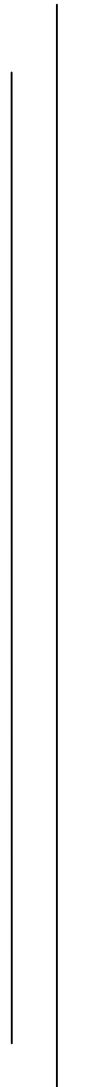




**COMMERCE & INDUSTRIES DEPARTMENT
GOVERNMENT OF MANIPUR**



**ANNUAL ADMINISTRATIVE REPORT
2010-11**

**GOVERNMENT OF MANIPUR
DEPARTMENT OF COMMERCE & INDUSTRIES**

**ANNUAL ADMINISTRATIVE REPORT
FOR THE YEAR, 2010-11 (As in March, 2011)**

The Director of the Department, Commerce & Industries, Government of Manipur, who is also the ex-officio Registrar of Firms and Chief Inspector of Factories and Boilers, continued as the Head of Department.

The Director (Commerce & Industries), Manipur was assisted by 790 employees, comprising of 51 Class I, 19 Class II, 585 Class III and 135 Class IV employees.

The activities of the Department may be broadly categorized under six groups as follows:

- (1) Village & Small Enterprises
- (2) Industries other than Village & Small Enterprises (including PSUs),
- (3) Trade & Commerce,
- (4) Mineral Development,
- (5) Registration of Partnership Firms under Indian Partnership Act, 1932, and
- (6) Administration of the Factories Act, 1948 and the Indian Boilers Act, 1923 and the rules made thereunder.

The organisational set-up of the Department consists of various Divisions/Sections, namely, (1) Establishment, (2) Planning, Evaluation & Co-ordination, (3) Budget & Expenditure, (4) Accounts, (5) General Administration, (6) Small Scale Industries, (7) Handlooms, (8) Handicrafts, (9) Food Processing Industries, (10) DIC Monitoring Cell, (11) Khadi & Village Industries, (12) Training Centres, (13) EDP, (14) Computerisation, (15) Marketing, (16) Investments, (17) Trade & Commerce, (18) Geology & Mining, (19) Factory & Boilers, (20) Partnership Registration, (21) Large & Medium, etc. In the Districts, there are 9 (nine) DICs, one in each of the 9 Districts, along with 2 (two) DIC Sub-Centres, one at Jiribam in Imphal East

-(2)-

district and the other at Kangpokpi in Senapati district. The most important activities of the Department are in the V&SE Sector.

The Plan expenditures for the year under report up to February, 2011 was Rs. 1,611.05 lakh against the budgeted outlay of Rs. 3,150.00 lakh whereas the Non Plan expenditure was Rs. 1,982.83 lakh as on 31st December, 2010 against the outlay of Rs. 3,076.81 lakh. The Non-plan portion consists of Rs. 1,974.81 for salaries and Rs. 121.36 for other expenditures.

The break-up of the outlay and expenditure was as below:-

Sl.	Head of Development/ Name of Scheme/Programme	(Rs. in lakh)			
		Expenditure during 2009-10		Anticipated -- Expenditure during 2010-11	
		Non- Plan	Plan	Non- Plan	Plan
	VILLAGE & SMALL ENTERPRISES (VSE)				
1	Direction and Administration	866.98	111.09	1595.49	203.06
2	Training Programmes	207.06	1.40	412.73	25.00
3	Small Scale Industries	88.68	15.00	184.82	50.50
4	Handlooms	152.38	857.00	265.65	1074.50
5	Handicrafts	44.89	13.00	92.12	30.00
6	Khadi & Village Industries	92.22	-	148.73	186.62
7	Food Processing Industries	53.47	197.62	99.69	719.32
8	Fair & Exhibition(IITF)		35.00		40.00
9	Loan from NABARD for Food Park		670.00		620.00
10	Monitoring & Evaluation	29.95		62.61	-
11	Other Expenditure (Central Investment Subsidy)	-		0.01	
12	Bamboo based industries	-	2.00		15.00
13	Building Programme		15.45		96.00
	Total Village & Small Enterprises	1,535.63	1,917.56	2861.85	3,060.00

-(3)-

Sl.	Head of Development/ Name of Scheme/Programme	Expenditure during 2009-10		Anticipated -- Expenditure during 2010-11	
		Non- Plan	Plan	Non- Plan	Plan
	INDUSTRIES OTHER THAN VSE				
	Building Programme etc.		60.00		60.00
	Total: Industries other than VSE	-	60.00	216.96	60.00
	MINERAL	129.35	29.99	216.96	30.00
	TOTAL: INDUSTRIES & MINERALS	<u>1,664.98</u>	<u>2,007.55</u>	<u>3078.81</u>	<u>3150.00</u>
	SPA for Food Park at Nilakuthi	-	326.00		
	Central share for CSS	-	183.74		
	Central Plan Scheme	-	4.38		
	Schemes under NEC	-			
	Grand Total:	1,664.98	2,521.67	3078.81	3,150.00

The State Govt. pays due importance on the development of industry, minerals, & commerce (export-import) with the main objectives for generation of employment and bringing about economic development.

The main report on the projects/schemes implemented by the Department during 2010-11 are as follow hereinafter:

I. VILLAGE & SMALL ENTERPRISES

1. TRAINING PROGRAMMES:

A. Departmental Training Centre:

The main objective of the scheme was to impart trainings to artisans/persons for skill development/upgradation and also to enable them to take up self-employment ventures or make them employable in industrial units.

During the year under report 431 artisans/persons were given training in the trade of (1) Tailoring & Cutting, (2) Carpentry, (3) Foundry, (4) Blacksmithy, (5) Weaving, (6) Cane & Bamboo, (7) Carpet Weaving, and (8) Doll & Toys.

The trainees are given monthly stipend @ Rs. 150/- for Elementary Courses and @Rs. 200/- for Advance Courses per trainee. A sum of Rs.24. 57 lakh was utilized against the allotted amount of R. 25.00 lakh .

B. Entrepreneurship Development Programme (EDP):

The Department sponsored one day workshop cum Seminar on the development of leather and allied industries at Thoubal, Bishnupur, Ukhrol, Senapati, Churachandpur and Tamenglong covering 600 numbers of persons. The Department also sponsored seminar cum Skill Development Programme on Food Processing, Agarbati making, embroidery, tailoring, weaving and loom. The training programmes were organized by 35 numbers NGOs, Self Help Groups and Women Entrepreneurs covering 700 persons. A sum of Rs. 20.00 lakhs are being utilized under the scheme. The Department have deputed 67 staff for short term training course on Computer Applications at the State Academy of Training.

2. INCENTIVES UNDER INDUSTRIAL POLICY:

The State Govt. provides several incentives under its Industrial Policy, 1996. Under the State Policy, 3 (three) industrial units involving a sum of Rs. 3.00 lakh were benefitted. A sum of Rs. 10.00 lakh is being utilized for organizing awareness programmes on policy and incentives under Micro, Small and Medium Enterprises amongst the entrepreneurs in different

districts. A sum of Rs. 5.00 lakh is utilized for completion of facilities for On-line Filing of Entrepreneurs Memorandum (EM).

The Department has also completed preparation of a draft of a new Industrial Policy of the State with the primary objective to complement the Central Policy .

3. **HANDLOOM INDUSTRY:**

The Department of Commerce & Industries has been implementing various Centrally Sponsored Schemes (CSS) through the Ministry of Textiles, Govt. of India. Some of the important schemes are the flagship schemes, named, Integrated Handloom Development Scheme, Marketing & Export Promotion Scheme, Handlooms Weavers Comprehensive Welfare Scheme, Mahatma Gandhi Bunkar BimaYojana, etc. Once the State Government's activity in the handloom sector was generally been restricted to contribution of State matching share in the implementation of the Centrally Sponsored Schemes. However, in the recent years there were some intervention towards achieving a higher growth of the sector with considerable provision in the Annual Plans.

The Annual Approved Plan Outlay for the year 2010-11 was Rs.1070.00 lakh. Out of this, a sum of Rs.800.00 lakh has been provided for contribution of State share under Integrated Handloom Development Scheme. The other programmes being implemented by the Department are 33 Nos. of clusters, 537 Nos. of Group Approach projects (SHGs), 1106 Nos. of Primary Handloom Weavers Cooperative Societies for marketing incentive, settlement of loan liability and strengthening of the State Handloom Apex Society, Rs.135.00 lakh for Publicity and Exhibition which has organized Mera Houchongba and Ningol Chakouba Festive Fair-2010, Manipur Sangai Festival-2010 and contribution of State share for Urban Haat at Lambokhongnangkong, Rs.50.00 lakh for identification of handloom items for registration under Geographical Indication of Goods (Registration & Protection) Act, 1999, Rs.25.00 lakh for contribution of State matching share to 27840 weavers under Health Insurance Scheme, Rs.30.00 lakh for opening of new sale depots outside the State and reimbursement of expenditure for participating mela, exhibitions outside the State, Rs.10.00 lakh for other handloom promotion programmes, contribution of 50% State share of State nominee to Diploma in Handloom & Textile Technology. Benefits of natural

death insurance have been given to the relatives of two weavers who have been enrolled under Mahatma Gandhi Bunkar Bima Yojana in the year 2010-11.

4. **HANDICRAFTS INDUSTRY:**

The Department attaches a lot of importance to the development of the Sector. However, it has not been able to provide the required impetus for want of fund. There is fund provision of only Rs.30.00 lakhs in the Plan Budget of 2010-2011 for the Sector of Handicrafts.

Steps have been taken to encourage outstanding crafts-persons with State Awards, Merit Awards and Inspiration Awards with a fund of Rs.5.00 lakhs . Under the scheme of Modernization of Handicrafts, fund of an amount Rs.4.00 lakhs is provided to give subsidies to 40 number of Artisans. Kouna products is having bulk of demand through out the year even from abroad due to its unique utilities. The Department initiated measures to assist the artisans since 2006-2007. To provide subsidies to 80 numbers of Kouna artisans, fund of an amount of Rs.4.00 lakhs is provided in the State Plan Budget. Under the scheme of Assistance to Individual Artisans fund of an amount Rs.6.00 lakhs is provided to assist 120 number of ex-trainees of Handicrafts. Census of Handicrafts artisans has been conducting to find out the factual number of Crafts-persons running their own crafts. Fund of an amount of Rs.3.00 lakhs is provided to implement the Scheme. The findings of the Census would give a clear picture about the actual number of Crafts-persons engaged in various crafts, their employment, earnings, sales, production, export and investment, etc. Under the scheme of study tour of Handicrafts Artisans 12 reputed crafts-persons will be sponsored at advanced States for acquiring modern knowledge on various Crafts having International Markets. For implementing scheme, fund an amount Rs.2.00 lakhs is provided. In order to promote languishing crafts, the Department is implementing a scheme namely original works of Handicrafts with available fund of Rs.1.00 lakh. Construction of a Mini Crafts Museum is completed to keep valuable rare crafts and the Minis Museum will open during this year for which fund of Rs.2.00 lakhs has been provided.

For popularizing prospects of Handicrafts and activities of the Department for promoting artisans, encouraging Crafts-persons, and giving awareness to the Artisans about the advantages of Handicrafts, a scheme namely Publicity, Exhibition and Documentation will be implemented with the available fund of Rs.3.00 lakhs.

5. DISTRICT INDUSTRIES CENTRES:

District Industries Centres were established in all the District Headquarters in 1977. During the year under report, a sum of Rs. 50.00 lakh was allocated under DICs of which Rs. 38.4 lakh was spent upto February, 2011. The fund was mainly utilized on strengthening of DICs, loan recovery campaigns and purchase of 5 vehicles.

Prime Minister's Employment Generation Programme (PMEGP)

During the year under report, a target of 1000 project has been allotted for the state of Manipur. The number of applications received for the state for the year is 6328. The implementing agencies are trying to achieve the target.

6. FOOD PROCESSING INDUSTRIES:

Food Processing Industries is an emerging Industry in the Country today. The Department of Commerce & Industries, Manipur has taken up a number of schemes under the Ministry of Food Processing Industries, Govt. of India and State's own schemes for development of Food Processing Industries in the State through commercialization and diversification of various Agro-horticultural produce in general besides, other sectors like fish, meat, poultry, meat processing, etc.. The fund allocated during the Annual Plan 2010-11 is given below:

(a). Projects/Schemes taken up under State's own fund are as follow:

	(Rs. in lakh)
(i) General Food Processing Industries	300.00
(ii) Food Processing Training Institute at Imphal	200.00
(iii) Common Facility Centers/Integrated Cold Chain, Value Addition and Preservation Infrastructure at Senapati District	200.00

(b). Food Park at Nilakuthi:-

(i) State Govt. share	9.32
(ii) Nabard Loan under RIDF	620.00
Total:	1,329.32

The State Govt. has been taking keen interest for the development of Food Processing Industries by establishing (a). Food Park at Nilakuthi, Imphal East, (b). Food Processing Training Institute at Porompat, Imphal East, (c). Common Facility Centers/Integrated Cold Chain, Value Addition and Preservation Infrastructure at Senapati. These projects aim at the infrastructure development for the entrepreneurs, Skill and Man power development of the State. The Department plans to set up Common Facility Centers/Integrated Cold Chain, Value Addition and Preservation Infrastructure and Clusters in other Districts.

Substantial progress was made in the implementation of various schemes, such as Food Processing Training Centre, Regional Extension Service Centre, Training on FPI, Research and Development on FPI, Mobile Food Processing Unit for Fruits & Vegetables, Preparation of Project Reports, Publicity & Campaign, Support to FPI units, Quality Control and Codex Cell, Promotional Activities in FPI, Assistance to Ex-Trainees of FPI, etc. During the year 2010-11, the following achievements were made in terms of employment generation to beneficiaries (i). 137 nos. of 14/15 HP Diesel Engines were made available to 137 nos. of Rice Mill owners. (ii). 20 nos. of 1TPD Oil Expellers with Filter Press were made available to 20 persons (iii). 40 sets of machinery & equipments are to be made available to 40 Ex-Trainees to set up Cottage Scale FPI units (iv). 240 persons both men, women, minorities/SC/ST/SHGs were trained in different fields of Food Processing Industries Sectors (v). Development of a Directory on Food Processing Industries in Manipur with potential for exportable food products. (vi). Development of recipe on Manipuri Traditional Foods both for Valley & Hills (vii). Preparation of DPR on Food Processing Industry Clusters (viii). Organization of Imphal Food Expo and Moreh Food Fair during April 2011. (ix). Seminar/Awareness under Agricultural and Processed Food Export Development Authority (APEDA) Schemes at 5 Hill Districts and S.H.Gs for Cluster Development in Food Processing Industry. (x) Organization of Road show on Food Park in Kolkata on 26th February, 2011. Besides, the Department in association with North Eastern Regional Agricultural and Marketing Corpn. Ltd(NERAMAC), Guwahati and North Eastern Industrial & Technical Consultancy (NEITCO), Guwahati has been organizing Investment Meet and Workshops on packaging on fresh and processed food products.

Food Park at Nilakuthi: The State Govt. has established a Food Park at Nilakuthi with a project cost of Rs.3172.40 lakh (revised) to provide common facilities like, Cold Storage, Warehouses, Quality Control Lab., Packaging, Tool Room, Power and Water supply, Sewerage treatment Plant etc. This park will provide facilities to set up 50 – 60 Food Processing Units which will directly employ 200-300 persons and 3000 persons indirectly including Farmers, Traders, Businessmen, etc. The details of the fund provisions and achievements made are given below:

Food Park at Nilakuthi – Project Cost – Rs.3172.40 lakh

Means of Finance: (Rupees in lakh)

<i>Sl. No.</i>	<i>Sources of finance</i>	<i>Total</i>
1.	Ministry of FPI	400.00
2.	Govt. of Manipur i). State share ii). SPA	472.24 726.00
3.	NABARD Loan	1574.16
	Total :	3172.40

The Ministry of Food Processing Industries, Govt. of India is yet to release the balance grant-in-aid amounting to Rs.200.00 lakh within March, 2011 whereas, the State Govt.'s Share of Rs.9.31 lakh is also yet to be released while, NABARD had fully sanctioned and released their loan amount of Rs.1574.16 lakh to the State Govt.

The execution of work in the Food Park at Nilakuthi is near completion and the expenditure made so far to the Project is more than 75% of the Project cost. The other support amenities like common Toilets, Drinking water facilities, Parking, Marketing Centers etc. are required for the welfare and benefit of the workers/entrepreneurs. There are more than 10 entrepreneurs who are willing to set up FPI Units at the Food Park. If these facilities are made available in the Park, it is expected to commission the Park by June, 2011. The project will have linkages with the Cold Chain and Clusters being established in other Districts. Above all, the Department is encouraging to set up of Food Processing Units, Organization of EDPs, and Seminars/Workshops by Companies/entrepreneurs/NGOs. etc. The State Govt. is taking steps to strengthen Food Processing Industries in the State by providing the

required funds as far as possible to generate self-employment and socio-economic development of the Farmers, particularly and availability of safe and healthy foods to the public.

7. TRADE FAIRS & EXHIBITION:

The Department as Nodal Department participated in the India International Trade Fair, 2010 (14-27 November, 2011) organized by the India Trade Promotion Organisation held in New Delhi with an expenditure of Rs 40.00 lakh. Altogether 32 units including the Departments of Sericulture and Horticulture & Soil Conservation, Tourism, Manipur Development Society and Manipur Handlooms and Handicrafts Development Corporation participated the fair. The products like Sari of both Silk and Cotton, Chuni, salwar piece, Chadar, Woolen Shawl, Scarf, Food products, Kauna products, Doll and toys, handmade dry flower etc. were main attractions of visitors. The sale proceeds during the fair was estimated to an amount of Rs. 38.00 lakh, and more than 45 business queries and supply orders were also received by some of the participants.

The Department also participated in the Pravashi Bharatiya Divas 2010 at New Delhi, North- East Business Summit, at Mumbai, Indian-ASEAN Business Summit 2010 at New Delhi. The Department is also arranging to participate in the North East Trade Expo to be held at New Delhi in the middle week of March, 2011. The earmarked amount for the summits is Rs. 24.00 lakh.

8. INDO-MYANMAR BORDER TRADE PROMOTION:

The exchangeable items of the border trade with Myanmar at Moreh has been increased from 22 to 40. The present border trade is going to be upgraded from barter mechanism to normal trade. The Department organized Buyer-Seller cum Ground Level official meeting with North East Federation on International Trade at Tamu. Another Buyer-Seller meet was organized at Mandalay on the occasion of a high level Business Delegation from the North Eastern States to Myanmar and Yangon. An Export Awareness programme was also organized at Imphal under the aegis of Federation of Indian Export organization. A Plan provision of Rs. 69.00 lakh is provided for the above purposes. North East India Friendship Car Rally is also being organized during the year under report.

II. INDUSTRIES OTHER THAN VILLAGE AND SMALL INDUSTRIES

1. PUBLIC SECTOR UNDERTAKINGS (PSUs):

Under its administrative control, the Department of Commerce & Industries has eight public sector undertakings as follows:-

1. Manipur Industrial Development Corporation Ltd. (MANIDCO)
2. Manipur Handloom & Handicraft Development Corporation Ltd. (MHHDC)
3. Manipur Food Industries Corporation Ltd. (MFICL)
4. Manipur Cycle Corporation Ltd.
5. Manipur Cements Ltd.
6. Manipur Spinning Mills Corporation Ltd.
7. Manipur Drugs and Pharmaceuticals Ltd.(Joint Sector)
8. Manipur Pulp & Allied Products Ltd.(a subsidiary of MANIDCO)

During the year under report, a sum of Rs. 36.46 lakh was sanctioned for repayment of IDBI loan dues of Manipur Spinning Mills Corporation Ltd. under Non-Plan so as to enable online filing under Easy Exit Scheme 2010 of Government of India.

2. INDUSTRIAL GROWTH CENTRE, MANIPUR.

All necessary steps for acquisition of 527.055 acres of land at Yambem-Changamdabi village, Andro Assembly Constituency had been processed. The SDO, Keirao Bitra, Imphal East has furnished land schedule.

The members of the High Level Committee/Technical Committee expressed their full satisfaction of the proposed site and recommended Yambem-Changamdabi, Andro Assembly Constituency, Imphal East for construction of Industrial Growth Centre in Manipur. Accordingly, the Deputy Commissioner, Imphal East District submitted a proposal to the Commissioner (Rev), Govt. of Manipur for notification under section 4 of Land Acquisition Act, 1894.

III. MINERAL DEVELOPMENT

The main functions of the Geology & Mining Division are (a) Mineral Administration and (b) Mineral Exploration.

The Annual Plan Budget, 2010-11 for the Mineral Development Sector was Rs. 30.00 lakh only. 4 (four) items of Geological Field Investigation Programme have been taken up. They are (i) Exploration of Limestone Deposits at Shokpao-Yongphu Block of Ukhrul District, (ii) Prospecting of Nickel in the Ophiolite Suits of Pushing area in Ukhrul District, (iii) Geochemical mapping of the Ophiolites Suites of Khudengthabi-Kwatha area in Chandel District and (iv) Exploration of chromite in Kangkhui-Singcha block in Ukhrul District.

As regard, Mineral Administration, the State Government had approved the Manipur Mineral Policy, 2010. The revenue collection as on January, 2011 was Rs. 26.00 lakh.

Petroleum Exploration Licence (PEL) has been granted to one Consortium of Companies lead by Jubilant Oil and Gas Pvt. Ltd.

IV. FACTORY PERMISSION & LICENCES

The Department granted Permissions for setting up of factories to 37 applicants and Licenses to 30 units under the Factories Act, 1948. A sum of Rs. 3.30 lakh was collected as revenue upto February, 2011 during the year under report..