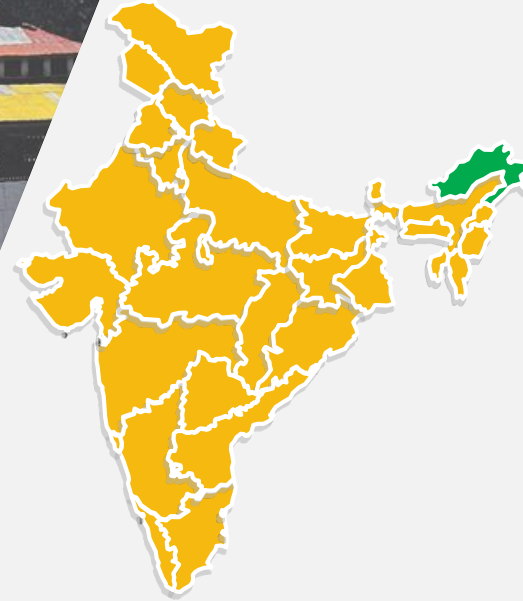


TAWANG MONASTERY IN TAWANG, ARUNACHAL PRADESH



ARUNACHAL PRADESH

LAND OF THE RISING SUN

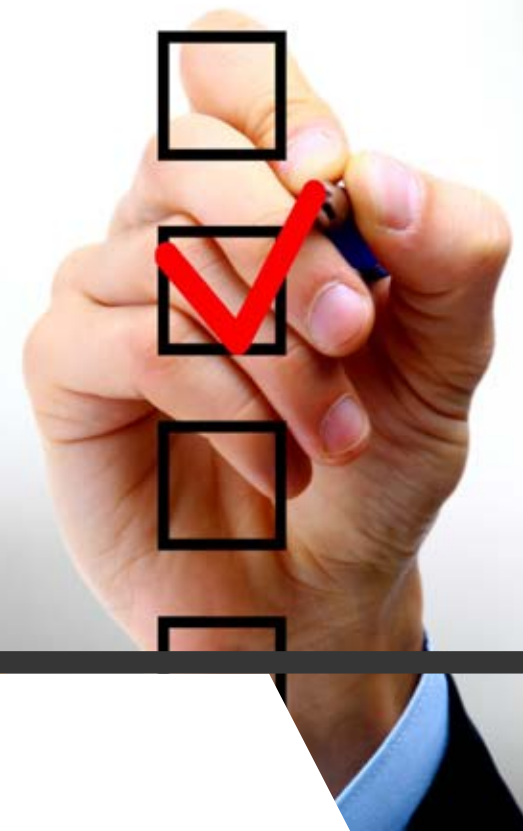
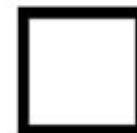
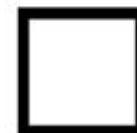
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September 2020

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Largest state in Northeast

- Arunachal Pradesh, with an area of 83,743 sq km, is the largest state in the Northeast of India. Its diverse topography offers opportunities for non-timber based industries such as bamboo, cane and medicinal plants.

Largest hydropower potential in India

- India's pent-up demand for electricity could be addressed by the state's potential 50,328 MW hydropower capacity. As of August 2020, the installed hydropower capacity in the state stood at 330.55 MW.

Carpet making

- The state's textile industry, including carpet making, enjoys a huge appeal. The state's carpets have received national and international fame for their creativity, design and quality.

Growing Economy

- At current prices, the Gross State Domestic Product (GSDP) of Arunachal Pradesh reached Rs. 299.74 lakh crore (US\$ 4.25 billion) in 2020-21. State's per capita GSDP in 2018-19 was Rs. 152,718 (US\$ 2,185).

Improving Logistics

- Total of eight railway lines have been sanctioned by the ministry of railways connecting various cities of the state which include Itakhola to Seijosa (18 km), Doomdooma-Namsai-Wakro (96 km), Dangri to Roing (60 km) Naharkatia to Deomali (20 km), Lekhapani-Nampong-New Khamlang-Deben (75 km) and Tinsukia to Pasighat via Kanubari (300 km).

Note: MW- Megawatt, sq km- square kilometer

Source: Central Electricity Authority, Arunachal Pradesh State Government, CSO

INTRODUCTION



ARUNACHAL PRADESH FACT FILE

- Located in the northeast of India, Arunachal Pradesh is the largest of the seven sister states. It shares borders with the neighbouring countries of Bhutan in the west, China (Tibet) in the north and northeast & Myanmar in the east and southeast. The Indian states of Assam and Nagaland border it in the south.
- The most commonly spoken languages are Assamese, Bengali and Hindi. English is the official language and primary medium of education in schools.
- Itanagar, Naharlagun, Tawang, Rupa, Bomdila, Bhalukpong, Seppa, Ziro and Daporijo are some of the major towns in the state.
- The land is mostly mountainous with the Himalayan ranges running north-south. The state is divided into five river valleys: Kameng, Subansiri, Siang, Lohit and Tirap.



Parameters	Arunachal Pradesh
Capital	Itanagar
Geographical area (sq km)	83,743
Administrative districts (No)	17
Population density (persons per sq km)	17
Total population (million)	1.47
Male population (million)	0.71
Female population (million)	0.67
Sex ratio (females per 1,000 males)	938
Literacy rate (%)	65.38

Source: Government of Arunachal Pradesh, Ministry of Development of North Eastern Region, Census 2011

High Economic Growth

- At current prices, Arunachal Pradesh's GSDP reached Rs. 299.74 lakh crore (US\$ 4.25 billion) in 2020-21.
- The state has considerable mineral reserves that offer huge potential.
- Due to its topography, the state has varied agro-climatic conditions suitable for horticulture of flowers and aromatic and medicinal plants.

Huge Hydropower Potential

- The hilly terrain and abundant rivers make the state a potential powerhouse of the northeast.
- The Department of Hydropower Development, Arunachal Pradesh, is wholly entrusted with the design, construction, operation and maintenance of hydropower projects in the state.

Advantage Arunachal Pradesh

Policy and Fiscal Incentives

- The State and Central Government offer huge fiscal & policy incentives for the development of important sectors.
- It facilitate and promote growth of the industry, employment and investment in the state has introduced State Industrial Policy 2008.

International Trade Opportunities

- The state's location provides opportunities for international trade with South Asian countries such as Myanmar, Bhutan and China.
- Textiles and handicrafts from the state are in demand in neighbouring countries.
- In FY19, commodity exports from the state were valued at US\$ 2.23 million.

Source: Central Electricity Authority, Arunachal Pradesh State Government, CSO, DGCIS Analytics

ARUNACHAL PRADESH IN FIGURES

Arunachal Pradesh's Contribution to Indian Economy (2019-20)

Parameter	Arunachal Pradesh	India
GSDP as a percentage of all states' GSDP	0.15	100
GSDP growth rate (%)	9.95	9.80
Per capita GSDP* (US\$)	2,393	1,956

Social Indicators

Parameter	Arunachal Pradesh	India
Literacy rate (%)	65.4	73.0
Birth rate (per 1,000 population) (2018)	17.9	20.0

Investments (US\$ million)

Parameter	Arunachal Pradesh	India
Cumulative FDI equity inflows between October 2019 and March 2020	0.61	23,881.34

Physical Infrastructure in Arunachal Pradesh

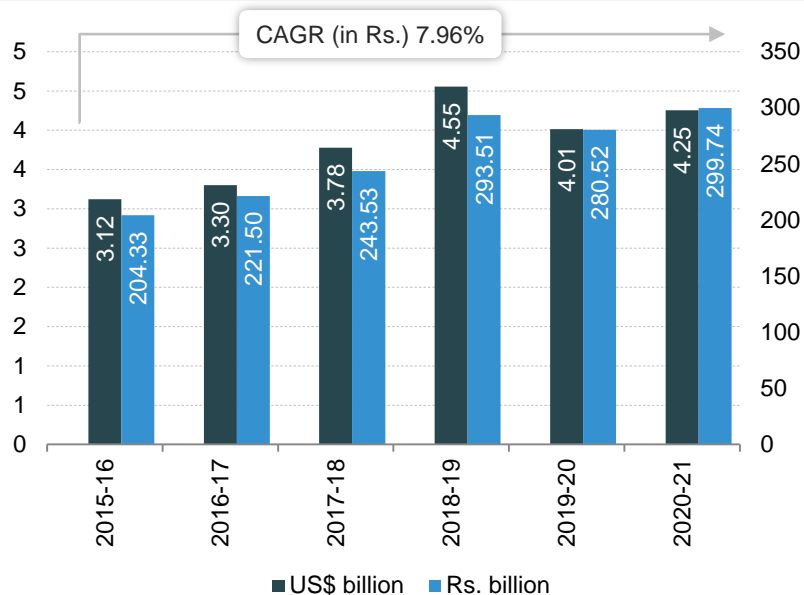
Chhattisgarh	Arunachal Pradesh	India
Installed power capacity (MW) (August 2020)	551.14	373,693.36
Wireless subscribers ¹ (million) (May 2020)	11.87	1,143.91
Internet subscribers ¹ (million) (September 2019)	7.36	687.62
National highways (km) (March 2019)	2,537	132,499
Airports (No.) (September 2020)	2	125

Note: GSDP, per capita GSDP figures are taken at current prices, ¹Combined figures for the Northeast states comprising Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura, Refer to annexure for sources

ECONOMIC SNAPSHOT

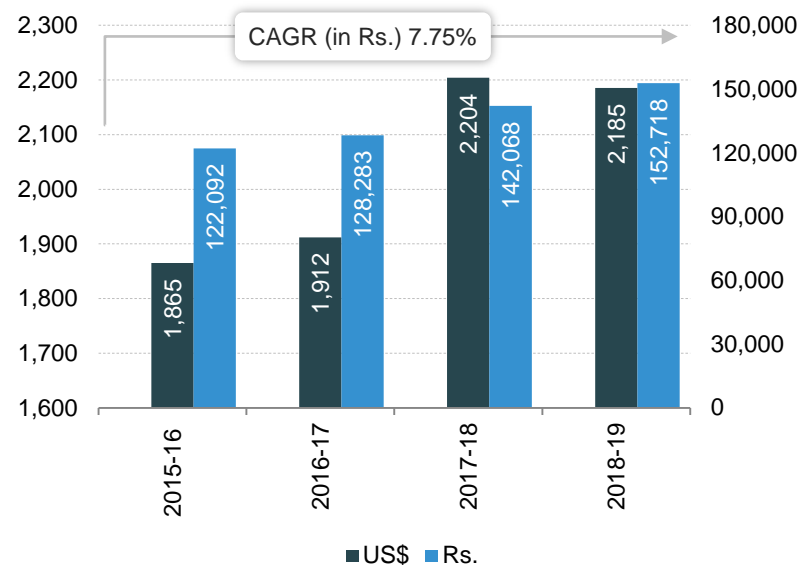


GSDP of Arunachal Pradesh at Current Prices



- At current prices, Arunachal Pradesh's GSDP reached Rs. 299.74 lakh crore (US\$ 4.25 billion) in 2020-21.
- The state's GSDP (in Rs.) increased at a compound annual growth rate (CAGR) of 7.96% between 2015-16 and 2020-21.

Per Capita GSDP of Arunachal Pradesh at Current Prices

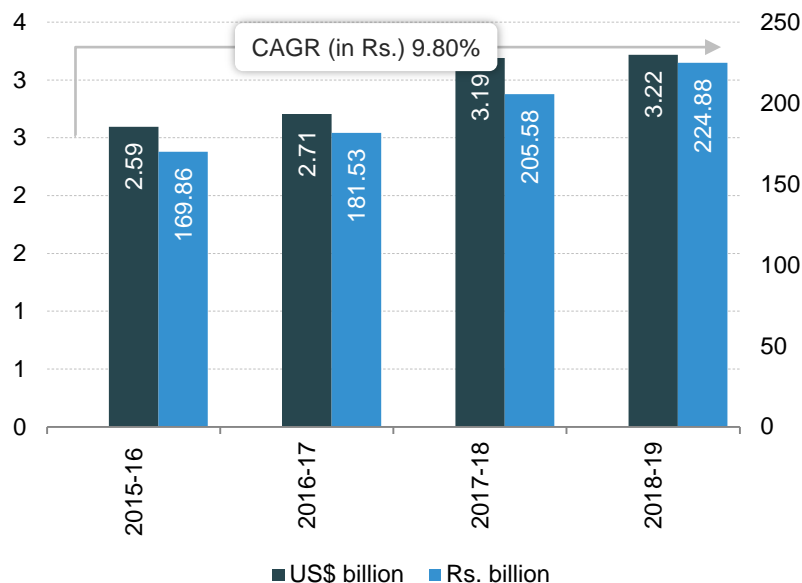


- State's per capita GSDP in 2018-19 was Rs. 152,718 (US\$ 2,185).
- Per capita GSDP (in Rs.) increased at a CAGR of 7.75% between 2015-16 and 2018-19.

Note: exchange rates used are averages of each year

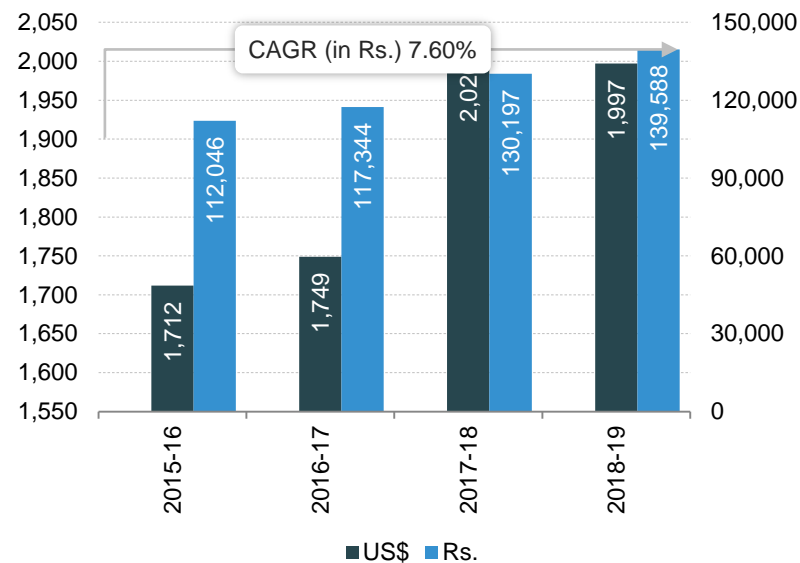
Source: Ministry of Statistics and Program Implementation

NSDP of Arunachal Pradesh at Current Prices



- At current prices, Net State Domestic Product (NSDP) of Arunachal Pradesh reached Rs. 224.88 billion (US\$ 3.22 billion) in 2018-19.
- State's NSDP (in Rs.) increased at a compound annual growth rate (CAGR) of 9.80% between 2015-16 and 2018-19.

Per Capita NSDP of Arunachal Pradesh at Current Prices



- State's per capita NSDP in 2018-19 was Rs. 1,39,588 (US\$ 1,997).
- Per capita GSDP (in Rs.) increased at a CAGR of 7.60% between 2015-16 and 2018-19.

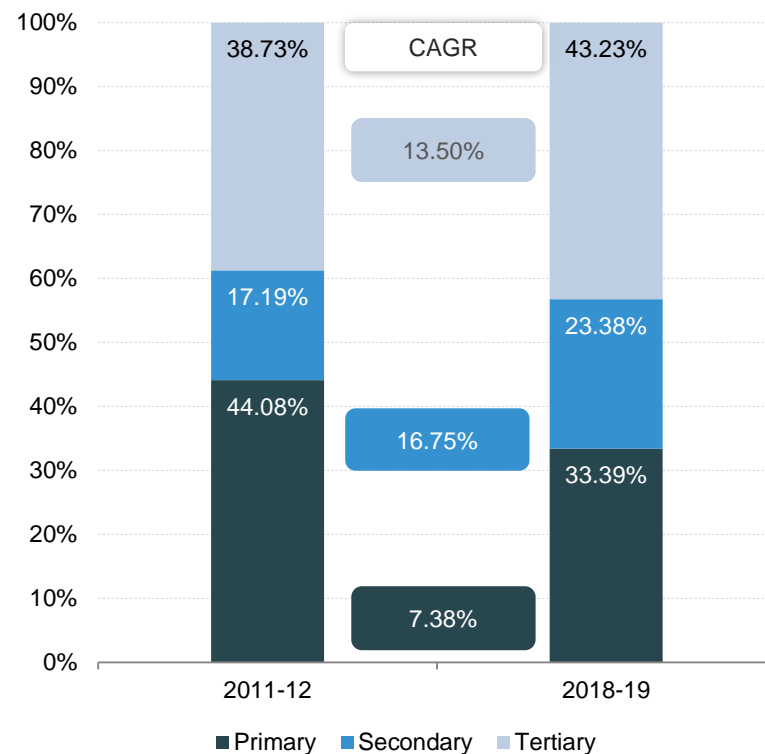
Note: exchange rates used are averages of each year

Source: Ministry of Statistics and Program Implementation

ECONOMIC SNAPSHOT - PERCENTAGE DISTRIBUTION OF GSVA

- The tertiary sector was the biggest contributor to Gross State Value Added (GSVA) in 2018-19 with a share of 33.39% and grew at 13.50% CAGR (in Rs.) between 2011-12 and 2018-19.
- The primary sector contributed 33.39% to GSVA in 2018-19 and grew at 7.38% CAGR between 2011-12 and 2018-19.
- Contribution of secondary sector was the lowest (23.38 %) to the GSVA in 2018-19, however, it grew the fastest at 16.75% CAGR between 2011-12 and 2018-19.

GSVA Composition by Sector at Current Prices

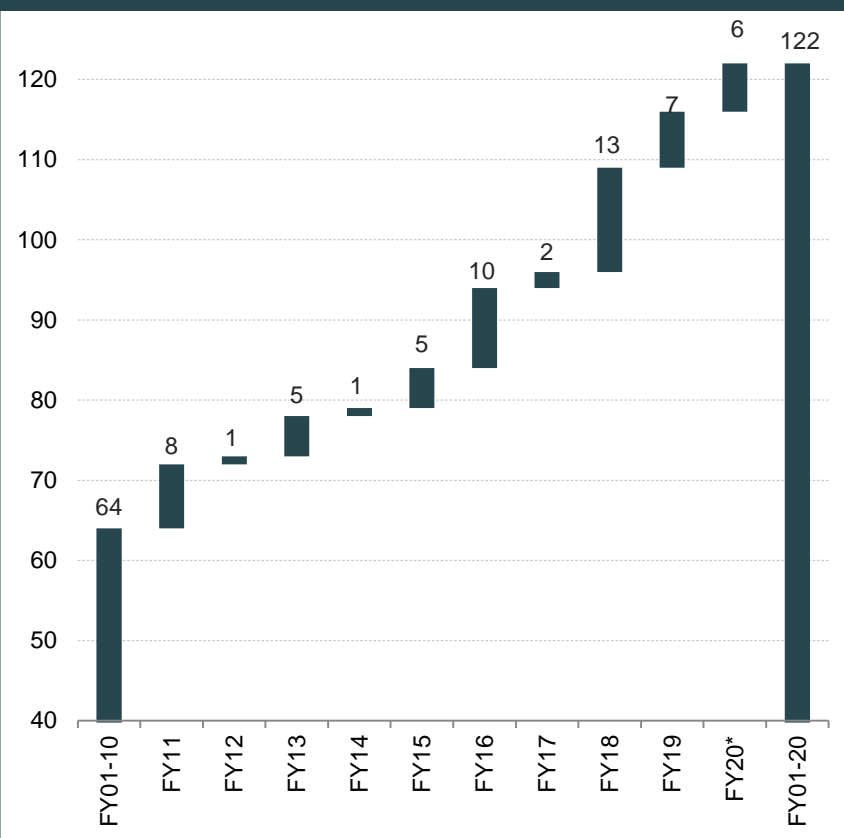


Source: Ministry of Statistics and Program Implementation

ECONOMIC SNAPSHOT - INVESTMENTS AND FDI INFLOWS

- According to Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflow to North eastern state totalled US\$ 122 million between April 2000 and September 2019.
- The state attracted US\$ 0.61 million FDI between October 2019 and March 2020.
- In January 2020, one investment intentions worth Rs. 60 crore (US\$ 8.51 million) were filed in the state.

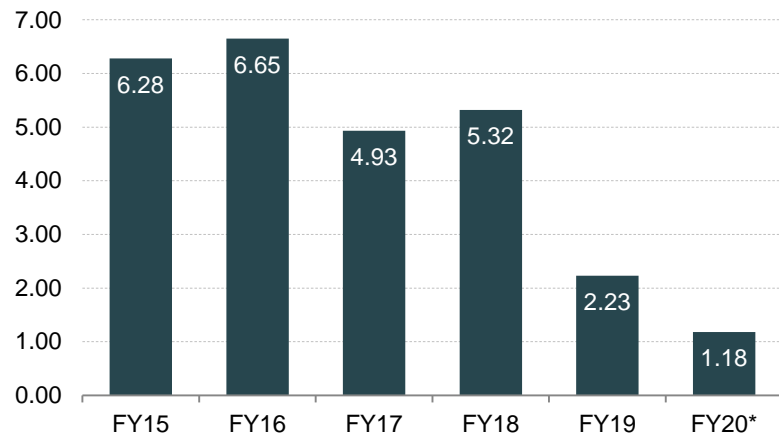
FDI equity inflows in Arunachal Pradesh¹ (US\$ million)



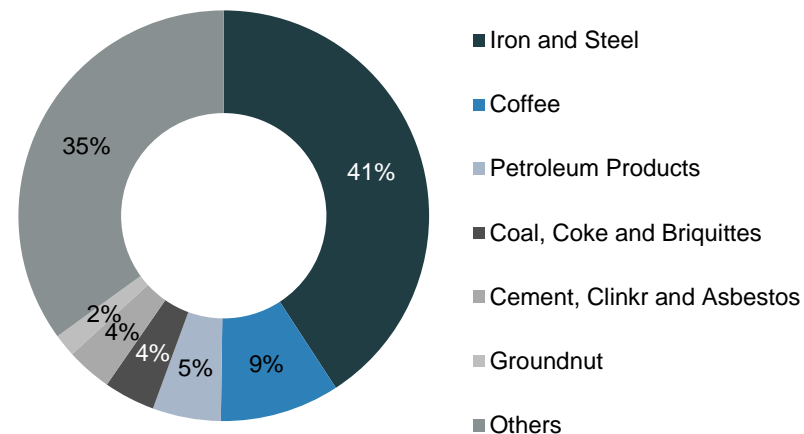
Note: ¹Including Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura, * till September 2019

Source: Department for Promotion of Industry and Internal Trade (DPIIT)

Merchandise Export from Arunachal Pradesh (US\$ million)



Principal Commodities Exported in FY19



- Merchandise export from the state reached US\$ 5.32 billion in FY18 and US\$ 2.23 million in FY19.
- Iron and Steel, coffee and Petroleum product were the most exported items from the state in FY19.

*Note: *- Till December 2019*

Source: DGCIS Analytics, Media Sources

PHYSICAL INFRASTRUCTURE



PHYSICAL INFRASTRUCTURE - ROADS

- Arunachal Pradesh has about 12,169 km of major district roads. As of March 2019, the state had 2,537 km of national highways.
- In FY19, work on 603,007 km road length was completed and 1 habitations were connected under PMGSY.
- In State Budget 2020-21, Rs. 30 crore (US\$ 4.26 million) has been allocated for maintenance of PMGSY roads.
- Under State Budget 2020-21, Chief Minister Comprehensive State Road Plan 2019-24 has been approved. The aim is to improve 150 kms of capital complex road and upgrade important inter-state and inter-district roads to the specification of State Highway (SH).



Road infrastructure	Road length (kms)
National highways (as of March 2019)	2,537
Total	132,449

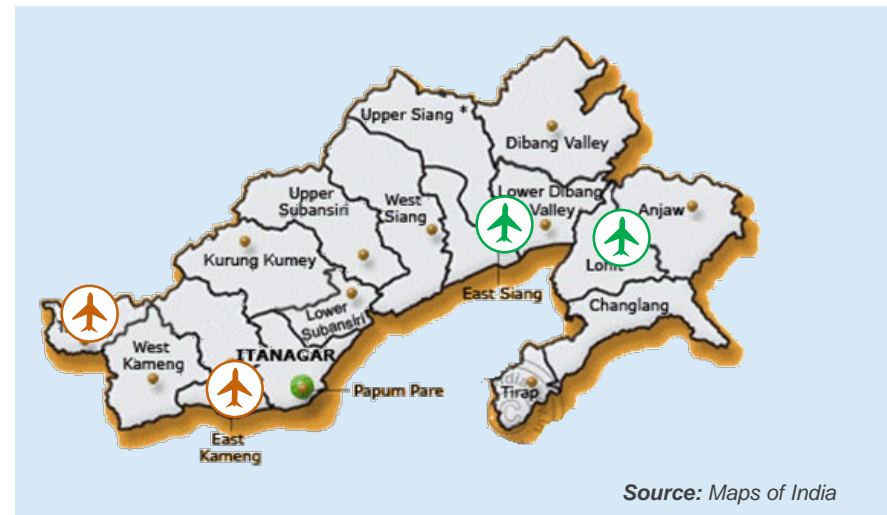
Implementation of PMGSY (During 2019-20)	
Habitations connected	1
Length completed (kms)	603,007

Note: PMGSY - Pradhan Mantri Gram Sadak Yojana

Source: NHA, Arunachaltimes, PMGSY

PHYSICAL INFRASTRUCTURE - AIRPORTS AND RAILWAYS

- Commercial flights in the state were started in the state in May 2018 from Pasighat airport. Tezu airport is also expected to become operational soon. A Greenfield airport in Hollongi was also announced in October 2018 to provide aviation services to state's capital Itanagar.
- Construction of Hollongi Airport, which was stuck for past 12 years, was approved by the Government of India with an allocation of Rs. 30 crore (US\$ 4.1 million) for its infrastructure development.
- Ministry of Railways, Government of India is planning to invest vastly in railway line projects, as out of eight projects three has been already finished.
- The Ministry of Railways is readying to build huge railway infrastructure in the state, beginning with surveying of 3 railway tracks linking Tawang. The projects are estimated to require investment of around US\$ 7.43 billion to US\$ 10.41 billion.
- As of August 2020, four new flight routes connecting Tezu to and from Imphal and Guwahati have been approved by the Ministry of Civil Aviation under the 4th round of the Regional Connectivity Scheme (RCS).



Source: Maps of India



Domestic Airport[^]

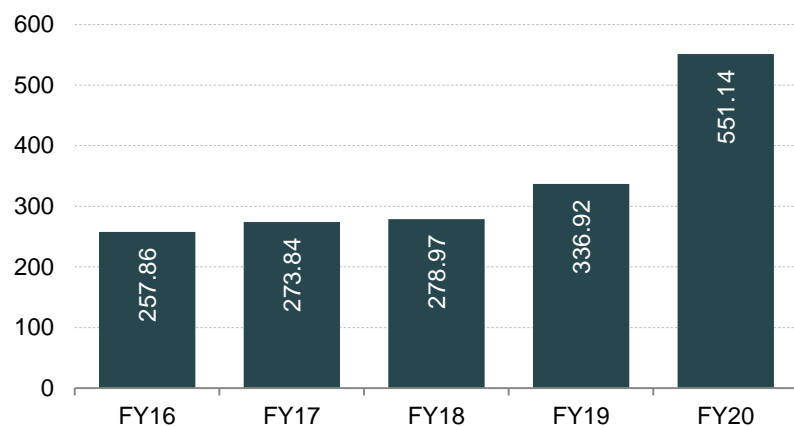


Inter-state Helicopter Service

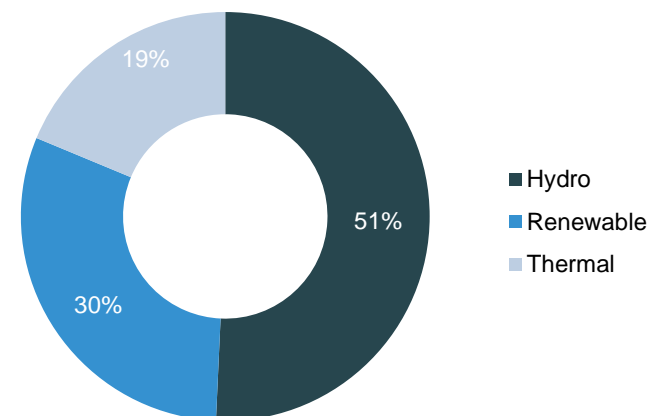
Note: [^]Non-operational

Source: Airports Authority of India; Department of Civil Aviation, Government of Arunachal Pradesh, theshilliontimes

Installed Power Capacity (MW)



Classification of installed power capacity in FY20



- On account of its hilly terrain and abundant rivers, Arunachal Pradesh is estimated to have hydropower potential of 50,328 MW (through mega projects). Key regions for tapping hydropower include Dibang, Tawang, Subansiri Upper, Subansiri Middle, Kameng and Lohit. The Government has invited domestic power companies in the region to develop hydropower plants.
- As of August 31, 2020, Arunachal Pradesh had a total installed power generation capacity of 551.14 MW, comprising 330.55 MW from hydro, 136.72 MW from renewable energy sources (RES) and 83.87 MW from thermal. The state has dramatically scaled up its capacity by capitalising on its hydropower potential.
- Government of India launched “Comprehensive Scheme for Strengthening of Transmission and Distribution System” to provide reliable and stable power connectivity to all the districts of Arunachal Pradesh. Under State Budget 2020-21, Rs. 10 crore (US\$ 1.42 million) has been allocated to the scheme.
- Ministry of Power had launched two new schemes, Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) which electrified all the villages and Saubhagya Scheme, which will target to provide energy to approximately 43,520 households in the state.

Note: MW- Megawatt

Source: Central Electricity Authority

Telecom Infrastructure (As of May 2020)

Wireless subscribers ¹ (million)	11.87
Wireline subscribers ¹ (million)	0.09
Internet subscribers ¹ (million) (September 2019)	7.36
Tele density ¹ (%)	67.59

Performance of Bharat Net

GPs Connected in 2017-18 (up to January)	328
Service Ready GPs (as of November 2019)	83
GPs for which cable laid (as of December 2018)	564

- According to Telecom Regulatory Authority of India (TRAI), northeast¹ had 11.87 million wireless subscribers and 0.09 million wireline subscribers, as of January 2020.
- The number of internet subscribers in the northeast¹ states as of September 2019 stood at 7.36 million.
- Northeast¹ had the total tele-density of 67.59% as of January 2020.
- By the end of May 2020, 1.45 million subscribers had submitted requests for mobile number portability in the region¹.
- As of May 2020, Bharati Airtel had the largest wireless subscriber base in the region¹.

Note: ⁽¹⁾Combined figures for Northeast states comprising Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura, GP - Gram Panchayat

Source: Telecom Regulatory Authority of India; Department of Telecommunications- Ministry of Communications & Information Technology, India Post

- Itanagar and Pasighat have been selected under the smart cities mission of Government of India.
- Under Jal Jeevan Mission (JJM), every rural household is to be provided with a Functional Household Tap Connection (FHTC) ensuring adequate and safe drinking water on a regular basis, including such remote villages by 2023.
- Under State Budget 2020-21, allocation of Rs. 100 crore (US\$ 14.19 million) has been made for JJM.
- In 2019-20, 200 trucks and tippers were distributed for proper Solid Waste Management of major urban centres.
- A sum of Rs. 4 crore (US\$ 0.57 million) was allocated for providing public amenities in 25 townships across the state and Rs. 10 crore (US\$1.42 million) for installation of open Gyms in parks and gardens in 34 townships.

Atal Mission for Rejuvenation and Urban Transformation up to March 2019

Allocation	US\$ million
Total allocation for projects (including state share)	19.03
Committed Central Assistance	17.16
Sanctioned Central Assistance	3.43

Source: Department of Planning, Itanagar, Ministry of Housing and Urban Affairs - GOI

SOCIAL INFRASTRUCTURE



- Arunachal Pradesh has become the first state in the country to launch a web-based educational program for all schools in collaboration with Google Inc. The system aims to bring the power of the web into the classroom & improve productivity by simplifying the teaching process.
- Under State Budget 2020-21, Rs. 10 crore (US\$ 1.42 million) has been allocated for development of virtual classroom studio at Itanagar and modernization of the Senior Secondary Schools.
- Gross Enrolment Ratio for higher education in the state increased from 26.9 in 2010-11 to 29.7 in 2018-19.
- In Budget 2020-21, Rs. 40 crore (US\$ 5.67 million) has been allocated for CM's Samast Shiksha Yojana, under which district level societies will be created to improve quality of education in the state.

Higher Education Infrastructure (2018-19)

Universities	10
Colleges	37
Teachers	1,504
Pupil-Teacher Ratio (Regular Mode)	22

Major higher educational institutes in Arunachal Pradesh

- North Eastern Regional Institute of Science and Technology, Nirjuli
- National Institute of Technology, Yupia
- Rajiv Gandhi University
- Jawaharlal Nehru College, Pasighat
- Industrial Training Institute (Roing, Daporijo and West Kameng district)
- College of Horticulture and Forestry

Source: Directorate of Higher and Technical Education, Government of Arunachal Pradesh, State Budget 2020-21, AISHE 2017-18

- To support its huge rural population, Arunachal Pradesh has a three-tier public healthcare infrastructure comprising sub-centres, primary health centres and community health centres. In addition, there are district hospitals in most districts.
- Government has introduced new health scheme Arogya Arunachal Yojana, which will provide medical coverage of Rs. 5 lakh (US\$ 7,000) per family per year. Under Budget 2020-21, Rs. 5 crore (US\$ 0.71 million) has been allocated to the scheme.
- Tomo Riba Institute of Health & Medical Sciences (TRIHMS) which is the first medical college in the state was made operationalised and college received its first batch of fifty MBBS students in 2018. In State Budget 2020-21, Rs. 40 crore (US\$ 5.67 million) has been proposed to provide as Grants-in-Aid for smooth running of Hospital and Medical College.
- Under State Budget 2020-21, Rs. 30 crore (US\$ 4.26 million) has been allocated to Mukhya Mantri Rogi Kalyan Kosh.

Health Infrastructure in Arunachal Pradesh (April 2020)

Sub-centres	617
Primary health centres	167
Community health centres	80
District Hospitals	23
Total	887

Health indicators of Arunachal Pradesh (SRS Bulletin May 2020)

Birth rate (per thousand persons)	17.9
Death rate (per thousand persons)	6.0
Infant mortality rate (per thousand live births)	37

Source: Government of Arunachal Pradesh ¹ Per thousand persons, Ministry of Health & Family Welfare, State Budget 2020-21

INDUSTRIAL INFRASTRUCTURE



- Arunachal Pradesh has 12 industrial estates located in different districts and spread over a total area of 51.9 hectare. These industrial estates have been developed in land-areas ranging from 4,540 to 202,342.8 square metres, with the primary objective of growth and development of small-scale industries.
- Moreover, in order to attract more investments the Government is providing financial assistance and monitoring to food processing units under the scheme for Technology Upgradation, Establishment and Modernization provided the companies satisfy the eligibility criteria.
- Announcements under State Budget 2020-21:
 - Industrial and Investment Policy 2020 launched to provide incentives for new investments.
 - Arunachal Pradesh Industrial Policy 2020, focusing on Micro, Small and Medium Enterprises, will provide financial, technical and training support to youths who wish to open enterprises - Government has allocated Rs. 10 crore (US\$ 1.43 million) for this.

Notified industrial estates

Location	District	Area (sq m)
Deomali	Tirap	24,848
Charju	Tirap	4,533
Niglok Ngorlung	East Siang	2,355,270
Pasighat	East Siang	80,047
Tawang	Tawang	28,652
Tippi	West Kameng	105,218
Wanhoo	West Kameng	60,703
Dirang	West Kameng	28,328
Naharlagun	Papumpare	32,375
Chandranagar	Papumpare	16,187
Namsai	Lohit	6,435
Changlang Town	Changlang	11,372
Khachang	Changlang	20,234
Bame	West Siang	202,343

Source: Department of Industries, Government of Arunachal Pradesh

- The state Government has set up District Industries Centres (DICs) across districts. These DICs play a vital role in industrial development by providing services to entrepreneurs that include identification of suitable schemes; preparation of project reports; arrangement for providing required plant, machinery and raw-materials; assistance in availing incentives and facilities provided by both central and state governments; and liaison with all development departments and financial institutions to provide assistance to prospective entrepreneurs. In addition, as of April 2015, there were 6 industrial training institutes (ITIs) in Arunachal Pradesh. Out of these, five are run by the Government and one ITI is privately controlled.

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

KEY SECTORS

- ❖ Agriculture and Forest Based Industries
- ❖ Tourism
- ❖ Textiles and Handicrafts
- ❖ Mineral Based Industries



KEY SECTOR - AGRICULTURE AND FOREST-BASED INDUSTRIES

- Agriculture is the mainstay of the economy of Arunachal Pradesh. It is mainly depended on 'jhum' cultivation. The state's agriculture and allied sectors have growth rates that are three times the national average. The state is largest producer of kiwis in India and the second largest producer of large cardamom.
- In 2018-19* total horticulture production reached 213.87 thousand metric tonnes. In April 2017, the Arunachal Pradesh Government launched the 'State Organic Mission' to make the state an organic farming hub.
- Major agro and forest-based industries in the state are related to tea, fruit, non-timber and plywood industries. Around two-thirds of the state's population is dependent on climate sensitive natural resources such as agriculture, forest, biodiversity and water availability. Non-timber based industries include bamboo, cane, rubber and medicinal plants.
- The industry is characterised by many regional players; several units have been set up by the Arunachal Pradesh Forest Corporation (APFC), a Government organisation.

Crop	Annual production - 2018-19* ('000 metric tonnes)
Fruits	125.84
Vegetables	17.39
Plantation	0.21
Aromatics & medicinal	0.16
Spices	69.03

Food Processing Clusters in Arunachal Pradesh

Category	Districts
Cereals Processing	Tawang, Upper Subansiri
Ginger Products & processing	Upper Siang, Papumpare, Lower Dibang Valley
Fish & Fisheries Products	Papumpare, West Siang, Changlang, Lower Subansiri, Ziro
Sugarcane Products	Upper Siang, Papumpare, Upper Subansiri
Vegetables Processing	Papumpare, West Kameng, Changlang
Rice Mills	West Kameng, East Kameng, Tawang, East Siang, West Siang, Namsai, Lohit
Fruits Processing	West Kameng, Papumpare

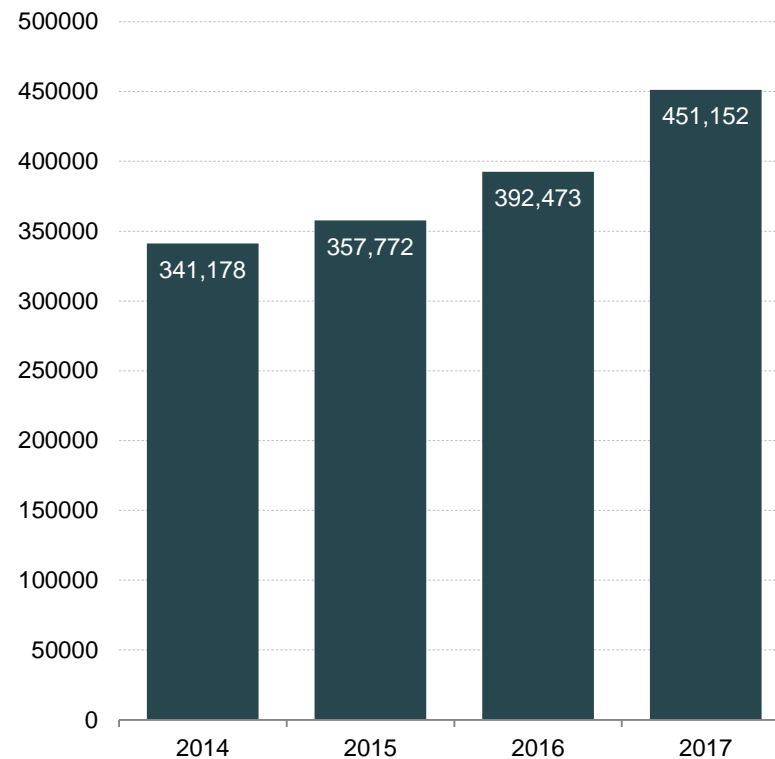
*Note: *as per 3rd quarter advance estimates*

Source: Arunachal Pradesh State Portal, Arunachal Pradesh Review, Ministry of Food Processing Industries, Ministry of Agriculture

KEY SECTOR - 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. Major sports of interest to travellers include angling, boating, rafting, trekking and hiking.
- Arunachal Pradesh is an “Orchid Paradise”, accounting for 601 species of orchids, or 52% of the species known in India. Various orchid centres are situated in Itanagar, Tipi, Sessa, Dirang, Jengging, Roing, which have a good germ-plasm collection of nearly 400 species of orchids as well as hybrids. An orchid research centre has been established at Tipi to promote orchid conservation, research and development.
- The state won the Best Emerging Tourist Destination in India award for 2019 and also the Best Emerging Green Destination for 2019.
- Tourist arrivals in the state reached 520,089 in 2018, with 512,436 domestic visitors and 7,653 foreign visitors. From 2010 to 2018, tourist arrivals increased at a 9.42% CAGR, which is higher than the northeastern regional average of 5.4%.

Tourists Arrivals in Arunachal Pradesh

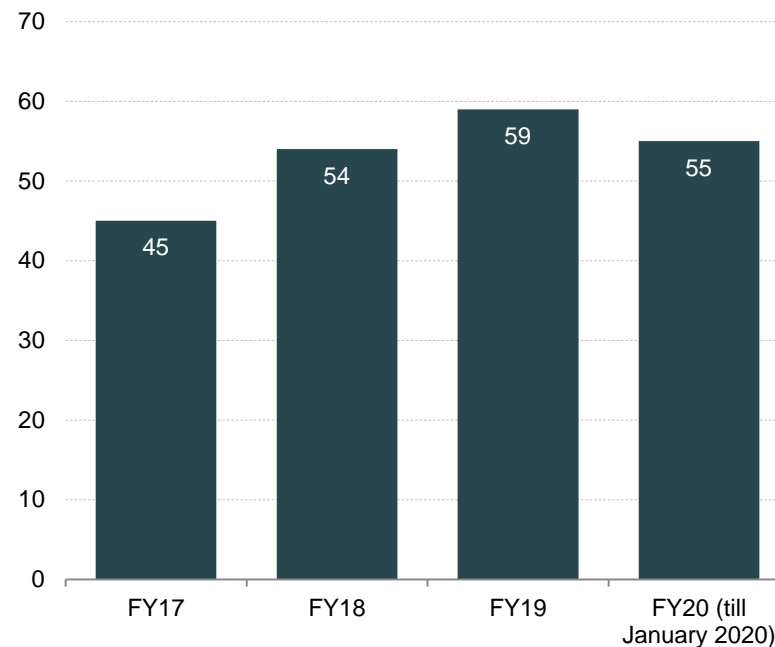


Source: Ministry of Tourism, Government of India

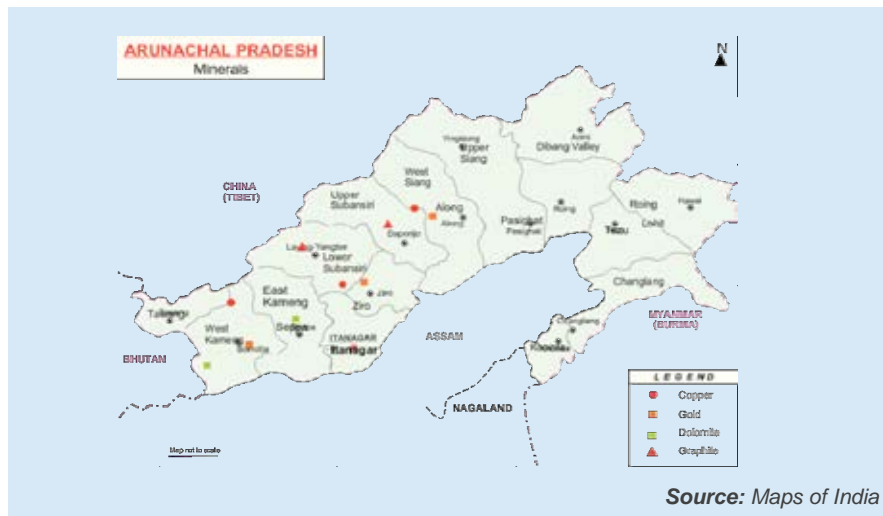
- Textile is a grass-roots industry in Arunachal Pradesh and provides employment, mainly to women. Most of the units are home-based and have a small scale of operations.
- The state boasts of an enriching array of unique and appealing handloom designs from each of its tribes. The products include skirts (gale), shirts (galuk), cotton shawls, side bags, and curtain cloth.
- 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 due to their quality. The carpet weaving industry is promoted through the Government craft centre.
- Under the 'North East Region Textile Promotion Scheme', 38 sericulture projects are being implemented in for holistic development of sericulture in the state. The projects have been approved for implementation from FY20 with a cost of Rs. 1106.97 crore (US\$ 127.4 million). Raw silk production in the state reached 59 metric tonnes (MT) in FY19.
- As of September 2020, Khadi and Village Industries Commission (KVIC) opened the first training and production centre for Silk in the tribal village of Chullyu

Source: Department of Textile & Handicraft(s) Ministry of Textiles - Government of India

Raw Silk Production (MT)



- Arunachal Pradesh has considerable mineral reserves & preliminary studies have highlighted economic mineral deposits in considerable quantity.
- The state has reserves/resources of coal in Namchik Namphuk Coalfields; dolomite in West Kameng district; fuller's earth in Tirap district; graphite in Lohit, Upper Siang and Upper Subansiri districts; and limestone in Dibang Valley, Lohit, Upper Siang and Upper Subansiri districts.
- Arunachal State Mineral Policy, 2014 has been prepared on the basis of the objectives of the National Mineral Policy, 2008. Creation of Arunachal Mineral Development Fund shall be in accordance with this policy for its utilisation towards mineral exploration and development of mining activities in the state.
- In 2018-19, the total production of crude petroleum in the state stood at 42.91 thousand tonnes. It also produced 11.57 MCM* of natural gas during the same period.



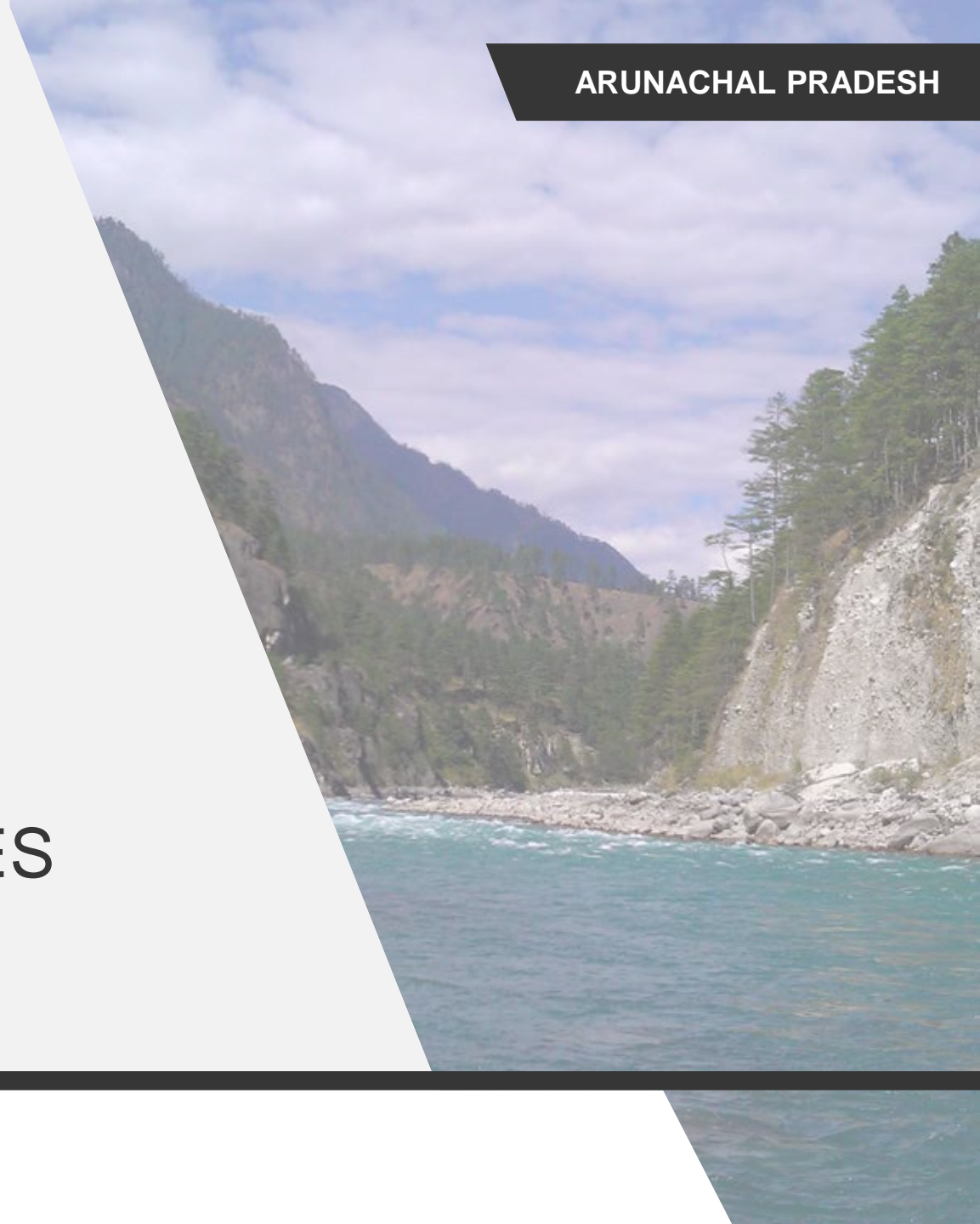
Reserves/resources of minerals in Arunachal Pradesh

Ore/mineral	Reserves (million tonnes)
Coal (July 2019)	90.23
Dolomite (November 2017)	77.83
Limestone (March 2016)	482.79
Graphite (March 2018)	72.75
Fuller's Earth (June 2019)	20.01
Quartzite (March 2016)	5.27

Note: MCM - Million Cubic Metres

Source: Indian Bureau of Mines, Ministry of Petroleum and Natural Gas

KEY PROCEDURES AND POLICIES



KEY APPROVALS REQUIRED

S No	List of approvals and clearances required	Concerned department of state
1	Incorporation of company/partnership firm/co-operatives	Registrar of Companies
2	Registration, Industrial Entrepreneurs Memorandum (IEM), industrial licenses	Department of Industries
3	Permission for land use	
4	Allotment of land	Arunachal Pradesh Industrial Development and Financial Corporation Limited/ Department of Industries
5	Site environmental approvals	Ministry of Environment and Forests, Government of India; Arunachal Pradesh State Pollution Control Board (APSPCB)
6	No-objection certificate and consent under Water and Pollution Control Act	
7	Registration under State's Sales Tax Act and Central and State Excise Act	Department of Tax and Excise, Government of Arunachal Pradesh
8	Commercial taxes	
9	Sanction of power	Department of Power, Arunachal Pradesh
10	Power feasibility	
11	Power connection	
12	Approval for construction activity and building plan	Respective District Municipality
13	Water and sewerage clearance	Department of Public Health Engineering
14	Water connection	

Source: Government of Arunachal Pradesh

KEY INVESTMENT PROMOTION OFFICES ... (1/2)

Agency	Description
Department of Industries	<ul style="list-style-type: none"> ▪ The Department of Industries is the main executive and regulatory agency functioning under the state Government. It oversees and monitors the overall industrial development activities in the state. ▪ The department is engaged in various activities such as: <ul style="list-style-type: none"> • Formulating Industrial Policy and setting up of industrial estates/growth centres/ district industries centres. • Registering and regulating industries. • Providing financial assistance to small scale and other industries. • Distributing scarce and indigenous raw-materials to different industrial units. • Apprenticeship Training Programmes through ITIs and other industrial development related activities.
Arunachal Pradesh Industrial Development and Financial Corporation Limited (APIDFC)	<ul style="list-style-type: none"> ▪ Incorporated under the Companies Act, 1956, in August 1978. ▪ To promote and set up finance industries in Arunachal Pradesh. ▪ For industrial development in Arunachal Pradesh, the infrastructure facilities that are being handled by the Department of Industries of the state are expected to be handed over to APIDFC. Implement schemes of assistance of National Scheduled Castes and Scheduled Tribes Finance and Development Corporation Limited (NSFDC).
Arunachal Pradesh Energy Development Agency (APEDA)	<ul style="list-style-type: none"> ▪ Established in the year 1996, the State Government Agency, Arunachal Pradesh Energy Development Agency (APEDA) is registered under the Societies Registration Act 1860. ▪ 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. ▪ Also the state nodal agency for projects connected with Clean Development Mechanism (CDM).

KEY INVESTMENT PROMOTION OFFICES ... (2/2)

Agency	Description
<p>North Eastern Development Finance Corporation Limited (NEDFi)</p>	<ul style="list-style-type: none"> ▪ NEDFi is promoted by leading public financial institutions: Industrial Development Bank of India (IDBI), State Bank of India (SBI), Life Insurance Corporation of India (LIC), Small Industries Development Bank of India (SIDBI), Industrial Finance Corporation of India (IFCI), Industrial Credit and Infrastructure Corporation of India (ICICI), Specified undertakings of Unit Trust of India (SUUTI), General Insurance Corporation of India (GIC) and its subsidiaries. Incorporated in August 1995, NEDFi is headquartered in Guwahati, Assam, and works under the administrative control of the Ministry of Development of North Eastern Region (DoNER), Government of India. ▪ It services micro, small, medium and large enterprises through facilities such as project and equipment finance, working capital finance, schemes for development of entrepreneurial skills and market development for products from the Northeast.
<p>North Eastern Handicrafts and Handloom Development Corporation (NEHHDC)</p>	<ul style="list-style-type: none"> ▪ North Eastern Handicrafts and Handloom Development Corporation (NEHHDC), is under the control of Ministry of Development of North Eastern Region (DoNER), Government of India. ▪ Established in 1977, the corporation develops and promotes the region's indigenous crafts by connecting various craftsmen of the region and creates different opportunities. ▪ Improves the accessibility of various goods by establishing and promoting sales centers in the region. ▪ Facilitates provision of technical, financial and other related guidance for various craftsmen, weavers, etc. ▪ To upgrade traditional skills by providing proper training.

CONTACT LIST

Agency	Contact information
Department of Industries	Government of Arunachal Pradesh Udyog Sadan, Itanagar - 791111 Phone: 91-360-2212 323/ 2214 456 Fax: 91-360-2211 569 E-mail: dir-industry-arn@nic.in
Arunachal Pradesh Industrial Development and Financial Corporation Limited (APIDFC)	C Sector, Near Petrol Pump Itanagar - 791111 Phone: + 91-360-2211 763, 2212 012
Arunachal Pradesh Energy Development Agency (APEDA)	Urja Bhawan Post Box No 124, Itanagar - 791111 Arunachal Pradesh Phone: 91-360-2211 160, 2217870 E-mail: apedita@sancharnet.in
North Eastern Development Finance Corporation Ltd (NEDFi)	NH-52A, Main Road, E-Sector, Itanagar - 791111, Arunachal Pradesh Phone/Fax: 91-360-2217 694

COST OF DOING BUSINESS IN ARUNACHAL PRADESH

Cost parameter	Cost estimate	Source
Hotel costs (per room per night)	US\$ 8 to US\$ 75	State Tourism website
Power cost (per kWh)	Commercial: US 6.0 cents to US 8.5 cents Industrial: US 7.5 cents to US 9.0 cents	Department of Power, Government of Arunachal Pradesh
Labour cost (agriculture) (minimum wages per day)	Unskilled: US\$ 4.7 to US\$ 5.29 Skilled: US\$ 5.30 to US\$ 6.28	Ministry of Labour and Employment, Government of India
Water (per 1,000 litres)	Commercial and industrial: US 20 cents	Industry sources

Objectives

Arunachal Pradesh Teachers Transfer and Posting Policy, 2020

- To rationally streamline the transfer and posting of teachers in various categories of school.
- To provide employment opportunities to educated and deserving youths.

[Read more](#)

State Industrial Policy 2020

- To increase Gross State Domestic Product by way of facilitating growth of various economic activities including Manufacturing and Service sectors.
- To create income and employment, especially in rural areas.

[Read more](#)

North East Industrial Development Scheme 2017

- To promote industrialisation in the states in the North Eastern Region
- To improve productivity in Government departments through computerisation.

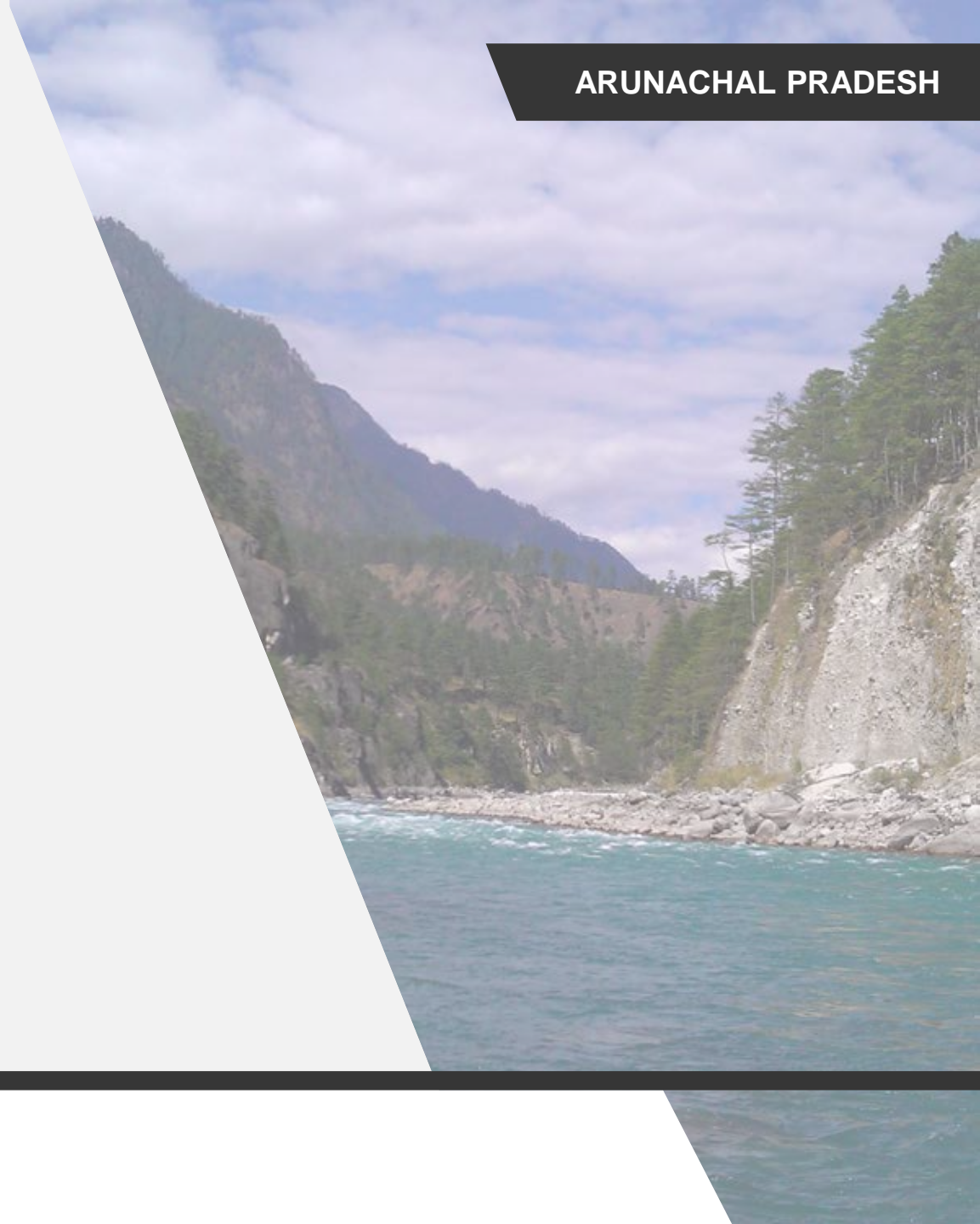
[Read more](#)

Public Private Partnership Policy 2011

- Leverage State and Central Government funds to support private investment.
- Prepare a shelf of projects to be offered for PPP and take them forward with the assistance of the owner departments through a transparent selection process.

[Read more](#)

ANNEXURE



ANNEXURE...(1/2) - SOURCES

Data	Sources
GSDP (state)	Central Statistics Office, MOSPI
Per capita GSDP figures	Central Statistics Office, MOSPI
GSDP (India)	Central Statistics Office, MOSPI
Installed power capacity (MW)	Central Electricity Authority
Wireless subscribers (No)	Telecom Regulatory Authority of India
Internet subscribers (million)	Telecom Regulatory Authority of India
National highway length (km)	NHAI, Roads and Building Department-Government of India
Airports (No)	Airports Authority of India
Literacy rate (%)	Census 2011
Birth rate (per 1,000 population)	SRS Bulletin May 2020
Cumulative FDI equity inflows (US\$ million)	Department for Promotion of Industry and Internal Trade

ANNEXURE...(2/2) - EXCHANGE RATES

Exchange Rates (Fiscal Year)

Year Rs	Rs. Equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.29
2007-08	40.24
2008-09	45.91
2009-10	47.42
2010-11	45.58
2011-12	47.95
2012-13	54.45
2013-14	60.50
2014-15	61.15
2015-16	65.46
2016-17	67.09
2017-18	64.45
2018-19	69.89
2019-20	70.49

Exchange Rates (Calendar Year)

Year	Rs. Equivalent of one US\$
2005	44.11
2006	45.33
2007	41.29
2008	43.42
2009	48.35
2010	45.74
2011	46.67
2012	53.49
2013	58.63
2014	61.03
2015	64.15
2016	67.21
2017	65.12
2018	68.36
2019	69.89
2020*	74.18

Note: As of September 31, 2020

Source: Financial Benchmarks India, Average for the year

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