



## ENTREPRENEURSHIP DEVELOPMENT FOR MSMEs IN THE NORTH EAST (NE) REGION OF INDIA

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### **Abstract**

*The article is presented in six parts: I. Entrepreneurship Development, II. North East (NE) Region: A Bird's eye view, III. Initial Efforts towards promotion of entrepreneurship in North East (NE) Region .IV. Birth of Indian Institute of Entrepreneurship (IIE) and its role for entrepreneurship development. V. Suggestions and VI. Conclusions.*

**Key Words:** *Entrepreneurship, Indian Institute of Entrepreneurship, North East Region, Micro Small and Medium Enterprises*

### **I. ENTREPRENEURSHIP DEVELOPMENT**

Entrepreneurship is vital to a market economy. It has been considered the backbone of economic development and social change. In view of this, there has been a world-wide interest in the promotion of entrepreneurship. In India, Small Industry Extension Training (SIET) Institute, Hyderabad made pioneering efforts to initiate the process of entrepreneurship development during mid-1960s- 1970s (Bhagwan Prasad, 2003). At the same time, systematic approach to entrepreneurship development was initiated in the country in a few States. Gujarat is well known as the pioneer State in starting intensive and systematic efforts at entrepreneurship development during 1970s. This was followed by a few other States including Andhra Pradesh, Karnataka, Tamil Nadu, and Jammu & Kashmir. By 1980s, entrepreneurship development attained the status of a nation-wide movement. During 1990s, the Information Technology (IT) revolution began. India was increasingly identified with the software industry. Indian entrepreneurial explosion happened in the closing years of the 20<sup>th</sup> century (Akhouri, 2001). This trend is continuing at a faster pace. Liberalisation, privatisation and globalisation along with IT revolution have opened up new vistas for capable entrepreneurs to avail of the opportunities for setting up micro and small enterprises. More individuals are now entering the field of entrepreneurship, especially in developed States pursuing new directions, and new products and services through start-up ventures. In the States of North East (NE) India, more youth are gradually moving towards entrepreneurship, and promoting largely enterprises, falling in the micro investment category. The road ahead is challenging, and much more is to happen, with greater and more diversified opportunities available for prospective entrepreneurs.

### **II. NORTH EAST (NE) REGION: A BIRD'S EYE VIEW**

North East (NE) Region covers eight States, with Sikkim as the latest addition. The eight States forming part of the Region at present are Assam, Arunachal Pradesh, Manipur, Meghalaya, Nagaland, Tripura, and Sikkim. These eight States put together account for 8.0 per cent of the geographical area, and 3.8 per cent of the population of the country. The Region's contribution to all India net domestic product (NDP) is 2.7 per cent. Total population of the Region in 2011 is 45.6 million. Assam, being a large State in the Region, accounts for 31.2 million (68.4% of the total for the Region). Population of the other States in 2011 in the descending order is Tripura 3.7 million, Meghalaya 3.0 million, Manipur 2.7 million, and Nagaland 2.0 million. The smallest States in terms of population size are Arunachal Pradesh 1.4 million, Mizoram 1.1 million, and Sikkim 0.6 million. Population of the Region in 2001 was 39 million, recording a decadal growth rate of 16.9% by 2011, compared to the all India figure of 17.6%. Table 1 presents the state-wise demographic features based on 2011 Census. These include decadal growth rate of population during 2001–2011, urbanisation, density of population, sex ratio (females per 1000 males), and literacy rate – among persons, males, females, and male-female literacy gap. All India figures are also given to facilitate comparison of each of the States with the country as a whole. With regard to decadal growth rate (2001–11), it is observed that Nagaland has recorded decline in population by 0.5%. The hill States of Meghalaya, Arunachal Pradesh, and Mizoram have recorded the highest growth rates of 27.8%, 25.9%, and 22.8%, respectively in comparison to 17.6% for all India, and 16.9% for the Region. The growth rates of other States with less than or close to all India average are: Manipur 18.7%, Assam 16.9%, Tripura 14.8%, and Sikkim 12.4%. Literacy rate for all persons is the lowest for Arunachal Pradesh (67.0%) compared to the all India figure of 74.0%. All other States are close to or higher than all India, the highest being Mizoram (92%). Four States are in range of 80 to 90%. Female literacy rate is the highest in Mizoram (89.4%), and Tripura (83.2%), compared to the all India figure of 65.5%. Four States are around 75%. Arunachal Pradesh stands the lowest at 59.6%, and Assam (67.3%) is slightly above the all India average. The heartening feature of literacy rate in the Region is very low level of male–female literacy gap. It is as low as 3 to 4% in Meghalaya (3.4%), and Mizoram (4.3%) in comparison to the all India figure of 16.6%. Four States are in the range of 10 to 14%. Other States with below 10% gap are Nagaland (6.6%), and Tripura (9.0%). Educationally, the Region is well developed with the exception of Arunachal Pradesh, though there are segments in each district and each State which need further support for attaining higher levels of education.

### III. INITIAL EFFORTS TOWARDS PROMOTION OF ENTREPRENEURSHIP IN NE REGION

The initial emphasis of Small Industry Extension Training (SIET) Institute/ National Institute of Small Industry Extension Training (NISJET), Hyderabad and at its Regional Centre at Guwahati was for organising programmes for development functionaries of the governments and other organisations involved in the promotion of small industry and entrepreneurship. This step was in fact considered important to orient and sensitise the personnel from the support system to accelerate the promotion of micro and small enterprises. However, it was observed that NE region required more entrepreneurs to solve the growing problem of unemployment, and also for bringing about rapid industrialisation. Gradually, there was a paradigm shift in emphasis to entrepreneurship development. This was due to greater thrust laid on promoting entrepreneurship among the educated unemployed youth for self-employment and entrepreneurial career. In 1985, NEC made an ambitious plan based on the SIET study on entrepreneurial and managerial needs of NE Region (SIET, 1978) to develop 5,000 entrepreneurs in the region during the Seventh Five-Year Plan (1985-90); and three organisations including NISJET NER Centre were entrusted with the task of conducting Entrepreneurship Development Programmes (EDPs) in the entire region. Evaluation study (NEC, 1990) conducted on the EDPs organised during 1986-90 revealed that the overall rate of success of EDPs was 20.9%. There were, however, state-wise variations. The highest rate of success was 28.4% in Manipur, followed by Mizoram (26.3%), Assam (22.0%), Arunachal Pradesh (21.0%), Meghalaya (16.0%), Nagaland (15.5%); and the lowest was in Tripura (11.5%).

During the first ten years of operation in the NE region, the Institute adopted location approach to organise EDPs. In fact, all the EDPs were location specific. They were also target-group oriented and product-specific. These were organised in the State capitals, district headquarters, sub-divisional towns, and even in remote areas. The target-group oriented EDPs were for women, science and technology entrepreneurs, SC and ST entrepreneurs, etc. The product-specific programmes were for food products, plastic products, sports goods, etc. The Institute organised mainly three types of programmes, namely, new entrepreneur creation programmes or EDPs, ED awareness creation programmes, and existing entrepreneurs programmes. All these were for prospective and existing entrepreneurs. In addition, programmes were also organised for development functionaries. Later on, continuity of family business programmes were included for the benefit of educated children of artisans and entrepreneurs.

The Institute also undertook research and consultancy activities relevant for small industry development and promotion of entrepreneurship. These included assignments such as Preparation of Entrepreneurs' Guide Book for NE Region, Study of Assam Small Industries Development Corporation (ASIDC), Study on Ancillary and Auxiliary Possibilities of Cherapunjee Cement Plant, etc. It also pursued a publication policy to bring out publications either on its own or with the support of publishing houses. This resulted in making available a number of publications on small industry development, industrial development; success stories of thirty NISJET trained entrepreneurs, etc. The success stories got wide publicity through *Laghu Udyog Samachar*, a publication of the Office of Development Commissioner (Small Scale Industries).

### IV. BIRTH OF THE INDIAN INSTITUTE OF ENTREPRENEURSHIP AND ITS ROLE FOR THE DEVELOPMENT OF ENTREPRENEURSHIP IN NE REGION

In January 1993, Union Ministry of Industry set up the Indian Institute of Entrepreneurship (IIE), a national level Institute with headquarters at Guwahati to undertake training, research and consultancy services in the field of entrepreneurship development to develop micro and small enterprises (MSEs). This is again a landmark development for the NE Region. IIE is probably the first Central Government Organisation that has headquarters in Guwahati. NISJET NE Regional Centre has been merged with the new Institute. IIE started operations from 1st April 1994. It has now a regional office at Dehradun (Uttarakhand), and seven branch offices in seven NE states, excluding Assam. In other words, IIE can now function from different locations, and organise programmes to meet the specific needs of several states. The IIE Regional Office at Dehradun has been merged with the National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA (Uttar Pradesh) in April 2013. IIE was under the Union Ministry of Micro, Small and Medium Enterprises (MSME). It has since been transferred along with NIESBUD to the newly created Union Ministry of Skill Development and Entrepreneurship in 2015. The IIE since its inception in April 1994 up to end – December 2014, over 21 years of its functioning, organized 5,282 programmes with 1.85 lakh participants. During 2014-15 (up to end-December 2014), the Institute organized 469 programmes in which 15,876 participants were trained. Out of 469 programmes, 356 (75.9%) are on Entrepreneurship and Skill Development Programmes (ESDPs), under the Scheme of Assistance to Training Institutions (ATI), Ministry of MSME, 23 (4.9%) Skill Development Programmes (SDPs) sponsored by other organizations, 29 (6.2%) on Entrepreneurship Development, 4(0.8%) on management development, and 57 (12.2%) other programmes. A few orientation programmes were organized for NSS (National Service Scheme) Programme Officers of the Ministry of Youth Affairs and Sports. Other activities are implementation of Rajiv Gandhi Udyami Mitra Yojana, and Corporate Social Responsibility Activities of Corporate Houses which include Oil India Ltd., Dhuliajan. The Regional Resource Centre (RRC) has been organizing Buyer – Seller Meets for Cluster artisans and units implemented by it since 2009. A detailed report on



“Cluster Development in the NE Region has been brought out by the Centre which documents Cluster efforts in the region. In line with the ‘Make in India’ initiative of Government of India, Rajiv Gandhi Udyo Mitra Scheme has been modified to provide mentoring support for upscaling and nurturing existing enterprises and developing competitive resilient new enterprises, with the larger goal of identifying, supporting and expanding the role of competitive MSMEs in the global economy context. The Centre for Sustainable Livelihood Promotion has been set up under the sponsorship of Oil India Ltd., Dhuliajan in Decembr 2013 for design and implementation of CSR Activities of OIL as Social Sector interventions covering Entrepreneurship education programmes for teachers and students of schools and colleges, Skill Development Programmes, Livelihood Clusters and Solar Solution initiative in OIL operational areas.

It is planned to discuss the activities of IIE in two phases, namely, (a) Phase 1: Activities during April 1994 - March 2001 (fiscal years –FYs- 1995-2001); and (b) Phase 2: Activities during April 2001 - March 2012 (fiscal years –FYs- 2002-2012). In Phase 2, it is planned to highlight the changes that have taken place in the thrust of EDPs, and self employment programmes, apart from the potential to pursue activities in various States in many more locations through the Regional and Branch offices of the Institute.

#### **a) IIE: Phase 1 (FYs 1995-2001)**

In the beginning, IIE continued the three programmes inherited from SIET/NISIET, meant for (a) prospective and existing entrepreneurs, (b) educated children of artisans and entrepreneurs, and (c) development functionaries. Gradually, new programmes were introduced. Later on, the programmes were classified into the following seven categories: (a) Promotion of New Entrepreneurs (PNE), (b) Growth of Existing Entrepreneurs (GEE), (c) Creation of Environment for Entrepreneurship (CEE), (d) Continuity of Family Business (CFB), (e) Entrepreneurship Education (EE), (f) Information Technology (IT), and (g) Seminars and Workshops. During the fiscal years 1995 to 2001, the Institute organised a total of 368 programmes in which 10,489 participants were trained. Out of these programmes, 50.5% were for new entrepreneurs, 6.8% for existing entrepreneurs, and 13.9% for development functionaries, 2.7% for educated children of artisans and entrepreneurs, 18.2% for teachers and students of colleges and universities, and 1.4% on IT. The proportion of new entrepreneurs trained in relation to total participants was 52.8%, and the teachers and students who joined the education programmes accounted for 19.6%. This speaks of the emphasis laid in IIE programmes (IIE, 2001).

Creating awareness among college and university teachers and students about entrepreneurship has been one of the focus areas of the Institute. The Institute organises faculty development programmes for teachers, and awareness camps for students of colleges and universities, and also separate programmes for polytechnic students. The Institute has been instrumental in setting up an Information and Career Guidance Cell (ICGC) in a number of educational institutions through its teachers training programmes. Over 100 colleges have opened ICGCs in different parts of the region.

#### **b) IIE: Phase 2 (FYs 2002-2012)**

The Institute under the sponsorship of the Union Ministry of MSME, initiated Comprehensive Entrepreneurship Development Programmes (CEDP) on gem stone processing, and hosiery and woolen garments manufacturing. Skill development training is imparted to prospective entrepreneurs and artisans through six months and five months certificate courses on traditional and fancy jewellery, gem stone cutting and polishing, and hosiery processing at its training centres at Guwahati, and also in Mizoram, Sikkim, and Arunachal Pradesh. The Institute also provides incubation facilities and technical support and guidance, and market linkages to prospective entrepreneurs in these trades. The state-of-art Jewellery Designing and Manufacturing Training Centre established at the Institute also provides forward linkages to the existing gem stone cutting and polishing enterprises. These programmes help the candidates to become self employed or alternatively look for wage employment opportunities.

In course of time, some changes have occurred in the approach to entrepreneurship training. EDPs have been creating new entrepreneurs; but the rate of success continues to be low, and needs improvement to focus on sustainable development, especially in less developed States. The Union Ministry of MSME realised this fact, and felt the need ‘to provide skill development training along with entrepreneurship development training’ to people in less developed States ‘in order to bring them to the mainstream of economic growth’ (Ministry of MSME, *Annual Report 2011-12*). Since 2009-10, IIE has been implementing ‘a Flagship Scheme of the Ministry of MSME for skill development to create 500 million skilled manpower in India by 2022’. The implementation of the scheme has led to shift in the focus of the Institute from entrepreneurship development programmes to skill development training. Since then, IIE has been organising more Entrepreneurship and Skill Development Programmes (ESDPs) and Skill Development Programmes (SDPs). This change in emphasis necessitated changes in the classification of programmes. In the new classification, all the programmes are classified into four categories, namely, EDPs, ESDPs & SDPs, MDPs (management development programmes), and other programmes. Bulk of the programmes and participants trained is on ESDPs and SDPs. (IIE, *Annual Report 2011-12*).

With changes in the policies of the Government, and an increased thrust on globalisation and liberalisation, the Government felt that the indigenous industries need focused attention. Hence, along with individual impetus on enterprise creation, group approach in MSME development is the need of the hour. With this background, IIE has gradually started various Area Approach Projects in the NE Region. The approach has been oriented towards developing enterprise and entrepreneurship in the project mode. The area approach projects include science and technology enterprise development (STED) project, rural industries programme (RIP) of SIDBI, District Rural Industries Project (DRIP) of NABARD, regional resource centre (RRC) for cluster development for developing micro and small enterprise clusters with support from the Development Commissioner (MSME), rural business hub (RBH), etc. Besides, IIE, as the implementing agency, has been implementing the modernisation programme in a number of clusters in handloom, Eri Silk, jute, terracotta, kauna grass, bamboo, wood carving, carpet making, food processing, etc (IIE, *Annual Report 2011-12*). As a Regional Resource Centre for micro and small enterprises in the North East, IIE has opened state centres for cluster development in all the NE States. Workshops have been organised for sensitising all prospective and existing stakeholders of the programme for developing a collective and cohesive effort in a well orchestrated manner through participatory approach for cluster development. Rural Business Hub is an initiative of the Union Ministry of Panchayati Raj, a concept of public-private-panchayat partnership with the objective to develop and strengthen rural industries in the relevant thrust areas, rural tourism, and e-services. IIE has been identified as the Gateway for RBH in the NER. RRC has created backward and forward linkages in specific clusters where work has been in progress. It has also organised a 'Buyer-Seller Meet' at Guwahati. As part of the overall market development strategy, RRC has come up with a common logo for all clusters, and individual cluster logos as well which have been embedded in every product coming out of the clusters of the region.

Among the self employment schemes implemented by a few organisations, mention may be made of the following for organising EDPs: (a) Prime Minister's Rozgar Yojana (PMRY) which has been in operation from 1993 to March 2008; (b) Rural Employment Generation Programme (REGP) of Khadi and Village Industries Commission (KVIC) operated from 1994 to March 2008; and (c) Prime Minister's Employment Generation programme (PMEGP) which was started in October 2008 with focus on rural areas. The earlier two self employment schemes referred to above have been subsumed in PMEGP; and the new scheme is made an enlarged one. The new scheme is under the overall coordination of KVIC, and implemented at the field level by KVIC / KVIB, and Department of Industries through District Industries Centres. Under PMEGP, projects with project cost excluding land up to Rs.25 lakh for manufacturing, and up to Rs.10 lakh for services and businesses, can be considered for support. This is a credit linked subsidy scheme, with graded subsidy pattern. The promoter's contribution envisaged is 10% for the general category and 5% for the special category candidates. Subsidy as a proportion of project cost given by Government of India through KVIC is 15% for the general category, and 25% for the special category in urban areas; and 25% for the general category and 35% for the special category in rural areas. (d) Rajiv Gandhi Udyami Mitra Yojana (RGUMY): The objective of the scheme is to provide handholding support and assistance to the potential first generation entrepreneurs who have successfully completed EDP/SDP/ ESDP/ Vocational training through a selected Udyami Mitra.

In addition to the approaches adopted in promoting entrepreneurship and developing skilled persons, the Institute has been implementing a Scheme of Entrepreneurship Development Centres through Partner Institutions (PI), and taking their support in organising ESDPs as per the guidelines of the Ministry of MSME. Up to March 2012, IIE signed MoUs with 41 institutes / organisations as partner institutes to help IIE in conducting ESDPs. This has helped the Institute to expand and diversify its activities far and wide.

Intensive efforts in the promotion of entrepreneurship have helped in the creation and upgradation of entrepreneurial skills in the region, and simultaneously accelerating the growth of micro and small enterprises, and possibly medium enterprises. Apart from created entrepreneurs, there are people who have taken up entrepreneurship by choice and also by compulsion. However, all of them have contributed to the faster growth of MSMEs. This is reflected in the trend of growth and performance of micro, small and medium enterprises (MSMEs) in the NE Region as presented in **Tables 2 and 4**. The data presented in these tables are based on the results of the Fourth All India Census of MSMEs for the reference year 2006-07, as per the present definition for various segments of MSMEs. During 2006-07, the number of registered working MSMEs in the region was 34,295. This has gone up to 47,786 in 2009-10, and 55,271 in 2010-11, recording a compound annual growth rate (CAGR) of 12.7% during the fiscal years (FYs) 2007 and 2011. In respect of individual States also, there has been growth of MSMEs over the years.

State-wise details of number of registered MSMEs year-wise are presented in **Table 2** for FYs 2007 to 2011. The Table also presents the share of each State in the NE region total for FYs 2007 & 2011, along with compound annual growth rate (CAGR) for the States and the region during this period. This is followed by **Table 4** which presents state-wise details of



registered MSMEs for FYs 2007 and 2011 in respect of employment, fixed investment, and production. These details are gathered from the *Union Ministry of MSME Annual Report 2011-12*. Data contained in these two tables for MSMEs present interesting findings of the growth trend in different States. In respect of number of working MSMEs, all the States except Manipur have shown substantial progress. CAGR for the region is 12.7% for number of enterprises, 23.0% for employment, 23.0% for fixed investment, and 23.3% for production. Nagaland has recorded the highest growth rate in all the indicators with an achievement of 62.6% for each indicator. Other States have shown good but moderate progress. Out of 55,271 enterprises in FY 2011, Assam accounts for 48.7%, Nagaland 16.9%, three States are close to 10%; and Sikkim, Arunachal Pradesh, and Tripura have recorded below 4% share. In Nagaland, the share increased from 3.9% in FY 2007 to 16.9% in FY 2011, whereas in Assam, the share has declined from 57.9% to 48.7%. Decline in the share of Assam is a healthy sign, as it denotes faster development in a few other States during this period. Nagaland has recorded the highest growth rate, and substantial increase in the share. On the other hand, Manipur recorded the lowest growth rate, and decline in share, which is a cause for concern. Assam has recorded moderate progress. The statistics do reveal the need for sustained support to micro and small enterprises, in particular, both in respect of prospective entrepreneurs who are venturing into entrepreneurship, and also for existing entrepreneurs to develop their enterprises successfully, and attain higher levels of achievement in a sustained manner. The 12<sup>th</sup> Five Year Plan (2012-17) envisages Faster, Sustainable, and more Inclusive Growth. This goal is to be pursued vigorously in the development of MSME Sector in the NE Region as well.

**Table 3** presents state-wise distribution of number of Entrepreneurs' memorandum 2 filed by MSMEs during the FYs 2008 to 2014 based on data presented in the Union Ministry of MSME's *Annual Report 2014-15*. The table covers the number of units given permanent registration after their commencing production. For the region as a whole, the numbers remain nearly the same, with variation in individual states over years. The proportion of each state's number of units to the region's total in 2014 is compared with that of 2008, in absolute numbers and as a percentage to total. In FY 2014, Assam stands first (55.7%), with others in the descending order at a much lower level as Meghalaya (19.2%), Nagaland (7.2%), Mizoram (6.4%), Manipur (5.3%), Tripura (5.2%), Arunachal Pradesh (0.8%), and Sikkim (0.2%). Performance of Assam and Meghalaya can be considered good, with all others needing much greater support to show better performance.

## V. SUGGESTIONS

Sustainability of enterprises promoted earlier is an equally important goal of the ED programme. For this purpose, cluster development approach and mentoring are directions being pursued to upgrade the existing enterprises. Cluster approach being followed in the context of various programmes helps in the growth, diversification, and modernisation of enterprises through the collective efforts of the existing enterprises. Export promotion, use of green business technologies for preserving and enriching the environment, and adoption of modern management practices can be pursued as part of the cluster approach. Mentoring is a concept where well settled and experienced entrepreneurs in the small and medium sector act as mentors for younger entrepreneurs through periodic contact and counseling to enable them to overcome specific problems at various stages of development of the enterprise. For start-up ventures promoted under different programmes, mentoring, follow up, and handholding support at the field level through the DICs, industry associations, NGOs, or consultants becomes necessary. Through greater understanding and coordination among different institutions at the field level, including banks and development financial institutions, and linkages with the training institutions, the process can be pursued vigorously. For this purpose, adequate funding and manpower deployment are to be ensured with support from Government of India. Rajiv Gandhi Udyami Mitra Yojana, and Partner Institutions Initiative can be of great help in this direction.

## VI. CONCLUSION

Well orchestrated and holistic efforts made by IIE and its predecessors, SIET Institute / NISIET for nearly four decades have created a sound base for the implementation of entrepreneurship development strategies in the NE Region. In the mean time, a number of other agencies have also emerged. All these institutions have contributed to the promotion of entrepreneurship, and acceleration of the progress of micro and small enterprises in the region. New entrepreneurs have been emerging from different segments of the society, with special attention paid to SC, ST, OBC, and Minority candidates apart from General categories. Entrepreneurs have also emerged from rural and semi-urban areas, apart from urban areas and major cities. Entrepreneurship is no longer limited to males; there are shining examples of women-entrepreneur promoted enterprises in manufacturing, service and business segments in different parts of the North East. An entrepreneurial environment has been created all over the region, providing a conducive climate for the growth of micro, small and medium enterprises, with greater degree of preparedness to face competition within the country and globally. This process will lead to inclusive growth in terms of development of the least developed parts of the States covered in the region, and also vulnerable categories of prospective entrepreneurs in a larger measure.

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**Table 1: Demographic Features of North East India (2011 Census)**

State	Area (sq. km.)	No. of districts	Population			% of Urban Population	Density per sq. km. (persons)	Females per 1000 Males (sex ratio)	Literacy Rate (%)			
			2011 (in lakhs)	2001 (in lakhs)	Decadal growth rate (%) (2001-11)				Persons	Males	Females	Male - Female Literacy gap
1	2	3	4	5	6	7	8	9	10	11	12	13
Assam	78,438 (2.39)	27	311.69 (2.6)	266.56 (2.6)	16.9	14.1	397	954	73.2	78.8	67.3	11.5
Arunachal Pradesh	83,743 (2.55)	16	13.83 (0.1)	10.98 (0.1)	25.9	22.7	17	920	67.0	73.7	59.6	14.1
Manipur	22,327 (0.68)	9	27.22 (0.2)	22.94 (0.2)	18.7	30.2	122	987	79.9	86.5	73.2	13.3
Meghalaya	22,429 (0.68)	7	29.64 (0.3)	23.19 (0.2)	27.8	20.1	132	986	75.5	77.2	73.8	3.4
Mizoram	21,081 (0.64)	8	10.91 (0.1)	8.89 (0.1)	22.8	51.5	52	975	91.6	93.7	89.4	4.3
Nagaland	16,579 (0.51)	11	19.81 (0.2)	19.90 (0.2)	- 0.5	29.0	119	931	80.1	83.3	76.7	6.6
Tripura	10,486 (0.32)	4	36.71 (0.3)	31.99 (0.3)	14.8	26.2	350	961	87.8	92.2	83.2	9.0
Sikkim	7,096 (0.22)	4	6.08 (0.1)	5.41 (0.1)	12.4	25.0	86	889	82.2	87.3	76.4	10.9
<b>NE Region covering 8 States</b>	<b>262,179 (8.0)</b>	<b>86</b>	<b>455.89 (3.8)</b>	<b>389.86 (3.8)</b>	<b>16.9</b>							
<b>India</b>	<b>3,288,000 (100)</b>	<b>633</b>	<b>12102 (100)</b>	<b>10287 (100)</b>	<b>17.6</b>	<b>31.2</b>	<b>382</b>	<b>940</b>	<b>74.0</b>	<b>82.1</b>	<b>65.5</b>	<b>16.6</b>

**Note:** Figures in parentheses indicate percentage to the respective all India totals. **Source:** Registrar General of India (RGI), Ministry of Home Affairs, GoI (2011 & 2012), 2011 Population Census Publications, New Delhi.

**Table 2: State-wise & Year-wise Number of Registered Working MSMEs in NE Region (FYs 2007 to 2011)**

States	2006-07	2007-08	2008-09	2009-10	2010-11	CAGR (%) (FYs 2007- 11)	% share in relation to total for NE Region	
							FY 2007	FY 2011
1	2	3	4	5	6	7	8	9
Assam	19864	21618	23249	24927	26887	7.9	57.9	48.7
Arunachal Pradesh	417	480	587	698	829	18.7	1.2	1.5
Manipur	4492	4530	4670	4759	4881	2.1	13.1	8.8
Meghalaya	3010	3416	3826	4725	5497	16.2	8.8	9.9
Mizoram	3715	3941	4419	4919	5403	9.8	10.8	9.8
Nagaland	1332	2110	4631	5602	9315	62.6	3.9	16.9
Tripura	1343	1499	1711	1931	2180	12.9	3.9	3.9
Sikkim	122	136	207	225	279	23.0	0.4	0.5
<b>Total for NE Region</b>	<b>34295</b>	<b>37730</b>	<b>43300</b>	<b>47786</b>	<b>55271</b>	<b>12.7</b>	<b>100</b>	<b>100</b>

(cumulative picture)

Source: Adapted from Union Ministry of MSME (2012), Annual Report 2011-12, New Delhi. Website: [www.msme.gov.in](http://www.msme.gov.in)

**Table 3: State-wise and year-wise Distribution of Number of EM-2s (Entrepreneurs' Memorandum 2) filed by MSMEs in NE Region during FYs 2008 to 2014**

State	2008	2009	2010	2011	2012	2013	2014
1	2	3	4	5	6	7	8
Assam	1,811(53.0)	1,711	1,678	1,506	1,218	1,451	1,860(55.7)
Arunachal Pradesh	63(1.9)	144	86	60	25	55	25(0.8)
Manipur	54(1.6)	138	81	122	122	181	178(5.3)
Meghalaya	403(11.8)	397	1,040	748	573	581	641(19.2)
Mizoram	226(7.6)	478	500	198	131	122	213(6.4)
Nagaland	687(20.1)	2,498	1,445	217	213	231	242(7.2)
Tripura	156(4.6)	236	220	218	205	150	173(5.2)
Sikkim	14(0.4)	71	18	40	30	11	8(0.2)
<b>Total for NE Region</b>	<b>3,414(100)</b>	<b>5,673</b>	<b>5,068</b>	<b>3,109</b>	<b>2,517</b>	<b>2,782</b>	<b>3,340(100)</b>
<b>All India</b>	<b>172,703</b>	<b>193,026</b>	<b>213,206</b>	<b>238,249</b>	<b>282,428</b>	<b>322,818</b>	<b>362,991</b>
NE as % of India	2.0	2.9	2.4	1.3	0.9	0.9	0.9

Note: Figures given in parentheses indicate percentage share to the column total of NE Region.

Source: Union Ministry of MSME (2015), Annual Report 2014-15, New Delhi

**Table 4: Performance of Registered MSMEs in NE Region - State-wise & Year-wise: Employment, Fixed Investment and Production (FYs 2007 & 2011)**

State	Employment (Persons)			Fixed Investment (Rs. billion)			Production (Rs. billion)		
	2007	2011	CAGR (%)	2007	2011	CAGR (%)	2007	2011	CAGR (%)
Assam	210507 (66.8)	284933 (53.5)	7.9	58.67 (73.2)	79.42 (51.5)	7.9	93.89 (74.3)	127.09 (49.8)	7.9
Arunachal Pradesh	5411 (1.7)	10757 (2.0)	18.7	5.44 (6.7)	10.81 (7.0)	18.7	2.37 (1.9)	4.72 (1.8)	18.8
Manipur	19960 (6.3)	21689 (4.1)	2.1	0.97 (1.2)	1.05 (0.7)	2	2 (1.6)	2.17 (0.8)	2.1
Meghalaya	12700 (4.0)	23193 (4.4)	16.2	1.35 (1.7)	2.46 (1.6)	16.2	4.47 (3.5)	8.17 (3.2)	16.3
Mizoram	26032 (8.3)	37860 (7.1)	9.8	2.97 (3.7)	4.32 (2.8)	9.8	3.10 (2.5)	4.51 (1.8)	9.8
Nagaland	16281(5.2)	113857 (21.4)	62.6	7.18 (9.0)	50.23 (32.6)	62.6	13.96 (11.0)	97.63 (38.2)	62.6
Tripura	23166 (7.3)	37604 (7.0)	12.9	3.27 (4.1)	5.3 (3.4)	12.8	6.08 (4.8)	9.87 (3.9)	12.9
Sikkim	1159 (0.4)	2651 (0.5)	23.0	0.28 (0.4)	0.64 (0.4)	23	0.51 (0.4)	1.18 (0.5)	23.3
<b>Total for NE Region</b>	<b>315216 (100)</b>	<b>532543 (100)</b>	<b>14.0</b>	<b>80.12 (100)</b>	<b>154.23 (100)</b>	<b>17.8</b>	<b>126.39 (100)</b>	<b>255.33 (100)</b>	<b>19.2</b>

Notes: 1. Figures in parentheses indicate percentage to the respective column totals.

2. Compound annual growth rate (CAGR) is worked out as a percentage for the period of fiscal years 2007 & 2011.

3. One billion equals 100 crores.

Source: Adapted from Union Ministry of MSME (2012), Annual Report 2011-12, New Delhi. Website: [www.msme.gov.in](http://www.msme.gov.in)