

Government of India
Ministry of Development of North Eastern Region

LOK SABHA
UNSTARRED QUESTION No. 870

To be answered on
Monday, February 7, 2022/Magha 18, 1943 (Saka)

QUESTION
Start-Ups in North-Eastern States

†870. SHRI SATYADEV PACHAURI:

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

- (a) whether the North-Eastern States are becoming a hub for Start-ups and the Government is working at various levels to improve air, rail and road connectivity in the said States and if so, the details thereof;
- (b) whether the Government has started call centres for Start-ups so that the youth can also participate in policy making by sharing their ideas and if so, the details thereof;
- (c) the funds allocated by the Government for the development of North-East along with the details of works for which the said allocation has been made;
- (d) the number of students who have applied for Start-ups in the North-Eastern States including the number of students who have got approval; and
- (e) the steps taken/being taken by the Government to make North-East an industrial hub so as to provide employment opportunities to the people in this region?

ANSWER

The Minister of the Ministry of Development of North Eastern Region

[Shri G. Kishan Reddy]

- (a) Yes, Sir. In the recent past various stakeholders in the Start-up eco-system such as incubators, accelerators and other venture funds have emerged in the North Eastern Region (NER), leading to a large number of Start-ups. As on 31st January, 2022, Department for Promotion of Industry and Internal Trade (DPIIT) has recognized 674

Start-ups from States of NER comprising of Arunachal Pradesh (8), Assam (499), Manipur (68), Meghalaya (17), Mizoram (6), Nagaland (21), Sikkim (8), and Tripura (47).

Besides, North East Development Finance Corporation Ltd. has released a total of Rs. 41.14 crore to 22 Start-ups till date through North East Venture Fund (NEVF) and a total of 36 proposals have received in principle commitment of Rs. 74.76 crore.

Government has taken various important initiatives for improving air, rail and road connectivity thereby accelerating the development of the NER. A summary of these initiatives is given in **Annexure I**.

(b) To cater to queries related to Start-up India initiative by aspiring and existing entrepreneurs, Start-up India operates a toll free number 1800115565.

(c) Several initiatives have been undertaken by the Government for the development of NER on a large scale since 2014-15. As per the extant guidelines, all 54 non-exempted Central Ministries/Departments are mandated to spend atleast 10% of their Gross Budgetary Support (GBS) for Central Sector and Centrally Sponsored Schemes in NER. The details of the Budget Estimates (BE), Revised Estimates (RE) and Actual Expenditure during the period from 2014-15 to 2022-23 in relation to 10% GBS in the NE States is given in Table below.

Budget Estimates (BE), Revised Estimates (RE) and Actual Expenditure under 10% GBS			
(Rs. in crore)			
Year	Budget Estimates	Revised Estimates	Actual Expenditure
2014-15	36,107.56	27,359.17	24,819.18
2015-16	29,087.93	29,669.22	28,673.73
2016-17	29,124.79	32,180.08	29,367.90
2017-18	43,244.64	40,971.69	39,753.44
2018-19	47,994.88	47,087.95	46,054.80
2019-20	59,369.90	53,374.19	48,533.80
2020-21	60,112.11	51,270.90	48,563.82
2021-22	68,020.24	68,440.26	38,456.00*
2022-23	76,040.07		

Source : Statement 11/23 of the Union Budget, various years
 Note : Actual Expenditure figures are provisional and subject to vetting by Ministry of Finance.
 * Upto 31.12.2021, as reported by 54 Non-exempted Ministries/Departments

(d) As per the notification GSR. 127 (E) issued by DPIIT dated 19th February 2019, an entity is considered as a Start-up:

- i. Upto a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India.
- ii. Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crore rupees.
- iii. Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.

There is no bar regarding occupation of the director/partner for applying for recognition. Hence, no data about the number of students who have applied for Start-ups is being captured.

(e) The North East Industrial Development Scheme (NEIDS), 2017 has come into force with effect from 01.04.2017 for a period of five years. The scheme covers manufacturing and service sector of all the States of NER. Various benefits provided under the scheme include: (i) Central Capital Investment Incentive for access to credit; (ii) Central Interest Incentive; (iii) Central Comprehensive Insurance Incentive; (iv) Income Tax Reimbursement; (v) Goods and Services Tax Reimbursement; (vi) Employment Incentive; and (vii) Transport Incentive. There is an overall cap of Rs.200 crore per unit for benefits under all components of the Scheme. Till end-October 2021, a total of 391 new industrial units with proposed total investment of Rs.2,631.19 crore have been granted registration under NEIDS. The total incentive envisaged for these industrial units amounts to Rs.1,740.06 crore.

Besides, industrialization and employment in the NER is being promoted through expenditure under 10% Gross Budgetary Support by 54 non-exempt Ministries/ Departments, including the schemes being implemented by Ministry of Development of North Eastern Region and North Eastern Council.

Annexure I to Part (a) of the Lok Sabha Unstarred Question No. 870 dated 07.02.2022 regarding Start-Ups in North-Eastern States

- **Air connectivity** : Ongoing development of new Greenfield Airports at Holongi and Tezu in Arunachal Pradesh; Dibrugarh, Guwahati and Silchar Airports in Assam; Imphal Airport in Manipur; Barapani Airport in Meghalaya and Agartala Airport in Tripura, etc. In January, 2022, the Prime Minister inaugurated the New Integrated Terminal Building at Maharaja Bir Bikram Airport in Agartala.
- **Rail connectivity**: Presently, 20 projects, for new lines as well as doubling, costing Rs.74,485 crore for 2,011 km length falling fully/partly in North Eastern Region are at different stages of planning/ approval/ execution, out of which 321 km length has been commissioned and an expenditure of Rs.26,874 crore incurred upto March, 2021.
- **Road Connectivity**: Major ongoing Capital Road Connectivity projects in NER include 4 Laning of Dimapur-Kohima Road (62.9 km) in Nagaland; 4 laning of Nagaon bypass to Holongi (167 km) in Arunachal Pradesh; Alternate two-lane Highway from Bagrakote to Pakyong (NH-717A) (152 km) in Sikkim; 2 laning of Aizawl – Tuipang NH-54 (351 km) in Mizoram; 4 laning of Imphal – Moreh section of NH-39 (20 km) and 2-laning of 75.4 km in Manipur. The cost of on-going road works in the North East Region is Rs.79,953.39 crore.
- In addition, Ministry of Development of North Eastern Region is implementing various social and infrastructure schemes for the development of North Eastern Region. Under the erstwhile Non-Lapsable Central Pool Resources (NLCPR) scheme, 1653 projects worth Rs. 16,233.78 crore were sanctioned, out of which 1,204 projects worth Rs. 9,557.20 crore have been completed, while 431 projects worth Rs. 6,676.59 crore are being funded till their completion. Under North East Special Infrastructure Development Scheme (NESIDS), for enhancing connectivity of NER, 110 projects worth Rs. 2,563.14 crore have been sanctioned and are at various stages of completion.
- NEC has also sanctioned 21 nos. of projects costing Rs. 1318.22 crore during the last 5 years under Schemes of NEC and North East Road Sector Development Scheme (NERSDS). These projects are at various levels of implementation.