

MANIPUR GAZETTE



EXTRAORDINARY
PUBLISHED BY AUTHORITY

No. 522

Imphal, Monday, March 20, 2023

(Phalguna 29, 1944)

GOVERNMENT OF MANIPUR
SECRETARIAT: TEXTILES, COMMERCE & INDUSTRIES DEPARTMENT

NOTIFICATION

Imphal, the 21st March, 2023

IP-101/1/2022-TCI-T,C&I: The Governor of Manipur is pleased to enunciate the "The Industrial and Investment Promotion Policy of Manipur, 2022" which is attached as annexure.

PRADEEP KUMAR JHA,
Commissioner (Textiles, Commerce & Industry),
Government of Manipur.

THE INDUSTRIAL AND INVESTMENT PROMOTION POLICY OF MANIPUR, 2022 (IIPPM, 2022)

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 recognized 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 (418.20 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 (Tuliha) 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, 2023-24, 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 (52.81%), but characterized 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 2021-22 is Rs.37760.08 crore as against Rs.34110.21 crore in 2021-22 registering a growth of 10.7% during the year. In 2022-23, it is projected at Rs.42301.42 crore showing a growth rate of 12.03% over that of the previous year.
- 1.8. The Net Per Capita Income (Market Prices) was Rs.87,832 in 2020-21 as against Rs.82,437 in 2019-20 registering a growth of 6.54% during the year. It is also estimated in an advance estimate at Rs. 95,120 in 2021-22 registering a growth of 8.29%.
- 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 registered under Udhyan as on 31.3.2022 was 24, 293 providing direct employment to 2, 13,828 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, human and physical resources.

4. Short Title :

These Policy may be called "The Industrial & Investment Promotion Policy of Manipur, 2022" or "IIPPM – 2022" in short.

5. Objectives:-

"The Industrial & Investment Promotion Policy of Manipur, 2022" is designed to achieve the following objectives:

- 5.1 To create infrastructure facilities, provide incentives and marketing and ecosystem as well as provide technical support to industries.
- 5.2 To enhance the supply of raw materials in a planned and systematic manner.
- 5.3 To facilitate optimal utilisation of the State's natural and human resources.
- 5.4 To create employment opportunities for the people of the State.
- 5.5 To promote investments in the industrial and allied sector in the State.
- 5.6 To reduce procedural formalities and undue delay in setting up industrial units in the State.
- 5.7 To promote planned industrial development in the State and reduce sectoral and regional imbalance.
- 5.8 To provide skill development and entrepreneurial skills and encourage gainful employment.
- 5.9 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, and policy under Government of India namely, (i) The Industrial & Investment Promotion Policy of Manipur, 2022, (ii) The Manipur Textile Policy, 2017 and (iii) The Manipur Mineral Policy, 2021 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. Further other policies and legislation such as (iv) Ease of Doing Business (EoDB) (v) Manipur Public Services Delivery Guarantee Act, 2021 (vi) Manipur Logistics Policy, 2022 are being introduced.

6. Definitions:

- 6.1. '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, 2022.
- 6.2. 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.
- 6.3. 'Fixed Capital Investment' means investment in land, building, plant and machinery for commercial production.
- 6.4. 'Industrial unit' is a unit engaged in manufacturing or service activities.
- 6.5. 'New Industrial unit / Enterprise' means an enterprise which started commercial production after the date of enforcement of the Policy.
- 6.6. 'Substantial Expansion' means increase in the value of fixed capital investment of an industrial unit after 1st April, 2022 by not less than 25% for the purpose of expansion of capacity / modernisation / and diversification.
- 6.7. "State Government" means the Government of Manipur.
- 6.8. The Micro, Small and Medium enterprise will be as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).
- 6.9. '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.

7. Key Resources:

- 7.1. Agro, Horti and Floriculture based Industries : Keeping in view the edge the State has in agro and horticulture food processing sector, State Government will continue to give priority to agro and horticulture based industries, which will not only strengthen the agricultural base of the State but also will enhance employment opportunities. Units utilizing 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.
- 7.2. Medicinal and Aromatic Plants Industries : The State is rich in numerous medicinal plants. Drugs and pharmaceuticals units based on medicinal plants employing bio-technological 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 leaves 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.
- 7.3. 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. National Bamboo Mission in collaboration with Forest Department needs to be extended to individual farmers/land holder, SHGs to encourage activities in Bamboo industries.

- 7.4. 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.
- 7.5. 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 renowned 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.
- 7.6. 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.
- 7.7. 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.
- 7.8. 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.

- 7.9. Mineral based resources: 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.
- 7.10. 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.
- 7.11. 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 along with numerous well maintained and operated private hospitals have created good potential for the State in this regard. The State will continue to support further growth of this sector.

8. Thrust Areas:

Government of Manipur has identified certain activities (**but not limited to**) as thrust areas for both the Manufacturing and Services sector activities. These are as follows:

8.1 Manufacturing sector

1. Food processing Industries, Cold Chain & Cold Storage.
2. Bamboo Industries
3. Packaging Industries
4. Honey & Bee Keeping.
5. Floriculture & Minor Forest products.
6. Pharmaceuticals & Medical Devices.
7. Textiles
8. Handicrafts & Pottery.
9. Green & Renewable Energy.
10. Aromatic & Medicinal Plants.

11. Waste-Recycler, Waste-Based Industries and compostable plastic industries.
12. Processing, and manufacturing Non-timber Forest Products (NTFPs).
13. Rubber/Wood based industries can be added.

8.2 Services sector :

1. Hotels/Resorts (3 Star and above)
2. Entertainment & Music Industries
3. Generation of power through Green Technology
4. Health Tourism and other allied health & wellness industries.
5. IT- ITES including Hardware, Software development, BPO, Call centre, data processing, website designing, etc.
6. processing, website designing, etc.
7. Sports
8. Education

9. Policy Framework:

- 9.1. The proposed Policy accords top priority to promotion of investment in Manipur by inviting private sector investment on PPP mode in ongoing and new industrial activities in specified thrust areas outlined in para 8 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.
- 9.2. 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. Quality management International Standard Pack houses/ Warehouses, pre-cooling facilities, Cold storages, etc. are utmost important to meet the International Standards or quality parameters of the target destination countries. There is need for development of proper marketing institution, co-operative farming and contract farming for increasing farm income per unit area with Contract Agreements signed for assured market.
- 9.3. 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.
- 9.4. 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.
- 9.5. 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.
- 9.6. 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.

- 9.7. 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.
- 9.8. 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.
- 9.9. 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.
- 9.10. The Policy shall be applicable to all micro, small and medium enterprises identified in para 8 under thrust areas or otherwise explicitly mentioned in the policy. 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.
- 9.11. 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.
- 9.12. 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, 2022 will be eligible for incentive / subsidy under the Policy.
- 9.13. 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.
- 9.14. 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.
- 9.15. Industrial units shall set up Industries Waste Management System to curb, reduce and mitigate industrial wastes.

10. Applicability of the Policy:

- 10.1. The Policy IIPPM 2022, shall be applicable to all micro, small and medium enterprises identified in para 8 under thrust areas which commence their commercial production in the State, after the date of notification of the policy, but before or on 31st day of March, 2027, in the private sector, cooperative sector, self-help-groups, joint sector and also companies owned or managed by the State Government.
- 10.2. Wherever an incentive under IIPPM 2022 is being allowed to an enterprise over a period of 5 years reckoned from an appropriate date, such benefit will continue to be available till the expiry of such period for that particular incentive for that particular enterprise, even beyond the thirty-first day of March, 2027.

- 10.3. 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 such transferee or the new owner, only for the un-expired portion of the said period of five years. In case of leasing out of any industrial enterprise, set up under Government sector or otherwise, to any third party for running the same in self- sustained basis or in Public-Private Partnership model at any subsequent stage, the IIPPM, 2022 shall be applicable for providing subsidy (excluding the capital investment subsidy) for the un-expired portion of 5 year period to the lessee.
- 10.4. Unless specifically mentioned otherwise, the IIPPM, 2022 shall not be applicable to the enterprises that have commenced commercial production, prior to the after the date of notification of the policy. Such enterprises shall continue to be governed by the Industrial & Investment Policy, 2017.
- 10.5. The IIPPM, 2022 shall not be applicable to all large scale units, all enterprises falling under non-thrust areas and for the industrial activities listed in the negative list (Annexure A).
- 10.6. Any industrial enterprise to which the IIPPM, 2022 applies shall be considered for grant of incentives as per the policy only on securing an "Incentives Eligibility Certificate" in such format and from the competent authority to be notified by the State government. The Incentives Edibility Certificate shall not be issued unless:
- a) The project is covered by necessary industrial approval already received in the form of industrial license or letter of intent or IEM or registration certificate, as the case may be under the Industries (Development and Regulation) Act, 1951; or a Secretariat for Industrial Approval (SIA) reference number or an acknowledgment of online filing of Udyam Registration (erstwhile Udyog Aadhaar Memorandum) through national e-portal for registration of MSMEs.
 - b) In respect of enterprises/industries identified as compulsorily licensable or on any other restricted list as may be notified by the Central Government or the State Government from time to time, the required clearance/ license from the notified authorities has been obtained by the enterprise;
 - c) The unit has gone into commercial production.
- 10.7. The enterprises issued Incentives Eligibility Certificate shall be liable to submit such documents as may be required by the designated authority to enable consideration of the claims for incentives under IIPPM-2022.
- 10.8. The eligibility of enterprises for incentive under any Clause of IIPPM-2022 shall, unless otherwise specified, be limited to the amount calculated as per the respective Clause of IIPPM-2022 reduced by the amount of incentive, subsidy or grant received by the enterprise under any operative Scheme outside the IIPPM-2022 operated by a Ministry or Department of Government of India or its agencies/boards/authority, or under any Scheme operated by the North-Eastern Council, for promotion of industrial projects/investments.
- 10.9. The issue of an Incentives Eligibility Certificate in favour of any enterprise shall not entitle the enterprise to claim the release of incentives under the IIPPM-2022 as a matter of right, which shall, inter alia, be subject to the unit having submitted their claims as per the format, the procedure and within one year of the period to which the claim relates and further subject to the unit being in operation.

11. Investment Promotion Agency:

Manipur has the potential to become one of the fastest growing economy in the country and an attractive investment destination owing to its strategic location as the gateway to ASEAN. A significant role to attract foreign and domestic investment is played by business facilitation instruments, i.e., investment incentives and investment promotion activities. Investment promotion agencies (IPAs) provide necessary information and support to investors throughout various phases of an investment process and promotion of country's investment opportunities and incentives. Setting up of IPAs is vital, as it will lead to business reforms at the State level to attract investment.

12. 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 licenses, 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.

13. Incentives / Subsidies for applicable enterprises (as listed in para 8):**13.1 Capital Investment Subsidy, Comprehensive Insurance Subsidy, Interest Subsidy and Transport/Freight Subsidy:**

The State will provide Capital Investment Subsidy, Comprehensive Insurance Subsidy, Interest Subsidy, Insurance Premium to all applicable existing or new units falling under the thrust areas listed at para 8 :

- (i) All applicable new industries in the notified location would be eligible for capital investment subsidy @ 30% of their investment in plant & machinery, subject to an aggregate ceiling of Rs.50 lakh. The existing units will be entitled to this subsidy on substantial expansion, as defined.
- (ii) Sole proprietorship applicable 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 20 lakhs, Rs 30 Lakhs and Rs 40 lakhs for micro, small and medium enterprises respectively.
- (iii) An interest subsidy of 3% on the working capital loan would be provided to all applicable new industrial units in notified locations for a period of 10 years after the commencement of commercial production. This benefit would also be extended to existing units in notified locations on expansion, as defined, as well as to Thrust Industries.

- (iv) The insurance premium to the extent of hundred percent on capital investment for a period of 10 years would be as extended by the Central Government to all applicable new units and to existing units on their substantial expansion, as defined.
- (v) The incentive will be disbursed to applicable industrial enterprises in single installment. This is subject to the condition that the industrial enterprise continues to operate and has not closed down.
- (vi) Dispersion of subsidy shall commence from date of commercial production.
- (vii) State Transport Subsidy:
 - (a) The State Government shall provide Transport Subsidy to enterprises in the fold of MICRO and SMALL industries, entrepreneurs including those benefitted under Manipur CGTMSE, Manipur Venture Fund and Chief Minister Entrepreneurship support scheme. Entrepreneurs shall be allowed to avail subsidy only in any of the scheme provided by the State for their business expansion and growth. The transport subsidy shall be provided to those units only which have not availed any similar incentive under any scheme of Central/State Government. This subsidy aims to provide support to the entrepreneurs so as to keep the cost inputs at a rate to keep the raw material/finished products competitive in the market. Factories & Market may be located too far away and there are logistical/terrain related constraints.
 - (b) The State Government shall provide Transport Subsidy at the following rates to enterprises in the fold of MICRO and SMALL for movement of perishable fruits and vegetables used as raw materials within the State.
 - (c) Subsidy @25% shall be admissible for transportation of raw materials from the growing areas/sources of raw materials identified by the State Government by shortest roadways/waterways or combined together with waterways and roadways from any place of the State exceeding a distance of 50 (fifty) Kms., up to the premises of the factory. Transport subsidy would also cover transport of finished goods/raw materials via air freight @ 25% from Kolkata airport or any airport in the NER.
 - (d) The transport subsidy shall be available for a period of 5(five) years from the date of commercial production.
 - (e) The concerned enterprises are to register with the concerned District Industries Centre, Government of Manipur in the prescribed format for the scheme.
 - (f) The transport subsidy claim must be submitted within one year of incurring the expenditure and on quarterly basis.
 - (g) A State level committee shall scrutinize and settle all claims of transport subsidy arising in the State. The claimants must provide proof of raw materials, 'imported' into and finished goods 'exported' out of the State of Manipur from a registered chartered accountant. The committee would also lay down the production of any other records/statements which in their opinion is necessary to determine the eligibility of claimant for the transport subsidy.

13.2. Bank linkages and financing for industrial setup:

To encourage all citizens of Manipur engaged in applicable 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).

13.3. Provision of Land:

The State Government is appraised 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.

13.4. Allotment of sheds to Micro and Small Enterprises:

The Government shall strive to provide work sheds to all MSMEs & entrepreneurs including those benefitted under Manipur CGTMSE, Manipur Venture Fund and Chief Minister Entrepreneurship support scheme. Entrepreneurs shall be allowed to avail subsidy only in any of the scheme provided by the State for their business expansion and growth. 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.

13.5. Permanent Trade-cum-Exhibition Centre at Lamboikhongnangkhong 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 Lamboikhongnangkhong 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.

13.6. 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.

13.7. 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.

13.8. 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.

13.9. 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 8 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 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.

13.10. Exemption of Earnest Money and Security Deposit:

Applicable Micro and Small enterprises will be exempted to the extent of 50% from payment of earnest money and security deposits. Sole proprietorship units of applicable Micro & Small enterprises belonging to ST, SC, Women Individuals and Persons with Disability will be completely exempted.

13.11. Power Subsidy:

The State Government shall provide to all eligible enterprises on reimbursement of industrial power charges / tariff paid to Power Department, Government of Manipur, on actual units consumed for a period of first 5(five)years from the date of commercial production subject to ceiling given below: Provided further that an enterprise shall not be allowed reimbursement for power charges if it is in default of payment of power charges or any liabilities to the Power Department/MSPDCL Connected load Rate of subsidy Ceiling of subsidy* per annum:

- a) Micro & Small Industry (1-50 kW) - 50% Subsidy
- b) Medium Industry (25 - 125 kVA) - 23.7% Subsidy
- c) Large Industry (Above 125 kVA) - 17.3% Subsidy

** The proposed subsidy is only applicable for enterprises, which has not availed any subsidy from Power Department or any other central scheme.*

The State Government shall provide subsidy on reimbursement of the cost incurred to eligible enterprises/unit located in an area, which requires drawal of power line of 20 KV and above including the cost of transformers, if any, subject to a ceiling of Rs. 15.00 lakhs (Rupees Fifteen lakhs) provided that the location is approved by the Government.

The estimates shall be prepared and approved by the competent authority of the State Power Department, Government of Manipur. The work shall be executed by the competent authority of the State Power Department and completion report of the work must be provided to the concerned enterprise/unit.

The State Government shall provide subsidy @ 30% (thirty percent) of the cost of generating sets subject to a ceiling of Rs. 20.00 lakhs (Rupees Twenty lakhs) per unit on reimbursement of the cost incurred to eligible enterprises/unit on case to case consideration. The opinion of the State Power Department shall be taken on actual requirements of the generating set for the claiming enterprise.

The State Government shall provide subsidy @ 50% subject to a ceiling of Rs. 40,000.00/- (Rupees Forty thousand) whichever is less for purchase and installation of Mini Solar Power Plant with battery of at least 400 watts (four hundred) capacity to eligible MICRO enterprises for illuminating the factory during work hours, on reimbursement of cost incurred. The subsidy shall be provided on purchase and installation of Mini Solar Power Plant with battery.

13.12. Reimbursement of Fee / Registration fee / Renewal Fee for registering with the Office of Controller General of Patents, Designs & Trade Marks (CGPDTM):

The State Government shall provide to eligible units on reimbursement of 30% for medium, 50% for small and 70% for micro units of cost of Registration Fee for getting certificate from the Controller General of Patents, Designs & Trade Marks (CGPDTM), and Government of India subject to a ceiling of Rs.1.00 lakh.

13.13. Reimbursement of Registration Fee/ Renewal Fee for obtaining Certification:

The State Government shall provide eligible units reimbursement in full subject to a ceiling of Rs.50,000/- per annum for five years of the amount paid for Registration / Renewal in getting 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 10% reimbursement of the excess amount exceeding the ceiling limit.

13.14. Reimbursement of Stamp Duty and Registration fee:

The State Government shall provide eligible enterprises reimbursement subject to a ceiling of Rs.30,000/-, Rs.40,000/- and Rs.50,000/- respectively in respect of micro, small and medium enterprises of the amount paid towards Stamp Duty and Registration fee for securing loans and other incentives from financial institutions including mortgage of fixed assets.

Sole proprietorship units belonging to ST, SC, Women Individuals and Persons with Disability will be eligible for additional 10% reimbursement of the excess amount exceeding the ceiling limit.

13.15. Quality Control:

The State Government shall provide to eligible Micro, Small and Medium enterprises subsidy@ 30% of the cost incurred subject to a ceiling of Rs. 5.0 Lakh (Rupees 5 Lakh) on reimbursement for purchase of testing equipment for quality control.

13.16. 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.

13.17. 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-Government 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 in line with Public Procurement (Preference to Make in India) Order, 2017 wherein preferential pricing is applicable if the local content is minimum of 50%.

13.18 Incentives for Green & Renewable 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 Electronics Development Corporation Limited (MANITRON).

13.19. 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.

14. Special Incentives to Applicable Industrial Enterprises that continues to operate for 5 years:

Additional subsidies/ incentives shall be provided to the applicable enterprises engaged in the thrust areas (ref. para 8) which continue to operate for 5 years from the date of commencement of commercial production and any unit planning to operate on long term basis (beyond the initial five years) may be assisted on case to case basis and keeping in view of the financial health of the Unit.

Those Units capable of operating un-assisted should not be made automatically eligible for further subsidies. At the same time, Units unlikely to operate in good health in future should

not be automatically eligible for subsidies also. Each Unit should be examined in merit and subsidy extended as per requirements.

The following additional subsidies are as follows:

14.1. Capital Investment Subsidy:

The industrial enterprises which have gone in for substantial expansion after 5 years of their continuous operation shall be considered for subsidy on additional fixed capital investment at the applicable rates 15% as the case may be, subject to an upper ceiling of Rs. 25 lakhs for thrust sector industries and Rs. 15 lakhs for industries other than thrust sector. This is further subject to increase in the value of fixed capital investment of an industrial enterprise by not less than 25% for the purpose of expansion of capacity/modernization/ diversification.

14.2. Partial Re-imbusement of Power Charges:

Power subsidy* shall be provided as incentives for a further period after 5 years and subject to an annual upper ceiling of subsidy of :

- a) Micro & Small Industry (1-50 kW) - 50% Subsidy
- b) Medium Industry (25 - 125 kVA) - 23.7% Subsidy
- c) Large Industry (Above 125 kVA) - 17.3% Subsidy

*The proposed subsidy is only applicable for enterprises which has not availed any subsidy from Power Department or any other central scheme.

14.3. Employment Cost Subsidy:

Employment cost subsidy in the form of re-imbusement of employer contribution towards payment of EPF and ESI to Regional Provident Fund Commissioner shall be provided @ 50% of the payment made by MSME units with employment of 20 or more persons for a further period of 5 years. Employment cost subsidy shall be available to all MSME units after 5 years of operation irrespective of the category of industries (thrust or non-thrust sector).

14.4. Wages Subsidy:

Wages Subsidy shall be provided to industrial enterprises @ 20% of the actual wages paid on employment of 20 or more persons by them after 5 years of operation. The subsidy shall be for the next 5 years period. The payment of wages subsidy is subject to an upper ceiling of Rs. 2.50 lakhs per enterprise per annum.

15. 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.

For taking the decision of Market policy and other, it may require to be consulted with a think committee and at least a Meeting shall be called once in a year.

Due to Non-opening of Exim Bank for Financial help, the existing bank may be allowed to finance under Letter of credit to the Exporters/Importers.

16. Clarification and Interpretation:

In case of any doubt regarding the provisions of the Industrial and Investment Promotion Policy of Manipur, 2022 (IIPPM), the State Government shall be the only competent authority to clarify and such clarification or interpretation shall be final and binding on all concerned.

17. 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 12 above

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

18.1 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.

18.2 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.

19. Validity of the Policy :

This Policy shall be in force from the date of notification unless otherwise repealed, withdrawn, replaced or modified by the State Government. However, in view of the need to provide continuity to the Industrial and Investment Policy of Manipur, 2017 and the present Policy, the provisions of the Policy of 2017 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 12 above.

Provided that wherever an incentive as provided under para 13 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, until such provision has been specifically repealed, withdrawn, replaced or modified by the State Government.

PRADEEP KUMAR JHA,
Commissioner (Textiles, Commerce & Industry),
Government of Manipur.

Negative list

- (i) All goods falling under Chapter 24 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which pertains to tobacco and manufactured tobacco substitutes.
- (ii) Pan Masala as covered under Chapter 21 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986).
- (iii) Plastic carry bags of less than 20 microns as specified by Ministry of Environment and Forests Notification No. S. O. 705 (E) dated 02.09.1999 and S. O. 698 (E) dated 17.6.2003.
- (iv) Goods falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) produced by petroleum oil or gas refineries.
- (v) Large and Medium Scale enterprises, generating employment for less than 20(twenty) persons on the pay roll.
- (vi) Enterprises manufacturing Essential Commodities being sold through public distribution system. Any other industry/activity notified by the State Government for inclusion in this list.