

8. ENTERPRISES OF THE MINISTRY

North Eastern Regional Agricultural Marketing Corporation

NERAMAC (North Eastern Regional Agricultural Marketing Corporation) Ltd, a Government of India undertaking under the Ministry of Development of North Eastern Region has been playing a significant role by sourcing, procuring & marketing cash crops like ginger, fresh pineapple, cashew nut etc from the farmers & growers of the North East. It has taken up its role as a dynamic and vibrant marketing organization essentially to support the farmers of North East. It endeavors to give importance to sustain farmer's interest in production by application of post harvest technology thereby arrest decline in prices arising from larger output of farm produces.

NERAMAC has made break-even during this year for the first time since inception. Corporation has made a turnover of all time high of Rs.29.54 Cr during the year 2007-2008 as against Rs.14.95 Cr during 2006-2007. There was a resultant increase of 97% in turnover. Company earned a gross profit of Rs.106.50 lakhs in compare to that of Rs.26.14 lakhs during last year resulting an increase of 308%.

NERAMAC has been procuring agro-horticultural produces like Pineapple, Ginger, Orange, Hill grass, Cashew nut etc from farmers. These operations have helped farmers in getting better price.

Corporation is providing marketing support by procuring processed products manufactured by the FPO registered units set up spread all over the region for supply through its own outlet and also to end users/other buyers.

Corporation also promotes their products by participating in various exhibitions at State & National level thereby helping & introducing ranges of exotic processed food products of NER.

PHYSICAL PERFORMANCE

(i) FRUIT JUICE CONCENTRATION PLANT, NALKATA

The Fruit Juice Concentration Plant at Nalkata processed 614.49 MT of pineapple during the year 2007-2008 and produced 35.95 MT of Pineapple Juice Concentrate as against processing of 326.50 MT of pineapple and production of 20.60 MT of pineapple juice concentrate during the year 2006-2007 as detailed below:

Raw Material consumed (MT)	614.49
Finished Products produced (MT)	35.95

(ii) CASH PROCESSING UNIT, AGARTALA

The Cashew Processing Unit at Agartala processed 60.82 MT of raw cashew nut and produced 13.31 MT of finished product during the year 2007-2008 as against production of 48.17 MT of Cashewnut & 9.44 MT of finished product during the year 2006-2007 as detailed below:

Raw Material consumed (MT)	60.82
Finished Products produced (MT)	13.31

(iii) GINGER PROCESSING PLANT, BYRNIHAT

Ginger Processing Plant at Bymihat processed 73.70 MT of fresh Ginger to produce graded ginger, oil & power valued at Rs.7.63 lacs during FY 2007-08.

After taking over the plant facilities for raw material storage, finished product storage, boundary wall, security room was got completed by December, 2007.

(iv) PROCUREMENT & MARKETING ACTIVITIES

Corporation has procured items like fresh pineapple, ginger, kiwi fruit, large cardamom, bayleaves, cashnut and marketed them outside the region. Company has also marketed various other items such as processed fruit products, maize, Ground Nut Cake etc, input supplies like fertilizer, assorted seeds,

planting materials etc, were also done during this year.

The total turnover on procurement & marketing activities was Rs.2927.86 lacs during 2007-2008. Details are as under

Procurement & Marketing Activities	(Rs. Lakhs) 2927.86
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(v) EDP ON FRUIT PROCESSING:

Four numbers of Entrepreneurship Development Programme (EDP) on Fruit Processing was carried out to develop fruit processing at the production level by involving local talents of north east in association with the Post Harvest Technology Department of Assam Agriculture University Jorhat, Fruit Processing Department of Tezpur University & the Deptt. Of Horticulture, ICAR, Barapani.

(v) IMPORTANT INITIATIVES

NERAMAC has initiated involvement of various stakeholder particularly private sectors in the field of processing thereby playing a greater role to tap the market potential for kiwi & passion fruit.

NERAMAC has initiated dialogue to set up franchise marketing outlets in the important Airports of the Country so that the prime & exotic products of north east are available for the consumers.

Few highlights of the initiatives are:

Opening of NERAMAC branches in all the NE states:

As an important initiative, NERAMAC has opened its branch offices in every states of north east so that there is an improvement in its operation by strengthening its relation with the farmers/farmers Societies in the state. New Branch Offices in every states of north east are as under:

Arunachal Pradesh:

NERAMAC Ltd, 1st Floor, Krishin Bhawan Annexe,
Sector-D, Naharlagun, Papum Pare,
Arunachal Pradesh-791110
Contract: Assistant Manager (Marketing)
Mobile: 91 98627 91464

Assam:

NERAMAC Ltd., 3rd Floor, 9 Rajban Path,
Ganeshguri, G.S. Road, Guwahati, Assam – 781005
Contract Sr. Zonal Manager
Phone: 91 361 2341427; Mobile 91 94351 90917

Manipur:

NERAMAC Ltd., Paona International Market,
Paona Bazar, Imphal, Manipur-795001

Meghalaya:

NERAMAC Ltd Quarter No.2 of Agriculture Deptt.
Motinagar, Shillong-793014
Contact: Sr. Zonal Manager;
Phone: 91 94354 0324/9436700553

Mizoram:

NERAMAC td. C. Lalbuanga Building,
Dawpul South House No.218,
Aizawl, Mizoram-796001

Nagaland:

NERAMAC Ltd. C/o Shri LM Patton
Duncan Bash, House No.202
Dimapur, Nagaland-797112
Contract I/C Manager,

Sikkim:

NERAMAC Ltd. Tadong Bazar, Gangtok,
Sikkim-737102
Contract Zonal Manager
Phone 91 3592 232825; Mobile 91 90025 69057

Marketing of Exotic Processed Products of North East

- * New sales points/outlets were opened to initiate marketing of exotic processed products of north east at Bangaluru, Kolkata, Shillong, Gangtok & Delhi.
- * Bangaluru & Kolkata Centres were opened at the NEHDC showroom at Shillong it was opened at the NE Council premises & at Delhi & Gangtok at TRIFED Showroom

Marketing of Exotic products of North-East through PPP model.

- * MERAMAC initiated linkage with Passion Fruit Growers Association of Mizoram & Manipur and started procurement of Passion fruit juice from them to make end product through women entrepreneurs and marketing the same by NERAMAC.
- * NERAMAC introduced Kiwi RTS & Squashes by sourcing Kew fruit from Arunachal Pradesh & by involving private entrepreneurs from Meghalaya.

Organic Certification of Ginger Processing Plant at Byrnihat, Meghalaya

- * Organic Certification of the Ginger Processing Plant was organized for the unit.
- * Works have been initiated for HACCP Certification of the Ginger Plant.
- * Initiative has been made for organizing organic certification of the Pineapple Juice Concentration Plant at Nalkata, Tripura.

Post harvest Technology Mission & National Horticulture Mission

- * Initiated tie up with reputed Companies in the field of setting up of various horticultural projects like High-tech green House, tissue

culture laboratory, supply of planting materials etc. based on the decision of Govt. of India that NERAMAC should involve in supplies of Post Harvest Technology Mission & National Horticulture Mission.

- * Discussions were also held with the Ministry of Science & Technology, Department of Biotechnologist's Mission for North East at Delhi on Tissue Culture & Quality Planting Materials benefiting small farmers.
- * It has started working with States like Punjab, Haryana, Chatisgarh, Orissa under NHM supplies to support farmers under the scheme, initiatives are also on with Govt. of Karnataka, Govt. of West Bengal etc.

Web-site of NERAMAC

- * A web site of NERAMAC was launched during September, 2008 (www.neramac.com). This will enable NERAMAC expand its marketing portfolio in a bigger way to fulfill its prime objective of supporting the farmers of north east even through online procurement & marketing.

PERSONNEL AND INDUSTRIAL RELATIONS

Company overall regular manpower strength is at 48 (including one now on deputation) as on 1/4/2008. Industrial relations of the Company remain satisfactory during the year under review.

IMPLEMENTATION OF OFFICIAL LANGUAGE

The company pursued the policy of Government of India on implementation of official language.

North Eastern Handicrafts and Handlooms Development

The North Eastern Handicrafts and Handlooms Development Corporation has been in the service of the

craftspersons and weavers of the North Eastern Region for three decades. The Corporation's primary focus is on providing service to its beneficiaries in two ways (1) Providing Promotional and Developmental inputs in terms of design development, training, product up gradation and provision for down flow of these to artisans and weavers at the grassroots level. (ii) Providing marketing support to crafts persons and weavers by sourcing and procuring their products on outright basis or facilitating their direct participation in exhibitions, North East Crafts Fairs, North East Trade Expos and Crafts Bazaars. The Corporation also participates in overseas events for export promotion of North Eastern Handicrafts and Handlooms products. A Common Facility Centre for processing bamboo for the benefit of crafts persons is operational in Guwahati. The Corporation receives financial assistance from the Ministry of DoNER as well as the Ministry of Textiles for the promotional and developmental activities.

The initiatives and achievements during the year 2007-08 are:

- * The Corporation achieved a gross turnover of Rs.999.36 lakhs during the year. A substantial portion of the revenues earned were contributed by exhibitions and North East Craft Fairs.
- * The Corporation conducted ten Design and Technical Development Workshops each involving an outlay of Rs.1.80 lakhs. The Workshop were conducted at Aizwal, Lower Nanduk (Sikkim), Wankhai & Kongba (Imphal East), Keisamthong Elangbam Leikai & Kongba (Imphal West), Panchgram, Agartala (Natun Nagar), Agartala (Indra Nagar), Dimapur, Greater Dimapur and Guwahati (Beltola). These workshops concentrated on the development of souvenir, gift, utility and life style products in cane and bamboo. Alumni of NIFT and empanelled designers of the Office of the Development Commissioner

(Handicrafts) conducted the workshops. These programmes were undertaken with financial assistance of Development Commissioner (Handicrafts).

- * The Corporation conducted four Integrated Design and Technical Development Projects during the year, each with an outlay of Rs.7.50 lakhs. The programmes which concentrated on development of home accessories, basketry, Kauna crafts amongst others were conducted at Jongksha/Mawsynram, Meghalaya, Karimganj and Barpeta, Greater Dimapur and Greater Imphal. These programmes were funded by the Development Commissioner (Handicrafts).
- * The Corporation conducted 21 North East Crafts Fairs and 23 exhibitions in various cities and towns of the country during the year involving the participation of several hundred artisans from the North Eastern Region.
- * The Corporation participated in the India Investment Week held at Bangkok in Sept/Oct 2007. Several state agencies also participated in the event. The response was very encouraging. The event was funded by the Ministry of DoNER.
- * The Corporation organized two North East Trade Expos during the year. One was conducted at Goa in January 2007 while the other was conducted at New Delhi in February, 2008. Both events were funded by the Ministry of DoNER.
- * The Corporation also organized the North East Crafts and Cultural Festival in Dilli Haat in February 2008 with active participation of weavers and artisans from the North Eastern Region. This event was funded by the Ministry of DoNER.

North Eastern Development Finance Corporation Ltd.

NEDFi was originally conceived in the Union Budget Speech of 1995-96 by the Finance Minister and was incorporated as a public financial institution under the Companies Act, 1956, on August 9, 1995 with its registered office at Guwahati, Assam for the development of industries, infrastructure, agri-horticulture and allied

agriculture sectors in the North Eastern states of India. The Corporation was incorporated with an authorized capital of Rs.500 crores and commenced operations from February 1996 with the initial paid up capital of Rs.100 crores from IDBI (25%), SIDBI (10%), IFCI (10%), ICICI (10%), UTI (10%), LIC (15%), GIC & its subsidiaries (5%) and SBI (15%).

Performance

Achievements so far in the current financial year and the targets for FY 2008-09

Particulars	2007-08	Target for FY 08-09	Achievement up to 30.09.2008	Anticipated business in the remaining two quarters #
Amount sanctioned	279.45	350	32.88	250
Amount Disbursed	116.43	276	59.5	140
No. of Projects	169	190	56	120
Income	36.58	42.32	23.12	-
Expenses	5.15	8.63	7.60	-
Provisioning & Contingency	5.19	3.00	4.93	-
Provisin for Tax	6.04	8.37	3.30	-
Profit/(Loss)	24.34	25.33	12.22	-

Note * : As on 31.10.2008, the disbursement figure is Rs.75.39 cr.

: Conservative targets due to recent bomb blasts and all.

Credit off take in the North East is generally low in the first two quarters on account of various reasons, viz, rainy season, recurrent floods, poor communication/transportation due to heavy rain, etc. Even in NEDFi, only 20 per cent of the total sanctioned took place in the first two quarters of last FY. This year the unrest situation happened due to the serial bomb blasts across the nation and in Assam/Tripura/Manipur etc also plays an important part in slowing down the business. But from November onwards, the business is likely to grow and we are expecting to attain the target.

Since its inception, NEDFi has kept the gender perspective in mind and have exclusively designed schemes to suit the needs of the north East women. A few of them are-

- * Women Enterprise Development Scheme (WEDS)
- * Microfinance scheme – around two-thirds beneficiaries are women
- * Design and skill upgradation programmes-around three-fourth beneficiaries are women.

The new initiatives undertaken in the current financial year:

- * Set up a RUDSETI type training institute named, “Centre for Practical Livelihood Training (CPLT)” for developing rural enterpreneurship, which was inaugurated on August, 28,2008.
- * Set up few Representative Officers and few more are in the pipeline.
- * Study on the possible areas for capital augementation is going on.
- * Internal credit rating exercise is going on.
- * The process of strengthening the Branches is going on.
- * Creating awareness on Organic farming through the use of effective microorganism – Visit of Thai Japanese Delegation to Meghalays, assam and Sikkim.
- * Facilitating Czech technology transfer in the areas of small hydro power, aviation, food processing and coal mining – Visit of Czech Delegation to various states of the Region.
- * Prepared comprehensive booklet on NEIIPP’ 07 with all the information and guidelines.
- * 6 workshops on NEIIPP’ 07 have been conducted in various parts of the Region.
- * New Studies On Potential of Downstream projects of Assam Gas Cracker Project and its Socio Economic Benefits. Initiated.
- * Twenty Days Skill Upgradation Training Programme on water hyacinth was organized at R&D Centre, Khetri with Designers from Industreecrafts, Bangalore, where 21 Artisans participated.
- * One training programme for Oraitha Human

Service Organisation, Baksa. 9 participants from the NGO attended.

- * Initial study of Karnataka Mahila Urban Co-operative Bank, HJorhat for long term institutional capacity building.
- * One stake holder’s meet jointly conducted with EDA Rural System, EDA Artha Vikas, MCRIL, Capial Connect & NEDFi
- * NE Equipment Bank – Bid for land of 12 acres for Mother yard at Jorahat, Meghalaya has been submitted.
- * DPR for “North East Institute of Construction Technology & research (NECTAR)” with CIDC – submitted to Nagaland Govt.
- * “Asset Valuation of Guwahati Municipal Corporation” with SREL.
- * “Stcucturing of proposal to takeover Modern Food Industries unit at Silchar for NERAMAC.”
- * Study on ‘Expanding Training of Unorganised Sector Workers in East Khasi Hills District of Meghalaya.’
- * Study on ‘Expanding Training of Unorganised Sector Workers in Imphal West District of Manipur.’

Initiatives that are undergoing:

- * NEDFi is in consultation with NABARD for a possible tie-up for creating a fund to provide support to the enterprices engaged in SME, rural and agricultural sectors including micro finance.
- * NEDFi is trying to explore the possibility of a tie-up with EXIM Bank for promoting export oriented industries in the Region.
- * NEDFi, in a bif to strengthen its activities in

MSME sector and farm sector, is planning to set up a MSME and Agriculture cell.

- * Proposal on Advocacy & Publicity have been submitted to the Ministry of DoNER for fund support of Rs.21 lakhs.
- * Investment Meet at Bangalore: To be finalized on receipt of sanction from DIPP.
- * 3 programmes on Microfinance (by in-house faculty). I each at Shillong, Itanagar and sikkim.
- * Also propose to organize 1 capacity building programme for NGOs along with EDA Rural systems.
- * NEDFi is also trying to explore the possibility of setting up a few more NEDFi Haat in other states.
- * “Financial Restructuring of Guwahati Municipal Corporation” with SREI – submitted review of budget for 2008-09.