

# Arunachal Pradesh

NOVEMBER  
2011

THE LAND OF RISING SUN



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# Arunachal Pradesh

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- ❖ Arunachal Pradesh – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Arunachal Pradesh
- ❖ State Acts & Policies



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## Arunachal Pradesh Factfile



- Arunachal Pradesh is located in the Northeast of India. It shares its border with the neighbouring countries of Bhutan in the West, China (Tibet) in the North and Northeast, Myanmar in the East and Southeast and the Indian states of Assam and Nagaland in the South.
- The most commonly spoken languages are Assamese, Bengali and Hindi. English is the primary medium of education in the schools.

- Naharlagun, Tawang, Rupa, Bomdila, Ziro, Pasighat and Tezu are some of the major towns in the state.
- Brahmaputra is the major river flowing through the state. Other smaller rivers include Kameng, Subansiri, Lohit and Tirap.

Parameters	Arunachal Pradesh
Capital	Itanagar
Geographical area (sq km)	83,743
Administrative districts (No)	16
Population density (persons per sq km)*	17
Total population (million)*	1.3
Male population (million)*	0.7
Female population (million)*	0.6
Sex ratio (females per 1,000 males)*	920
Literacy rate (per cent)*	67

Sources: Government of Arunachal Pradesh Website, <http://arunachalpradesh.nic.in>,  
\*Provisional Data – Census 2011

## Arunachal Pradesh in Figures ... (1/2)



Parameter	Arunachal Pradesh	All-States	Source
<b>Economy</b>			
GSDP as a percentage of all states' GSDP	0.1	100	CMIE, as of 2009-10, current prices
Average GSDP growth rate (%)*	15.7	15.5	CMIE, 2004-05 to 2009-10, current prices
Per capita GSDP (US\$)	1,250.9	1,302.4	CMIE, as of 2009-10, current prices
<b>Physical Infrastructure</b>			
Installed power capacity (MW)	213.3	173,626.4	Central Electricity Authority, as of March 2011
GSM cellular subscribers (No)	7,088,382 <sup>^</sup>	618,284,322	Cellular Operators Association of India, as of September 2011
Broadband subscribers (No)	37,605 <sup>#</sup>	10,737,850	Ministry of Communications & Information Technology, as of November 2010
National Highway length (km)	1,992	70,934	Ministry of Road Transport & Highways, Annual Report 2010-11
Airports (No)	2	133	Airport Authority of India

\*Calculated in Indian Rupee Terms

<sup>^</sup> Figures for the Northeastern region comprising Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura

<sup>#</sup> Figures for the Northeastern region comprising Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura

## Arunachal Pradesh in Figures ... (2/2)

Parameter	Arunachal Pradesh	All-States	Source
<b>Social Indicators</b>			
Literacy rate (%)	67.0	74.0	Provisional Data – Census 2011
Birth rate (per 1,000 population)	21.1	22.5	SRS Bulletin, 2009
<b>Investment</b>			
Outstanding investments (US\$ billion)	95.6	7,449.3	CMIE (2009-10)

SRS: Sample Registration System

## Advantage Arunachal Pradesh

### Rich and Varied Agro-Climatic Conditions

Undulating topography and varied agro-climatic conditions offer vast potential for horticulture and growing a variety of fruits, vegetables, spices, aromatic and medicinal plants, flowers and mushroom.

### Policy and Fiscal Incentives

The state offers a wide range of fiscal and policy incentives and assistance for businesses under the State Industrial Policy, 2008. Additionally, the state has sector-specific policies for industries related to power and agriculture.

### Facilitating Industrial Infrastructure

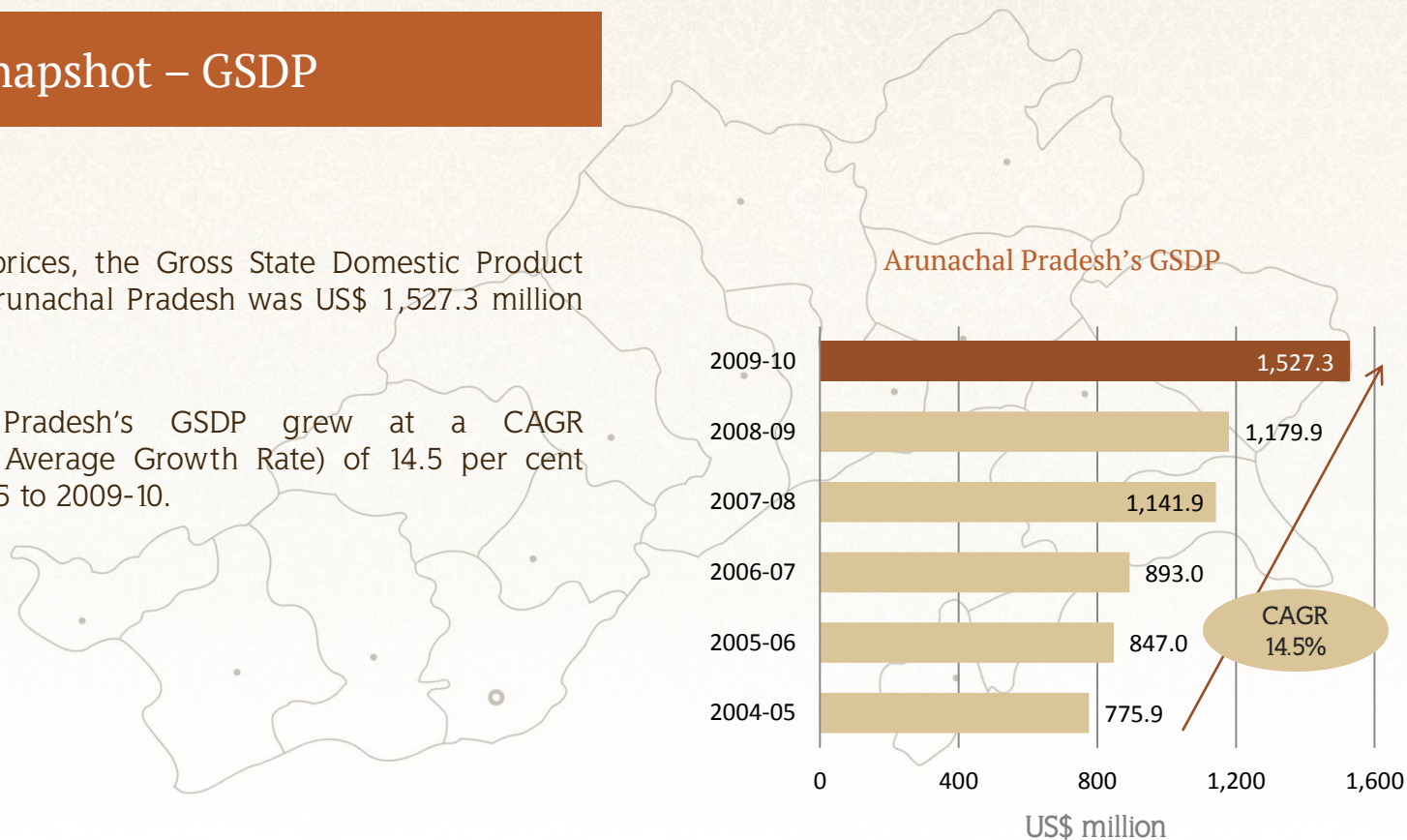
The state has 12 industrial estates, established across districts. To support industrial growth, the State Government has also notified Integrated Infrastructure Development Centres, Industrial Growth Centres and Industrial Areas.

### International Trade Opportunities

The geographic location of the state provides immense opportunities for international trade with the South Asian countries through its shared borders with Myanmar, Bhutan and China.

## Economic Snapshot – GSDP

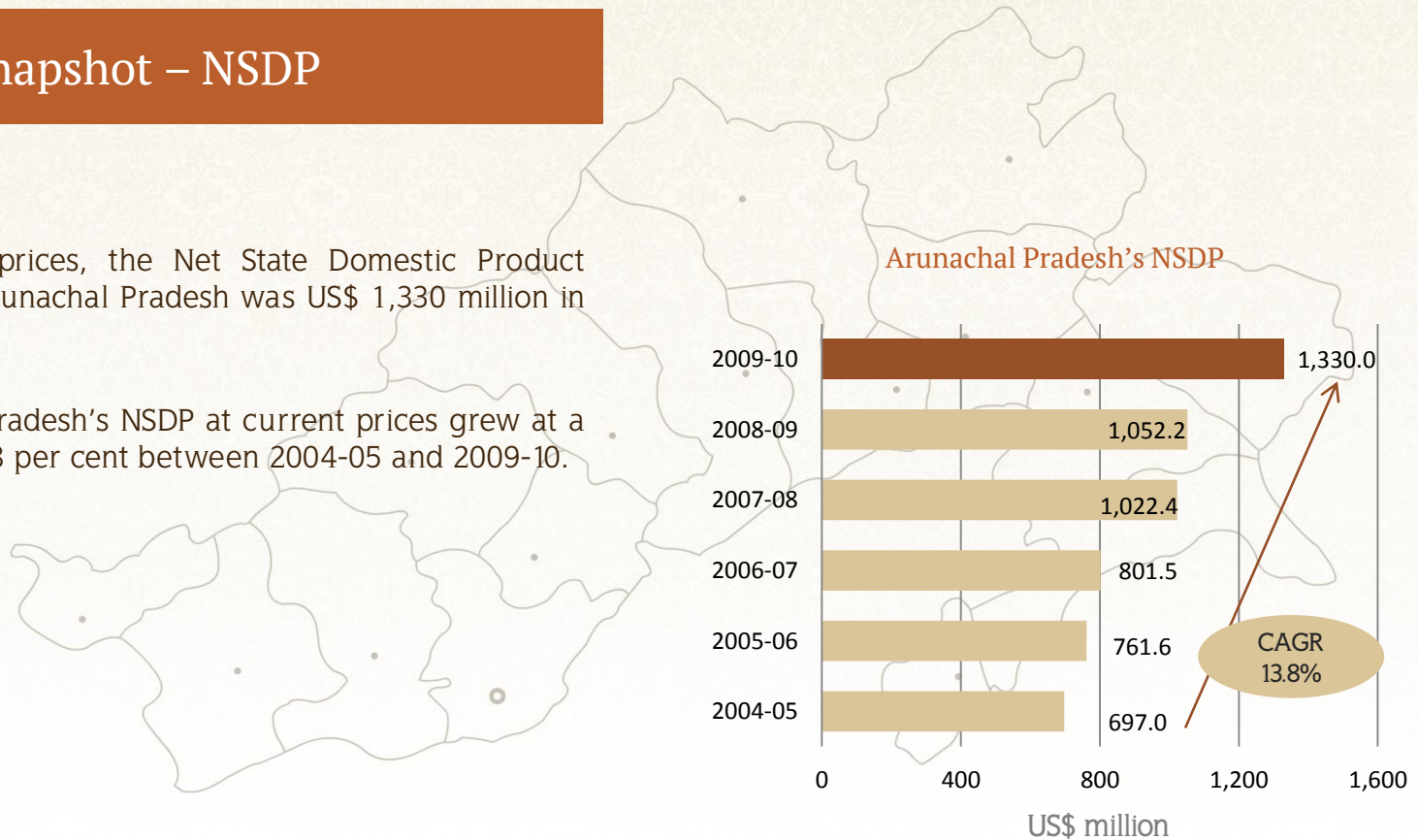
- At current prices, the Gross State Domestic Product (GSDP) of Arunachal Pradesh was US\$ 1,527.3 million in 2009-10.
- Arunachal Pradesh's GSDP grew at a CAGR (Compound Average Growth Rate) of 14.5 per cent from 2004-05 to 2009-10.



Source: CMIE

## Economic Snapshot – NSDP

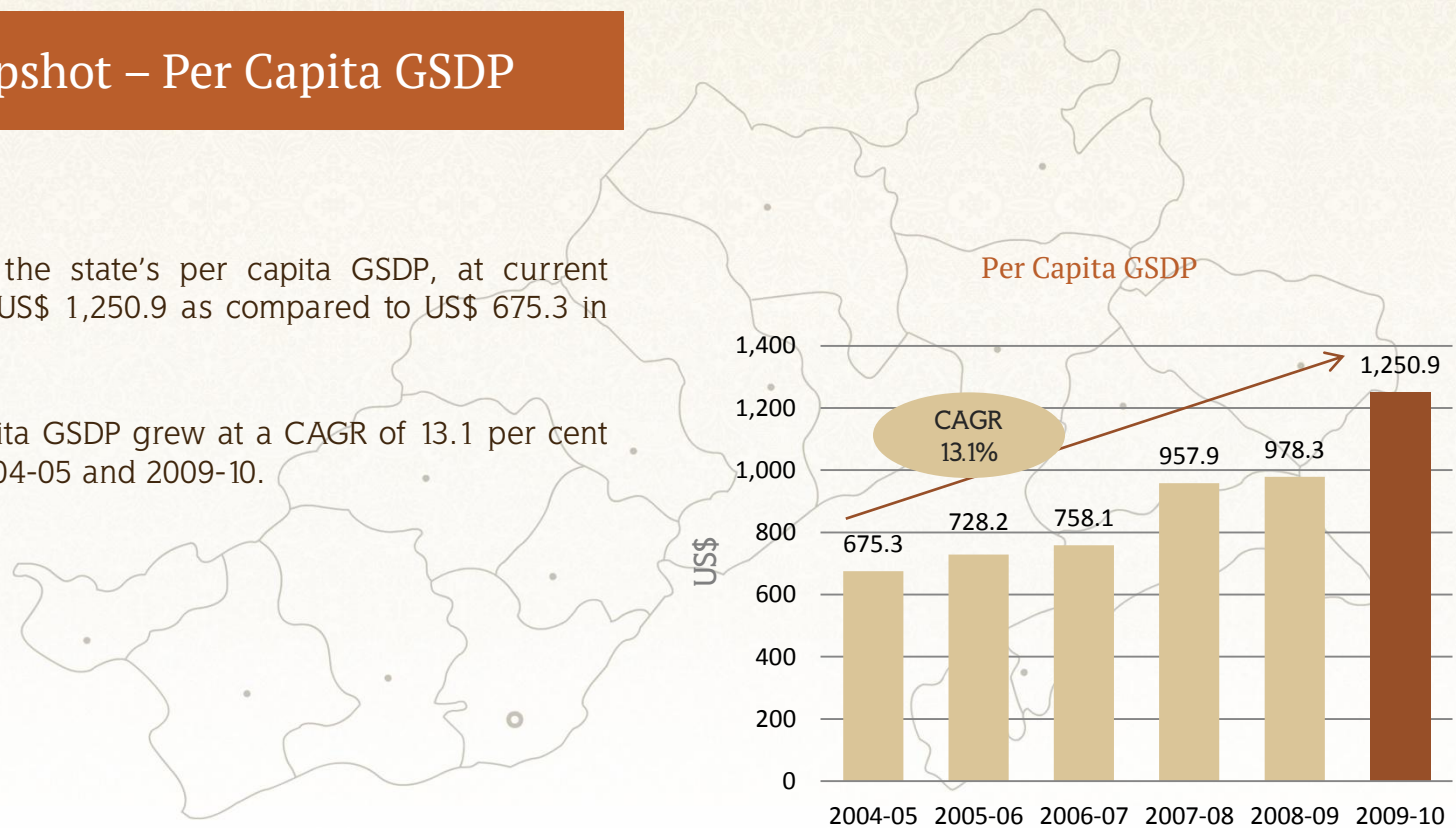
- At current prices, the Net State Domestic Product (NSDP) of Arunachal Pradesh was US\$ 1,330 million in 2009-10.
- Arunachal Pradesh's NSDP at current prices grew at a CAGR of 13.8 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Per Capita GSDP

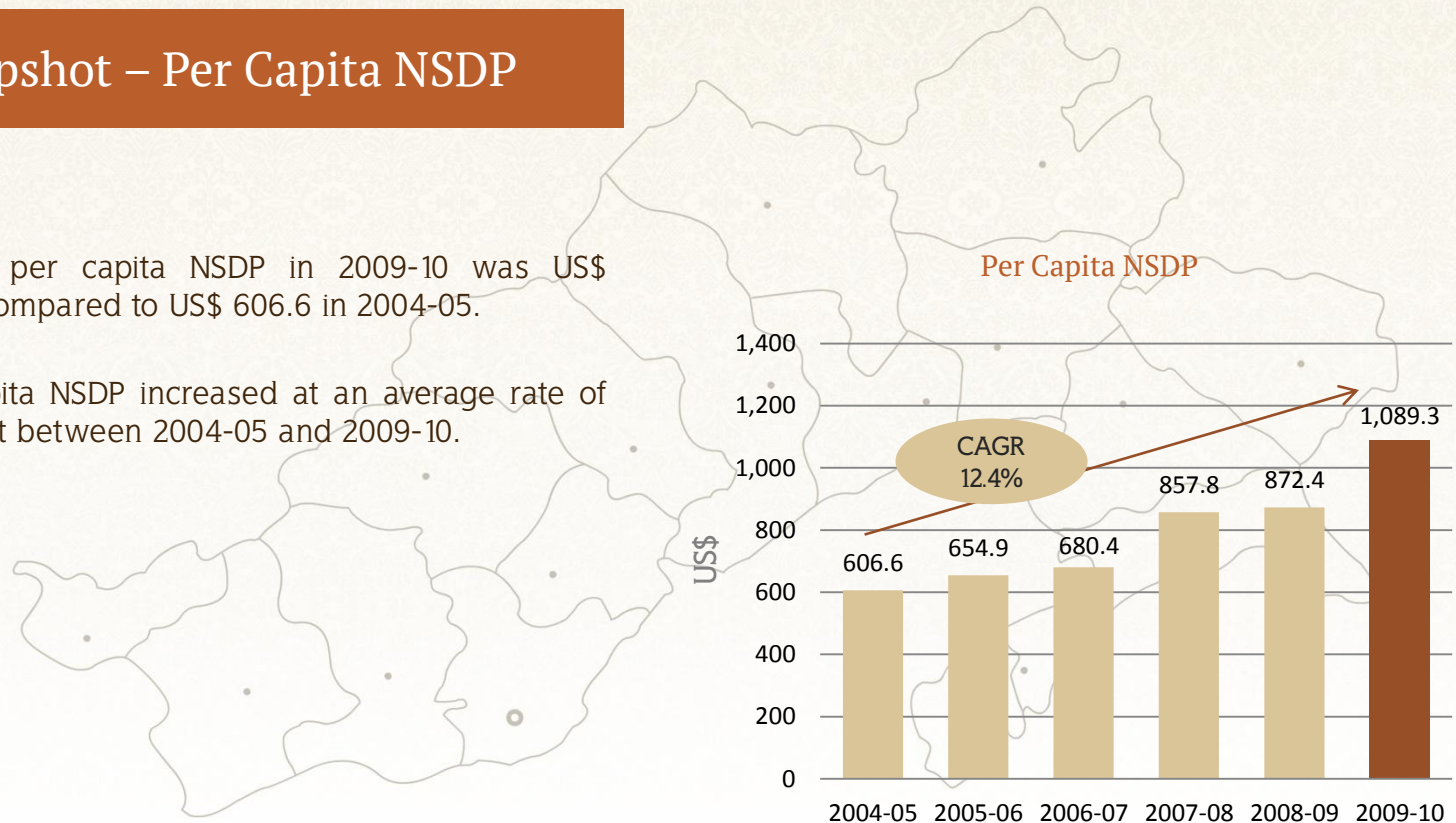
- In 2009-10, the state's per capita GSDP, at current prices, was US\$ 1,250.9 as compared to US\$ 675.3 in 2004-05.
- The per capita GSDP grew at a CAGR of 13.1 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Per Capita NSDP

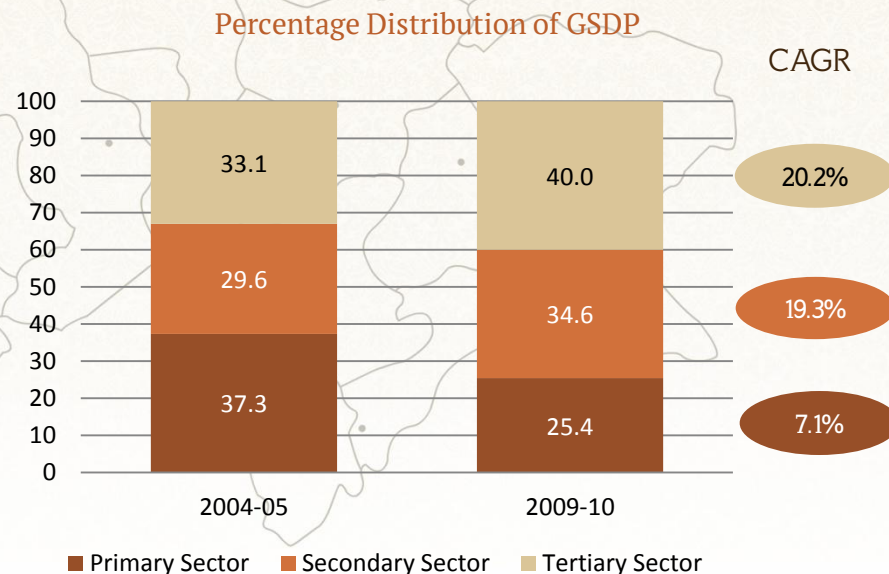
- The state's per capita NSDP in 2009-10 was US\$ 1,089.3 as compared to US\$ 606.6 in 2004-05.
- The per capita NSDP increased at an average rate of 12.4 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Percentage Distribution of GSDP

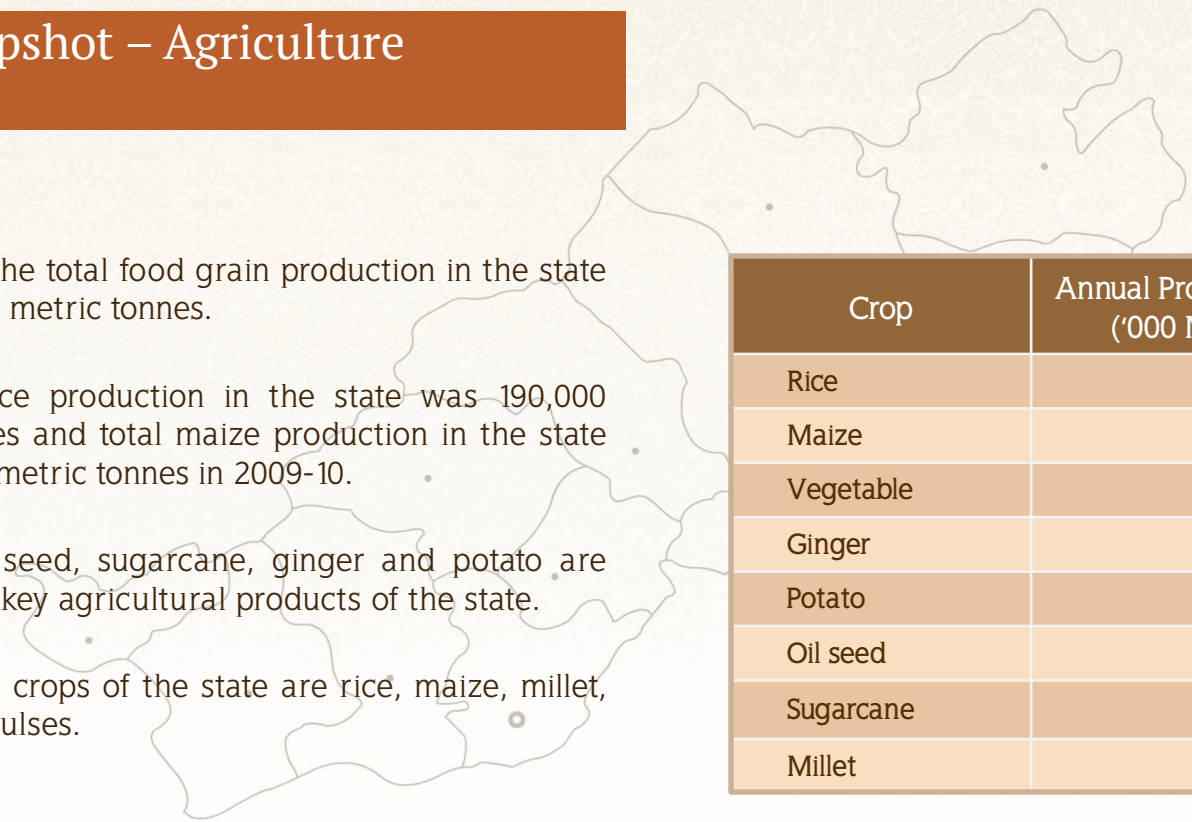
- In 2009-10, the tertiary sector contributed 40 per cent to the state's GSDP at current prices, followed by secondary sector (34.6 per cent) and primary sector (25.4 per cent).
- At a CAGR of 20.2 per cent, the tertiary sector has been the fastest growing sector among the three sectors from 2004-05 to 2009-10. The growth has been driven by trade, hotels, real estate, banking, insurance, transport, communications and other services.
- The secondary sector grew at a CAGR of 19.3 per cent between 2004-05 and 2009-10. It was driven by manufacturing, construction and electricity, gas and water supply.
- The primary sector grew at a CAGR of 7.1 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Agriculture Production

- In 2009-10, the total food grain production in the state was 325,000 metric tonnes.
- The total rice production in the state was 190,000 metric tonnes and total maize production in the state was 80,000 metric tonnes in 2009-10.
- Cereals, oil seed, sugarcane, ginger and potato are some of the key agricultural products of the state.
- Major cereal crops of the state are rice, maize, millet, wheat and pulses.



Crop	Annual Production – 2009-10 (‘000 Metric Tonnes)
Rice	190
Maize	80
Vegetable	55
Ginger	50
Potato	50
Oil seed	40
Sugarcane	30
Millet	15

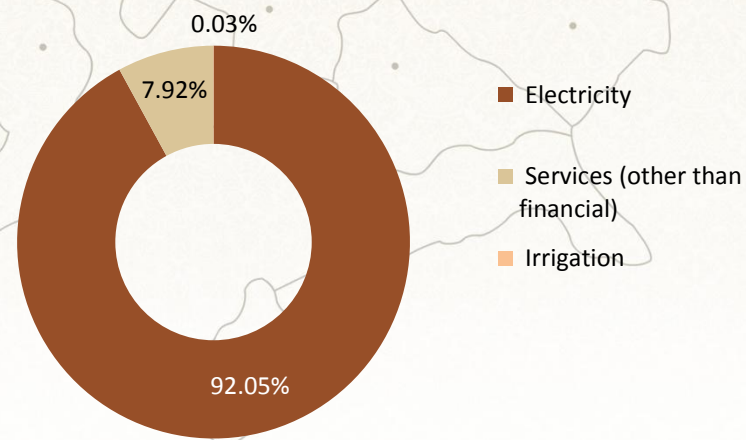
*Source:* Government of Arunachal Pradesh Website,  
<http://arunachalpradesh.nic.in>

## Economic Snapshot – Investments and FDI Inflows

- According to the Department of Industrial Policy & Promotion, the cumulative FDI inflows from April 2000 to April 2011 amounted to US\$ 72\* million.
- In 2009-10, the outstanding investments in the state were US\$ 95.6 billion.
- Of the total outstanding investments, the electricity sector accounted for around 92 per cent followed by services (other than financial) sector (7.9 per cent).

\*FDI inflows for RBI's (Reserve Bank of India's) Guwahati-region which includes Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura..

Break up of Outstanding Investments by Sector (2009-10)



Source: CMIE

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## Physical Infrastructure – Roads



Source: Maps of India

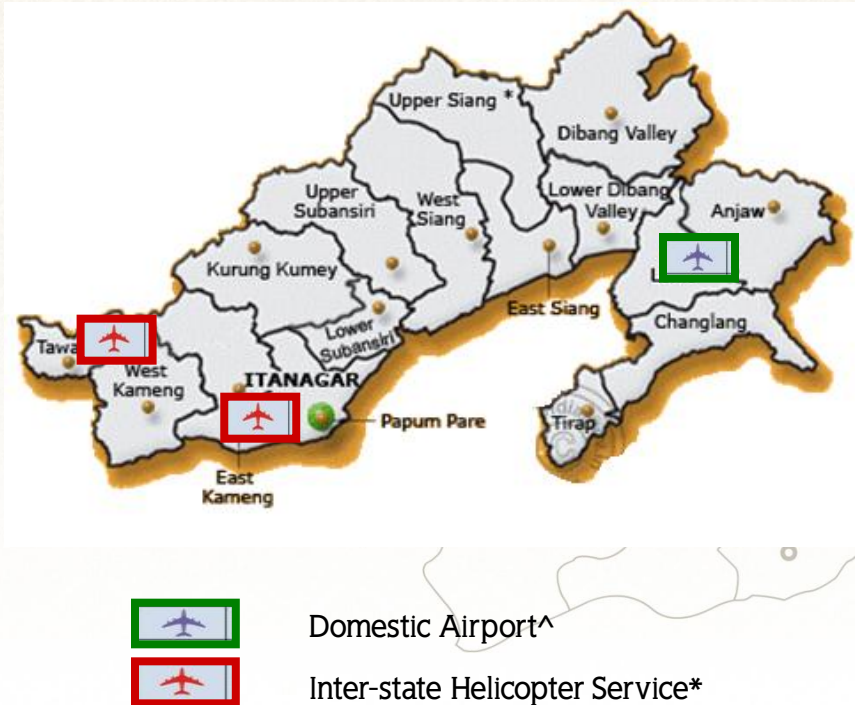
- Arunachal Pradesh has a total road length of about 21,066 km.
- Arunachal Pradesh State Transport Services established in 1975, its fleet strength rose from 2 buses to 240 buses which are now operating on 147 routes connecting all the motorable remotest administrative centres of the state.

- Arunachal Pradesh has a road density of 25.16 km per 100 sq km.
- 1,992 km of National Highways run through Arunachal Pradesh, connecting the state with the rest of India.
- Under Arunachal Pradesh Package for Roads & Highways, the Central Government has approved projects for improving 1,472 km of National Highways and 847 km of state roads.

Road Infrastructure	Road Length (km)
National Highways (km)	1,992
Roads (under Public Works Department)	6,692
Border Roads	4,524

Sources: A Development Profile of Arunachal Pradesh, Ministry of Road Transport & Highways, Annual Report 2010-11

## Physical Infrastructure – Airports and Railways



<sup>^</sup> Non-operational

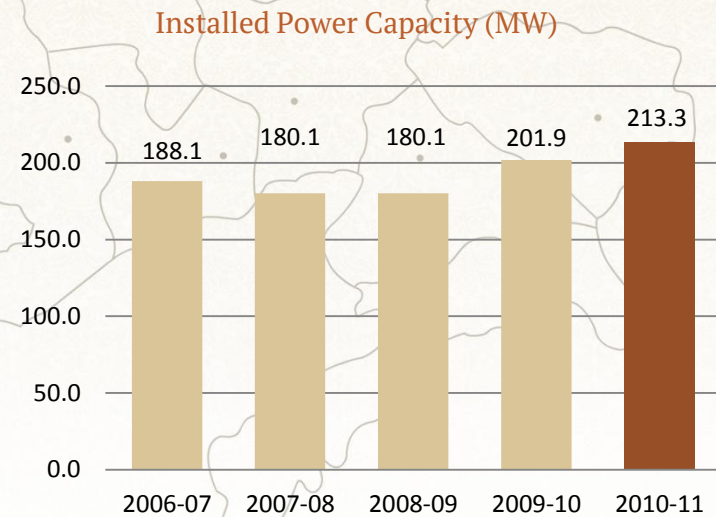
\* Major Route

Sources: Airport Authority of India; Department of Civil Aviation, Government of Arunachal Pradesh.

- In December 1995, the State Government introduced passenger flight services by nine-seat Dauphin helicopters to overcome the constraints posed by the hilly terrain.
- Later a 24-seat MI-172 type helicopter had been added to the fleet, primarily to operate between Guwahati in Assam and Tawang in Arunachal Pradesh.
- The service also connects major towns including Naharlagun, Tawang, Ziro, Pasighat, Seppa, Daporijo, Along, Yingkiong, Roing and Tezu.
- A greenfield airport has been proposed near Itanagar, for which environmental clearance has been received in April 2010. Ministry of Civil Aviation has also planned to operationalise airports at Daporijo and Tezu.
- The nearest railway station is located at Harmoti in Assam, 23 km from Naharlagun and 33 km from Itanagar.

## Physical Infrastructure – Power

- As of March 2011, Arunachal Pradesh had a total installed power generation capacity of 213.3 MW. It consisted of 118.6 MW under central utilities and 94.7 MW under state utilities.
- Hydro power is the major source of electricity generation in the state, contributing around 97.6 MW, followed by 78.8 MW of renewable energy resources and 36.9 MW of thermal power.
- Arunachal Pradesh has been focusing on developing its huge hydro power potential. The state has set up the Department of Hydro Power Development to oversee, coordinate and monitor hydro power development.



Source: Central Electricity Authority

## Physical Infrastructure – Telecom

- As of December 2010, Arunachal Pradesh had 107 telephone exchanges and 334,151 connections provided by Bharat Sanchar Nigam Limited (BSNL).
- The state had a tele-density of 27.03 per cent of BSNL subscribers as of December 2010.
- Under the Augmentation, Creation and Management of Infra-District SDHQ-DHQ OFC^ Network scheme, Department of Telecom, Government of India is creating optical-fibre network with bulk bandwidth.

^SDHQ: Sub-District Headquarter  
DHQ: District Headquarter  
OFC: Optical-Fibre Cable

### Telecom Infrastructure (December 2010)

GSM Cellular Subscribers <sup>^</sup>	7,088,382*
Telephone Exchanges	107
BSNL Telephone Connections	334,151
Wireless Subscribers <sup>^</sup>	6,416,888
Wire-line Subscribers <sup>^</sup>	277,540

Sources: Cellular Operators Association of India, Department of Telecommunications, Annual Report 2010-11

<sup>^</sup>Including Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim

\*As of September 2011

### Some of the Major Telecom Operators in Arunachal Pradesh

Bharat Sanchar Nigam Limited (BSNL)

Bharti Airtel

Aircel

Vodafone Essar

Reliance Communications

Tata Teleservices

Source: Companies Website

## Development Projects: Urban Infrastructure

- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), three projects costing US\$ 39.58 million have been sanctioned for Itanagar, the state capital.
- Projects for water supply, solid-waste management and urban transport have been identified for development under the JNNURM.
- The urban transport project was approved in 2009 while two other projects on water supply and solid-waste management were approved in 2007. As on March 2010, US\$ 13.69 million of funds has been released for the projects.
- Under the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), US\$ 8.63 million has been allocated for development of Road, Solid Waste Management and Storm Drainage System.

*Source: Ministry of Urban Development*

## Social Infrastructure – Education

- Arunachal Pradesh has a literacy rate of 67.0 per cent according to the provisional data of Census 2011; the male literacy rate is 73.7 per cent and the female literacy rate is 59.6 per cent.
- The state has started the Sarva Shiksha Abhiyan (SSA) – the national flagship programme on education to achieve universal elementary education in a mission mode. As of March 2010, about 5,591 teachers had been recruited and over 316,447 children (between 6-14 years of age) were enrolled under the SSA.
- In 2009-10, 15,064 students were enrolled in 22 institutes of higher education. Among students enrolled in higher education courses, 43 per cent were girls.

Literacy Rates (%)	
Literacy Rate	67.0
Male Literacy	73.7
Female Literacy	59.6

Source: Census 2011 (provisional data)

### Higher Education Infrastructure (As of September 2009)

Universities/Deemed Universities	2
Degree Colleges	15
Professional/Technical Colleges	4
Polytechnic	2

Source: Directorate of Higher and Technical Education,  
Government of Arunachal Pradesh

### Major Higher Educational Institutes in Arunachal Pradesh

- North Eastern Regional Institute of Science and Technology\*, Papumpare
- Jawaharlal Nehru College, Pasighat
- Industrial Training Institute (Roing, Daporijo and West Kameng district)
- College of Horticulture and Forestry^.

\*Deemed University

^Under the Central Agricultural University

## Social Infrastructure – Health

- Arunachal Pradesh has a three-tier public healthcare infrastructure, comprising Primary Health Centres, Health Units, Community Health Centres and Sub-Centres.
- As of March 2008, there were 14 District Hospitals, 44 Community Health Centres, 116 Primary Health Centres and 592 Sub-Centres in the state.

### Health Indicators of Arunachal Pradesh (2009)

Birth Rate (per thousand persons)	21.1
Death Rate (per thousand persons)	6.1
Infant Mortality Rate (per thousand live births)	32.0

Source: Sample Registration System 2009

### Health Infrastructure in Arunachal Pradesh\*

District Hospitals	14
Community Health Centres	44
Primary Health Centres	116
Sub-Centres	592
Ayurvedic Institutions	3
Homoeopathic Institutions	46

Source: Ministry of Health & Family Welfare,  
Government of India  
\*As of March 2008

## Cultural Infrastructure

- There are 26 major tribes and many sub-tribes in Arunachal Pradesh who have rich cultural heritage and follow distinct languages, costumes and festivals.
- Varied culture of the tribes are reflected in bamboo, wood and cane handicrafts, carpets, traditional ornaments and paintings made by them.
- Major festivals observed in the state are Losar, Torgya, Saka Dawa, Dukpa Tse-shi, Lhabab Duechen and Ganden Ngamchoe.
- Angling, trekking, river rafting, archery and fishing are the prominent sports in Arunachal Pradesh.
- Sports infrastructure available in the state includes the Rajiv Gandhi Stadium in Naharlagun, Nyikum Niya Indoor Stadium in Nirjuli and Nehru Stadium in Khonsa.
- In addition, some sports facilities are being planned or under construction, including an outdoor stadium in Jang, Tawang and a multi-purpose outdoor stadium at Itanagar.
- The key tourist destinations are Parasuram Kund (Lohit), the Namdapha National Park (Changlang), the Ita Fort and Jawaharlal Nehru Museum (Itanagar), the Tawang Monastery (Tezpur) and the Sela Lake (Bomdila).

*Source:* Tourism Department, Government of Arunachal Pradesh

## Industrial Infrastructure ... (1/4)

- Arunachal Pradesh has 12 Industrial Estates located in different districts and spread over total area of 55.6 hectare. These industrial estates have been developed in land-areas ranging from 4,540 to 202,325 square metre, with the primary objective of growth and development of small scale industries.
- In addition, the State Government has also notified Integrated Infrastructure Development Centres, Industrial Growth Centres and Industrial Areas to support industrial growth.

Notified Industrial Estates

Location	District
Deomali	Tirap
Khonsa	Tirap
Pasighat	East Siang
Tawang	Tawang
Tippi	West Kameng
Wanghoo	West Kameng
Naharlagun	Papumpare
Chandranagar	Papumpare
Namsai	Lohit
Changlang Town	Changlang
Khachang	Changlang
Bam	West Siang

Source: Department of Industries, Government of Arunachal Pradesh

## Industrial Infrastructure ... (2/4)

Notified Integrated Infrastructure Development Centres

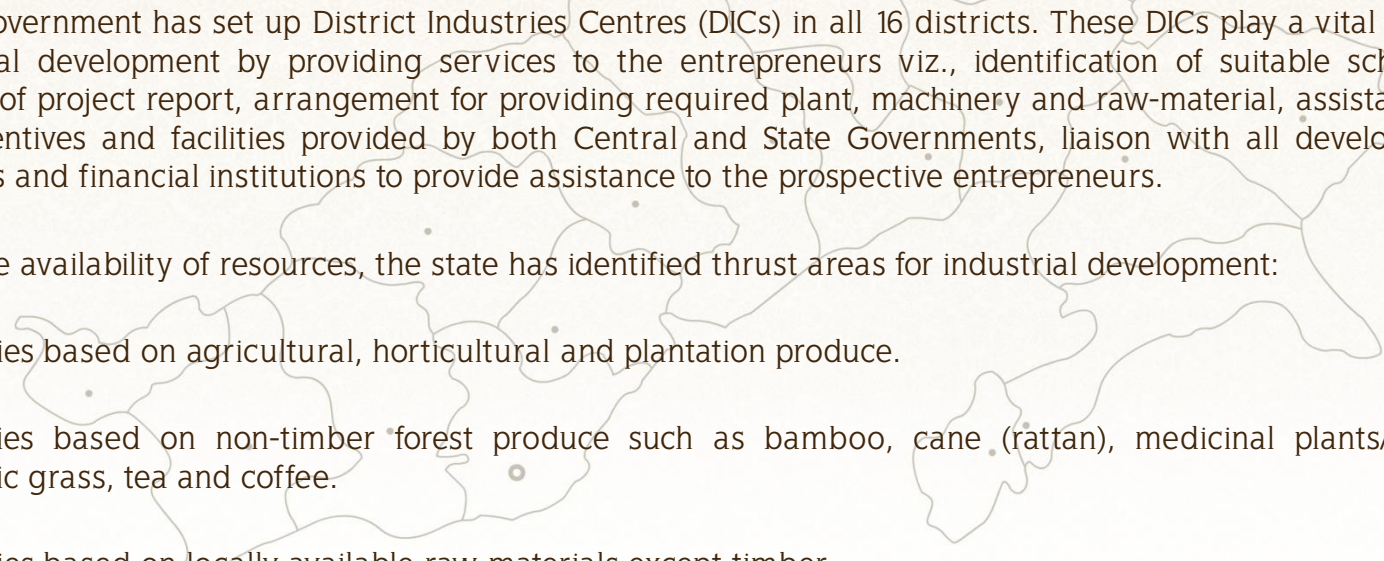
Location	District
Deomali	Tirap
Tippi	West Kameng
Dirang	West Kameng
Iduli	Dibang Valley
Balinong	Changlang

Notified Industrial Areas

Location	District
Bhalukpong	West Kameng
Roing	Dibang Valley
Tezu	Lohit
Banderdown	Papumpare

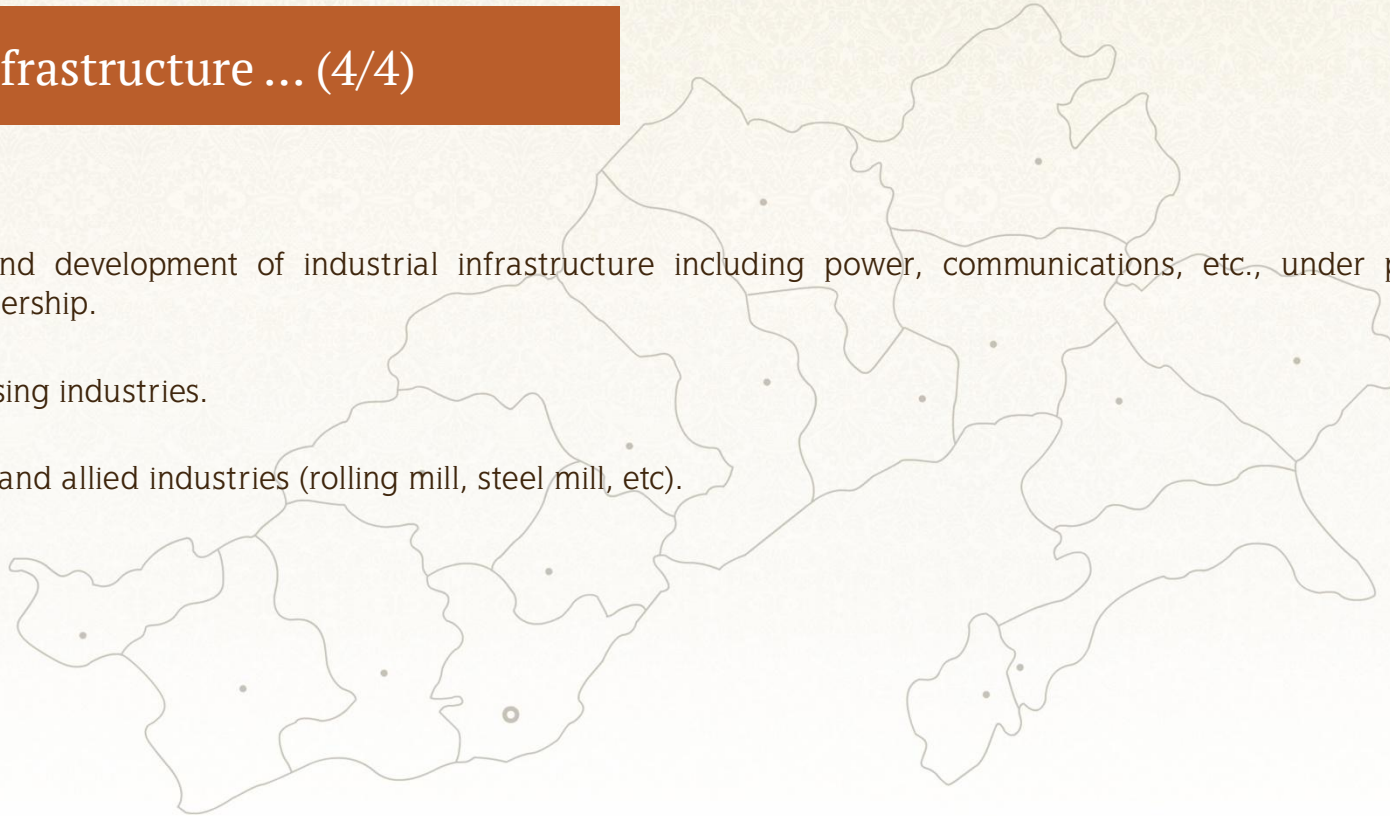
Source: Department of Industries, Government of Arunachal Pradesh

## Industrial Infrastructure ... (3/4)

- 
- The State Government has set up District Industries Centres (DICs) in all 16 districts. These DICs play a vital role in the industrial development by providing services to the entrepreneurs viz., identification of suitable schemes, preparation of project report, arrangement for providing required plant, machinery and raw-material, assistance in availing incentives and facilities provided by both Central and State Governments, liaison with all development departments and financial institutions to provide assistance to the prospective entrepreneurs.
  - Based on the availability of resources, the state has identified thrust areas for industrial development:
    - Industries based on agricultural, horticultural and plantation produce.
    - Industries based on non-timber forest produce such as bamboo, cane (rattan), medicinal plants/herbs, aromatic grass, tea and coffee.
    - Industries based on locally available raw-materials except timber.
    - Textiles (handlooms and power-looms), handicrafts and sericulture.
    - Electronics and IT-based enterprises.
    - Mineral-based industries (such as ferro-alloys, cement, etc.)

## Industrial Infrastructure ... (4/4)

- Facilitation and development of industrial infrastructure including power, communications, etc., under public private partnership.
- Food processing industries.
- Engineering and allied industries (rolling mill, steel mill, etc).
- Tourism.



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## Key Industries

- The resources, policy incentives and climate in the state support investments in mining and mineral products (including cement), tissue culture and floriculture, plantation crops (tea, rubber, etc.) and agro-based industries.
- The North Eastern Development Finance Corporation Limited is engaged in catalysing the industrial growth of the Northeastern region (including Arunachal Pradesh) by providing counselling, timely advice and assistance for building quality enterprises.
- The Department of Industries, Government of Arunachal Pradesh, is responsible for promoting industrial activities in the state to provide employment opportunities to the rural and urban people.
- The Department of Industries has set up District Industries Centres (DICs) and Sub-District Industries Centres (Sub-DICs) for the industrial development of small scale, tiny and village industries.

→ The DICs also help the local entrepreneurs in identifying suitable schemes, preparing feasibility reports, arranging supply of tools and equipments and providing credit facilities etc.

### Key Industries in Arunachal Pradesh

- Art and Crafts
- Weaving
- Cane and Bamboo
- Carpet Weaving
- Wood Carving
- Ornaments
- Tourism
- Horticulture
- Saw Mills and Plywood
- Power
- Mineral-Based Industry

## Key Industries – Power ... (1/2)

- As of March 2011, Arunachal Pradesh had a total installed power generation capacity of 213.3 MW.
- Around 45 per cent of Arunachal Pradesh's installed power capacity was based on hydro energy (97.5 MW).
- The state is estimated to have hydro power potential of over 57,000 MW.
- The government has invited domestic power companies in the region to develop hydro power plants.
- Key regions for tapping hydro power include Dibang, Tawang, Subansiri Upper, Subansiri Middle, Kamang and Lohit.

### Some of the Key Players

- NTPC Ltd
- NHPC Ltd
- North Eastern Electric Power Corporation (NEEPCO)
- Bhilwara Energy Ltd

## Key Industries – Power ... (2/2)

### NTPC Ltd



- National Thermal Power Corporation (NTPC) is a Navratana Public Sector Unit (PSU) engaged in thermal power production.
- A leading thermal power generator, it has, now, entered the hydro power generation and nuclear power generation segments.
- In Arunachal Pradesh, NTPC has power projects ongoing in the Dibang district: Etalin (4,000 MW) and Attunli (500 MW).

### NHPC Ltd



- NHPC Limited (formerly known as National Hydroelectric Power Corporation Limited) is a public-sector major in hydroelectric power generation.
- The company already has three ongoing projects with an installed capacity of 5,400 MW. Two of these are located in the Tawang district and one in the Dibang district.

### North Eastern Electric Power Corp (NEEPCO)



- North Eastern Electric Power Corporation is a central PSU involved in power generation in Northeastern region. It is one of the oldest power generating companies and controls 49 per cent of the region's installed capacity.
- The company has completed the prestigious 405 MW Ranganadi project in Arunachal Pradesh. NEEPCO is developing two projects in the state: Ranganadi hydroelectric project (Stage-II, 130 MW) and Kameng-I hydroelectric project (1,120 MW).

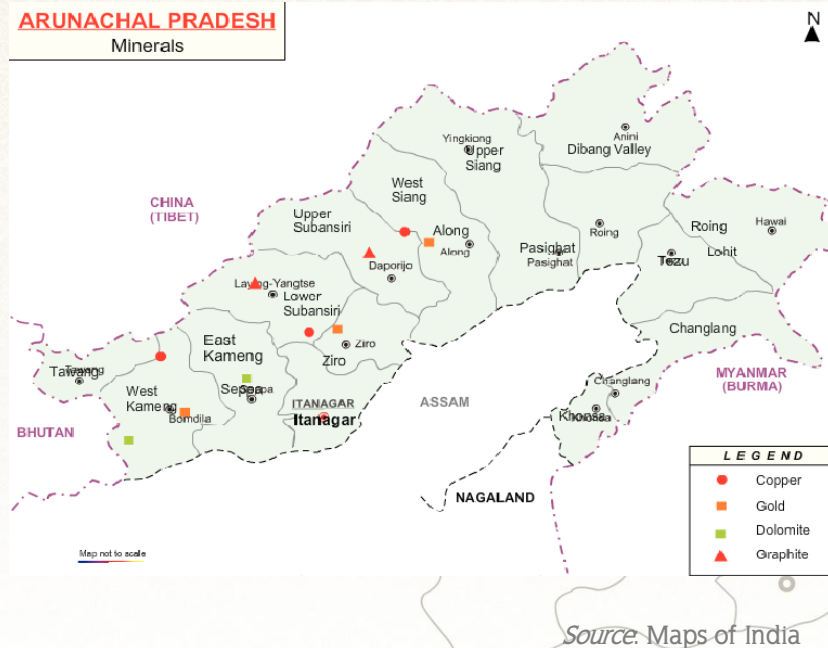
### Bhilwara Energy Ltd



- Bhilwara Energy Limited is a part of Delhi-based LNJ Bhilwara group.
- The company has signed three MoU for development of hydro power projects in the state at Tawang, Angoline and Malinye. The company had a turnover of US\$ 35.9 million in 2009-10.

## Key Industries – Mineral-Based Industry

### ARUNACHAL PRADESH Minerals



→ These minerals are useful in the gasified form or in cooking, fertiliser plants, refractory units and calcium carbide manufacturing units.

→ The state's mining activities are managed by the Arunachal Pradesh Mineral Development and Trading Corporation Limited (APMDTCL).

### Mineral Reserves in Arunachal Pradesh

Ore/Mineral	Estimated Reserve (Million Tonnes)
Coal	84.23
Dolomite	154.13
Limestone	379.05
Graphite	3.26
Marble	76.12

Source: APMDTCL

→ Arunachal Pradesh has considerable mineral reserves, which offers immense potential.

→ The state has reserves of coal at Bhalukpong; graphite at Tahila, Bopi and Khetabari; limestone at Hunli, Tidding, Menga and Pagin; marble at Hunli, Tezu, Pyuli and Dora; dolomite at Kaspi and Rupa; and lead and zinc at Shergaon.

## Key Industries – Agriculture and Forest-Based Industries

- Major agro and forest based industries in the state relate to tea, fruit, non-timber and plywood industries.
- Non-timber based industries include bamboo, cane and medicinal plants.
- The industry is characterised by many regional players; several units have been set up by Arunachal Pradesh Forest Corporation (APFC), a government organisation.
- APFC has taken up a project on capacity building for production of bamboo-based industrial intermediates at Poma village near Itanagar.
- The State Industrial Policy, 2008 of Arunachal Pradesh lists agriculture and non-timber forest produce-based industries as thrust sectors.

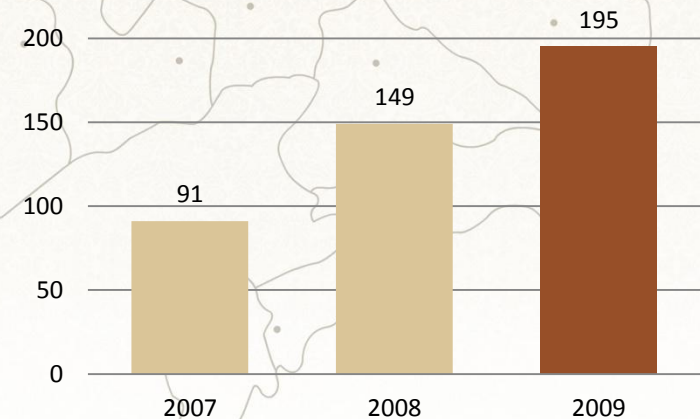
### Arunachal Plywood Industries Limited

- Arunachal Plywood Industries Limited (APIL) is among the oldest plywood manufacturing units in the country.
- The company is engaged in manufacturing plywood and block board made out of wood and sawn timber.
- The company has its manufacturing unit at Namsai, Arunachal Pradesh.

## Key Industries – Tourism

- Tourism has grown rapidly in the recent years with eco and adventure tourism, cultural tourism and religious tourism being the major areas of interest.
- Arrival of domestic tourists in the state has almost doubled between 2007 and 2009.
- The popular tourist spots include Tawang, Parashuram Kund, Bhismanagar, Malinithan, Akashiganga, Namdapha, Itanagar and Bomdila.
- The State Industrial Policy, 2008 encourages development of tourism sector in areas such as tour operations, hotels and resorts.
- In 2009-10, Arunachal Pradesh had received financial assistance from the Central Government for developing sustainable rural tourism. The project aims at promoting traditional rural art, craft, textile and culture to attract tourists as well as to develop the rural economy.

Arrival of Domestic Tourists in Arunachal Pradesh (in '000)



Source: Ministry of Tourism, Government of India

## Key Industries – Textile

- Textile is a grass-roots industry in Arunachal Pradesh and provides employment to mainly, women. Most of the units are home-based and have small scale of operations.
- Carpet making is one of the important occupations in the districts of Tawang, West Kameng, Changlang and Upper Siang. The state's carpets have received national and international repute owing to their quality.
- The carpet weaving industry is promoted through the Government Craft Centre.
- The state has unique and appealing handloom designs from each of its tribes. The products include skirt (gale), shirt (galuk), cotton shawl, side bag and curtain cloth.

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## Key Approvals Required

List of Approvals and Clearances Required	Department
Incorporation of Company	Registrar of Companies
Registration, Industrial Entrepreneurs Memorandum (IEM), Industrial Licenses	Department of Industries
Permission for Land Use	
Allotment of Land	Arunachal Pradesh Industrial Development and Financial Corporation Limited
Site Environmental Approval	Department of Environment and Forests, Government of Arunachal Pradesh; Arunachal Pradesh State Pollution Control Board (APSPCB)
No-Objection Certificate and Consent under Water and Pollution Control Act	
Registration under State's Sales Tax Act and Central and State Excise Act	Department of Tax and Excise, Government of Arunachal Pradesh
Commercial Taxes	
Sanction of Power	Department of Power, Government of Arunachal Pradesh
Power Feasibility	
Power Connection	
Approval for Construction Activity and Building Plan	Public Works Department
Water and Sewerage Clearance	
Water Connection	

## Key Investment Promotion Offices ... (1/2)

Agency	Description
Department of Industries	<ul style="list-style-type: none"> <li>The Department of Industries is the main executive and regulatory agency, functioning under the State Government. It oversees and monitors the over all industrial development activities in the state.</li> <li>The department is engaged in various activities such as:                             <ol style="list-style-type: none"> <li>Registration of industries regulation and development of industries.</li> <li>Providing finance to small scale and other industries.</li> <li>Distribution of scarce and indigenous raw-materials to different industrial units.</li> <li>Other industrial development related activities.</li> </ol> </li> </ul>
Arunachal Pradesh Industrial Development and Financial Corporation Limited (APIDFC)	<ul style="list-style-type: none"> <li>APIDFC was incorporated under the Companies Act,1956, in August 1978, to promote and finance industries in Arunachal Pradesh.</li> </ul>
Arunachal Pradesh Energy Development Agency (APEDA)	<ul style="list-style-type: none"> <li>APEDA is the State Designated Agency (SDA) for implementation and enforcement of the Energy Conservation Act, 2001, in coordination with the Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India.</li> <li>APEDA is also the state nodal agency for projects connected with Clean Development Mechanism (CDM).</li> </ul>

## Key Investment Promotion Offices ... (2/2)

Agency	Description
North Eastern Development Finance Corporation Limited (NEDFi)	<ul style="list-style-type: none"><li>• NEDFi was promoted by Industrial Development Bank of India (IDBI), Small Industries Development Bank of India (SIDBI), Industrial Finance Corporation of India (IFCI), Industrial Credit and Infrastructure Corporation of India (ICICI), Unit Trust of India (UTI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC) and its subsidiaries and State Bank of India (SBI). Incorporated in August 1995, NEDFi has its headquarter in Guwahati, Assam.</li><li>• NEDFi provides facilities such as project and equipment finance, working capital finance, schemes for development of entrepreneurial skill and market development for products from the Northeast.</li></ul>

## Contact List



Agency	Contact Information
Department of Industries	Government of Arunachal Pradesh Udyog Sadan, Itanagar -791111 Phone: 91-360-2212 323/ 2211 4456 Fax: 91-360-2211 569 E-mail: dir-industry-arn@nic.in
Arunachal Pradesh Industrial Development and Financial Corporation Limited	C Sector, Near Petrol Pump Itanagar - 791111 Phone: + 91-360-2212 672, 2212 751 Fax: + 91-360-2211 786 E-mail: koyutony@yahoo.com
Arunachal Pradesh Energy Development Agency	Urja Bhawan, TT Marg Post Box No 141, Itanagar-791111 Arunachal Pradesh Phone: 91-360-2211 160, Fax: 91-360-2214 426 E-mail: apedita@sancharnet.in Website: www.apeda.co.in
North Eastern Development Finance Corporation Ltd (NEDFi)	NH-52A, Main Road, E-Sector, Itanagar -791111, Arunachal Pradesh Phone/Fax: 91-360- 2217694

## Cost of Doing Business in Arunachal Pradesh

Cost Parameter	Cost Estimate	Source
Industrial Land Rent (per sq ft per month)	US 2.2 cents	Department of Industries, Government of Arunachal Pradesh
Power Cost (per kWh)	Commercial: US 7.2 cents to US 9.0 cents Industrial: US 5.5 cents to US 7.6 cents	Department of Power, Government of Arunachal Pradesh
Labour Cost (minimum wages per day)	Unskilled: US\$ 3.0 to US\$ 3.4 Skilled: US\$ 3.2 to US\$ 3.6	Ministry of Labour and Employment, Government of India
Water (per 1,000 litres)	Commercial and Industrial: US 15.7 cents	Industry Sources

# Arunachal Pradesh

NOVEMBER  
2011

THE LAND OF RISING SUN

## Contents

- ❖ Arunachal Pradesh – An Introduction
- ❖ Infrastructure Status
- ❖ Business Opportunities
- ❖ Doing Business in Arunachal Pradesh
- ❖ State Acts & Policies



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## State Acts & Policies ... (1/2)

### State Industrial Policy 2008

#### Objectives

- To facilitate and promote the growth of industry, employment and investment in the state.
- To promote export oriented industrial units.

[Read more](#)

### Hydro Power Policy 2008

#### Objectives

- To harness hydropower potential of the state in a manner that is consistent with the provision of the Electricity Act, 2003 and the National Electricity Policy and other policies formulated in the Act.
- To accelerate the pace of hydropower development through participation of both the central public sector undertakings and private power developers, as also by formulating public private partnership.
- To provide for creation of social and development infrastructure through hydropower development.

[Read more](#)

## State Acts & Policies ... (2/2)

### Small Hydro Power (SHP) Policy 2007

#### Objective

- To facilitate and promote the growth of small hydro power plants and, thereby, increase employment opportunities in the state.

[Read more](#)

### North East Industrial and Investment Promotion Policy (NEIIPP) 2007

#### Objective

- To promote the Northeast region as an attractive investment region through concessions and incentives.

[Read more](#)

### Agriculture Policy 2001

#### Objective

- To achieve higher economic growth and create job opportunities for the rural unemployed through agriculture and allied sectors.

[Read more](#)

## Annexure

### Exchange Rates

Year	INR equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.28
2007-08	40.24
2008-09	45.91
2009-10	47.41
2010-11	45.57

Average for the year

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