

No.B.11013/4/2004-DTE/IND (PLG)
GOVERNMENT OF MIZORAM
DIRECTORATE OF COMMERCE & INDUSTRIES
AIZAWL :: MIZORAM

Khatla, Aizawl - 796001
Dated: 9th January, 2019

To,

The Adviser – Cum – Joint Secretary,
Planning & Programme Implementation Department.
Government of Mizoram.

Subject: Economic Survey Report 2018-19.

Ref. : Letter No. G.28014/12/2016-PLG (RDB), Dt.1.11.2018.

Sir,

In inviting a reference to letter No. cited above please find enclosed herewith Economic Survey Report 2018-19 in respect of Commerce & Industries Department for your information and further necessary action.

Enclo: As above.

Yours faithfully,

(J. HMINGTHANMAWIA)
Director of Commerce & Industries

**ECONOMIC SURVEY REPORT 2018-19 ON COMMERCE & INDUSTRIES
DEPARTMENT (INDUSTRIES WING)**

The newly amalgamated Commerce & Industries Department is now functioning smoothly with oneness and unity amongst its employees. The Department takes up so many schemes like Skill Development, Infrastructure Development and Handloom supported to Entrepreneurs and Traders.

Sectoral Overview (Industrial Sector):

Industrialization in Mizoram is rather slow owing to absence of many prerequisite factors for industrial development. Even though the geographical location and topography of the state is not congenial for industrial development, the sector has slowly made a significant contribution in the GSDP.

Among the Industry Sector Construction Sector is the main contributor. The contribution of the manufacturing sector is still very low. The service sector industries are the main contributors to GSDP.

Entrepreneurs Memorandum (EM), Udyog Adhaar Memorandum (UAM) & Employment Generation:

In terms of employment generation the contribution of industry sector is remarkable. The flow of investment and employment generated under Industries sector as per the Entrepreneurs Memorandum & UAM filed at D.I.Cs during 2007-08 to 2016-17 is shown below:-

<i>Year</i>	<i>No. of registered during the year</i>	<i>Investment during the Year (Rs. in lakh)</i>	<i>Employment</i>
2007-08	594	593.00	594
2008-09	487	866.30	4113
2009-10	457	1978.29	3977
2010-11	200	2164.50	1328
2011-12	131	1072.985	906
2012-13	122	1432.202	930
2013 -14	213	2323.12	1440
2014-15	120	600.00	420
2015-16	169	1178.75	922
2016-17	71	284	902
2017-18	504	5418.86	851

Among the units service sector such as health care, hotel etc. are having higher investment and employment as compared to manufacturing sector. The number of EM received has significantly increased during 2008-09 and 2009-10 as a result of the introduction of NEIIPP 2007. Many service sectors such as Health care, Hotel etc. who are previously unregistered filed EM-II afresh. The introduction of SPINE scheme during this period has also contributed towards higher EM during the above years. However, due to stoppage of SPINE scheme and difficulty in availing incentives under NEIIPP 2007 due to regulatory requirement attached to the scheme has discouraged new industrial units thereby declining the EM during the last two years of the 12th Plan. Further, the industrial units assisted by MKVIB and KVIC under PMEGP schemes do not file EM as they normally are micro level enterprises on whose case filing of EM is not mandatory. Had these units under PMEGP filed their EM the total number of Ems will still be in an increasing trend.

The Department verified and monitored Udyog Aadhaar Memorandum (UAM) filed by individual entrepreneurs. The Ministry of MSME, Government of India under active coordination with the State Government rectifies the software of online registration of UAM from time to time to address problems faced in the state. Now, UAM can be filed online by local entrepreneurs from all places of the State without any problem. More than 500 Entrepreneurs have filed online UAM till date.

Prime Minister's Employment Generation Programme (PMEGP):

PMEGP is the KVIC programme implemented by both DIC and MKVIC.

The achievement of PMEGP under Commerce & Industries for the financial year 2017-18 is furnished herewith as tabulated below. During this period as many as 224 persons were assisted providing Rs. 254.31 lakhs being Margin Money. As many as 1992 employment were generated from the projects implemented under the scheme in 2017-17 out of the total project 249 sanctioned.

ACHIEVEMENT REPORT ON PMEGP DURING CURRENT YEAR 2017-18

Sl.No	Name of DIC	No. of Sanction	Sanction Amount	Sanction Amount in M.M
1	DIC, Aizawl	121	594.64	148.66
2	DIC, Lunglei	11	33.51	11.73
3	DIC, Saiha	8	26.48	9.27
4	DIC, Lawngtlai	15	53.11	18.54
5	DIC, Serchhip	22	55.91	19.57

6	DIC, Champhai	14	39.54	13.84
7	DIC, Mamit	31	75.28	26.35
8	DIC, Kolasib	2	18.00	6.30
	Total	224	896.47	254.31

Industrial Infrastructure:

The State Government with its limited resources and geographical disadvantages had earmarked and developed industrial areas with basic infrastructure. These industrial areas, though not fully provided with required infrastructure, will solve the problem of industrial land for entrepreneurs desirous of starting Industrial unit to a great extent. Allotment of industrial plots in various industrial areas has been made as per the Mizoram Industrial Areas (Management, Regulation and Control) Act.-2008.

The Government of India established the Apparel and Garment Making Centre for Mizoram State at Industrial Growth Centre, Luangmual. The Centre was handed over to the state government for which ZIDCO Ltd. was appointed as implementing agency. The operating agencies were already selected and the centre had started functioning. The centre has a capacity to produce uniforms required by school education, para military forces and various departments. Such being the case thanks to the Ministry for providing us such a valuable asset in Mizoram.

The Ministry of donor provided the required Water supply, Power supply and Internet connectivity. The execution of the works were done by concerned Technical Department under the supervision of UD & PA Department of the State. The implementation of the works were already completed successfully.

The following table show different industrial areas and their respective status:-

Sl. No	Industrial Area	Total Area (in Bighas)	Present Status
1.	Industrial Estate, Zuangtui	314.70	Out of 235 demarcated, 203 plots are allotted to 162 Industrial units
2.	Industrial Growth Centre, Luangmual	766.42	54 nos. of plots are allotted to 54 Units and expected to accommodate many more enterprises.
3.	Export Promotion Industrial Park, Lengte	1390.22	32 plots had been developed and allotted 17 nos. of plot to 12 units which are now in operation and expected to accommodate some more enterprise.
4.	Bamboo Technology Park, Sairang	130.13	Out of 10 plot demarcated, 3 plots have been allotted and it has been earmarked for Agarbati Stick Park.
5.	Integrated Infrastructure	76.68	Out of 10 plot demarcated, 3 units were given 3 plots which is expected to allot more plots.

	Development Centre (IIDC), Pukpui		
6	Integrated Infrastructure Development Centre (IIDC), Champhai Zote	74.12	Temporarily allotted for District Session Court for 5 year (w.e.f 2017) and expected to accommodate more enterprise.
7	Industrial Estate, Hmunhmeltha, Champhai	104.40	Yet to be developed
8	Industrial Estate, Bairabi	26.20	Allotted MAMSOL Apex Bank for marketing ginger spices etc.
9	Industrial Area, Pangbalkawn (for Saw Mill)	18.97	For Saw Mill and Wood Based Industries yet to be developed
10	Industrial Estate, Meidum (for Saw Mill)	1338 Sq. m	For Saw Mill and Wood Based Industries yet to be developed
11	Industrial Estate, Kolasib	32.33	Some portion are utilized as District Industries Centre and yet to be developed for allotment to some entrepreneurs.
12	Industrial Estate, Serchhip, Sailiamkawn	72.52	Yet to be developed
13	Industrial Estate, Bilkhawthlir	4.66	Yet to be developed
14	Industrial Estate, Lawngtlai	21.45	Yet to be developed

Industrial Incentives:

The Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industries administers' Scheme under North East Industrial and Investment Policy (NEIP), 2007 and Transport Subsidy (CTS)/ Freight Subsidy Scheme (FSS) 2013 to promote investment in the States of NER.

With a view to give a further boost to industrialization in the North Eastern Region, the erstwhile North East Industrial Policy (NEIP), 1997 was revised and a new policy namely North East Industrial & Investment Promotion Policy (NEIIPP) 2007 was notified w.ef. 01.04.2007 which will remain in force upto 31.03.2017 covers the entire North East Region comprising state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim.

The Government of India Ministry of Commerce & Industry notified vide letter No. F.10(6)/2016-DBA-II/NER at 13th April 2018 in pursuance of the decision taken by the Cabinet in its meeting held on 21.03.2018, the Government of India is pleased to announce North East Industrial Development Scheme (NEIDS) 2012 for Industrial units in the North Eastern Region. It will be effective from 01-04-2017 and will remain in force up to 31.03.2022.

After implementation of NEIIPP, 2007 Government of Mizoram Commerce & Industry had taken effort for the upgradation of Industrial units various Subsidy under NEIIPP, 2007, which were availed for the last 5 years as tabulated below:-

Sl. No.	Name of Subsidy	No of unit	Claim amount already disbursed by DIPP
A	Central Transport Subsidy/Freight Subsidy	4	Rs. 10,21,88,140.00
B	Central Capital Investment Subsidy (CCIS)	13	Rs. 7,62,10,829.00
C	Comprehensive Subsidy	1	Rs. 1,73,939.00
D	Interest Subsidy	2	Rs. 94,671.00

2. Availing Subsidy under NEIIPP, 2007 for the State of Mizoram claims which were Audited by Audit Team from Government of India Ministry of Commerce and Industry DIPP is tabulated below:

Sl. No.	Name of Subsidy	No of unit	Claim amount already disbursed by DIPP
1.	Central Transport Subsidy (CTS) and Freight Subsidy (FSS)	2 Nos	Rs. 2,66,31,054.00
2.	Central Capital Investment Subsidy	16 Nos	Rs. 4,64,63,002.00

To encourage entrepreneurs the industrial policy has provided incentives for Industrial Units in the form of subsidy of power consumption, interest paid on load cost of transportation of plants and machineries and on cost of preparation of Project Reports and cost of power generating sets purchased and used for Industrial purpose etc. Total, subsidy was given to different industrial units during 2013-2014 is Rs. 40 lakh. No subsidy is given since 2014-15 due to non availability of funds.

To promote rural artisans grant-in-aid is given to rural and urban artisans in the form of small hand tools like Carpentry, Blacksmithy, Tinsmithy, Cobbler Tools and Sewing & Knitting Machines at a reasonable subsidized rate. During 2013-2014, 550 nos of artisans are given GIA worth Rs. 16.50 lakhs. However, grant-in-aid cannot be provided since 2014-15 due to paucity of Plan Fund.

Textiles, Handlooms & Handicrafts

Handloom, Textiles & Handicrafts occupies a unique and important place in the indigenous textiles culture of Mizoram. After agriculture, handloom industry is one emerging sector that has generated huge employment for the skilled and unskilled labours. Mizoram has huge potential for investment particularly in the field of textiles and handicrafts. Due to its inherent strength for skilled work force and locally available raw materials, this sector is developing a lot in the state through several project in the central sector as well as available financial assistance in the state plan scheme. The Ministry of Textiles is implementing several projects which falls under the textile sector in line with the “Act East” Policy of the central government.

Here is how Mizoram fares in terms of Textiles sector in the state :

- 2nd Position among NE States in Mulberry silk production
- One of the leading producers of bamboo in India contributing 14% to the country's bamboo stock
- Presence of highly skilled weavers from their ancestors comes out of traditional fabric, intricate design and motifs/
- Variety of handloom fabrics can be exported in the international market, elevating the economic standard and status of the tribal Mizos.

Several developmental schemes are being taken up under CSS and state plan scheme as below:

A. State Plan scheme :

- Training Programme for Skill upgradation training to local artisans and weavers was taken up. Around 200 local boys and girls are given training under Knitting & Tailoring, weaving and Cane & Bamboo every year. All trainees are given stipend @Rs.500/- per month. The duration of the training is one year. Trained artisans are also awarded certificate.
- To preserve the cultural indigenous crafts of the state, the department is operating Handicrafts Production Centre at Luangmual. The production of the centre are the typical traditional Mizo crafts like – Khumbeu, Thulte, Thlangra, Hnam and various types of Mizo baskets etc.

- Establishment of Mizoram Handloom Export Facilitation Hub, Thenzawl : It is envisaged to establish the hub with a total project cost of Rs.8.37 crore. Out of which Rs.1.15 crore was assisted under ASIDE scheme. For completion of the project, the remaining fund of Rs.7.221 crore was provided under NEDP. The Hub will compose of Exhibition cum Conference Hall, Design centre, Guest House, Permanent stall. Several buyers, exporters, sellers and empanelled designers from all over the country and abroad are expected to visit the hub elevating the present handloom production at Thenzawl. Buyers Seller meet, National & International Expos are also expected to be organized to seek the market trend.
- To give awareness amongst weavers and entrepreneur and to focus on export oriented, the state government provided Rs.30.00 lakh under NEDP for organizing Awareness camp to weavers to motivate all handloom weavers to use o natural fibres to suit all level of market. It is proposed to organized such camp at 13 centres all over the state.
- Under NEDP, the state government provided Rs.10.00 lakh for State Award to weavers and craftpersons in order to give recognition to weavers and master craftsman who have made outstanding contributions in terms of excellence in skills, craftsmanship, unique in designing of handloom fabrics and development of handloom as well as in the field of handicrafts. The Award is to serve as incentives to such craft persons and weavers to continue their pursuit as well as example to others.

B. Centrally sponsored scheme : Under CSS following are taken up from the Ministry of Textiles, Govt. of India :

- Apparel & Garment Making Centre : The centre was inaugurated by the Hon'ble Union Textile Minister on 4.6.2016. The Center has been set up to give an opportunity to local entrepreneurs to convert their ideas and designs into flourishing businesses. The Apparel and Garment Making centers are a reflection of the commitment of the Government to create new opportunities for the youth under Make in India scheme of the Government of India. The Centre will not only provide new avenues to the local entrepreneurs but also create additional employment opportunities for the local people. The total fund utilized by the Govt. of India is

Rs.18.18 crore while the state government contribution is land with free of cost.

- NERTPS: 17 Handloom clusters are being taken up under CDP of NERTPS. The funding pattern is varied. In some components it is 90 : 10 while some components are 100% by the govt. of India. Name of the 17 clusters are :

(i) Khawzawl	(xi) Kanghmun
(ii) Khawhai	(xii) Saiha
(iii) Pehlawn	(xiii) Tuipang
(iv) North Vanlaiphai	(xiv) Lawngtlai
(v) Samlukhai	(xv) Vathuampui
(vi) Sawleng	(xvi) Chawngte
(vii) Rulpuihlim	(xvii) Parva
(viii) Hortoki	
(ix) Thenzawl	
(x) Mualthuam	

The total fund received from the Govt. of India is Rs.14.23 crore and the total SMS received is Rs.62.06 lakh. The total no. of beneficiaries is 769 weavers.

- Block Level Cluster under NHDP : Altogether nine (9) BLCs are sanctioned by the Ministry of Textiles, Govt. of India and released 1st Installment as below :

Rs. In lakh

Name of BLC	Name of IA	1 st Installment received
Tlangnuam I BLC	Zuangtui Weaving CS Ltd	69.531
Tlangnuam II BLC	Republic Vengthlang HI & Hc CS Ltd	61.910
Tlangnuam III BLC	Ramhlun South Kawn veng HI CS Ltd	43.28
Tlangnuam IV BLC	Kulikawn East HL CS Ltd	36.46
Reiek BLC	Tlangnuam Dam Veng HL CS ltd	63.6525
Serchhip BLC	Thenzawl Venglai HL & HC CS	63.125

	Ltd	
Ngopa BLC	Ngopa HL & HC CS Ltd	63.356
Lunglei BLC	Zobawk HL & HC CS Ltd	63.11375
Aibawk BLC	MAHCO	62.3825

- Fourth Nationwide Handloom census is being operated. The Ministry of Textiles entrusted M/S Karvy Data Management Ltd for the project. The coverage data as on today is 23000 weavers.

New Land Use Policy (NLUP):

Commerce & Industries Department implemented NLUP, the flagship programme of the present state government. The Department has 64 different activities or model schemes under NLUP.

An amount of Rs. 1,00,000/- was given to each families for different trades covering 27,210 families in 1st, 2nd, 3rd & 4th Phases under NLUP. The Department had already completed NLUP by the end of November, 2017.

Most of beneficiarires under Industries sector are found to be success in the implementation. For instance, all beneficiaries belonging to Autorickshaw trade are successful beneficiaries. They earned reasonable income to feed their family having savings to purchase another vehicle. Analogously, various trades like Tailoring, Carpentry, Desk Top Publishing, Petty trades and Special Micro enterprise Schemes are successfully implemented by beneficiaries.

NLUP beneficiaries are mostly from Jhumia families before the implementation. As a result of the success, many families stop cutting of jungle for Jhuming and the family fully engage for NLUP trade. This is an omen for preservation of forest and environment.

New Economic Development Programme (NEDP):

The Department takes up various development projects under NEDP like Mizoram Handloom Export Facilitation Hub at Thenzawl with a total project cost of Rs. 7.22 crore, Upgradation of MDTC Zemabawk Rs. 3.00 crore, procurement of Hand

Sewing Machine and Carpentry Tools for promotion of Entrepreneurs within Rs. 1.43 crore and Rs. 148.00 crore towards Ease of Doing Business.

The Department prepared Model Schemes for individual entrepreneurs under NEDP which will be converged with NLUP. The Department will cover as many as 404 families within a ceiling limit of Rs. 1 lakh per beneficiary.

Projects taken under NEDP by the Department:-

Sl. No	Name of Project	Total Fund Allocated	Expenditure Sanction	Remarks
1	Mizoram Handloom Export Facilitation Hub at Thenzawl	722.10	722.10	50% of allocated fund had been withdrawn and utilized. Another 50% is parked in K-deposit.
2	Implementation of Hydro Printing Unit	26.52	26.62	Works completed
3	Up-gradation of MDTC, Zemabawk	300.00	300.00	Works completed
4	NABL Accreditation & Bar Code Facilitation of Mizoram Food Processing Research Training Centre	9.50	9.50	Works completed
5	Skill Development Training Centre at Lunglei	158.92	158.92	Completed and already inaugurated
6	Ease Of Doing Business	148.00	91.30	Payment of 1 st installment for Engagement fee of Ernst & Young under EODB had been made and the balance amount is kept for another payment.
7	Construction of Knitting & Tailoring Training centre, Aizawl	70.00	70.00	Completed and inaugurated
8	Augmentation of Plant & Machineries for 4 (four) Knitting % Tailoring Training Centres	18.00	18.00	Completed
9	Improvement of Weaving Training Centre, Luangmual, Lunglei, Siaha	12.00	12.00	Completed
10	State Award to Handloom Weavers & Craft Persons	10.00	10.00	Selection of Awardee had already been done
11	Skill Development Programme for Handloom Weavers	20.00	20.00	Already started but not yet completed
12	Procurement of Hand Sewing Machine & Carpentry Tools	143.55	143.55	Completed
13	Construction of Weaving Training Centre, Luangmual	70.00	70.00	Already started but not yet completed
14	Integrated Industrial Promotion Centre, Chaltlang	963.52	500.00	Already started
15	State Incentive Schemes	81.30	67.52	Yet to be disbursed

Industrial Policy

The development of Industries in Mizoram is rather late and far behind other states of the country. The geographical and topographical condition of the State as well as the late start in the developmental activities has crippled the Industrial development in the State. Several economic externalities affecting the development of industry still persisted in the state. The industrial sector growth in the state cannot achieve comfort level due to absence of many pre requisite conditions for healthy growth of industry; which include:

- 1) Non-Availability of proper infrastructure facilities including power, water, road etc.
- 2) Non-availability of critical raw materials at competitive price.
- 3) Lack of skilled manpower for manufacturing, services, marketing, etc. Capacity building and skill development is needed intensively.
- 4) Capital scarcity and power credit flow of industrial sector.
- 5) The first generation entrepreneurs of the state under the circumstances of infrastructural problems are vulnerable to global competitive environment.
- 6) Non-availability of adequate budget provision.
- 7) The information technology backbone in the state as a whole is very poor and the IT enabled services (ITES) are not yet employed for industrial development so far.
- 8) Skill up-gradation and capacity building institutes are yet to be established. Non-availability of proper institute for up grading skill and building up of entrepreneurship.
- 9) Lack of reliable and up dated data base.
- 10) The administrative infrastructure to administer the industrial developmental needs of the state is still in a very poor shape. Strengthening of manpower and capacity building of the employees has to be taken up on priority.

Due to financial constraints of the state adequate financial allocation cannot be allocated to industries sector. Further the salary expenses of public sector enterprises and MKVI Board under the department are paid from the sectoral fund allotted to industries sector. Thus there is only a meager fund available for taking up promotion activities for industries. The sectoral outlay for industries department vis-à-vis fund earmarked for salary of PSE and board is tabulated below:-

Year	Total Outlay excluding NLUP & CSS (lakh)	Earmarked for PSE & Board (lakh)	% Earmarked
2011-12	2121.00	900.00	42.43

2012-13	1837.75	1433.00	77.98
2013-14	1858.21	1683.00	90.57
2014-15	1775.70 (including additional allocation)	1595.70	89.86

The general constraints stated above, the growing demand of fund for salary of PSEs. Board and Society under the department and the limited sectoral fund available are the major constraints for industrial development. The initiative taken under Mizoram Public Resource Management Programme (MPRMP) for restructuring of PSEs is yet to be finalized by the Finance Department. Strong political will and policy decision is needed in this regard.

India International Trade Fair (IITF), 2018.

The Department represented the State Government in the India International Trade Fair (IITF), 2018 at Pragati Maidan, New Delhi during 14th to 27th November, 2018. 14 (fourteen) entrepreneurs exhibit and sold their products in the Trade Fair. Most of the entrepreneurs have trade link with business visitors/contact with other Indian States and overseas in bulk in which the entrepreneurs profited greatly.

In this event, the Mizoram Pavilion received Bronze Award and a beautiful citation for “Excellence in display in the 38th IITF-2018” which shows efficiency and pride of Government of Mizoram. The Officials and Entrepreneurs were greatly challenged and encouraged by the Award.

Policy Constraints:

The State Government notifies industrial policies from time to time to address the constraints facing industrial development in the State. The present Industrial Policy of Mizoram State was notified on 13.9.2012 to give direction to the strategy for Industrial development of the state. The policy outlined the direction in which development of various sectors of industries may be pursued. Roadmap and detailed action plan in line with the policy is yet to be drawn for different components envisaged in the policy. More elaborated action plan and schemes therefore needs to be drawn up taking into consideration financial condition of the state, level of entrepreneurs, resources, and infrastructures condition etc. of the state. The Industrial policies have not been enjoying adequate financial backup thereby are unable to achieve the objectives of such policies.

Due to limitation of sectoral plan fund, small incentives envisaged in the policy could not be given properly. This has resulted in discouraging the Small and Micro Enterprises who are at the initial stage of production.

The administrative support system envisaged in the policy is not practically put in place. The non-existence of policy convergence of all the different sectors has caused running of business and setting up of Industrial unit more complex.

**ECONOMIC SURVEY REPORT 2018-19 ON COMMERCE & INDUSTRIES
DEPARTMENT (COMMERCE WING)**

I. Sectoral Overview : This Department was created in the year 1987 (now amalgamated with Directorate Of Industries vide Government Order No. A. 46013/9/2016 – GAD dt. 27.6.2016) with a view to improve the economic condition of the state through promotion of trade and commercial activities. Realising the agricultural sectors from the economic backbone of the State, adequate provisions were made to improve and promote agricultural marketing through regulation of agricultural markets and through sufficiently safeguarding the interest of marginal farmers against all forms of unhealthy competition and exploitation. As envisaged in the Memorandum of Settlement signed in the Peace Accord of 1986, the function of development of Border Trade with the friendly neighbouring countries with whom Mizoram share 722 km long International border was allocated to Commerce Wing. This Department took over the administration and management of markets from Land Revenue & Settlement Department (LR & S Department) and Local Administration Department (LAD) with effect from August, 2000.

Thus, with subsequent allocation of additional functions to the then Trade & Commerce Department under the Government of Mizoram (allocation of Business) Rules, 1987, the following became the functions of this Department.

- 1) Promotion and Regulation of Trade & Commerce subject to provision of entry 33 list in the 7th Schedule of the Constitution.
- 2) Trading by Non-Tribal (Regulation) Act, 1974 and Rules thereunder.
- 3) Border Trades.
- 4) Agriculture Marketing including Sericulture Product.
- 5) Regulated Markets.
- 6) Establishment of Market Yards and Trade Centres.
- 7) Inter-State Trade.
- 8) (a) Market Regulation
(b) Market Rules
- 9) Development of Border Trade Centres under ASIDE Scheme.
- 10) State Level Export Promotion Committee (SLEPC) for clearance of all Projects under ASIDE Scheme.
- 11) Collection of Toll Taxes on Indo-Myanmar Bridge over the Tiau River.
- 12) Bamboo Development Agency as fund chanelizing agency for ASIDE Scheme.
- 13) The Competition Act, 2002.

Apart from the above allocated functions, this Department has directly taken up the responsibility of implementing Centrally Sponsored Schemes (CSS) and Projects such as :

1. Market Research Information Network (MRIN) Scheme also called the AGMARKNET Scheme of the Directorate of Marketing & Inspection, Ministry of Agriculture.
2. This Department has also been Notified as the Nodal Department for the Competition Commission Act, 2002 vide No. D. 24015/21/2005 - TC dt. 20.7.2005.

II. Department's contribution in the economy (Role of the Sector) : There are currently 220 Markets across the State which are directly or indirectly managed by the Department as per the provision of **Allocation of Business Rules 1987**. These Markets are of great significance as they provide livelihood to thousands of families and a source of revenue to the Government of Mizoram. By giving priority to improve Marketing of Agricultural Produce by providing physical market infrastructure, the Department contributing in the State Economy from Revenue Collections by way of Permit fees on export and import of Agricultural produces, market fees and stall rent.

III. Activities of the Department in the current fiscal year : During the current fiscal year, Commerce & Industries Department (Commerce Wing) collected revenue from Checkgate fee, Stall rent, Market fee, and the total revenue collection during the period from April, 2017 to October, 2018 is Rs. 215.00 lakh. Besides this, Mission Veng Market Complex and New Market, Dawrpui, Aizawl under NEC funding scheme is going under construction.

During the Financial Year of 2016-17, Rs 610.00 Lakhs has been allocated for Construction of Market Infrastructure under NEDP. From this allocated amount, Markets Yards will be constructed at Bawngkawn, Ngaizel and Sairang and the construction work is expected to take place shortly.

During 2017-2018 Financial Year, Government has allocated Rs. 2,200.00 lakhs for construction of Market Yards at City and Towns under NEDP. Out of this allocated amount, Rs 700.00 lakhs is earmarked for construction of Markets at Lunglei, Serchhip, Ngopa, N.E Khawdungsei, Siphir and continuation of the newly constructed Bawngkawn, Ngaizel and Sairang Markets. The remaining amount of Rs 1,500.00 lakhs is allocated for construction of Aizawl City Centre (ACC) at New Market, Dawrpui Veng, Aizawl. The necessary tendering process has been taken up for the successful implementation of the said projects.

Development of Border Trade is one of the activities of the Department. The Department has constructed infrastructures for the development of Border Trade with neighbouring countries of Myanmar and Bangladesh to implement the Central Government - 'Act East Policy'.

(a) Border Trade with Myanmar :

For the improvement of trade and development of closer ties/bonds with Myanmar, Border Trade Centre at Vaphai, Farkawn and Sangau has been started for site preparation/site development, brick wall fencing of trade centre, godown, quarters. The funding of Infrastructure Development has been met through ASIDE Scheme from Ministry of Commerce & Industry, Govt. of India, which however, is delinked with effect from 2015 - 2016.

(b) Border Trade with Bangladesh :

To promote trade between India and Bangladesh from the border areas of Mizoram, Ministry of Commerce under Govt. of India has approved a sum of Rs. 2.48 crores, out of which Rs. 1.13 crores was released to the Govt. of Mizoram under the CIB Scheme to set up border township for international trade. Land has been acquired for Integrated Check Post at Kawrpuichhuah near Tlabung.

The Govt. of Bangladesh is requested to reactivate LCS at Thegamukh which has remained dormant since 1965. This may be reactivated on the following considerations like export of ginger, chillies, chow-chow (squash), passion fruit, anthurium etc. and import of cement, iron and steel, garments, gas etc. In this regard, a joint meeting was held with delegates from Bangladesh at Tlabung on 6th December, 2016.

(c) Export Development Fund for the North-Eastern Region (EDF-NER) :

A. Research & Development Training Centre (MFPRTC), Seling:

This project, an estimated cost of Rs 5.00 Crores with 100% EDF funding was completed in 2017 and inaugurated by Hon'ble Chief Minister Pu Lal Thanhawla in the presence of Pu R.Lalzirliana, Hon'ble Agriculture Minister and Pu H.Rohluna, Hon'ble Commerce & Industries Minister on 15th May 2017. The Centre named as Mizoram Food Processing, Research and Training Centre (MFPRTC) has been utilized for the training of food processing and entrepreneurship development.

B.Trade Facilitation Centre (TFC), Lawngtlai :

The construction work for site development and Building Block 'A' has been completed from the fund received as first instalment amounting to Rs 216.00 lakhs. The second instalment is expected to release soon from the Ministry of Commerce & Industry, Govt. of India which will be utilized for the construction of Building Block 'B' and Staff Quarters. This TFC will be an important infrastructure when LCS Zorinpui is in full-fledged functioning.

C. Food Testing Laboratory (FTL), Zemabawk :

With the utilization of Rs 308.00 lakhs EDF funding, a Laboratory was set up at AYUSH Building, Zemabawk. This laboratory shall be one of the most precious assets for enabling to ensure the food consumption is being safe for the people of the state. This is one of the urgent need of assets to conduct testing and certification of vegetables coming from outside state since most of these vegetables are suspected to carry residues of pesticides, insecticides and other chemical compounds which may be unsafe for human consumption. Therefore, any suspicious edible items even coming from Myanmar side shall be tested in this laboratory to certify for the safety of human consumption inside the State. Laboratory equipments had already been procured and kept in the custody of Health & Family Welfare Department. An official commissioning of the laboratory is expected very shortly.

IV. Outcome of the Department's activities so far and expected outcome (Impact on economy) : Commerce & Industries Department (Commerce Wing) is a revenue earning Department, but it cannot make big headway towards this goal as it has to manage itself within a small budget. Had the Department been given provisions for construction of Markets infrastructure, Wholesale Markets etc. more revenue shall be earned by the Department.

Infrastructure development has enhance the generation of employment like users, Mistiri, Labourers, Drivers, Material Suppliers in the contract works, this has fostered progressive increase in employment in unorganised sector.

Development of infrastructure for Border Trade Centre/LCS/ICP is one kind of Capital Formation. On completion, trade will increase in manifold which will further lead to increase activities of traders, lowering of material cost, more collection of customs duties and revenue etc.

V. Problems and Challenges : The Agricultural practices in Mizoram has been steady transforming from that of subsistence farming to commercial cultivation. The present market area is very congested and there is very limited space for extension to tune with the changing situation. Besides, stringent rules and regulations has not been framed to control market prices, garbage disposal is not properly maintained and Information Technology System is not yet utilized in order to furnish necessary information to and from the Markets.

Since, the delinked of ASIDE Scheme with effect from 2015 - 2016, the ongoing works have to be stopped. This may results in waste of money as well as damage due to non-availability of fund for completion of infrastructure etc.

The funding pattern of EDF-NER is too slow for the ongoing projects resulting waste of time and money.

BRIEF DESCRIPTION OF THE VISION ,OBJECTIVES, POLICY, TARGETS, ACTIVITIES OF THE DEPARTMENT IN THE CONTEXT OF SDGs.

Introduction : To keep in line with the present pace of development at the national level and to abridge development gaps and infrastructure deficiencies, provision of necessary funds have been proposed in the context of Sustainable Development Goals(SDGs) .

ACT EAST POLICY :

As far as Act East Policy is concerned, Government of Mizoram had keen interest in opening up of Gateway to South-East Asian countries through Indo- Myanmar. The objective of Act East Policy (AEP) is to promote economic cooperation, cultural ties and develop strategic relationship with countries in the Asia-Pacific region through continuous engagement at bilateral, regional and multilateral levels thereby providing enhanced connectivity to the States of North Eastern Region with other countries in our neighbourhood. The North East of India has been a priority in AEP. Various plans at bilateral and regional levels to develop and strengthen connectivity of Northeast with ASEAN region through trade, culture, people-to- people contacts and physical infrastructure (road, airport, telecommunication, power, etc.). In connection, major projects like Kaldan Multi Modal Transit Transport Project, Rih- Tidim Road Project, Border Haats has been included for projects to enhanced connectivity with our neighbour ASEAN Countries.

The Kaldan Multi Modal Transit Transport Project (KMMTTP) for linking to Zorinpui LCS which is the main channel for connecting Sittwe port inside Myanmar has been taken up by Mizoram PWD and it is expected to complete during the next financial year. Access to South East Asian countries will be provided by KMMTTP road on both surface transport and waterways through Aizawl to Sittwe Port via Lawngtlai, Zorinpui, Kaletwa and Paletwa. A suitable plot of land had been acquired with an area of 67.32 Bigha for the construction of LCS at Zorinpui which will be the main trading point in Indian side. Southern Mizoram will be enlightened through this Act East Policy. Besides, Trade Facilitation Centre at Lawngtlai and Border Haats will be an important infrastructure on the way of materialising this Act East Policy.

MARKETS FOR AGRICULTURAL PRODUCE

Presently, Trade & Commerce Department looks after and managed 220 market buildings directly or indirectly within Mizoram. Most of the market buildings needs major repair for which funds are required. Unless these repairs are undertaken immediately disaster in the form of collapse can occur in the market buildings anytime as the buildings are still occupied by sellers and market users.

REVENUE GENERATION

The Trade & Commerce is a revenue earning Department but it cannot make big headway towards this goal as it has to manage itself within a small budget. Had the Department been given provisions for construction of big markets, more revenue could be earned by the Department. The Department earns revenue from the following sources like Market fees, Stall rents, permit fees, Gate pass.

CHECKGATES ON INTER-STATE BORDERS

Permits for movement of Agricultural produces beyond and into the state of Mizoram have been issued by Commerce & Industries Department (Commerce Wing) as per provision of The Mizoram Agriculture Products (Prohibition of Movement)(Amendment) Order, 1999, Checkgates were opened at - (1) Vairengte (2) Kanmun and (3) Bairabi.

Scheme-wise Description

(1) Agricultural Marketing : The Mizoram State Agricultural Produce Marketing (Development & Regulation) Act 2008 is being implemented for the benefit of the agricultural communities. There are currently 220 markets across the state which are directly or indirectly managed by the Department. These markets are of great importance as they provide livelihood to thousands of families. Commerce & Industries Department (Commerce Wing) of the State Government have substantially contributed to the state exchequer. The revenue generated from various sources during the current year w.e.f April 2017 to January 2018 is Rs.215.00 lakhs while the Department's target set by the Government is Rs.167.00 lakhs.

A token provision of Rs. 10.00 lakhs only has been provided for establishment of the Mizoram State Agriculture Marketing Board as such Board is necessary to be formed as per the Mizoram State Agriculture Marketing (Development & Regulation) Act, 2008 as may be amended from time to time.

Therefore, the Department has proposed to create new posts in order to strengthen and upliftment of a mass rural farmers in which a provision of Rs. 750.00 lakhs is proposed in the context of SDGs inside the Vision 2030.

(2) Administration : The Department has already made provision to incorporate for development of its existing District Offices at Lunglei, Champhai and Kolasib and also to make District Marketing Officer's Office at Mamit & Serchhip functional during the coming Financial Year. A full fledged functioning of these five District Offices have been necessitated due to expansion of the functions of Department as a result of increased

allocation of business, implementation of various Central Schemes by the Department and to enhance the revenue receipt.

(3) Grading and Quality Control : The returns from sale of commercial crops, among others, depends much on the standardization of the crops. To improve the standard of crops and to ensure remunerative returns, grading and quality control measures have to be adopted and to inculcate these rewarding functions, trainings and awareness seminars have to be conducted. In spite of the huge amount required for conducting such trainings and seminars, only a small amount of Rs. 25.00 lakhs only have been proposed.

(4) Miscellaneous : To provide fund requirement for creation of critical infrastructures required abridging development gaps provisions have also been made during the 12th Five Year Plan. Due to acute shortage of fund, Commerce & Industries Department (Commerce Wing) could not take up creation of commercial infrastructures necessary to improve commercial activities. The commercial infrastructures proposed to be taken up during the 12th Plan Period are essentially infrastructures aimed at export and economic ties with the markets in the neighbouring countries with particular emphasis on South-East Asian economies. Apart from provision of requisite infrastructures, the Department has also proposed to provide necessary thrust for commercial development through providing avenues to educated youths for developing their entrepreneurship and providing adequate trainings and exposures.

**Physical & Financial status of on-going projects under CSS, NEC etc.,
Commerce & Industries Department (Commerce Wing)
(As on 31.7.2017)**

Sl. No.	On-going Projects	FINANCIAL STATUS		PHYSICAL STATUS	
		Total project cost	Expenditure already incurred	Present	% of work done
1	2	3	4	5	6
1.	New Market, Dawrpui Veng, Aizawl	13.00 crores	4.68 crores	(1) Site preparation (2) Foundation (3) Frame structure (4) Walling/Finishing	100% 71% 21% 10%
2.	Mission Veng Market Complex	598.41 lakhs	350.06 lakhs	(1) Site preparation (2) Foundation (3) Frame structure (4) Walling/Finishing	85% 89% 81% 10%

**BAMBOO DEVELOPMENT AGENCY
COMMERCE & INDUSTRIES DEPARTMENT
GOVERNMENT OF MIZORAM**

1. CLUSTER DEVELOPMENT PROGRAMME

a. Setting up of Clusters

Bamboo Development Agency set up 8 Bamboo Handicraft Clusters, 9 Bamboo Furniture Clusters, 3 Bamboo Agarbatti Clusters and 5 other Bamboo Clusters till date under Cluster Development Programme.

b. Workshops/Seminars

Bamboo Development Agency has conducted One Workshop on Bamboo Shoot Processing for Lengte Bamboo Cluster at Primary School, Lengte in association with Cane and Bamboo Development Centre (CBTC), Guwahati.

Bamboo Development Agency organised Marketing Awareness Seminar for bamboo clusters in the NLUP Conference Hall, Aizawl in association with DC-Handicraft, Ministry of Textile, Government of India

c. Training Inside the State

i) Bamboo Development Agency imparted Training on Bamboo Decorative Items for Lengte Bamboo Cluster at Lengte and Bamboo Coil Making Technique for Sesawng Bamboo Handicraft Cluster at Sesawng under the programme of Promoting Sustainable Livelihoods in North East India in association with CBTC, Guwahati during February – March, 2018.

ii) Training on Bamboo Furniture and Handicraft Production was conducted for Chite Bamboo Handicraft Cluster during 17th August – 19th September, 2018 at the Training Hall, ARCBR, Bethlehem, Aizawl

d. Training Outside the State

i) Artisans from Sesawng Bamboo Cluster and Thingsulthliah Agarbatti Cluster to underwent Training on Bamboo Handicraft and operation of machineries for bamboo round agarbatti at Cane and Bamboo Technology Centre, Guwahati.

ii) Artisans from Chhingchhip Bamboo By-Product Cluster and Champhai Bamboo Cluster were sent to undergo Training on Bamboo Charcoal Briquette Making and Sesawng Bamboo Handicraft Cluster, Edenthlar Bamboo Handicraft Cluster and

Lengpui village were also sent for Training on Bamboo Handicraft Production at Nagaland Bamboo Development Agency organised by GIZ in association with Nagaland Bamboo Development Agency. Required machineries for production of charcoal briquette and bamboo handicraft items will be provided to these artisans who successfully completed the training courses with the fund from National Bamboo Mission.

2. MICRO SMALL ENTERPRISES – CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)

i) Detailed Project Report for Setting up of Common Facility Centres for Bairabi Bamboo Cluster with the total project cost of Rs. 860 lakh and Baktawng Aluminium Cluster with the total project cost of Rs. 485 lakh submitted by Bamboo Development Agency were approved respectively by State Level Project Steering Committee for MSE – CDP under the chairmanship of Commissioner Secretary, Commerce & Industries Department, Government of Mizoram.

ii) Detailed Project Report for Setting up of Common Facility Centre for Aizawl Plastic Cluster incorporating treatment of effluent as directed by SLPSC for MSE – CDP was submitted to the SLPSC for MSE-CDP for re-consideration in the next meeting.

iii) Detailed Project Reports for Setting up of Common Facility Centre for Rawpuichhip Silk Textile Cluster, Haulawng Agarbatti Cluster, Hnahthial Cane and Bamboo Cluster, Champhai Bamboo Cluster respectively are under preparation for submission to the SLPSC for MSE-CDP.

3. ASPIRE

Mission Veng Handloom Incubation Centre is under preparation as directed by State Level Committee for ASPIRE under the chairmanship of Commissioner Secretary, Commerce & Industries Department, Government of Mizoram

4. RESEARCH & DEVELOPMENT

I. Test Market and Flattened Bamboo

Bamboo Development Agency has conducted R&D for Test Marketing and Production of flatten bamboo with Mautak which is the most dominant species in Mizoram State for Maubuang Bamboo Cluster at Maubuang village. At present market for the same is sought to different parts of India by engaging Siddhidah Farm Services Pvt. Ltd., Tripura.

II. High Density Plantation

Bamboo Development Agency has conducted Research on One Hectare High Density Bamboo Plantation for *T. Oliveri* (Phungkirua) for Khawzawl Bamboo Furniture Cluster at Khawzawl by engaging Siddhidah Farm Services Pvt. Ltd. and successful result is being seen.

5. COMMON FACILITY CENTRE

Bamboo Development Agency set up Common Facility Centres equipping with required machineries for bamboo agarbatti round sticks for Thingsulthliah Agarbatti Cluster and Darlawng Agarbatti Cluster respectively with the fund received from National Bamboo Mission.

6. UPGRADATION OF INDUSTRIAL ESTATE ZUANGTUI

Bamboo Development Agency has implemented Up-gradation of Zuangtui Industrial Estate, Aizawl under the scheme of MIIUS and 70% of work has been done.

7. TIFAC MSME PROGRAMME

Expressions of Interests on behalf of Edenthar Bamboo Handicraft Cluster, Chhingchhip By-Product Cluster, Chite Bamboo Handicraft Cluster, Baktawng Aluminium Utensil Cluster, etc. were submitted respectively to TIFAC MSME Programme for conduction of Technological Gap.

8. SKILL DEVELOPMENT TRAININGCENTRE:

Bamboo Development Agency has successfully constructed Skill Development Training Centre, Lunglei with the fund received from ASIDE amounting to Rs. 85.00 lakhs and when the ASIDE scheme was de-linked by Government of India, the remaining project cost amounting to Rs. 158.92 lakhs was taken up from NEDP.

9. EXPORT/ IMPORT BUSINESS TRAINING CENTRE AT INDUSTRIAL ESTATE, ZUANGTUI:

Construction of EIBTC was started since 2010 and has now been ceased due to de-link of AISDE scheme. The total project cost for the same amounting to Rs. 6.25 crore under ASIDE scheme, of which 66% of the works are completed.

10. BAMBOO RETAIL OUTLET

Bamboo Development Agency set up Bamboo Retail Outlet at Chaltlang, Aizawl and Lengpui Airport Terminal Building, Lengpui respectively. Chaltlang Bamboo Retail Outlet is outsourced to Republic Bamboo Handicraft Cluster whereas Lengpui Bamboo Retail Outlet is being operated by Bamboo Development Agency engaging Muster Roll as Sales person.