



4. SECONDARY & TERTIARY SECTOR

(I) **North Eastern Development Finance Corporation Ltd. (NEDFi).**

4.1 NEDFi is a Limited Company registered on 9th August, 1995 under the Companies Act, 1956 and notified as Public Financial Institution under section 4(A) of said Act. It is registered as a Non Banking Finance Company (Non Deposit accepting) in 2002 with Reserve Bank of India. Shareholders of the Corporation are (i) IDBI (ii) LIC of India (iii) State Bank of India (iv) IFCI (v) SIDBI (vi) Specified Undertaking of Unit Trust of India (vii) GIC (viii) United India Insurance (ix) Oriental Insurance (x) National Insurance. In view of shareholding pattern, NEDFi is a deemed Government Company under section 619 (B) of the Companies Act, 1956, based on which audit of the Company is conducted by Comptroller & Audited General of India. Main objectives of the organization are as under:-

- (a) To carry on and transact business of providing credit and other facilities for promotion, expansion and modernization of industrial enterprises and infrastructure projects in eight States included in North Eastern Region.
- (b) To carry on and transact business of providing credit and other facilities for promotion of agro-horticulture plantation, medicinal plantation, sericulture plantation, aquaculture, poultry, dairy and animal husbandry

development, to initiate involvement of rural population in faster economic growth of different parts of eight States of North Eastern Region.

- (c) To carry on and transact business of providing credit and other facilities for promotion of transport sector (transport companies) and trade comprising big supermarket / wholesale trade against adequate collateral security in general and in particular by:-
 - i) Granting financial assistance in form of loans or advances including by way of working capital, refinance, discounting or rediscounting of bills of exchange or promissory notes, subscription to debentures and leasing in any form / scheme as may be deemed expedient;
 - ii) Guaranteeing loans and obligations, deferred payment credits and performance of contracts;
 - iii) Subscribing to and / or underwriting issues of shares and securities;
 - iv) Granting, opening, issuing, confirming or endorsing letters of credit and negotiating or collecting bills and other documents drawn thereunder;
 - v) Providing consultancy and merchant banking services;
 - vi) Encouraging and promoting





participation of private capital, both internal and external; and

vii) Providing marketing and research facilities.

4.2 Activities undertaken by NEDFi to achieve its objectives are:-

(a) PROJECT FINANCE:

NEDFi has been playing an important role in facilitating setting up of new industrial & service sector projects in North Eastern states. Status of sanctions and disbursements for the period April-November 2012 is given in table below. An aggregate amount of Rs.195.28 cr. was sanctioned to 307 units and 261 units availed disbursement of Rs.132.66 cr. Various sectors financed are hospitality, health, education, weaving, handloom & handicrafts etc.

channelize funds to members belonging to backward classes at subsidized interest rate.

NEDFi signed MOU with Ministry of DoNER on 4th of September 2012 for availing Rs.60.00 Cr. as interest free loan from Govt. of India for the financial year 2012-13.

NEDFi will utilize the funds for disbursement to MSME and Microfinance projects and achieve sector-wise / state-wise utilization targets of fund during the year. The Corporation launched a new scheme “NEDFi Opportunity Scheme for Small Enterprises”, to encourage local small entrepreneurs of North East in setting up industrial units with reduced cost of

Besides, NEDFi will continue to undertake initiatives/ activities towards promotion and development of MSME and Microfinance sector in the region.

(c) MICRO FINANCE:

Micro Finance Scheme, an effective instrument for financial inclusion, was launched to meet needs of smaller entrepreneurs in remote areas of the region. During financial year, loans sanctioned under the scheme aggregated Rs.53.47 cr. covering 28 projects. Till 30.11.2012, cumulative sanctions and disbursements were Rs.208.84 Cr. and Rs. 176.78 Cr. respectively to 488 NGOs/MFIs/CBOs from 8 North Eastern States. These microfinance intermediaries reached out to 2,98,626 beneficiaries, of which 90% are women.

assignments in various states of North East India in fields of Evaluation & Third Party Monitoring of Infrastructure Projects, Impact Assessment Studies etc. It also provides a comprehensive package of services which also covers social aspects of development.

4.3 DEVELOPMENTAL ACTIVITIES:

(a) TEDF STUDY:

NEDFi conducts various techno economic feasibility studies for North Eastern Region. Over the years NEDFi has undertaken 64 studies out of which 63 studies have been completed.

State-wise sanctions & disbursements (from 1.4.2012 to 30.11.2012)

(Rs in crores)

	Arunachal Pradesh	Assam	Manipur	Meghalaya	Mizoram	Nagaland	Sikkim	Tripura	Total
Sanctions	8.38	131.84	23.22	5.38	5.53	8.47	4.38	8.08	195.28
Disbursements	3.67	80.98	11.87	22.21	0.66	3.03	5.17	5.07	132.66

b) MICRO AND SMALL ENTERPRISES

In order to cover more people at grassroots and also to work for more disadvantaged sections of society, NEDFi has entered into an agreement with National Backward Classes Finance & Development Corporation (NBCFDC) to become a State Channelizing Agency (SCA). As SCA, NEDFi has been able to

fund and thus help in fast paced economic development. Scheme covers project cost above Rs.50.00 lakhs and upto Rs.200.00 lakhs with 8% rate of interest for setting up new industrial and infrastructure projects as well as for expansion, diversification or modernization of existing industrial enterprises excluding commercial real estates.

(Rs in crores)

Heads	Cumulative (as on 30.11.2012)	For the period 1.4.2012 to 30.11.2012	For the year ended 31st March, 2012
Total Sanction	208.84	53.47	63.79
No. of Projects assisted	460	28	35
Total Disbursement	176.78	27.42	53.96
Total Groups	51647	11851	15872
Total Beneficiaries	298626	50352	88801
Women Beneficiaries	271591	50204	88477

(d) NEDFi'S ADVISORY & CONSULTANCY SERVICES

NEDFi provides multi-disciplinary consulting services to industrial, infrastructure and social development projects in North East of India. NEDFi has executed and is currently executing several prestigious consultancy

(b) NODAL AGENCY ROLE

Corporation is a nodal agency for disbursement of Central Subsidies under NEIP, 1997 & NEIIPP, 2007, which is administered by Dept of Industrial Policy & Promotion, Ministry of Commerce, Govt of India. Summary of disbursements under various schemes,



during the period April-November 2012 is as below:-

(Rs in crores)

Subsidy	No. of claims during Apr-Nov 2012	Disbursements during Apr-Nov 2012	No. of Cumulative claims as on Nov 30, 2012	Cumulative disbursements As on Nov 30, 2012
Central Transport Subsidy (CTS)	215	163.64	9144	2183.64
Central Capital Investment Subsidy (CCIS)	154	73.67	1346	275.71
Central Interest Subsidy (CIS)	294	22.95	1830	145.34
Central Comprehensive Insurance Subsidy	60	0.93	810	11.10

(c) CAPACITY BUILDING OF ARTISAN ON WATER HYACINTH CRAFT:

NEDFi with support of North Eastern Council, Ministry of DoNER, Govt. of India has taken up the initiative to develop water hyacinth based craft in North Eastern Region. During the year NEDFi organized programmes for skill up-gradation of 285 artisans in Sipajhar, Nagaon, NEDFi Haat at Guwahati.

(d) R & D CENTRE ACTIVITIES

In addition to carrying out regular activities in R&D Centre, various extension works on lemongrass, Cintronella, Agar plantation, etc. were taken up during the period.

The centre has published handbook on Medicinal & Aromatic Plant species, Investment opportunities in MAP species, Medicinal plants on North East India, Leaflets on Jatropha & Patchouli cultivation.

(d) NER DATABANK

North Eastern Region of India is known for its vast natural resources and is a cauldron of different people and cultures. Information about this Region, though available from various resources, is scattered. To mitigate disadvantage, NEDFi is maintaining a web based portal called “NER Databank with a view to provide information about North East India at a single source. Data on various sectors are being updated regularly. Details can be browsed at <http://db.nedfi.com>. Data updated till 2010-11 up to district level on Resources Available, Infrastructure, General information, Agriculture, Tourism, Industry, Policies and Incentives, Viable technologies for the NER, Potential Sectors for investment etc.

(e) DATABANK JOURNAL

During the year NEDFi published following databank journals:

- The Journal on Food Processing Sector.
- The Journal on North East Economy.

(f) CENTRE FOR PRACTICAL LIVELIHOOD TRAINING (CPLT)

Centre for Practical Livelihood Training (CPLT) was set up by NEDFi following RSETI guidelines to directly help rural unemployed youth to get trained, to avail bank finance and eventually become self-employed. NEDFi-RSETI, Nalbari, has been operating at ITI, Nalbari, since August 2008. Another RSETI is being set up at ITI, Dibrugarh soon.

(g) CORPORATE SOCIAL RESPONSIBILITY

NEDFi's mission to create an enabling climate for community development and its commitment for socio economic development in the region is reflected in CSR activities. Social support fund created under CSR has been rendering yeoman service in areas which need focus and upliftment, earning goodwill and establishing essence of good corporate governance.

(i) ENCOURAGING ENTREPRENEURSHIP

To fulfil its mandate of accelerating pace of industrial development of north eastern region, NEDFi has set up Business Facilitation Centres (BFC) to assist, guide and mentor potential entrepreneurs in MSE sector. Initiative of NEDFi to set-up BFC was also noted in

MOU signed between NEDFi and Ministry of DoNER. Besides, NEDFi organised Business meets for first generation entrepreneurs.

(j) ENTREPRENEURS' CORNER AT NEDFi HEAD OFFICE:-

To facilitate handholding support to budding entrepreneurs as well as to guide existing entrepreneurs, Entrepreneurs' Corner has been set up in NEDFi's Head Office since September 19, 2012. Objective of forming Entrepreneurs Corner in Head Office is same as that of Business Facilitation Centers in Branch Offices.

(k) BUILDING CAPACITY OF MICRO FINANCE ORGANIZATIONS:-

During the year, NEDFi organized Capacity Building Programmes on Micro Finance in Silchar, Gangtok, Itanagar, Shillong etc.

(l) PROVIDING MARKETING LINKAGES:

NEDFi Haat provides support to unorganized sector of the industry. Artisans from rural areas are provided with a platform to market their traditional and indigenous products during various fairs organized at the NEDFi Haat. During the period April-November 2012, 15 fairs were held at NEDFi Haat generating total sales of Rs.2.15 cr. A brief statement on fairs at NEDFi Haat during the period is given below:-

No. of Fairs held	Sales (Rs. Cr.)	Participants				
		NGO	SSI	SHG	Other	Total
15	2.15	31	74	47	386	545



(m) PROMOTION OF SUSTAINABLE LIVELIHOOD IN THE NER:-

Activities undertaken by NEDFi under CSR initiative to promote sustainable livelihood in NER:-

(n) WATER HYACINTH CRAFT PROJECT:-

Effort of NEDFi to establish the Water Hyacinth Craft as a source of sustainable livelihood was declared as the Winner of NABARD Rural Innovation Award-2012 at a program organized on 17th October, 2012. Sri P. Chidambaram, Hon'ble Minister of Finance, Govt. of India gave away the prizes in presence of Sri Jairam Ramesh, Hon'ble Minister for Rural Development, who was also Chairman of the Jury. Later on NABARD informed that along with Trophy, NEDFi was awarded cash prize of Rs. 10 Lakhs.

(o) DECORATIVE CANDLE PROJECT AT NAMCHI:-

Namchi, situated at 92 km from Gangtok and 90 km from Siliguri, is hub for religious tourism in South Sikkim

District. Boasting of world's largest statue (at 118 feet) of Guru Rinpoche and Siddhesvara Dhaam, Namchi is one of the most popular tourist destinations, providing an opportunity for marketing mementos for tourists. The decorative candle was chosen as a media for promoting sustainable livelihood at Namchi because of following reasons:-

- (i) Designer candles have high demand from local consumers as well as visiting tourists.
- (ii) Women can produce decorative candles at home, a scope for cottage industry.
- (iii) Imparting skill is easy and NEDFi had capable Mentor for the same.

After identifying above mentioned potential a Pilot Project was carried out whereby 20 women beneficiaries were imparted training on making of Decorative Candle. The training programme was conducted from 3rd to 7th September, 2012. After conclusion of the training programme beneficiaries have been working on the product. Two day refresher training programme was also taken up on 2nd and 3rd November, 2012 to guide trainees on finishing. The trainees have set up sales counter at Namchi where their products sell well.

(p) CANDLE PROJECT IN MAWKEYNDENG:-

Coal Belt near Jowai in Meghalaya uses general candle for mining work as they go

for rat hole mining. There is lot of demand for the general candles which are imported from outside. Thus 8 days programme on making General Candle as well as decorative candle was organized from 1st to 8th October, 2012. Each of 15 Beneficiaries was provided with one mould, that can make 24 candles at a time. They were also provided with a set of designer candle mould, so that they can make more value added products and have variety when they participate in various exhibitions.

(q) DOLL MAKING TRAINING PROGRAMME IN AGARTALA:-

One doll making training programme was initiated in Agartala from 7th November, 2012 for 30 days with 25 beneficiaries. Programme concluded on 19th December with very encouraging result. Participants were also facilitated market linkage through participation on skill expo held at Agartala from 20th-22nd December, 2012. Discussion with NID, Ahmedabad is on to bring their expertise.

(r) EXPOSURE TOUR OF ARTISANS WORKING IN HANDMADE PAPER:-

In Mukto village, near Tawang in Arunachal Pradesh people had been traditionally producing handmade paper from bark of Daphne Cannabina plant. As a first step, a group of 4 crafts person from Mukto village were selected and sent to Borong in Sikkim for a week-long

training programme which was held from 2nd to 7th November, 2012. The training programme helped the crafts person to learn how to make value added products like writing pad, envelope, diary etc apart from exposure to machinery like beaters. Project Based CSR activities of NEDFi on sustainable livelihood have thus covered states Assam, Meghalaya, Sikkim, Tripura and Arunachal Pradesh. In Nagaland a Piggery project is being evaluated and will be taken up in future. Efforts are on to identify suitable projects for other states of North East.

(II) NORTH EASTERN HANDICRAFTS AND HANDLOOMS DEVELOPMENT CORPORATION LTD: GUWAHATI

4.4 North Eastern Handicrafts and Handlooms Development Corporation plays a key role in development and promotion of Handicrafts and Handloom sectors of North East by way of providing training to artisans and weavers through conduct of awareness Seminars and Workshops, Design and Technical Development Workshops and Integrated





Design and Technical Development Projects. The Corporation also provides marketing support through procurement of Handicrafts and Handlooms directly from artisans, weavers, Self Help Groups at clusters and selling the same through Purbashree Emporium located in Bangalore, Kolkata, Delhi, Guwahati and Shillong and also through its Sale Promotion Office at Chennai and through various exhibitions in the country. The Corporation also enables artisans and weavers to sell their products directly through North East Trade Expos, North East Crafts Fairs and exhibitions held in various parts of the Country. For development of infrastructure in Handicrafts and Handloom sector in North Eastern Region, Corporation has a Common Facility Centre for processing of Bamboo, one Raw Material Bank for Cane and Cane accessories, one Handicraft Museum and Handicrafts Design Bank. Corporation has also set up a Handloom Production Unit to strengthen the Common Facility Centre and also to provide training facility to tribal women weavers.



cities and towns of the country providing direct selling benefits to 3000 artisans and weavers from the North Eastern Region. Besides, one more exhibition and seven more Craft Bazaars are proposed to be held during February, 2013 and March, 2013. One North East Trade Expo at Bangalore was organized from 5th December, 2012 to 16th December, 2012 and another North East Trade Expo at Goa was organized from 31st December, 2012 to 10th January, 2013. North East Trade Expo at Ludhiana, Kolkata, Trivandrum, Chandigarh and Chennai are also proposed to be organized during March, 2013 with active participation of North Eastern States. In addition, Corporation organized 10 Mall Exhibitions from 5th December, 2012 to 12th February, 2013 in leading Malls at Delhi, Bangalore and Kolkata, with participation of artisans and weavers from North Eastern Region for showcasing, establishing and Brand Building of North Eastern Handicrafts and Handlooms products. Two more Mall Exhibitions will be organized at Kolkata during 4th week of February, 2013.

4.5 During 2012-13, Corporation achieved gross turnover of Rs. 913.00 lakh (Provisional) till 14th February, 2013. Main activities of the Corporation during the year (till 14th February, 2013) are as under:

(i) Exhibitions/Craft Bazaars

Corporation conducted 19 exhibitions and 23 North East Crafts Fairs in various

(ii) R&D Project

NEHHDC has completed implementation of R&D Project on Artistic Tribal Textiles of Assam.

(iii) Fashion Show

The Corporation organised one Fashion Show for promotion of Handicrafts Accessories and Artistic Textiles of North Eastern Region at Goa on 1st June 2012.

The designs developed by Designers were showcased in event for promotion of North East Crafts and Textiles.

(iv) Design and Technical Development Workshops

The Corporation initiated action for conduct of ten Design and Technical Development Workshops in craft clusters in Assam, Nagaland and Tripura from 12th February 2013.