

# **REVITALIZATION OF SMALL AND MEDIUM ENTERPRISES**



**2001**

**SUBMITTED BY:**

**PRICEWATERHOUSE-COOPERS, KOLKATA**

# EXECUTIVE SUMMARY

## TITLE OF THE STUDY

### REVITALIZATION OF SMALL AND MEDIUM ENTERPRISES OF NER

#### **Arunachal Pradesh**

The report on revitalization of Small and Medium Enterprises in the State of Arunachal Pradesh provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Arunachal Pradesh to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Arunachal Pradesh are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Arunachal Pradesh has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Arunachal Pradesh in view of the present industrial policy are discussed in sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3.

## Resource Mapping

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please refer Section 6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. An estimate of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Arunachal Pradesh in the next five years is estimated at Rs. 34417.50 Lakhs as detailed hereunder:**

(Rs.Lakhs)						
Sector	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Agro Sector</b>	502.00	1026.00	512.00	1205.00	668.00	3913.00
<b>Horticulture &amp; Plantation Sector</b>	375.00	170.00	355.00	150.00	355.00	1405.00
<b>Animal Husbandry Sector</b>	150.00	150.00	150.00	150.00	150.00	750.00
<b>Infrastructure Sector</b>	500.00	-	500.00	-	500.00	1500.00
<b>Bamboo Sector</b>	594.00	594.00	594.00	594.00	594.00	2970.00
<b>Energy Sector</b>	3750.00	3750.00	3750.00	3750.00	3750.00	18750.00
<b>Other Sectors</b>	281.00	2187.00	381.50	320.00	1960.00	5129.50
<b>Total</b>	6152.00	7877.00	6242.50	6169.00	7977.00	34417.50

This report would be useful for future investments in SMEs in Arunachal Pradesh by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.

## Assam

The report on revitalization of Small and Medium Enterprises in the State of Assam provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Assam to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Assam are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Assam has been framed. This action plan of action has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Assam in view of the present industrial policy are discussed in Sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3

### **Resource Mapping**

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please refer Section 6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. Estimates of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Assam in the next five years is estimated at Rs. 89965.00 Lakhs as detailed hereunder:**

(Rs.in Lakhs)

Sector	Year 1	Year 2	Year 3	Year 4	Year 5	Total
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<b>Agro</b>	2762.50	3596.50	4509.00	5323.00	5802.00	21993.00
<b>Animal Husbandry</b>	600.00	600.00	600.00	900.00	900.00	3600.00
<b>Infrastructure</b>	2000.00	2000.00	3000.00	3000.00	3000.00	13000.00
<b>Bamboo</b>	2160.00	2160.00	2290.00	4210.00	4210.00	15030.00
<b>Energy</b>	1940.00	2340.00	3580.00	3980.00	4020.00	15860.00
<b>Others</b>	2302.50	2334.50	6399.00	3047.00	6399.00	20482.00
<b>Total</b>	11765.00	13031.00	20378.00	20460.00	24331.00	89965.00

This report intends to be useful for future investments in SMEs in Assam by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.

## **Manipur**

The report on revitalization of Small and Medium Enterprises in the State of Manipur provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Manipur to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Manipur are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Manipur has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives

under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Manipur in view of the present industrial policy are discussed in Sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3.

### Resource Mapping

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please refer Section 6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. Estimates of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Manipur in the next five years is estimated at Rs. 25771.00 Lakhs as detailed hereunder:**

(Rs. Lakhs)						
Sector	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Agro</b>	718.00	1360.00	732.00	1443.50	1617.50	5871.00
<b>Horticulture &amp; Plantation</b>	90.00	315.00	90.00	285.00	250.00	1030.00
<b>Animal Husbandry</b>	150.00	300.00	300.00	300.00	300.00	1350.00
<b>Infrastructure</b>	-	500.00	-	500.00	-	1000.00
<b>Bamboo</b>	80.00	464.00	-	464.00	80.00	1088.00
<b>Energy</b>	2430.00	2430.00	2430.00	2430.00	2430.00	12150.00
<b>Others</b>	762.00	337.00	978.50	232.00	972.50	3282.00
<b>Total</b>	4230.00	5706.00	4530.50	5654.50	5650.00	25771.00

This report would be useful for future investments in SMEs in Manipur by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.

### Meghalaya

The report on revitalization of Small and Medium Enterprises in the State of Meghalaya provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate

- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Meghalaya to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Meghalaya are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Meghalaya has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Meghalaya in view of the present industrial policy are discussed in sections 5.1 and 5.2 of this report.

### **Potential Industries**

For long-term sustainable socio-economic development of the State, the agricultural and other natural resources must be value added by proper processing so that there is a continuous growth in the agricultural sector. Successful implementation of Value Addition Process Industries will boost the demand of natural and locally produced raw material, which automatically will encourage agricultural, horticultural and plantation sector with a cascading effect in the increased demand of utilities, auxiliary facilities and trade. Therefore successful implementation of agri-horti processing units will bring an overall natural growth in the economy of the state.

### **Potential sites in Meghalaya**

Over 3300 potential Small Hydel Project (SHP) sites have been identified all over India. Where as in Meghalaya there are about 83 potential sites each having project capacity of less than 3 mw.

#### **Central Govt. thrust for development of Small Hydro Power projects**

Ministry of Non-conventional Energy Sources (MNES) is encouraging development of small hydro projects in the State sector as well as through private sector participation.

During the 9<sup>th</sup> Plan (1997-2002) the main thrust activities were (are) as follows:

- Nation-wide small hydro resource assessment

- Encouragement to commercial SHP projects
- Special incentives to North-Eastern States to exploit small hydro potential

**MNES Incentives in Small Hydro Sector:**

Schemes	< 500 kW	500 to 1 mw	1 to 5 mw	5 to 15 mw	15 to 25 mw
Survey & investigation	Upto Rs. 1.00 lakhs		Rs. 2.00 lakhs	Upto Rs. 3.00 lakhs	
Detailed project report	Upto Rs. 0.75 lakhs		Rs. 1.00 lakhs	Upto Rs. 2.00 lakhs	
Interest subsidy for commercial projects	7.50%		5.00%	3.00%	2.00%
Capital subsidy for govt. Sector projects	90% cost of the project upto Rs. 75000/-KW	90% cost of the project upto Rs. 60000/-KW	75% cost of the project upto Rs. 45000/-KW	Equipment Cost+ 25% of Civil Cost limited to Rs. 22.50 crores/ project	Nil



**Industries for energy sector**

**Table**

Nature of Industries	Number of units/Investment				
	Year 1	Year 2	Year 3	Year 4	Year 5
Mini Hydel Project (40-50 KW) Project cost Rs. 40Lakhs each	4	4	4	4	4
<b>Investment</b>	<b>Rs. 160 Lakhs</b>	<b>Rs. 160 Lakhs</b>	<b>Rs. 160 Lakhs</b>	<b>Rs. 160 Lakhs</b>	<b>Rs. 160 Lakhs</b>
Small Hydel Project(2-3 MW) Project cost Rs. 1200 Lakhs each	2	2	2	2	2
<b>Investment</b>	<b>Rs. 2400 Lakhs</b>	<b>Rs. 2400 Lakhs</b>	<b>Rs. 2400 Lakhs</b>	<b>Rs. 2400 Lakhs</b>	<b>Rs. 2400 Lakhs</b>

**(x) Other industry**

**Table**

Nature of Industries	Number of units/ Investment				
	Year 1	Year 2	Year 3	Year 4	Year 5
Plastic Mono Filament			1 @ Rs. 216.50 lakhs		
Plastic Water/Storage Tanks		1@ Rs. 620 lakhs		1@ Rs. 620 lakhs	
J hooks (construction)		1 @ Rs. 60 Lakhs		1 @ Rs.60 Lakhs	
PVC Coated Electric Wire		1 @ Rs. 84 Lakhs		1 @ Rs.84 Lakhs	
Lime Mining	1 @ Rs. 50 Lakhs		1 @ Rs. 50 Lakhs		1 @ Rs.50 Lakhs
Cement Plant (600 tpd)		1 @ Rs. 7080 Lakhs			
Reinforcing Bars	1 @ Rs. 320 Lakhs				
Coal Mining	1 @ Rs. 1795 Lakhs				1 @ Rs. 1795 Lakhs
Granite tiles and blocks	1 @ Rs. 200 Lakhs			1 @ Rs.200 Lakhs	
Hawai Chappal	1@ Rs. 32 lakhs		1@ Rs. 32 lakhs		
Cut Flower Garden		1 @ Rs. 165 Lakhs			1 @ Rs.165 Lakhs

## **Mizoram**

The report on revitalization of Small and Medium Enterprises in the State of Mizoram provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Mizoram to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Mizoram are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Mizoram has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Arunachal Pradesh in view of the present industrial policy are discussed in sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3

## **Resource Mapping**

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please

refer Section 6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. Estimates of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Mizoram in the next five years is estimated at Rs. 32537.00 Lakhs as detailed hereunder:**

(Rs.

Lakhs)

Sector	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Agro</b>	564.50	512.50	1214.50	903.50	1587.50	4782.50
<b>Horticulture &amp; Plantation</b>	287.50	280.00	115.00	495.00	512.50	1690.00
<b>Animal Husbandry</b>	150.00	150.00	150.00	150.00	300.00	900.00
<b>Infrastructure</b>	500.00	-	500.00	500.00	-	1500.00
<b>Bamboo</b>	619.00	320.00	620.00	2219.00	844.00	4622.00
<b>Energy</b>	3750.00	1350.00	4950.00	1350.00	4950.00	16350.00
<b>Others</b>	226.00	957.00	358.50	852.00	299.00	2692.50
<b>Total</b>	6097.00	3569.50	7908.00	6469.50	8493.00	32537.00

This report would be useful for future investments in SMEs in Mizoram by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.

### **Nagaland**

The report on revitalization of Small and Medium Enterprises in the State of Nagaland provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the state to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Nagaland to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Nagaland are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour

- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Nagaland has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Nagaland in view of the present industrial policy are discussed in sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3

### Recourse Mapping

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please refer Section 6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. Estimates of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Nagaland in the next five years is estimated at Rs. 28355.00 Lakhs as detailed hereunder:**

(Rs.Lakhs)						
Sector	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Agro Sector</b>	324.50	600.00	341.00	544.00	609.00	2418.50
<b>Horticulture &amp; Plantation Sector</b>	200.00	100.00	260.00	87.50	287.50	935.00
<b>Animal Husbandry Sector</b>	300.00	150.00	300.00	300.00	300.00	1350.00
<b>Infrastructure Sector</b>	-	-	500.00	-	-	500.00
<b>Bamboo Sector</b>	180.00	75.00	564.00	180.00	180.00	1179.00
<b>Energy Sector</b>	2350.00	3590.00	3550.00	3630.00	3630.00	16750.00

<b>Mineral Based Industries</b>	-	2045.00	-	1795.00	250.00	4090.00
<b>Other Sectors</b>	144.00	248.50	680.00	-	60.00	1132.50
<b>Total</b>	3498.50	6808.50	6195.00	6536.50	5316.50	28355.00

This report would be useful for future investments in SMEs in Nagaland by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.

## **Tripura**

The report on revitalization of Small and Medium Enterprises in the State of Tripura provides a vision for developing an appropriate strategy for the industrial development of the State.

A study had been carried out in Section 2 for mapping the existing resources and economy of the State to briefly cover the following areas:

- ✓ Location
- ✓ Area and Population
- ✓ Topography
- ✓ Climate
- ✓ Religion
- ✓ Resources
- ✓ Infrastructure

A diagnostic study has also been carried out while analysing the current industrial scenario of Tripura to identify the causes of low industrialization of the State. The major bottlenecks (Refer Section 3.2) hindering the development for SMEs in Tripura are in sum:

- ✓ Lack of Availability of Inputs
- ✓ Lack of Availability of Skilled Labour
- ✓ Lack of Entrepreneurial Skill
- ✓ Lack of Capital
- ✓ Lack of Appropriate Infrastructure
- ✓ Lack of Proper Marketing Efforts

Certain initiatives have been taken by the State Government, NEDFi and other agencies to address the appalling situation of industrial development. These are stated in Section 3.3.

Various factors / issues have been identified in course of the study for the poor performance of the SMEs (Refer Section 4).

On the basis of analysis of various information and data, feed back from various groups, a possible action plan for revitalization of SMEs in Tripura has been framed. This action plan has been suggested to address the general macro level issues and the issues for development of specific industries based on availability of local resources. Existing policy measures and additional incentives under the New Industrial Policy announced by the GOI for NER and some additional benefits envisaged for attracting medium scale industries in the State of Tripura in view of the present industrial policy are discussed in sections 5.1 and 5.2 of this report.

The Marketing Efforts needed to Improve Awareness Amongst Target Investors/Consumers has been discussed in Section 5.3

### Recourse Mapping

Resource mapping has been carried out for the major agriculture, horticulture and plantation produces, which require processing or otherwise. The present production statistics have been analyzed and then projections have been made for future availability of surplus produces (after normal consumption). The additional production of agricultural, horticultural and plantation products of the State will provide sufficient raw material resources to attract processing industries for value addition. Please refer Section6 for detailed analysis in this regard.

Based on the resource analysis, manpower study, demand analysis and the field visit carried out by PwC team members and the present industrial policy of the State mentioned above, certain industries have been identified which could be set up and developed in the small and medium sectors for a sustainable growth of the State. Estimates of the project cost and proposed number of units have been set out in Section 6. The brief project profiles for setting up such units in the potential sectors have been given in Section 8 of this report

**The total investment potential for Tripura in the next five years is estimated at Rs. 25476.00 Lakhs with an investment pattern as detailed hereunder:**

(Rs.Lakhs)

Sector	Year 1	Year 2	Year 3	Year 4	Year 4	Total
<b>Agro</b>	550.50	1219.50	1436.00	863.00	1576.00	5645.00
<b>Horticulture &amp; Plantation</b>	267.50	240.00	95.00	265.00	302.50	1170.00
<b>Animal Husbandry</b>	150.00	150.00	150.00	150.00	150.00	750.00
<b>Infrastructure</b>	500.00	500.00	500.00	1000.00	500.00	3000.00
<b>Bamboo</b>	180.00	75.00	180.00	75.00	180.00	690.00
<b>Energy</b>	1950.00	2350.00	1950.00	1950.00	2350.00	10550.00
<b>Others</b>	796.00	1046.50	176.00	940.00	712.50	3671.00
<b>Total</b>	4394.00	5581.00	4487.00	5243.00	5771.00	25476.00

This report would be useful for future investments in SMEs in Tripura by prospective investors and NEDFi and would form the basis for preparation of Detailed Project Reports for specified industries.