



THE INDUSTRIAL AND INVESTMENT POLICY OF MANIPUR, 2017
(IIPM – 2017)

DEPARTMENT OF TEXTILES, COMMERCE & INDUSTRY
GOVERNMENT OF MANIPUR
NOVEMBER, 2017

GOVERNMENT OF MANIPUR
SECRETARIAT : TEXTILES, COMMERCE & INDUSTRY DEPARTMENT

O R D E R S
Imphal, the 17th November, 2017

Subject : The Industrial and Investment Policy of Manipur, 2017 (IIPM – 2017) – Notification thereof.

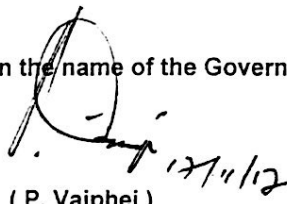
No.15/3/2015-Com&Ind(Pt.I) : In pursuance of the Cabinet approval of the proposed "The Industrial and Investment Policy of Manipur, 2017" in its meeting on 4th November, 2017 at Chandel, the Governor of Manipur is pleased to notify "The Industrial and Investment Policy of Manipur, 2017 (IIPM – 2017)" for implementation within the State of Manipur with immediate effect.

2. The Industrial and Investment Policy of Manipur, 2017 (IIPM – 2017) shall be in force from the date of notification till 31st March, 2022 unless otherwise repealed, withdrawn, replaced or modified earlier by the State Government or as provided in the relevant provisions of the Policy.

3. The State Government will issue necessary instructions and guidelines to facilitate implementation of the Industrial and Investment Policy of Manipur, 2017 (IIPM – 2017) and put in place such mechanisms as are essential for the smooth and effective enforcement of this Policy as well as to remove any difficulties arising thereof.

4. This order is issued with the concurrence of Finance Dept. vide their U.O No.1/2017-2018/FX-21(P/222) dated 17th November, 2017.

By orders & in the name of the Governor,



(P. Vaiphei)

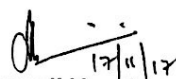
Principal Secretary (Textiles, Commerce & Industry),
Govt. of Manipur.

Memo No.15/3/2015-Com&Ind(Pt.I) :

Imphal, the 17th November, 2017

Copy to :

1. The Secretary to Governor, Raj Bhavan, Imphal.
2. The Secretary to Chief Minister, Manipur.
3. The PPS to Minister (Textiles, Commerce & Industries, etc.), Manipur.
4. The PPS to all Ministers, Manipur.
5. The PPS to all Parliamentary Secretaries, Manipur.
6. The PS to all MLAs, Manipur.
7. The SO to Chief Secretary, Govt. of Manipur.
8. The PS to Secretary, DIP, Ministry of Commerce & Industry, Govt. of India.
9. The PS to Secretary, Ministry of Commerce & Industry, Govt. of India.
10. The PPS to all Addl. Chief Secretaries, Govt. of Manipur.
11. The PS to all Principal Secretaries, Govt. of Manipur.
12. The Principal Secretary (Plg), Govt. of Manipur.
13. The Principal Secretary (Fin), Govt. of Manipur.
14. The Principal Chief Conservator of Forests, Govt. of Manipur.
15. All Commissioners / Secretaries, Govt. of Manipur.
16. The Director (Commerce & Industry), Govt. of Manipur.
17. The Director (Handloom & Textiles), Govt. of Manipur.
18. The Director (Planning), Govt. of Manipur.
19. All Deputy Commissioners, Manipur.
20. All Heads of Departments, Govt. of Manipur.



(Laltanpuui Vanchhong)

Joint Secretary (Textiles, Commerce & Industry),
Govt. of Manipur.

THE INDUSTRIAL AND INVESTMENT POLICY OF MANIPUR, 2017
(IIPM – 2017)

Notified vide Orders No. 15/3/2015 – Com & Ind (Pt.I)
dated 17th November, 2017
issued by the
Secretariat : Department of Textiles, Commerce & Industries,
Government of Manipur.

INDUSTRIAL AND INVESTMENT POLICY OF MANIPUR, 2017 (IIPM, 2017)

1. Manipur – A New Destination For Investment :

- 1.1. Nestled in North-East corner of India, Manipur is a state of India that straddles the Trans-Asian Highways and is literally the gateway of India to South-East Asia. It has a total area of 22,327 Sq. Km out of which one-tenth is a fertile and green valley located in the middle of the State, while the remaining ninth-tenth constitutes the hills surrounding the valley (Imphal).
- 1.2. Manipur came under the British rule after the First Anglo Manipuri war of 1891. After India became independent on August 15, 1947; the Manipur Constitution Act, 1947 established a democratic form of Government with the Maharaja as the Executive Head and a legislature constituted by election on adult franchise. This legislative assembly functioned till it was dissolved on the integration of the state with the Dominion of India in October, 1949. Manipur achieved full statehood on January 21, 1972.
- 1.3. Manipur is a land of multi-ethnic community and even akin to a Mini-India. These consist predominantly of Meiteis and Meitei Pangals in the Valley and 33 recognised Tribes residing in the Hills. In addition, there is sizable population of Nepalis, Bengalis, Marwaris, Biharis, Punjabis, Tamils, etc. The population of Manipur as per 2011 Census is 28,55,794 and distribution of female was 985 per 1000 males. The State has a literacy rate of 76.94% (2011 census) which is a huge potential in human capital. The State scores well in terms of literacy rate and educational attainments of the State's population and is also known for its relatively high ranks of human development index amongst other States.
- 1.4. Manipur has an egalitarian social system where women play vital roles in all socio-economic activities and as such, the people are free of many social inhibitions faced by other parts of India like caste system, dowry system, etc. which has been a very strong empowering factor for its women population. Women are the backbone for many micro & home-based industries like handlooms which has progressed from loin weaving as well as in many agro-based industries and other similar economic activities. This gives a very healthy climate for investments with additional workforce that has been traditional tuned to such productive activities for ages. Female Literacy stands at 70.26% against 83.58% of Male Literacy which is a healthy socio-economic indicator on the HDI scale.
- 1.5. The State is bordered by Nagaland on the north, Assam on the west and Mizoram on the south. Along the east it shares a 398 km long international boundary with Myanmar. The range of temperature in the State is 0°C to 36°C and altitude varies from 40m (Jiribam) to 2593m (Tamenglong) above MSL with the Imphal valley at an altitude of 790 m above sea level. The climate varies from tropical to sub-tropical in the valley area and semi-temperate in higher altitude which is very conducive for all types of activities round the year. Rainfall is generally from April to October; maximum being in July (421.30 mm in 2015).

- 1.6. Manipur is connected with other parts of the country by road and air. The Asian Highways AH1 and AH 2 pass through this State. The National Highways No.2, 37 and 202 connect it with the other parts of the country through Dimapur (Nagaland), Silchar (Assam) and Mellori (Nagaland) near Jessami in Ukhrul District. Imphal airport links the State to other parts of the country with 12 to 13 flights a day at present. The Imphal (Tulihal) Airport has been declared an international airport and it is under up-gradation. Rail line from Silchar in Assam through Jiribam in Manipur into Imphal is at an advanced stage of construction. The rail connectivity is likely to be available in Imphal by March, 2019, which will open up the State in an unprecedented manner. This is expected to make Manipur a hub for India's future trade and commerce with South-East Asia as Manipur is India's Gateway to South-East Asia. This will boost up the viability of the State of Manipur in a big way that will change the industrial scenario of the State in a positive way that has hitherto been never witnessed before.
- 1.7. The economy of the State is primarily agrarian (70%), but characterised by relatively high contribution of services, trade and business to the total income of the State. The Gross State Domestic Product (GSDP) at market price in the year 2016-17 is Rs.22,028.04 crore as against Rs.19,889.88 crore in 2015-16 registering a growth of 10.75% during the year. In 2017-18, it is projected at Rs.24,338.78 crore showing a growth rate of 10.49% over that of the previous year.
- 1.8. The Net Per Capita Income (Market Prices) was Rs.45,384 in 2015-16 as against Rs.44,269 in 2014-15 registering a growth of 2.52% during the year. It is also estimated in an advance estimate at Rs. 47,453 in 2016-17 registering a growth of 4.55%.
- 1.9. The State is mainly constrained by low capital formation, inadequate infrastructure and communication bottleneck. However, efforts in the recent past have led to creation of reasonable degree of industry-friendly environment in the State. While the unemployment level in the State is high compared to the total population in the State, it is also a reserve of human force that can be gainfully employed with potential for high growth in modern skills oriented to trade, business and industry.
- 1.10. Although Manipur has almost no large industry, except for two units under medium sector with the rest either in micro or small sectors which are mainly in food processing or horti and agro based industries, there has been tremendous improvement in the overall industrial climate of the State in the last few years. This has opened up the State to very good investment opportunity, especially considering the fact that it will be the hub for the Act East Policy with rail connectivity and the opening up of the Trans-Asian Highways that will effectively make the State, India's Gateway to South-East Asia.
- 1.11. The number of MSME units as on 31.3.2015 (last date before introduction of Udyog Aadhaar Memorandum by M/o. MSME) was 1,085 with an investment of Rs.116.11 crores and production value of Rs.408.51 crores providing direct employment to 11,906 Workers. Besides, there are large numbers of unregistered industrial units.

2. Vision :

- 2.1 To tap the tremendous industrial potentials of the State based on the available raw materials, traditional strengths in various small scale units, talented human capital, available market and demand as well the emerging scenario of Manipur becoming a key socio-economic hub with the coming of railways into the State capital and the Trans-Asian Highway and its locational advantage as India's gateway to South-East Asia
- 2.2 To promote sustainable industrial growth especially in MSME sector.
- 2.3 To create direct and indirect employment opportunities.
- 2.4 To provide conducive environment for investments.

3 Mission :

The Policy is formulated to strengthen the State Government's mission to act as facilitator to accelerate industrial development and its allied sectors in Manipur through development of infrastructure, enhancement of human resource, provision of incentives, garnering of more investments and establishing a strong and committed administrative support network for the all round socio-economic development of the people of the State through optimal utilisation of both its natural and physical resources.

4. Policy Objectives & Short Title :

To encourage sustainable growth in the Micro, Small and Medium Enterprises sectors in the State, this new policy titled **"The Industrial & Investment Policy of Manipur, 2017"** or **"IIPM – 2017"** in short, is designed to achieve the following objectives:

- 4.1 To create infrastructure facilities, provide incentives and marketing as well as technical support to industries.
- 4.2 To enhance the availability of raw materials in a planned and systematic manner.
- 4.3 To facilitate optimal utilisation of the State's natural and human resources.
- 4.4 To create employment opportunities for the people of the State.
- 4.5 To attract investments in the tremendous industrial prospects in the State.
- 4.6 To reduce procedural formalities and undue delay in setting up industrial units in the State.
- 4.7 To promote planned industrial development in the State and reduce sectoral and regional imbalance.
- 4.8 To provide skill development and entrepreneurial skills and encourage gainful employment.
- 4.9 To accelerate economic growth in the State through proper linkages of infrastructure, human resource, and administrative support mechanism.

Existing Synergetic Policies : There are three policies under the Department of Textiles, Commerce & Industry, Government of Manipur, namely, (i) The Industrial & Investment Policy of Manipur, 2017, (ii) The Manipur Textile Policy, 2017 and (iii) The Manipur Mineral Policy, 2017 which have their distinctive values and importance and due considerations have been made to provide for the required synergies of the inter-related aspects of these different Policies.

5. Industrial activities identified as Thrust Areas :

- 5.1. Agro, Horti and Floriculture based Industries : Keeping in view the edge the State has in agro and horti food processing sector, State Government will continue to give priority to agro and horti based industries, which will not only strengthen the agricultural base of the State but also will enhance employment opportunities. Units utilising locally available raw materials from organic farming in the State will be encouraged. The State is endowed with salubrious climate making it conducive for flowers of various varieties to bloom throughout the season. Units to harness floriculture activities in the State will be encouraged.
- 5.2. Medicinal and Aromatic Plants Industries : The State is rich in numerous medicinal plants. Drugs and pharmaceuticals units based on medicinal plants employing biotechnological tools will be encouraged. It has potential in widespread plantation of aromatic plants like lemon grass (*cymbopogon citratus*), sangbrei (*Pogostemon purpurascens*), laibakngou (Indian worm wood-Angiosperm), fresh bamboo leaves, lotus leafs etc. for Cosmetics Industries and Pharmacological Industries. The sub-tropical climate, soil and rainfall condition are ideal for lemon grass cultivation. Distillation of oils from aromatic plants and value addition for production of aromatic and natural dyes will be encouraged.
- 5.3. Bamboo & Bamboo Products Processing : Manipur is a predominantly bamboo growing State with more than 20 different varieties, with some exotic varieties growing in abundance. Building materials and furniture manufactured from bamboo give classy look and are more resistant to rain. Therefore, demand for such products has been increasing. Bamboo Park for industrial production of building materials and furniture with bamboo as raw material shall be set up and units will be encouraged to manufacture building materials with bamboo. Varied bamboo products including extraction of ethanol is planned and being explored in collaboration with Oil companies. Besides, units for processing bamboo shoots, a processed food which is sought after not only in Manipur but in the entire South-East Asian countries, will be encouraged.
- 5.4. Coffee, Tea and Rubber Plantation : Tea is grown, though in unsystematic manner by the farmers, in various parts of the State more particularly in Tamenglong, Jiribam, Churachandpur and Ukhrul Districts. The locally grown tea are known to have good taste, aromatic flavour and liquor strength which make them good potential for commercial investments. Further, the State has a huge potential for growing a number of plants for processing herbal tea where a few units have already been doing very well even exporting to outside the State. Likewise, the soil and climatic condition of almost the entire State of Manipur is suitable for growing coffee. As such, the potential for growing them can profitably be exploited and units opting for their processing will be encouraged. Also keeping in view the

climate suitable for rubber plantation in some parts of the State like Jiribam where Government plans to take up rubber plantation in a focus manner, rubber processing and its allied industries will be encouraged.

- 5.5. Spices : Given the salubrious climatic conditions and fertility of land especially for spices like ginger, turmeric, garlic, cardamom, cinnamon, *dal-chini*, capsicum and the famous *U-Morok* which is renown as the hottest chilly in the world, and other spices in the State, their cultivation and processing will be taken up in a big way by way of availing the various supports from the Spices Board and other agencies of the Government. The ginger and turmeric produced in the Hills of Manipur are preferred for their taste, flavour and colour. The ready market outside the State will be targeted with our good products of spices to enhance the economic viability of the growers in the State.
- 5.6. Dairy and Allied Products : There is large demand - supply gap of milk and allied dairy products in the State. With the traditional rearing of cattle being a common practice in most villages, this sector has tremendous potentials. Commercial production of milk and industrial activities for processing of milk and milk products shall be encouraged.
- 5.7. Meat Processing : There is growing consumption of meat and meat products in the State as well as the neighbouring states which offers ready market within the State itself. Given the traditional practice of rearing cattle and other animals for the purpose of consumption of meat in most parts of the State, especially in the Hills, meat production need to be taken up in commercial scales using modern technological interventions. Value addition of processing meat in industrial units will be encouraged.
- 5.8. Mushroom : Mushroom has become an attractive food item and given the fact that it can be cultivated almost throughout the year in Manipur, its production need to be promoted. Since mushroom preserved and sold through canning is gaining ground, this offers a good investment opportunity as it can be taken up domestically by many households, especially in the rural areas.
- 5.9. Honey : Honey production is an economic activity that needs to be taken up in much larger scales and by more people particularly in the rural areas as honey is very good market both in the State and outside. Considering the medicinal value of honey and its multiple health benefits, honey production need to be supported in a major way. The focus need to be on pure and organic honey which has a ready niche market as the existing market is populated by mostly adulterated honey that has been added with syrups of jiggery, etc. The climate and the topography of the State is considered highly suitable for bee rearing which is key for honey production. The Department has initiated the process to diversify farmers of the State into bee rearing to produce large quantity of honey in the State under the Manipur Bee Keeping and Honey Mission. The bees found in Manipur produce less amount of honey but it is of the best qualities. Wax production is also an important area in this regard as the demand for wax is much higher than honey.
- 5.10. Minor Forest Produces : Minor forest products include all products obtainable from the forests other than wood and thus comprise products of vegetable and animal origin. Some of the important forest products of minor nature are - grasses,

bamboos and cane, tans and dye, oils, gums and resins, fibres and flosses, leaves, drugs, spices and poisons, edible products and animal products. Some grasses are used for cordage, matting and as raw material for manufacturing paper. Cane grows abundantly in the moist forests of Manipur which is very suitable for growth of cane. It is mainly used for making strings, ropes, mats, bags, baskets, furniture, walking sticks, umbrella handles, sports goods, etc. Many trees which grow in Manipur forests contain several types of oils which are used to manufacture soaps, cosmetics, confectionary, pharmaceutical preparations and many more things. Commercially important oils are those obtained from sandalwood, lemon grass, and eucalyptus globulus. Some resins are produced in Manipur also. Resin is an important raw material for several industries of which paper, paint, varnish, soap, rubber, water proofing, linoleum, oils, greases, adhesive tape, phenyl, plastic, etc. are important. Many drugs are obtained from fruits, flowers, roots, stems and leaves of different types of trees, plants and herbs. Quinine is the most important drug obtained from the Indian forests. Given the huge forest area in the State, the State Government shall encourage industries that can use the raw materials available from minor forest produces.

- 5.11. Animal Feed and Poultry Industries : To ensure sufficient supply of meat and meat products, the State Government shall encourage setting up of industries dealing in agro based food including animal feed and poultry feed.
- 5.12. Packaging industries : Packaging industries using eco-friendly materials shall be encouraged to tap the available market for packaging of local products and to establish opportunities for generating employment while keeping in mind the necessity for conserving the environment.
- 5.13. Breweries : The potentials of Sekmai rice-brewed liquor and good availability of various fruits offer the State excellent opportunities for setting up breweries and wine industries specifically focus on the export markets. The sample products of pure Sekmai rice-brewed liquor has been tasted and liked by many liquor connoisseurs and can find niche market of its own while the wine products, given the high juice contents of our local fruits, will have its own economic viability that can productively and optimally exploit our available resources and enhance the socio-economic conditions of the growers in the State.
- 5.14. Skill Development and Training : The State Government recognizes that technical, managerial and entrepreneurial skill among the people of the State is a vital factor in the process of industrialization and the imperatives to promote the same. Establishment of skill development centres and business incubators, both at the State level as well as at all the Districts level, will be promoted under the policy.
- 5.15. Cash Crops : The feasibility for large scale cash crop plantations will be given priority focus by establishing synergies with concerned line Departments and agencies of the Government. The agrarian backbone of the State economy will be explored for upgradation by bringing in new cash crops that are economically viable and suitable to the State's soil and climatic conditions.
- 5.13. Mineral based Industries : Manipur is rich in minerals especially chromite and limestone. Establishment of mineral based industries for cement and chromites

extraction units have good prospect in the State. A separate Manipur Mineral Policy has been framed to encourage this sector.

- 5.14 Textiles, Handloom and Handicraft Industries : Manipur is known for its rich tradition of handloom and handicraft products which is as varied as the varied communities inhabiting the State. The State has the second largest number of handloom clusters in the country. A separate Manipur Textile and Handloom Policy has been framed to encourage this sector.
- 5.15 Trade and Commerce under Export Import mechanisms : Manipur, being India's Gateway to South-East Asia, is located in an advantageous location for trade and commerce with the South-East Asian countries. This is envisioned to throw up huge and unique potential for the State in an hitherto unseen scale in the very near future. The State Government is gearing up to tap the new openings this will bring about so as to avail maximum benefit for its people. In view of advantages available, Research & Development in marketing, infrastructure development and related areas will be promoted under the Policy.
- 5.16 Information Technology and IT enabled services : The State has advantage in IT and IT - enabled services because of the good availability of English speaking and technically trained youths. Firms in IT sector will be encouraged. Some of the institutes imparting IT and allied subjects are Manipur University, Manipur Institute of Technology; NIELIT, NIT, Polytechnics, ITIs, Institute of Co-operative Management and numerous private institutions. The Government will continue to promote them particularly in the context of tapping the State's potentials for the IT and IT enabled industries.
- 5.17 Tourism and Hospitality Industry : There is immense tourism potential in the State which has remained unexploited to its potential. 'Loktak' the biggest fresh water lake in the North-East and 'Keibul Lamjao' the only floating National Park in the country are known world-wide and the home of *Sangai*, the rare brow-antlered deer that is reportedly found only in these floating islands. In addition, there are plenty of opportunities particularly for Eco-Village Tourism, Adventure Tourism, Battlefield Tourism, Urban Tourism (Hospitality Industry) which will be encouraged.
- 5.18 Health Tourism : The unique strength of Manipur in medical sector with its huge medical professionals and its famous nursing care coupled with new and modern state-of-the-art medical facilities has opened up a new horizon in Health Tourism, especially from the neighbouring States as well as the neighbouring country of Myanmar. The State run RIMS, JNIMS and other medical facilities alongwith private Hospitals like Shija Hospitals, City Hospital, Advanced Hospitals, Raj Polycity, Sky Hospital, Imphal Hospital, Maipakpi Child & Maternity, Mothercare Hospital, Horizon Hospital, Jeevan Hospital, etc have created good potential for the State in this regard. The State will continue to support this sector.
- 5.19 Sports Infrastructure and Accessories Industry : Considering the fact that Manipur is renown as the sports powerhouse of the country and given the immense talents of the State in the field of games and sports, talent-hunt centers to help develop sports infrastructure in every District to identify and groom prospective sportspersons will be encouraged. In addition units involved in manufacturing of

sports accessories will be entitled to avail benefits under this policy. The State already has a separate Sports Policy.

- 5.20 Entertainment and Music Industries : The State is well known for its huge talents in music, performing arts and theatre including dance forms. To boost the youth's participation and preservation of the State's unique culture, the State Government shall encourage industries associated with entertainment, music and film industries in the form of infrastructure and skill development. The State already has a separate Film Industry Policy.

6. Policy Framework:

- 6.1. The proposed Policy accords top priority to inviting private sector investment on PPP mode in ongoing and new industrial activities in specified thrust areas outlined above. To this end, the Government will adopt an integrated approach to providing infrastructural support for development of industry in the State including establishment of industrial estates in every District.
- 6.2. The State Government will encourage creation of supportive infrastructures like cold storage, packing houses, warehouses, pre-cooling facilities, refrigeration, etc. at various identified locations of the State.
- 6.3. The State Government shall encourage trade with neighboring countries, especially Myanmar and the South-East Asian countries, as well as other countries and capitalize on various trade policies and foreign trade schemes introduced by the Central Government.
- 6.4. Entrepreneurship facilitation centers shall be set up in each District Industries Centre. These will act as a source of information for the local entrepreneurs to extend entrepreneurial guidance and technical support.
- 6.5. The State Government will set up MSME Clusters to encourage cluster development approach as an effective strategy for development of MSMEs in view of their cost effectiveness, inclusiveness and sustainable enabling competitiveness.
- 6.6. The State Government is establishing a State Level Facilitation Centre, based in the Directorate of Trade, Commerce & Industries at Lamphelpat, Imphal (website : ***dcimanipur.gov.in*** and email : ***dcimanipur@gmail.com***) to provide guidance and support to new investors on information about investment opportunities, procedure for setting up an industry, guidance in preparation of project report, documentation, access to credit institutions and setting up Data Bank of MSME units in the State. Such facilitation centres are also being set up in all the Districts as well to provide ground level support to prospective investors.
- 6.7. The provisions of this policy will be applicable to a unit for a period of five years reckoned from the date of commercial production of the enterprise.
- 6.8. The unit should employ not less than 80% of its total employee strength from the local domiciled people of the State. In exceptional circumstances where a unit can prove to the satisfaction of the Single Window Agency that persons with required

skill and expertise are not locally available, relaxation of this clause will be allowed for a specific period.

- 6.9. No owner of an industrial unit after receiving part or whole of the subsidy under this Policy will be allowed to change location of whole or any part of the industrial unit or effect any substantial contraction or dispose of a substantial part of its fixed capital investment within a period of five years after its going into commercial production.
- 6.10. The Policy shall be applicable to all micro, small and medium enterprises only. The case for large enterprises will be considered by the State Government separately on case to case basis, based on the merit of their proposals and their prospects vis-à-vis the anticipated benefits for the State and the people.
- 6.11. Provided that if a newly set up enterprise is sold or otherwise transferred to a new owner during the period of five years, the benefit of the incentive shall be available to the new owner, only for the un-expired portion of the said period of five years.
- 6.12. Existing units which go in for substantial expansion of more than 25% investment on existing cost of building, plant & machinery / diversification / modernization, etc. after 1st April, 2017 will be eligible for incentive / subsidy under the Policy.
- 6.13. The Policy shall not be applicable for the industrial activities listed in the negative list under the Central Excise Tariff Act, 1985 and provisions specified by Ministry of Environment and Forest Notification No.S.O.705 (E) dated 02-09-1999 and S.O.698 (E) dated 17-06-2003.
- 6.14. Industrial units will not be eligible to avail the incentives under the Policy if such units have availed similar incentives under other policy of the Government of India, State Government or any other Agency.

7. Single Window Agency:

The State Government will facilitate setting-up of micro, small and medium industrial units as well as facilitate and expedite grant of licences, permits and mandatory provision requirements through a single agency for providing Single Window Clearance. This facility will be made available under Business Reform Action Plan evolved for Ease of Doing Business. This Single Window Agency shall be facilitated by an empowered State Level Committee comprising of the Administrative Secretaries of Textiles, Commerce & Industry, Finance, Planning, Revenue, Forest & Environment, Labour & Employment, Works, Power, Transport, Public Health Engineering, Health, Consumer Affairs, Food & Public Distribution, MAHUD, Fire Services, Law Departments, etc. including Manipur Pollution Control Board, etc. as may be notified by the State Government from time to time. Considering the crucial necessity of this aspect in industrial development, the Government will provide statutory provisions to enable the Single Window Agency to perform its task effectively.

The empowered State Level Committee facilitating the Single Window Agency shall also facilitate vetting of all claims for grant of incentives submitted by industrial units under this Policy for examination and clearance.

8. Definitions:

- 8.1. 'Existing Industrial Unit' / 'Enterprise' means an industrial unit which has already commenced commercial production prior to the date of enforcement of the Industrial and Investment Policy of Manipur, 2017.
- 8.2. 'New Industrial unit / Enterprise' means an enterprise which started commercial production after the date of enforcement of the Policy.
- 8.3. 'Substantial Expansion' means increase in the value of fixed capital investment of an industrial unit after 1st April, 2017 by not less than 25% for the purpose of expansion of capacity / modernisation / and diversification.
- 8.4. 'Fixed Capital Investment' means investment in land, building, plant and machinery for commercial production.
- 8.5. The Micro, Small and Medium enterprise will be as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).
- 8.6. Export Oriented Unit (EOU) means an Industrial Unit exporting at least 30% of its annual production by the end of the 3rd year from the date of its commencing production.
- 8.7. 'Industrial unit' is a unit engaged in manufacturing or service activities.
- 8.8. "State Government" means the Government of Manipur.
- 8.9. 'Year' means unless otherwise specifically stated and not repugnant to the context, the financial year, commencing from the first day of April and ending on the thirty-first day of March of the following year.

9. Incentives / Subsidies :

9.1. Capital Investment Subsidy, Comprehensive Insurance Subsidy, Interest Subsidy and Transport/Freight Subsidy:

The State will provide Capital Investment Subsidy, Comprehensive Insurance Subsidy, Interest Subsidy and Transport / Freight Subsidy to all eligible existing or new units of the State as provided under the North East Industrial and Investment Policy in force concurrent to this Policy till such time as it is co-terminus with this Policy, by availing the Subsidies under the extant North East Industrial and Investment Policy. The eligibility criteria for the extant North East Industrial and Investment Policy shall automatically apply in all such cases.

Sole proprietorship units belonging to ST, SC, Women Individuals and Persons with Disability will be eligible for additional subsidy of 2.5% on fixed capital subject to a ceiling of Rs 5 lakhs, Rs 15 Lakhs and Rs 25 lakhs for micro, small and medium enterprises respectively.

9.2. Bank linkages for young entrepreneurs:

To encourage entrepreneurs under the age of 35 (from the date of commencement of production) engaged in micro and small enterprises in thrust areas identified above, the Government will give priority consideration to them by facilitating them under Pradhan Mantri Employment Generation Programme (PMEGP).

9.3. Provision of Land:

The State Government is apprised of the critical aspect of availability of land and the essential need to encourage MSM enterprises in the State in this crucial area. Accordingly, the following provisions will be offered :

- (a) To promote industrial development in the State, industrial units will be provided land on lease basis for initial requirement and first time expansion / diversification in identified areas. In case of specific requirements, acquisition of land or direct purchase of land in identified areas will also be facilitated by the State Government based on the merit of the proposed investments and within the frameworks of applicable Land laws.
- (b) The industrial estates already set up by the Directorate of Trade, Commerce and Industries in the nine Districts, namely, the Food Park, Nilakuthi in Imphal East (31 acres), Takyel IE in Imphal West (10 acres), Kuraopokpi IE 79.925 acres) in erstwhile Thoubal now Kakching District, Tera Urak IE (10 acres) in Bishnupur, upcoming IEs at TM Kasom (10 acres) in Ukhrul, Katomei (10 acres) in Senapati, Salemthar (10 acres) in Chandel, Noney (10 acres) in Noney (Longmai), Khopibung (10 acres) in Churachandpur and Moirangkampu Sajeb (10 acres) in Imphal East, will be made available on lease basis to units eligible under this Policy. Additional land of 400 acres at Kuraopokpi IE while additional 100 acres are being acquired to expand the existing IEs. A new Mega Food Park coming up at 40-Kshetri Bengoon in Imphal East District in an area of 16.44 acres will also be made available to eligible units on lease basis on its completion. Another 1100 acres of land at Jiribam is owned by the Department for development of tea, coffee and rubber plantations.
- (c) The Government will develop synergies among various Government Departments involved in building up of general infrastructure towards developing adequate facility as the capital base of the entrepreneurs of the State to meet the infrastructure develop requirements of new units.
- (d) The Policy will facilitate development of industrial clusters along identified areas to promote industrialization in all Districts to reduce sectoral and regional imbalances.

9.4. Allotment of sheds to Micro and Small Enterprises:

The Government shall endeavor to provide built-up factory sheds on monthly rental basis at identified industrial estates, industrial parks, growth centers, etc. Industrial estates with factory sheds have been set up in some Districts and are in advanced stages of being set up in all the erstwhile 9 (Nine) Districts and all the new 7 (Seven) Districts are being planned to be covered subsequently. Three Industrial Estates in the Districts of Imphal West (Takyel), erstwhile Thoubal and now Kakching (Kuraopokpi) and Bishnupur (Tera Urak) are completed. The existing Takyel IE has been renovated and upgraded recently and is fully functional while the Kuraopokpi IE and Tera Urak IE are being made functional now. Another three industrial estates in the Districts of Ukhrul (TM Kasom), Churachandpur (Khopibung) and Chandel (Salemthar) are under construction while construction of industrial estates for Senapati (Katomei), Tamenglong (Noney) and Imphal East (Moirangkampu Sajeb) will start soon.

- 9.5. Permanent Trade-cum-Exhibition Centre at Lamboikhongnangkhang and other facilities:
The Department of Trade, Commerce & Industries has constructed a modern Permanent Trade-cum-Exhibition Centre consisting of 4 (Four) big Halls and a centre Atrium at Lamboikhongnangkhang which is available on rent basis at subsidised rates for exhibition and sale of products by local entrepreneurs throughout the year, where composite facilities are already provided. The Apparel & Garment Centre, Powerloom Estate, Mechanised Dye House (now renamed as Manipur Textile Processing Institute), etc. are other industrial establishments that industrial units in the State can avail of in terms of training and other services. The Department is setting up a Khadi Plaza at Hafiz Hatta in Imphal City in an area of 2.26 acres to promote khadi and local woven clothes.
- 9.6. Cargo Terminal & Forward Linkages:
A Cargo Terminal is being constructed at Imphal International Airport specifically meant to cater to the anticipated increase in the quantum of trade which will facilitate the forward linkages for the industrial units of the State to promote their marketing facilities outside the State including international markets.
- 9.7. Manpower Development:
Industrial Units which depute their workers for technical training related to the respective trades in Government approved / recognised centres shall be eligible for facilities provided under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) whereby the entire skill development training fee is payable to the accredited Training Centres affiliated to the Sector Skill Councils.
- 9.8. Incentives to the innovator / inventor:
The State Government shall encourage innovations in manufacturing and services industries by giving them priority in sponsoring them under the Pradhan Mantri Employment Generation Programme (PMEGP) where 35% of the Project costs are available as subsidy.
- 9.9. Subsidy for Feasibility Study and Project report Preparation:
State Government will proactively promote preparation of Feasibility Study and Detailed Project Report (DPR) for all the identified Thrust Areas in para 5 of this Policy with variable unit costs for micro, small and medium enterprises which shall be made available online to potential entrepreneurs through the Department's website dcimanipur.gov.in. The cost for the Feasibility Study and Detailed Project Report (DPR) can be factored in as part of the project cost for financing through existing Government schemes, grant / subsidy and Bank financing.
- 9.10. Exemption of Earnest Money and Security Deposit:
Micro and Small enterprises will be exempted to the extent of 50% from payment of earnest money and security deposits.
Sole proprietorship units belonging to ST, SC, Women Individuals and Persons with Disability will be completely exempted.
- 9.11. Power Subsidy:
New industrial units will be eligible for concessional pre-paid meters for new industrial units with built-in component of concessional tariff based on

consumption limits as may be worked out by the State Power Department / MSPDCL / MSPCL.

- 9.12. Incentives for registering with the Office of Controller General of Patents, Designs & Trade Marks (CGPDTM) and for complying to similar certifications or norms:
The State Government shall provide incentives to encourage entrepreneurs to obtain relevant registrations and certificates and comply with the relevant norms or provisions of the Controller General of Patents, Designs & Trade Marks (CGPDTM), certifications from accredited agencies as well as the Government of India by announcements of annual cash awards.
- 9.13. Incentives for Registration / Renewal for obtaining BIS / ISI Certifications, etc.:
The State Government shall provide incentives in the form of annual cash awards to eligible units for obtaining Registration / Renewal in BIS / ISI, ISO, AGMARK, FPO, FSSAI and MPCO and other similar agencies.
Sole proprietorship units belonging to ST, SC, Women Individuals and Persons with Disability will be eligible for additional cash incentives of 10%.
- 9.14. Incentives for timely payments of Stamp Duty and Registration fees:
The State Government shall provide incentives to encourage entrepreneurs and eligible enterprises in respect of micro, small and medium enterprises for timely payments of Stamp Duty and Registration fee by announcing annual cash awards.
Sole proprietorship units belonging to ST, SC, Women Individuals and Persons with Disability will be eligible for additional 10% cash awards.
- 9.15. Quality Control:
The State Government shall set up Quality Control Facilitation centres having all necessary modern and advanced equipments to help entrepreneurs in ensuring the quality of their products so as to facilitate common standard for the industries..
- 9.16. Exclusive Purchase Programme:
The State Government, undertakings, including organisations and institutes getting grants and benefits of the State Government will commit to purchasing the products of Micro, Small and Medium enterprises set up under this policy subject to fulfillment of the quality, standards and specification.
- 9.17. Price Preference:
The State Government will provide Price Preference, under which purchases by the State Government Department / Office / State Government undertakings / Public Sector Undertakings / State Government Company / Corporation /Autonomous Board / Local Self Government Office / Semi-Government Organisation / Grant in-aid-Institutions / Non-Governmental Organisation getting assistance from the State Government will accord first priority to products manufactured by Micro and Small Enterprise established in the State. All other things being equal, such enterprise will be given a price preference up to 10% (ten per cent) over the lowest technically and commercially viable rate offered by others outside the State.
- 9.18. Tax Incentives:
All new units set up in the State and starting its commercial production after notification of this Policy, subject to the provision that such products are

consumed within the State, shall be eligible for exemption from payment of State GST portion of the GST to be paid by them for a period of 5 years from the date of commercial production.

- 9.19. Incentives for Non-Conventional Energy: The State Government shall encourage micro and small units for installation of non-conventional renewable energy units / plant by supporting such installations through Manipur Renewable Energy Development Authority (MANIREDA).
- 9.20. Awards and Recognition: The State Government shall constitute separate awards for achieving excellence though growth in production and profit, quality improvement measures, environment measures and innovation and new products / process / technology development as under :
- (a) Best SC Entrepreneur
 - (b) Best ST Entrepreneur
 - (c) Best Women Entrepreneur
 - (d) Best Young Entrepreneur (below 35 years)
 - (e) Best MSME State Level

The Award shall consist of cash prize of Rs.50,000/- each and a Certificate with the awardees to be selected bi-annually in the month of July by a Committee constituted by the Government. The Awards may be part of the Independence Day Prize Distributions or organized separately by the Department.

10. Marketing Promotion:

Marketing promotions will be facilitated by the Department by way of facilitation, handholding and support. Available facilities under various Schemes like Marketing Assistance and Technology Upgradation (MATU) under the Ministry of MSME, Govt. of India and various other provisions & incentives available will be facilitated.

11. Clarification and Interpretation:

In case of any doubt regarding the provisions of the Industrial and Investment Policy of Manipur, 2017, the State Government shall be the only competent authority to clarify and such clarification or interpretation shall be final and binding on all concerned.

12. Dispute Resolution / Grievance Redressal :

Any dispute / grievances pertaining to the implementation of this Policy in the State shall be assessed and addressed by the State Level Committee stated at Para 7 above.

13. Power to amend and repeal any or all provisions :

- 13.1. Notwithstanding anything contained in any of the provisions of the Policy, the State Government may at any time make any amendment or addition to this Policy or repeal it, but commitments already made for an eligible enterprise shall not be affected by any such amendment or repeal.
- 13.2. The State Government will issue necessary instructions and guidelines to facilitate implementation of the various provisions of this Policy and put in place such mechanism as are essential for the smooth and effective enforcement of this Policy as well as to remove any difficulties arising thereof.

14. Validity of the Policy :

This Policy shall be in force from the date of its notification till 31st March, 2022 unless otherwise repealed, withdrawn, replaced or modified earlier by the State Government. However, in view of the need to provide continuity to the Industrial and Investment Policy of Manipur, 2013 and the present Policy, the provisions of the Policy of 2013 that are similar to the provisions of the present Policy shall be considered as eligible within the framework of the empowered State Level Committee under the Single Window Agency provided at para 7 above.

Provided that wherever an incentive as provided under para 9 above is allowed to be availed of by an industrial unit reckoned from the date of its commencement of commercial production, such benefits will continue as specifically provided till the expiry of the specified period for that particular industrial unit, even beyond the 31st day of March, 2022 unless such provision has been specifically repealed, withdrawn, replaced or modified earlier by the State Government.

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Published by :

**The Department of Textiles, Commerce & Industry,
Government of Manipur.**