIES IN NER

North-East Industrial and Investment Promotion Policy (NEIIPP), 2007

17.1 NEIIPP, 2007 was a revised version of the erstwhile North-East Industrial Policy (NEIP), 1997, and was notified for a period of 10 years from 01.04.2007 to 31.03.2017 with the purpose of boosting industrialization in the States of Sikkim, Arunachal Pradesh , Assam , Manipur , Meghalaya , Mizoram , Nagaland and Tripura. The grandfathering of the scheme shall continue till 31.03.2027. Subsidy to the tune of Rs.3,632.16 crore has been disbursed to industrial units for investment/Industrial promotion since the inception of NEIIPP, 2007. Details of state-wise disbursement of the Schemes during the last 5 years are as follows:-

State	Subsidy Disbursement (Rs. in crore)					
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24 (up to 16.06.2023)
Assam	365.60	396.75	168.98	139.40	77.77	8.28
Arunachal Pradesh	16.42	4.60	0.99	16.75	0	0
Manipur	0	26.92	0	0	0	0
Meghalaya	13.97	61.16	20.91	9.33	11.94	0
Mizoram	4.48	0.17	2.11	1.17	0	0
Nagaland	0	1.82	0	0	0	0
Sikkim	122.29	86.81	2.23	10.39	19.51	98.66
Tripura	5.24	5.29	4.78	2.96	0.75	0
Total	528.00	583.52	200.00	180.00	109.97	106.94

Source: DPIIT

17.2 The Committee has also learnt that investment to the tune of Rs 19097.67 Crore has been received during 1.4.2007 to 31.03.2017 under the North-East Industrial Promotion Policy (NEIPP), 2007.

Freight Subsidy Scheme (FSS), 2013

17.3 FSS was introduced in 2013 to facilitate the process of industrialization in hilly, remote, and inaccessible areas of all the States of Northeast, by means of subsidizing industrial units for transportation of their finished product and raw material. The scheme replaced Transport Subsidy Scheme (TSS), 1971 and was applicable to all industrial units (barring plantation, refineries and power generating units both in public and private sectors irrespective of their size).

17.4 Subsidy to the tune of 90% on the transport cost for transportation of raw material and finished goods for five years from commencement of commercial production by units has been provided under the FSS, 2013 for the NER. Subsidy to the tune of Rs.6347.96 crore has been disbursed to industrial units under the FSS, 2013. Further, industrial units registered under the scheme prior to the date of issue of department's notification dated 22.11.2016 continue to avail subsidy even after expiry of the Scheme. The details of subsidy disbursement to the industrial units during the last 5 years under TSS/FSS are as follows:

State	Subsidy Disbursement (Rs. in crore)					
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24 (up to 16.06.2023)
Assam	483.94	299.24	107.80	188.87	115.61	5.64
Arunachal Pradesh	44.55	0	134.36	32.06	0	0
Manipur	0	4.70	0	0	0	0
Meghalaya	308.75	9.25	99.04	112.88	75.48	0
Mizoram	0.23	1.79	0	0.01	0	0
Nagaland	0	0	0	0	0	0
Sikkim	0	0	0	0	0	0
Tripura	0.11	0.01	4.12	6.95	11.14	0
Himachal Pradesh	94.67	20.49	30.00	42.18	1.17	0
Jammu & Kashmir	0	7.38	9.68	0	0	0
Uttarakhand	0	0	0	0	0	0
Andaman	0	0	0	0	0	0
Lakshadweep	0	0	0	0	0	0
West Bengal	0	0	0	0	0	0
Total	932.25	342.86	385.00	382.95	203.40	5.64

Source: DPIIT

17.5 Presently transport incentive to the states of NER (including Sikkim) is provided under North Eastern Industrial Development Scheme (NEIDS) - 2017.

North-East Industrial Development Scheme (NEIDS), 2017

17.6 North East Industrial Development Scheme (NEIDS), 2017 was notified on 12.04.2018 which came into force w.e.f. 01.04.2017 for a period of five years. The Scheme covers new units in manufacturing and services sectors and it provides assistance to MSME in manufacturing, services.

17.7 Various benefits provided under the Scheme are as under:

Sl. No.	Incentive Type	Incentive Amount
1.	Central Capital Investment Incentive for the Access to Credit (CCIIAC)	The investment in Plant & Machinery of about 30% along with an upper limit of INR 5 Crores on the incentive amount per unit.
2.	Central Interest Incentive (CII)	Working Capital credit advanced of about 3% by the eligible Banks or Financial institutions for the first 5 years from the date of commencement of commercial production by the unit.
3.	Central Comprehensive Insurance Incentive (CCII)	100% Reimbursement of insurance premium on the insurance of Plant & Machinery and building for the period of 5 years from the date of commencement of commercial production by the unit.
4.	Goods and Service Tax (GST) Reimbursement	The reimbursement that will be up to the extent of Central Government share of CGST and IGST for the period of 5 Years from the date of commencement of commercial production by the unit.
5.	Income Tax (IT) Reimbursement	Centre's share Reimbursement of income tax for the period of first 5 years including the year of commencement of commercial production by the sector.
6.	Transport Incentive (TI)	The cost of transportation of about 20% including the subsidy currently provided by the Railways or Railway PSU for the movement of finished goods by rail. The cost of transportation of about 20% for finished goods for the movement through Inland Waterways Authority of India. The cost of transportation of about 20% of air freight on the perishable goods (as defined by IATA) from the airport nearest to

Sl. No.	Incentive Type	Incentive Amount
		the place of production to any airport within the country.
7.	Employment Incentive (EI)	The Government would grant 3.67% of the employer's contribution to the Employees' Provident Fund (EPF) in addition to that the Government bearing 8.33% of Employee Pension Scheme (EPS) grant of the employer in the scheme of Pradhan Mantri Rojgar Protsahan Yojana (PMRPY).

Subsidy released to the Industrial Units (year wise) under NEIDS, 2017:

State	Subsidy Disbursement (Rs. in crore)				
	2019-20	2020-21	2021-22	2022-23	2023-24(Upto 16.06.2023)
Arunachal Pradesh	0.00	0.00	0.00	1.00	0.00
Assam	1.00	15.00	30.00	139.05	91.22
Manipur	0.00	0.00	0.00	5.00	0.00
Meghalaya	0.00	0.00	0.00	7.57	0.00
Nagaland	0	0	0	0.19	0.54
Tripura	0.00	0.00	0.00	10.48	0.00
Sikkim	0.00	0.00	0.00	1.70	0.00
TOTAL	1.00	15.00	30.00	164.99	91.76

Source: DPIIT

17.8 The Committee was also apprised that total of 1,211 applications for investment amounting to Rs.10,117.50 crore (approx) have been received under NEIDS, 2017. Of these, a total of eligible 926 industrial units (including conditional registrations) with investment amounting to Rs.7,551.12 crore have been registered. The overall cap for benefits under all components of incentives is limited to Rs.200 crore per unit. The Committee have been informed by the stakeholders about the urgent requirement of a new industrial scheme for the region.

17.9 The Committee acknowledges that industrial schemes in NER have played major role in attracting industries/investments to the region and incentivizing economic growth. The Committee is concerned to note that after the expiry of NEIDS, 2017 on 31.03.2022, no industrial scheme is currently operational in the region. The Committee, therefore, strongly recommends for

implementing a new industrial scheme for the region after active consultation with relevant stakeholders.

STARTUPS IN NER

18.1 The Indian startup ecosystem has grown spectacularly during the past 10 years. From mere 14,056 startups till 2018, the ecosystem has reached the tune of 98,119 startups till 30th April 2023. The Committee observes that the total number of startups recognized by the DPIIT in the NER is 1,190 as on 30th April, 2023 which is approximately 1.21% of the total startups in the country.

18.2 The Department has informed about the initiatives undertaken specifically for the development of startups in North Eastern States such as:

- i. **Knowledge Exchange Workshops:** for dissemination of good practices and mutual learning among States and UTs.
- ii. **ASCEND Startup Workshop Series and Women for Startups Workshops:** for entrepreneurs, aspiring entrepreneurs, and students from the North-eastern region
- iii. **Azadi Ka Amrit Mahotsav (Startup Sensitization Training in Meghalaya & Assam):**
- iv. **Incubator Capacity Building Engagement (Mizoram):**
- v. **WING:** As a part of DPIIT's program WING - a capacity development program for existing and aspiring women entrepreneurs was conducted in Guwahati, Assam.
- vi. **Startup India Yatra Initiative:** Startup India launched Startup India Yatra in 2017 to promote entrepreneurship in rural and non-metro regions across the States.

18.3 **The Committee takes note of the steps taken by the Department for the development of startup ecosystem in NER and expresses concern that the startups in NER comprise merely 1.21% of the total startups of the country as per the information provided by the Department. The Committee observes that there is tremendous potential for growth of startups in the NER in sectors such as agritech, biotech, entertainment, tourism etc. The Committee, therefore, recommends that the Department should make concerted efforts to encourage the startup ecosystem by taking more promotional measures, providing better institutional support, creating awareness in educational institutions and also allocation of sufficient funds to the schemes supporting startups of the region.**

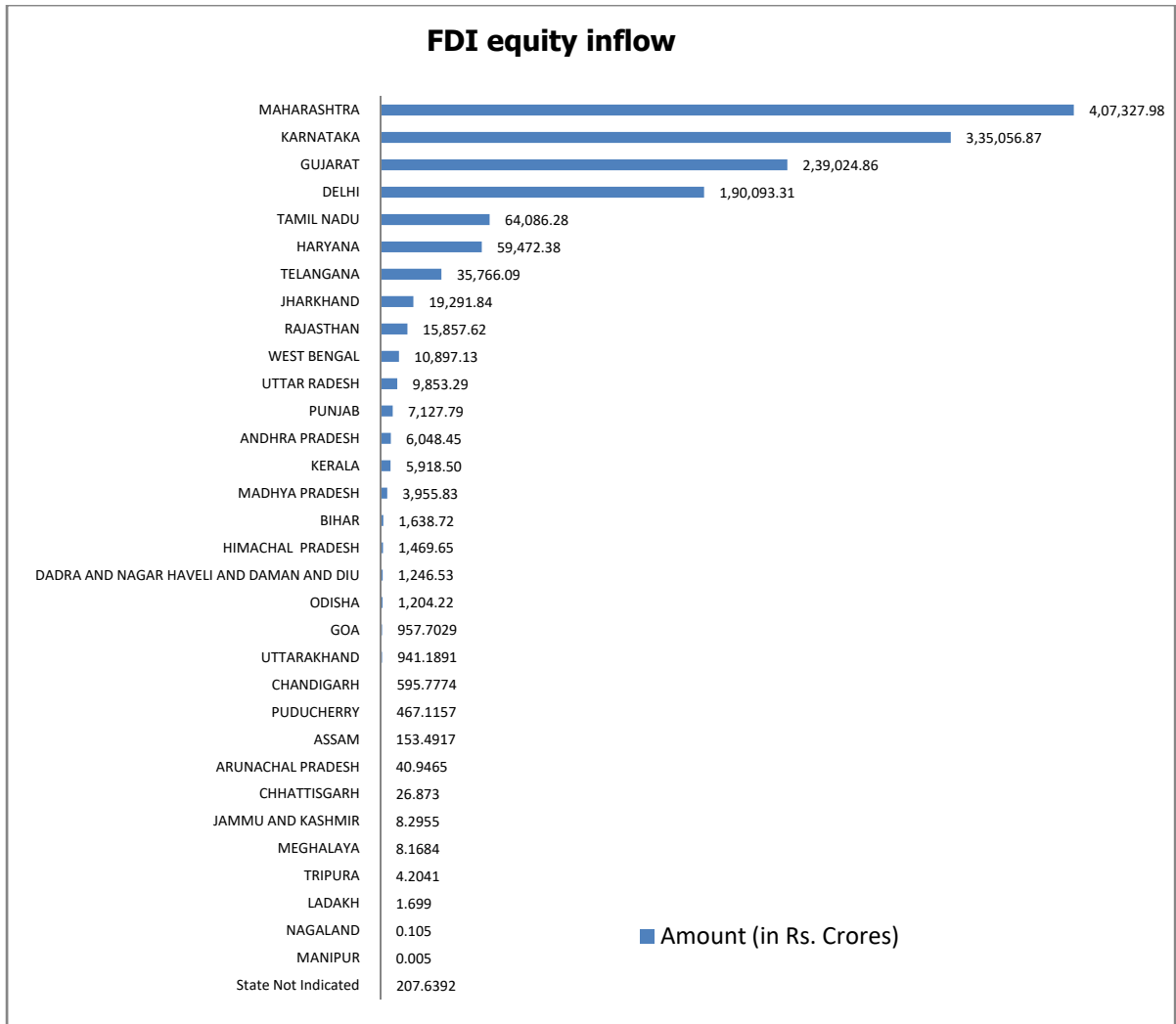
FDI IN THE NORTH EASTERN REGION

19.1 Foreign Direct Investments plays an important role in the economic development of a country. Sectors such as Mining (100% through Automatic route), Petroleum & Natural Gas (100% through Automatic route), Healthcare (Greenfield) (100% through Automatic route), Tourism and Hospitality (100% through Automatic route) etc. have great potential in attracting FDI in NER.

19.2 The Department has apprised the Committee about various initiatives undertaken to promote Foreign Direct Investment (FDI) in NER such as formulation of an investor-friendly policy in sectors open for 100% FDI under the automatic route; periodic review of FDI policy on an ongoing basis with intensive consultations with stakeholders and integration of Foreign Investment Facilitation Portal (FIF Portal) which facilitates single window clearance of FDI applications requiring government approval.

19.3 The Committee was also apprised of setting up of Northeast desk of Invest India under DPIIT in March 2021 which has the mandate of Investment Promotion, Investor Targeting, Investment Facilitation and Capacity Building. The Northeast Desk also works closely with different national initiatives such as Startup India, One District One Product (ODOP), India Investment Grid (IIG), India Investment Land Bank (IILB), Industrial Park Rating System (IPRS), National Single Window System (NSWS), Accelerating Growth of New India's Innovation (AGNi), Waste to Wealth Mission, etc.

19.4 FDI inflow into the NER is still extremely low compared to other States of the country. During the two decades period from 2000-01 to 2020-21 (upto December 2020), overall FDI in India touched \$749.397 billion. The entire NER received less than 1 per cent of the total pie as against Maharashtra (28.65 %) and Karnataka (23.60%) as per the data furnished to the Committee by the Department. The Department has informed that most states in NER do not have an Investment Promotion Agency (IPA) that can act as a nodal point of contact for investors for facilitating private investment in the state. Data of the FDI inflows from October 2019 to March 2023 have been annexed at **Annexure-IV**. It is self evident from the chart below that North Eastern States unfortunately figure at the bottom end:



19.5 The Committee is constructively concerned to note that the NER received less than 1 percent of the total FDI in the country despite the initiatives taken by the Department. The Committee recommends that an assessment of the schemes implemented to attract FDI in the region may be made and necessary corrective steps may be taken. The Committee recommends that the Department may take up the issue of setting up Investment Promotion Agency (IPA) in the NER states to attract FDI. The Committee suggests that the Department may hold investment summits in foreign countries to promote NER as an investment destination particularly in food processing, agro industries, etc. The Department must also run awareness campaign for local industries to understand global demands in order to attract foreign investment.

EASE OF DOING BUSINESS

20.1 The Committee has been informed that as per the Ease of Doing Business (EODB) parameters, the NE states have remained under-performers and were placed in the lowest category among all states in terms of their overall scores in implementing reforms on this front.

20.2 The Committee was further apprised about the constraints to industrial development in the region, which includes issues of geographical isolation and poor inter and intra region connectivity which raises logistics and transport costs for industry. The issues of credit availability and paucity of local skills also act as an impediment in development for industry in the region. Industrial policies notified by the state governments from time to time are often unable to achieve their objectives due to inadequate financial backup for the incentives envisaged. Moreover, the administrative support system is not put in place in many cases. The absence of policy convergence of the different sectors causes difficulties in running business and setting up industrial units.

20.3 The Committee is of the view that improving ease of doing business parameters is crucial for industrialisation of the region. The Committee recommends that the Government must focus on advancing in the EODB ranking by active consultation with the relevant stakeholders. Further, development of tourism, healthcare, education and skilling, IT and ITES should be accorded due importance to fast-track growth in the region. The Committee also recommends setting up of single window system for simplifying the processes for obtaining approvals and licenses for setting up of business and overhauling complicated tax registration, filing and payment mechanism in the NER to improve ease of doing business.

RECOMMENDATIONS/OBSERVATIONS - AT A GLANCE

TRANSPORT AND CONNECTIVITY

Road Connectivity

1. **The Committee appreciates the steps taken to increase the coverage of National Highways in NER. The Committee is of the opinion that coverage of State Highways and minor/district roads connecting villages to nearby towns/industrial centres also needs to be improved. The Committee is of the view that States may be urged to take steps for construction of new state highways & minor/district roads in the region for facilitating better road connectivity. The road network in the bordering areas may also be widened and strengthened to facilitate easy movement of goods and people for cross-border trade. Further, regular maintenance of roads should also be assured since the region is more prone to incessant weather.** (Para 2.4)

Rail Connectivity

2. **The Committee opines that improved rail connectivity in the NER will complement regional connectivity initiatives with neighbouring countries also. The Committee takes notes of the Government's initiative to connect all state capitals in NER with railway. The Committee recommends that these projects may be completed within the scheduled time frame. The Committee further recommends that the frequency of freight trains may be increased and provision for setting up warehousing facility may be made at all existing and upcoming railway stations in NER.** (Para 2.8)

Air Connectivity

3. **The Committee observes that, in NER, only Guwahati Airport has both domestic and international cargo facilities along with cold storage facility. Rest of the airports in NER are either handling cargo through domestic passenger terminal or have no air cargo facility. The stakeholders during the deliberations have suggested that more airports in the NER should have cold storage facility and air cargo handling facility to transport items like fruits, flowers and other perishable goods. The Committee recommends that air cargo handling facility along with cold storage facility may be created at other airports in the region.** (Para 2.13)

Inland Waterways

4. **The Committee is concerned to note that feasibility studies have not yet been completed for the 18 waterways declared as NWs in 2016. The Committee recommends that the feasibility study for these waterways must be completed**

in a reasonable time frame and steps may be taken for further development of these NWs to exploit the potential of regional connectivity in NER. (Para 2.18)

DIGITAL CONNECTIVITY

5. Strengthening the digital infrastructure has become critical after the outbreak of COVID-19 pandemic as businesses today have become more dependent on the digital means. Further, digital connectivity is not only essential for businesses but also for further outreach programs like online training, education, outreach and capacity building programs too. The Committee, therefore, recommends that the Government must ensure that the digital infrastructure, including broadband internet and mobile networks, should be enhanced to facilitate investment and growth in NER. (Para 3.3)

AVAILABILITY OF LAND FOR INDUSTRIAL USE

6. The Committee suggests creation of GIS-linked Industrial land bank incorporating features such as plot-level information of the available industrial land, provisions for reclassification of land and facility for an equitable mortgage to streamline the process. This will facilitate reducing the time and cost for industries to acquire land. The Committee also suggests provisions for leasehold rights to be made transferable and mortgageable. The Committee is fully cognizant of the fact that since the discussion on the subject involves land, it is the state government which has local jurisdiction in the matter. Consequently, Committee recommends, in the true spirit of cooperation, that the aforementioned suggestions may be taken up with the State Governments of the NER. (Para 4.3)

SPECIAL ECONOMIC ZONE (SEZ) IN NER

7. The Committee has been apprised by the stakeholders that the region is in dire need for such operational industrial park supplemented with plug and play facilities, road connectivity, power and water supply. The Committee notes that there are 270 operational SEZs in the country, and exports to the tune of Rs 79.62 Lakh Crores (since 2005) have been carried out from these SEZs. However, the North Eastern States have not benefitted from the same and further there are no operational SEZs in the region. It is but obvious that notified SEZs where the legal status is indisputable must be factually operational on the ground with a sense of immediacy and urgency and after providing all support, ancillary and related facilities. The Committee therefore recommends expediting the establishment of the SEZs in NER and prospects of

notifying more such SEZs should be explored in consultation with the relevant stakeholders. (Para 5.3)

BANGLADESH-BHUTAN-INDIA-NEPAL MOTOR VEHICLES AGREEMENT (BBIN-MVA)

8. The Committee is of the opinion that regional initiatives like India-Myanmar Trilateral Highway, Kaladan Multimodal Transit Transport Project, India-Bangladesh Protocol route and BBIN Motor Vehicle Agreement have the potential to improve the inter-country movement of goods and passenger vehicles, and they could open new avenues for the development of supply chains and intermodal/multimodal logistics services along with the specified transport corridors in the sub-region which are crucial for development of trade and industry in the region. These initiatives will further aid in augmenting exports of goods from NER to neighbouring countries. The Committee, therefore, recommends expediting the completion and implementation of these initiatives. (Para 7.3)

TRADE WITH ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

9. Augmentation of trade between NER and ASEAN is crucial for economic prosperity and industrial development of the region. To strengthen the export linkages with ASEAN, the Committee recommends that the Government should consider starting direct flights to ASEAN Countries under UDAN (International) Scheme, setting up of more Land Custom Stations (LCS) and their subsequent upgradation to Integrated Check Posts (ICP). The Committee also recommends that Government should consider opening of consulate offices of ASEAN countries in NER. (Para 8.6)

10. The Committee further recommends that Government must take steps to identify and promote such industries in NER, which could cater to markets in ASEAN and other neighbouring countries. The required trade facilitation measures like foreign exchange facility, customs, facilitation desks, etc. may be upgraded to facilitate NER's trade with ASEAN countries. (Para 8.7)

HANDLOOM AND HANDICRAFTS INDUSTRIES

11. The Committee is of the view that handloom and handicraft sector is one of the largest unorganized economic activities in NER that provides employment for rural and semi-rural population. Therefore, it is of utmost importance that artisans engaged within the sector must be aware of the Government initiatives. The Committee recommends that concerted efforts

should be taken to create awareness about its initiatives under various schemes/programmes to ensure that the artisans may avail benefits from such schemes/programmes. (Para 9.4)

12. The Committee further recommends that necessary steps may be taken for branding, marketing and advertising the handloom and handicraft products of the region, and efforts must be undertaken to create a mechanism for direct interaction between the producers and consumers by developing proper linkages to supply chain. (Para 9.5)

BAMBOO INDUSTRY OF THE NER

13. The Committee acknowledges the fact that Bamboo is termed "Green Gold" because of its versatility and potential to change the economy of the region, therefore it is crucial to develop industries related to Bamboo. The Committee recommends that steps should be taken to promote bamboo clusters in the region and for creating awareness regarding the bamboo products through digital as well as physical platforms. The Committee further recommends adequate funds should be provided for the development of primary processing as well as value addition mechanism of Bamboo produce and diversification of products. To give a thrust to the bamboo mission, a national policy on Bamboo may be made. (Para 10.5)

RUBBER INDUSTRY IN THE NER

14. The Committee is of the view that rubber plantation and its related industries form an integral part of the industrial sector of NER. The Committee further notes the various initiatives taken by the Department as well as appreciates the contribution of private stakeholders such as ATMA in the rubber industry of the region. The Committee recommended that a separate fund allocation may be made for the purpose of upgrading smoke houses scientifically and for the development of infrastructure for processing of field latex and smoking of sheet rubber for small growers. (Para 11.4)

FOOD PROCESSING INDUSTRY

15. The Committee recognizes the enormous potential of agriculture, horticulture and food processing industry in the region. The Committee recommends that a dedicated agency may be established for the development and promotion of the region's agriculture and indigenous horticulture products. Further, sub-Himalayan plantation industry with emphasis on tea, bamboo, cane, rubber, betelnut, spices etc may be focused upon with special attention on organic farming. The Committee also recommends the

Department to ensure development of Integrated Cold Chain comprising of Cold storages, cargo terminals, Quality testing labs, Processing Unit, Packaging alongwith Mega Food Parks to aid the food processing industry of the region. (Para 12.6)

QUALITY TESTING AND CERTIFICATION OF FOOD PRODUCTS FROM NORTH EASTERN REGION

16. The Committee views NER as the potential front-runner in organic farming and subsequent exporter of organics products from the country. The Committee expresses its concern about the absence of dedicated laboratory for organic certification of produce from the region. (Para 13.4)

17. The Committee, therefore, recommends taking necessary steps to incentivize the operational laboratories in the NER to opt for Certification by National Accreditation Body under the National Programme for Organic Production (NPOP). The Committee further recommends that APEDA may encourage the State Governments of NER to fill the gap in the availability of certification laboratories for organic products. (Para 13.5)

TOURISM INDUSTRY IN THE NORTH EASTERN REGION

18. In view of the rich natural and cultural resources, unique ethnic heritage, archaeological and historical sites in the NER, the Committee feels that NER can be developed as an attractive tourist destination and thereby provide great scope for development of tourism industry in the region. The Committee recommends that tourist circuits and viewpoints should be developed across NER and connectivity should be provided to these as well as other major tourist destinations of the region. The Committee also recommends promoting tourism of region by means of advertisement and media campaigns and creating awareness about important fair and festivals of the region such as Hornbill and Sangai festivals. The Committee further recommends that homestays may be developed across the region to provide an opportunity for the tourists to have an immersive experience and explore the art, culture, crafts and cuisine of the region. (Para 14.5)

MICRO, SMALL & MEDIUM ENTERPRISES (MSME) IN THE NER

19. The Committee recommends that budget allocation under the North East Entrepreneurs Development Scheme (NEEDS) must be enhanced to address the rising demand of credit in the region. (Para 15.6)

20. The Committee also expresses concern over the low credit deposit ratio which has further led to increase in informal credit lending in the region. The

Committee therefore recommends that measures must be taken to ensure disbursement of benefits under various schemes to encourage the MSMEs of the region in availing formal credit, by means of customer friendly approach and limited documentation etc. The Committee further recommends enforcing the guidelines issued by the RBI and ensure that no collateral/security is demanded in case of loans upto Rs 10 lakh extended to units in the MSE sector.

(Para 15.7)

DEVELOPMENT OF FISHERIES AND AQUACULTURE IN NER

21. The Committee observes that the region is bestowed with vast water resources in the form of hill streams, rivers, lakes, floodplain wetlands, reservoirs, mini-barrages, etc. which provide ample scope for fisheries development in this region. Further, the Committee feels that fish being a perishable commodity, fisheries industries must be provided special support in terms of infrastructure such as transport, storage, processing, marketing etc. In addition, suitable insurance coverage must be given to fish farmers since the region is prone to natural calamities such as floods, etc. The Committee also recommends that the Government must ensure the availability of credit facilities to the fisheries industries of the region.

(Para 16.3)

22. The Committee notes the performance of Pradhan Mantri Matsya Sampada Yojana (PMMSY) which came in with effect from the financial year 2020-21 to 2024-25 and urges the Government for constant monitoring of the projects under the scheme and timely disbursement of funds.

(Para 16.4)

SCHEMES FOR PROMOTION OF INDUSTRIES IN NER

North-East Industrial Development Scheme (NEIDS), 2017

23. The Committee acknowledges that industrial schemes in NER have played major role in attracting industries/investments to the region and incentivizing economic growth. The Committee is concerned to note that after the expiry of NEIDS, 2017 on 31.03.2022, no industrial scheme is currently operational in the region. The Committee, therefore, strongly recommends for implementing a new industrial scheme for the region after active consultation with relevant stakeholders.

(Para 17.9)

STARTUPS IN NER

24. The Committee takes note of the steps taken by the Department for the development of startup ecosystem in NER and expresses concern that the startups in NER comprise merely 1.21% of the total startups of the country as per the information provided by the Department. The Committee observes that

there is tremendous potential for growth of startups in the NER in sectors such as agritech, biotech, entertainment, tourism etc. The Committee, therefore, recommends that the Department should make concerted efforts to encourage the startup ecosystem by taking more promotional measures, providing better institutional support, creating awareness in educational institutions and also allocation of sufficient funds to the schemes supporting startups of the region.

(Para 18.3)

FDI IN THE NORTH EASTERN REGION

25. The Committee is constructively concerned to note that the NER received less than 1 percent of the total FDI in the country despite the initiatives taken by the Department. The Committee recommends that an assessment of the schemes implemented to attract FDI in the region may be made and necessary corrective steps may be taken. The Committee recommends that the Department may take up the issue of setting up Investment Promotion Agency (IPA) in the NER states to attract FDI. The Committee suggests that the Department may hold investment summits in foreign countries to promote NER as an investment destination particularly in food processing, agro industries,etc.. The Department must also run awareness campaign for local industries to understand global demands in order to attract foreign investment.

(Para 19.5)

EASE OF DOING BUSINESS

26. The Committee is of the view that improving ease of doing business parameters is crucial for industrialisation of the region. The Committee recommends that the Government must focus on advancing in the EODB ranking by active consultation with the relevant stakeholders. Further, development of tourism, healthcare, education and skilling, IT and ITES should be accorded due importance to fast-track growth in the region. The Committee also recommends setting up of single window system for simplifying the processes for obtaining approvals and licenses for setting up of business and overhauling complicated tax registration, filing and payment mechanism in the NER to improve ease of doing business.

(Para 20.3)

ANNEXURES

ANNEXURE-I**New routes included –NER**

Airport Name	Airlines	Sector	Frequency	Date started
Donyi Polo Airport, Itanagar	Indigo	Kolkata- Hollongi- Kolkata	6 days except Wednesday	Proposed 28.11.2022
	Alliance Air	Dibrugarh, Hollongi- Zero- Hollongi- Dibrugarh	Tue and Sat	Proposed 29.11.2022
		Dibrugarh- Hologni- Passighat- Hologni- Dibrugarh	Thu and Sun	Proposed 29.11.2022
	Fly Big	Guwahati- Hollongi- Guwahati	6 days except Wednesday	Proposed
Agartala Airport	Spice Jet	Agartala-Chittagong-Agartala		Not yet started
	Akasa Air	Agartala-Guwahati-Bangalore- Guwahati- Agartala	Daily	21.10.2022
Shillong Airport	Alliance Air	Shillong- Lilabari- Shillong	Mon, Wed, Fri, Sat	30.10.2022
Silchar Airport	Alliance Air	Imphal- Silchar- Imphal	Daily	30.10.2022
Imphal Airport	Alliance Air	Kolkata- Guwahati- Imphal- Lengpui- Imphal- Guwahati- Kolkata	Mon, Wed, Fri, Sat	25.11.2022
	Fly Big	Guwahati- Tezu- Imphal- Tezu- Guwahati	Weekly 06 days	26.09.2022
Guwahati Airport	Druk Air	Paro-Guwahati-Singapore	Sat	03.09.2022
		Singapore-Guwahati-Paro	Sun	03.09.2022
	Akasa Air	Bangalore-Guwahati- Agartala: Agartala-Guwahati- Bangalore	Daily	21.10.2022
Lilabari Airport	Alliance Air	Lilabari-Shillong-Dimapur	Mon, Wed, Fri, Sat	30.10.2022
		Lilabari –Tezpur-Guwahati	Tue, Thu, Sun	30.10.2022
		Lilabari-Ziro-Lilabari	Tue, Sat	30.10.2022
Lengpui Airport	Alliance Air	Kolkata- Guwahati – Imphal- Lengpui- Imphal- Guwahati- Kolkata	Mon, Wed, Fri, Sat	25.11.2022
Dimapur	Alliance Air	Lilabari-Shillong- Dimapur	Mon, Wed, Fri, Sat	30.10.2022

Airport Name	Airlines	Sector	Frequency	Date started
Airport				
Dibrugarh Airport	Alliance Air	Dibrugarh- Hollongi- Zero- Hollongi – Dibrugarh	Tue and Sat	Proposed 29.11.2022
		Dibrugarh- Hollongi- Passighat- Hollongi- Dibrugarh	Thu and Sun	Proposed 29.11.2022
		Tezu-Dibrugarh-Tezu	Tue, Thu, Sat, Sun	30.10.2022
		Lilabari-Dibrugarh-Lilabari	Tue, Thu, Sat, Sun	30.10.2022

Source: DPIIT

ANNEXURE-II

Service Area	Internet Subscribers (in million)			No. of Internet subscribers per 100 population		
	Rural	Urban	Total	Rural	Urban	Total
Andhra Pradesh	28.07	36.93	65.01	52.21	98.48	71.22
Assam	10.46	6.45	16.91	34.72	116.46	47.42
Bihar	40.38	23.11	63.49	28.84	89.54	38.29
Delhi	0.77	50.54	51.31	-	-	240.99
Gujarat	16.94	35.55	52.50	45.93	99.51	72.30
Haryana	8.21	10.46	18.68	46.98	82.64	61.96
Himachal Pradesh	3.80	2.37	6.18	56.81	308.72	82.77
Jammu & Kashmir	4.25	5.08	9.33	44.04	119.84	67.16
Karnataka	19.10	33.04	52.14	50.74	110.22	77.10
Kerala	15.01	16.73	31.74	167.68	62.26	88.60
Madhya Pradesh	24.87	34.83	59.70	29.84	104.93	51.23
Maharashtra	31.11	42.72	73.83	49.18	115.57	81.59
Mumbai	1.05	29.38	30.43			
NER	4.87	4.51	9.38	47.33	82.97	59.66
Orissa	14.42	7.66	22.08	40.14	91.80	49.88
Punjab	8.88	18.06	26.94	49.68	128.55	84.39
Rajasthan	21.62	24.26	45.88	36.41	112.82	56.73
Tamil Nadu	16.14	41.77	57.91	44.67	98.67	73.81
UP (East)	38.46	30.01	68.47	30.54	92.75	45.82
UP (West)	18.43	26.23	44.66			
Kolkata	1.31	17.23	18.55	35.87	99.43	59.28
West Bengal	21.37	19.42	40.79			
Total	349.53	516.37	865.90	38.93	106.19	62.56

Source: Telecom Regulatory Authority of India

ANNEXURE-III

Exports from NE States to ASEAN							
<i>(Value in USD Thousand)</i>							
State	Country of export	2018-19	2019-20	2020-21	2021-22	2021-22 (Apr-Oct)	2022-23 (Apr-Oct) (P)
Arunachal Pradesh	INDONESIA	0.00	61.44	0.00	0.27	0.00	0.00
	MALAYSIA	41.65	51.68	0.00	0.00	0.00	0.00
	SINGAPORE	0.00	0.00	0.00	0.02	0.02	0.11
	THAILAND	0.00	26.10	36.14	4.12	4.12	0.00
	VIETNAM SOC REP	0.00	0.00	7.52	0.00	0.00	0.57
	Total		41.65	139.22	43.67	4.41	4.15
ASSAM	BRUNEI	0.00	0.00	7.00	0.31	0.00	2.44
	CAMBODIA	68.66	1.67	0.00	9.49	0.00	2.90
	INDONESIA	177.89	343.86	433.48	283.27	189.22	221.02
	MALAYSIA	270.94	692.89	964.00	1142.87	479.49	976.05
	MYANMAR	670.33	36.38	122.38	54.65	54.65	0.00
	PHILIPPINES	0.00	135.60	25.68	0.25	0.06	0.21
	SINGAPORE	1219.25	1239.76	228.56	3664.19	1964.91	2377.99
	THAILAND	605.71	588.22	397.38	228.63	154.19	327.81
	VIETNAM SOC REP	1467.31	577.55	12.90	359.30	86.18	20.08
Total		4480.07	3615.92	2191.38	5742.96	2928.70	3928.48
Manipur	MYANMAR	155.98	0.00	0.00	0.00	0.00	0.00
	SINGAPORE	0.00	0.00	0.00	52.46	0.02	1.95
	Total	155.98	0.00	0.00	52.46	0.02	1.95
Meghalaya	MYANMAR	8.35	0.00	0.00	0.00	0.00	0.00
	PHILIPPINES	0.00	0.00	0.00	0.00	0.00	2.85
	SINGAPORE	26.47	90.67	23.22	28.39	0.00	87.15
	THAILAND	30.52	0.00	0.00	175.07	0.00	14.38
	Total	65.33	90.67	23.22	203.45	0.00	104.38
Mizoram	MYANMAR	0.00	22.37	0.00	3797.79	3797.79	0.00
	SINGAPORE	0.00	0.00	0.00	0.20	0.20	0.00
	THAILAND	57.82	0.00	0.00	0.00	0.00	0.00
	VIETNAM SOC REP	0.00	0.00	0.00	0.07	0.07	0.00
	Total	57.82	22.37	0.00	3798.06	3798.06	0.00
Nagaland	MYANMAR	166.39	38.44	0.00	0.00	0.00	132.47
	SINGAPORE	0.00	0.00	0.00	0.00	0.00	0.00
	THAILAND	0.00	0.00	168.94	194.63	134.32	0.00
	VIETNAM SOC REP	13.92	0.00	0.00	0.00	0.00	0.00
	Total	180.31	38.44	168.94	194.63	134.33	132.47

Exports from NE States to ASEAN							
<i>(Value in USD Thousand)</i>							
State	Country of export	2018-19	2019-20	2020-21	2021-22	2021-22 (Apr-Oct)	2022-23 (Apr-Oct) (P)
Sikkim	CAMBODIA	7.50	10.50	23.06	58.82	58.82	14.51
	INDONESIA	32.21	70.82	144.39	28.33	4.67	54.14
	MALAYSIA	152.70	0.42	5.73	49.29	34.61	12.04
	MYANMAR	92.90	15.16	102.35	132.31	51.02	67.70
	PHILIPPINES	60.17	139.63	100.08	92.67	38.38	44.63
	SINGAPORE	0.00	14.00	3.89	2925.16	1652.84	1196.53
	THAILAND	188.58	32.98	58.03	44.90	44.90	0.00
	VIETNAM SOC REP	61.55	269.53	415.23	528.34	328.77	626.64
	Total		595.61	553.04	852.75	3859.82	2214.00
Tripura	INDONESIA	0.00	0.00	0.00	0.00	0.00	0.00
	SINGAPORE	83.09	65.77	10359.16	3142.41	3142.40	0.00
	THAILAND	17.50	0.00	0.00	0.00	0.00	0.00
	Total	100.58	65.77	10359.16	3142.41	3142.40	0.00
Total exports from NE States to ASEAN		5677.36	4525.43	13639.11	16998.19	12221.66	6184.16

Source: DPIIT

Annexure-IV

STATEMENT ON STATE-WISE FDI EQUITY INFLOW				
FROM OCTOBER 2019 TO MARCH 2023				
Sr. No.	State Name	Amount of Foreign Direct Investment Equity inflow		Percentage out of total FDI Equity inflow (in USD terms)
		Amount (In INR Crore)	Amount (In USD Million)	
1	MAHARASHTRA	4,07,327.9772	53,971.0600	28.6586
2	KARNATAKA	3,35,056.8698	44,460.7900	23.6086
3	GUJARAT	2,39,024.8569	31,900.9600	16.9394
4	DELHI	1,90,093.3121	25,193.0400	13.3775
5	TAMIL NADU	64,086.2800	8,501.6500	4.5144
6	HARYANA	59,472.3800	7,821.9900	4.1535
7	TELANGANA	35,766.0900	4,744.8200	2.5195
8	JHARKHAND	19,291.8400	2,656.1500	1.4104
9	RAJASTHAN	15,857.6200	2,078.3000	1.1036
10	WEST BENGAL	10,897.1300	1,428.1800	0.7584
11	UTTAR RADESH	9,853.2900	1,301.3600	0.6910
12	PUNJAB	7,127.7900	961.7937	0.5107
13	ANDHRA PRADESH	6,048.4500	796.0039	0.4227
14	KERALA	5,918.5000	781.9843	0.4152
15	MADHYA PRADESH	3,955.8300	529.8968	0.2814
16	BIHAR	1,638.7200	214.4672	0.1139
17	HIMACHAL PRADESH	1,469.6500	194.8629	0.1035
18	DADRA AND NAGAR HAVELI AND DAMAN AND DIU	1,246.5300	167.6054	0.0890
19	ODISHA	1,204.2200	159.7611	0.0848
20	GOA	957.7029	130.1172	0.0691
21	UTTARAKHAND	941.1891	126.8716	0.0674
22	CHANDIGARH	595.7774	78.4473	0.0417
23	PUDUCHERRY	467.1157	63.2950	0.0336
24	ASSAM	153.4917	20.6206	0.0109
25	ARUNACHAL PRADESH	40.9465	5.5549	0.0029
26	CHHATTISGARH	26.8730	3.3844	0.0018
27	MEGHALAYA	8.1684	1.0965	0.0006
28	JAMMU AND KASHMIR	8.2955	1.0727	0.0006
29	TRIPURA	4.2041	0.5622	0.0003
30	LADAKH	1.6990	0.2242	0.0001
31	NAGALAND	0.1050	0.0139	0.0000

STATEMENT ON STATE-WISE FDI EQUITY INFLOW				
FROM OCTOBER 2019 TO MARCH 2023				
Sr. No.	State Name	Amount of Foreign Direct Investment Equity inflow		Percentage out of total FDI Equity inflow (in USD terms)
		Amount (In INR Crore)	Amount (In USD Million)	
32	MANIPUR	0.0050	0.0006	0.0000
33	State Not Indicated	207.6392	28.2662	0.0150
	Gross-Total	14,18,750.5523	188,324.1900	

Note: State wise data is maintained w.e.f. October, 2019

Annexure-V

Sl. No.	Name	Brief
1	Arunachal Orange	Arunachal Mandarin or Wakro Orange (named after the place of its origin – Wakro) is the oldest cultivated fruit crop in the state and accounts for 90 per cent of total citrus production. Unique features attributed to characteristic agro-climatic conditions of the state, like bright orange colour, rich vitamin C and total soluble solids (TSS) content, loose and easily removable medium-thick peel and high juice content, of this variety makes it superior to mandarin oranges are grown in other parts of India. It can be consumed as fresh fruit or processed to prepare juice, essential oils, jam, syrups, squashes, and sweet delicacies and can be exported to countries such as Russia, the United Arab Emirates, Saudi Arabia, and the United States of America.
2	Orthodox Tea	Grown in the lowlands of Assam in the tea estates along the Brahmaputra valley, the whole leaf 'Orthodox' style tea is known as the 'champagne of teas'. Assam is the single largest contiguous black tea-producing region globally; even the Irish and English Breakfast tea blends are prepared with Assam tea.
3	Karbi Anglong Ginger	It is cultivated in the most prominent ginger growing belt in Assam, with nearly 5,000 tribal farmers engaged in organic ginger cultivation using age-old methods. Ginger demand is soaring high in markets worldwide as people look to invest in sustainably sourced, organic, and healthier ingredients with more than half of ginger oil and oleoresins traded in the world market is originated in India
4	Tezpur Litchi	Tezpur Litchi is an excellent source of Vitamin C, providing about 119 per cent of recommended daily intake in one serving, making it a popular pick in health and skin-care formulations. The distinctive characteristics of Tezpur litchi make it different from litchis grown in other parts of the country and is being exported to the U.S.A., Switzerland, Spain, and Saudi Arabia. India has also been gifted with a unique ripening pattern that produces the earliest seasons' harvest and gives it about 2-3 months to export. The fruit can be eaten fresh or used to prepare various beverages such as sherbet, juice, nectar, squash etc.
5	KajiNemu	This unusually long, oblong-shaped fruit has more juice content with a distinct and fragrant aroma. Its use is well-established as an antiscorbutic and a general tonic for various health problems. The current lemon supply from other parts of the world is highly seasonal and erratic. However, since Kanji Nemu is grown throughout the year, there is a huge potential to fill the supply-chain gaps.
6	Kachai Lemon	Its plant is grown in the region which is blessed with a sub-tropical climate with thick fog that naturally waters the lemon plants during the winters. It can be consumed fresh or can be used to produce many value-added products like juice, lemon powder, essential oil and pickles. The rind and juice of the lemon are also used to extract pectin and ascorbic acid, which has many medicinal uses.
7	Tamenglong Orange	Tamenglong Orange (Citrus Reticulata) is rated as one of the best globally due to its delicious blend of sweet and sour flavours and also for its high juice content and smooth rind. The fruit is usually consumed fresh but can be marketed in value-added products such as juice, jam, marmalade, wine, essential oil, pectin, cosmetics, etc.

Sl. No.	Name	Brief
8	Hathei Chilli	Hathei Chilli, locally known as Umoruk, is one of the best chillis cultivated only in the Mahadev hills of Sirarakhong village in Manipur. It is grown as a rainfed crop, and as the area receives plentiful rainfall over six to eight months, farmers cultivate it without irrigation and is of vibrant colour and distinct bitter-hot taste. Recently, its value-addition products, such as chilli paste and chilli pickle, are increasing.
9	Khasi Mandarin	Khasi Mandarin (<i>Citrus Rediculata</i>) is distinguished from other mandarins by its distinctly sweet, tangy, and aromatic juice, tight and smooth skin, and bright orange colour. One Khasi Mandarin can provide all the vitamin C recommended for daily intake. The demand for citrus fruit is high but seasonal. Khasi Mandarins can be preserved, without using any chemicals, until later June with the help of traditional practice that has been handed over generations to the Khasi people and its both fresh and value-added products, have the potential to reach the ever-growing market for mandarins across the world
10	Naga Mircha	The Naga Mircha is one of the hottest chillies in the world, clocking in over 10,00,000 SHUs on the Scoville scale for pungency. The Naga Mircha variety is not only used for culinary purposes but also has the potential to be exploited by pharmaceutical industries. It helps manage cancer, diabetes, and other cardiovascular diseases. Farmers produce value-added products with a longer shelf life in great demand from neighbouring states and countries like China, Thailand, Vietnam, and Bangladesh.
11	Naga Tree Tomato	The Naga tree tomato is distinctly different from the classic tomato due to its egg-shaped, fragrant, spicy aroma and velvety touch. The flesh of the fruit is tarter and tangier than the usual tomato. However, yellow ones are usually sweeter. India being the second-largest producer of tomatoes globally may substitute regular tomato with Naga tree tomato in its export basket owing to its health benefits.
12	Large Cardamom	The Queen of Spice, is known for its for its heady aroma, distinguished flavour and premium quality organic produce. Owing to the high fibre content and other nutrients, it is highly medicinal value. Cardamom is one of the oldest and third most expensive spices after saffron and vanilla. Sikkim contributes more than 85 per cent of India's total cardamom production. Cardamom demand is accelerating worldwide, especially in the Middle East, South East Asia, Africa and Latin America.
13	Queen Pineapple	The Queen Pineapple is known for its its golden-yellow colour, nectar-like pulp and pleasant aroma and is endowed with organoleptic properties. Different parts of the plant are used as medicine to fight free radicals and diseases. It is considered the best in quality, sweetness, and flavour. Given the tremendous national and global market demand for organic pineapple, Queen Pineapple presents a great potential to be developed as a niche market, both in fresh and processed form (such as jelly, canned pineapple, pickles, and jams).
14	Memang Narang	The Indian Wild Orange (<i>Citrus Indica Tanaka</i>), locally known as Memang Narang, is a rare and endangered species confined to the Tura Range of the Garo Hills in Meghalaya. The Indian Wild Orange, Memang Narang, has mainly been in the spotlight due to its remarkable medicinal properties and genealogy.
15	Mizo Chilli	Mizo Chilli is a variety of chilli peppers from the <i>Capsicum frutescens</i> species of plants and is exclusively grown in Mizoram. It has an average score of

Sl. No.	Name	Brief
		50,000-1,00,000 Scoville Heat Units, a measure of spiciness. In 2015, this Green Gold of Mizoram was awarded the Geographical Indication (GI) tag. This chilli variety is used for culinary purposes and has a vast potential to be exploited by pharmaceutical industries due to its pharmacological benefits.
16	Mizo Ginger	Ginger, locally known as Sawhthing, is known for its high gingerol and oils, along with less crude fibre content and spicy flavour. The Mizo Ginger, grown particular as a cash crop, is being marketed in different forms such as raw ginger, dried ginger, ginger oil, ginger ale, beer, wine, squash, curry powders, nutritional supplements, herbal teas, medicines, candies etc. With the GI certification of the Mizo Ginger, there is an immense potential to fulfil this growing demand for ginger and ginger products
17	DalleKhursani	The Red Cherry Pepper, or DalleKhursani, means 'round chillis'. One hundred grams of this fresh chilli has five times higher vitamin C content than an orange. Numerous value-added products such as pickles, paste, sauces and oil prepared from this chilli can be further processed to be exported across the globe.
18	Chak-Hao	Chak-hao is an aromatic, speciality glutinous black rice cultivated in the plains and hills of Nagaland and Manipur for centuries using organic and traditional farming methods. This scented rice has an intense dark purple-hued outer bran layer due to a high concentration of anthocyanins. It is stickier than usual rice varieties and has a mild nutty flavour with a unique aroma attributable to the agro-climatic conditions of Manipur. Black rice is prevalent in countries like the U.S.A., Europe, and Australia. Two great qualities of Chak Hao – its distinctive aroma and deep purple colour – and its high nutritional properties make it a highly desirable speciality rice.
19	Joha Rice	Joha rice (<i>Oryza sativa</i>) is short-grained rice belonging to an indigenous class of Sali (Winter) rice of Assam and is known for its unique, sweet-scented aroma and delicate texture. It contains essential amino acids or proteins that can provide a plant-based protein substitute for the increasing vegetarian/vegan population worldwide. It is grown using traditional and organic farming methods and leaves a comparatively less grey-water footprint than other rice varieties.
20	Judima Rice Wine	Judima Rice Wine was awarded the Geographical Indication (GI) tag to commercialise its production and make it available to a larger market. It is proven to have tremendous therapeutic health benefits and can prevent or treat various diseases and psychological disorders.

Annexure-VI

TABLE: MSME Schemes: Central Government	
Central Government Schemes	Objectives
Prime Minister's Employment Guarantee Programme (PMEGP)	Aims to generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/ projects/ micro enterprises.
Credit Linked Capital Subsidy Scheme (CLCSS)	The objective is to facilitate technology up-gradation in MSMEs by providing capital subsidy of 15 % (limited to a maximum of Rs.15 lakhs) on institutional finance availed of by them for induction of new technology.
Credit Guarantee Trust Fund for MSEs (CGTMSE)	Guarantees are provided for extending collateral free lending to MSMEs through banks and financial institutions
A Scheme for Promotion of Rural Industry, Innovation and Entrepreneurship (ASPIRE)	Objective is to create new jobs and reduce unemployment, promote entrepreneurship, grassroots economic development etc
Scheme for Fund for Regeneration of Traditional industries (SFURTI)	The objective of the scheme is to organize traditional industries and artisans into clusters to make them competitive and ensure sustainability and employment in the long term
Scheme for Micro and Small Enterprises Cluster Development Programme	A key strategy for enhancing the productivity, competitiveness as well as capacity building of MSMEs
Scheme for providing financial Assistance to Khadi institutions under MPDA	Financial assistance is provided to institutions @ 20% of the value of production of khadi and polyvastra, to be shared among artisans, producing institutions and selling institutions in the ratio 40:40:20
Financial support to MSMEs in Zed Certification	The scheme envisages promotion of Zero Defect and Zero Effect in manufacturing among MSMEs and Zed assessment for their certification.
National Scheduled Caste and Scheduled tribe Hub	The Hub provides professional support to SC/ST entrepreneurs to fulfill the obligations under the Central

	Government Public Procurement Policy for Micro and Small Enterprises.
Scheme for Promotion of MSMEs in NER	Envisages setting up new and modernise existing mini technology centres, financial assistance for developing new and existing industrial estates and capacity development of officers engaged in the development of MSMEs

Annexure-VII

TABLE: Schemes for MSMEs for Some Selected NER States	
State	Incentives
Arunachal Pradesh	Price and purchase preference to MSMEs; Subsidy on cost of preparation of Feasibility Project Reports; power subsidy; incentive for quality control; exemption of stamp duty; special incentives for food processing industries
Assam	<ul style="list-style-type: none">• Biponi: Innovative marketing scheme to give support to the entrepreneurs to participate in trade fairs/events organised within the state, country or abroad.• Boneej: It is proposed to provide Rs.25,000 as grant to the industries located in rural areas and whose annual turnover is less than Rs.5 lakh.• Sarothi: The basic objective is to provide financial assistance in the form of loan with interest subvention through a designated Bank covering the whole of Assam.• SVAYEM: To provide financial assistance to MSME entities engaged in manufacturing, trading and services sector and for enhancement of income level of traditional artisans ensuring sustainable growth.
Manipur	Allotment of sheds to MSMEs; special scheme for handicraft units; subsidy on cost of preparation of Feasibility Project Report; subsidy for procuring technical knowhow; exemption from earnest money and security deposit; state capital investment subsidy; interest subsidy on term loan taken from the bank; power subsidy; state transport subsidy; reimbursement of fee / registration/renewal fee for registering with the office of the Comptroller General of Patents, Designs and Trade Marks/ for obtaining BIS, ISI, ISO Series/AGMARK/FPO etc. for a period of 5 years; subsidy on quality control; reimbursement of stamp duty and registration fee; subsidy on expansion, modernisation, diversification of MSMEs; price and purchase preference etc.
Meghalaya	Scheme of Incentives for MSMEs: State capital investment subsidy on cost of factory/plant & machinery; subsidy on feasibility studies; development subsidy; subsidy on interest payments; power tariff subsidy; Subsidy on cost incurred on Quality Control

	Measures; Subsidy @ 75 % of the applicable Stamp Duty & Registration Fees
Mizoram	<ul style="list-style-type: none"> • Subsidy on power consumption; interest paid on load cost of transportation of plants and machineries and on cost of preparation of Project Reports; cost of power generating sets purchased and used for Industrial purposes • Grant-in-aid is given to rural and urban artisans in the form of small hand tools at a reasonable subsidized rate
Tripura	<ul style="list-style-type: none"> • Capital investment subsidy; partial reimbursement of power charges; partial reimbursement of interest on working loans; reimbursement of 100% of the total cost for getting standard quality certification; Eligible enterprises will be given a 100% exemption from the payment of security deposits • Swabalamban: Main components of the programme are skill upgradation and financial support for gainful self-employment.
