

# Meghalaya

NOVEMBER  
2011

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



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## Meghalaya Factfile



- Meghalaya is located in the Northeast of India. The state shares its border on the North and East with Assam and on the South and West with Bangladesh.
- English is the official language of Meghalaya. Khasi, Pnar and Garo are the other principal languages.
- Meghalaya is the wettest state in the country with an average annual rainfall of 1,200 cm. It has numerous rivers, the major ones being Manda, Damring, Janjiram, Ringge, Ganol, Simsang, Khri, Umtrew, Umiam, Umkhem, Kupli, Kynshi, Umiam Mawphlang and Umngot.

- Meghalaya has diverse soil types including red-loamy, laterite, red and yellow soils. These soils have fine textures ranging from loam to silty-loam and alluvial soils. These types of soils support a variety of agricultural crops.
- Sohra, Tura, Jowai, Nongstoin, Williamnagar, Nongpoh and Baghmara are some of the key cities.

Parameters	Meghalaya
Capital	Shillong
Geographical area (sq km)	22,429
Administrative districts (No)	7
Population density (persons per sq km)*	132
Total population (million)*	2.96
Male population (million)*	1.49
Female population (million)*	1.47
Sex ratio (females per 1,000 males)*	986
Literacy rate (%)*	75.5

*Sources:* Government of Meghalaya Website, www.meghalaya.nic.in, \*Provisional Data – Census 2011

## Meghalaya in Figures

Parameter	Meghalaya	All-States	Source
<b>Economy</b>			
GSDP as a percentage of all states' GSDP	0.2	100	CMIE, as of 2009-10, current prices
Average GSDP growth rate(%)*	13.8	15.5	CMIE, 2004-05 to 2009-10, current prices
Per capita GSDP (US\$)	1,022.8	1,302.4	CMIE, as of 2009-10, current prices
<b>Physical Infrastructure</b>			
Installed power capacity (MW)	289.6	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)	810	70,934	Ministry of Road Transport & Highways, Annual Report 2010-11
Airports (No)	2	133	Airport Authority of India
<b>Social indicators</b>			
Literacy rate (%)	75.5	74.0	Provisional Data – Census 2011
Birth rate (per 1,000 population)	24.4	22.5	SRS Bulletin, 2009

SRS: Sample Registration System, \*In terms of Indian Rupee Terms

<sup>^</sup> Figures for the North Eastern 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

## Advantage Meghalaya ... (1/2)

### Institutional Support

The state provides excellent institutional support through various central and State Government agencies viz., North East Council, Ministry of Development of North Eastern Region and Meghalaya Industrial Development Corporation.

### Policy and Fiscal Incentives

The state offers a host of industrial incentives, apart from Central Government incentives meant for investments in the Northeast region. Agro-processing, horticulture, minerals, tourism, electronics and IT have been identified as thrust sectors for development and promotion.

### Rich Natural Resources

Meghalaya is endowed with abundant natural resources in terms of flora, fauna, medicinal plants, forests, coal, limestone, feldspar, quartz, sillimanite, granite, industrial clay and uranium. They offer significant avenues for investment.

## Advantage Meghalaya ... (2/2)

### Availability of Skilled Labour

Meghalaya has a literacy rate of 75.5 per cent. The state has a strong higher education infrastructure. Moreover, a majority of the local population speaks and understands English.

### Conducive Agro-Climatic Conditions

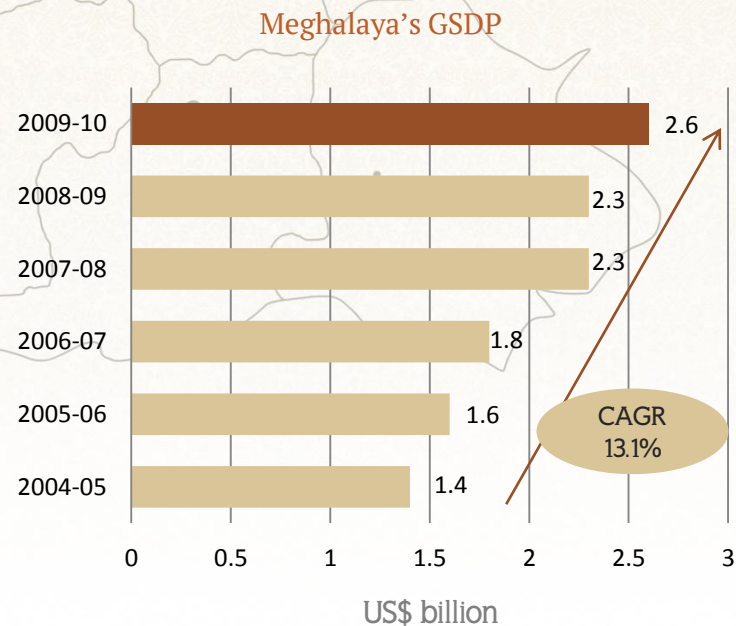
The state has favourable agro-climatic conditions that support agriculture, horticulture and forestry; there is potential for development in related areas.

### Tourism Destination of the Northeast

The state has a rich culture and is an attractive tourist destination.

## Economic Snapshot – GSDP

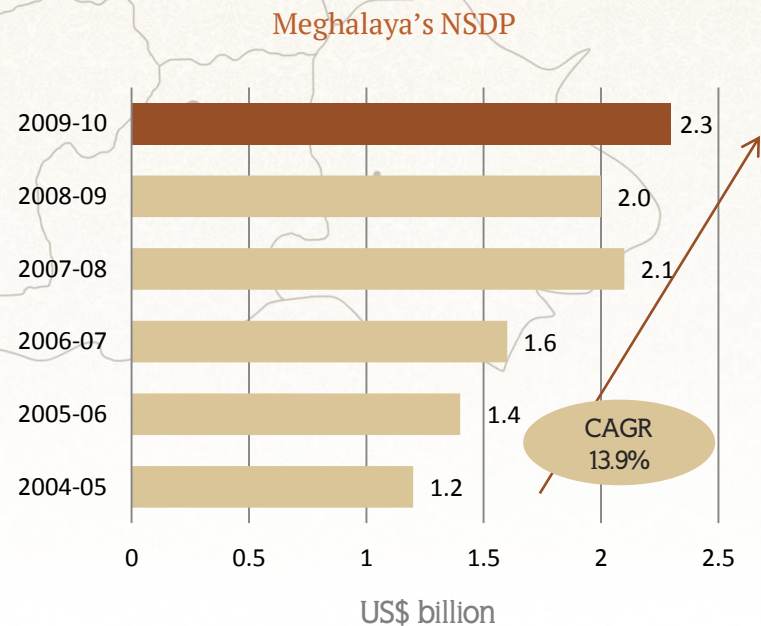
- At current prices, the Gross State Domestic Product (GSDP) of Meghalaya was about US\$ 2.6 billion in 2009-10.
- The state's GSDP grew at a CAGR (Compound Annual Growth Rate) of 13.1 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – NSDP

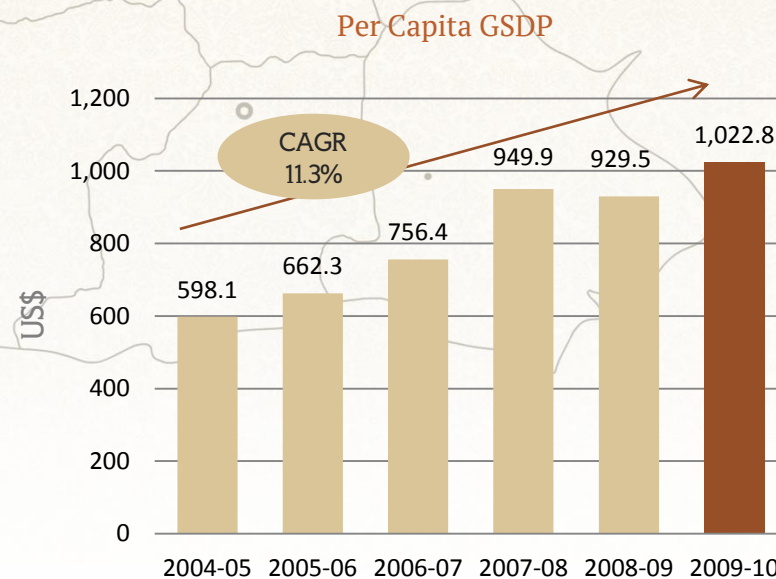
- At current prices, the Net State Domestic Product (NSDP) of Meghalaya was about US\$ 2.3 billion in 2009-10.
- Meghalaya's NSDP grew at a CAGR of 13.9 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Per Capita GSDP

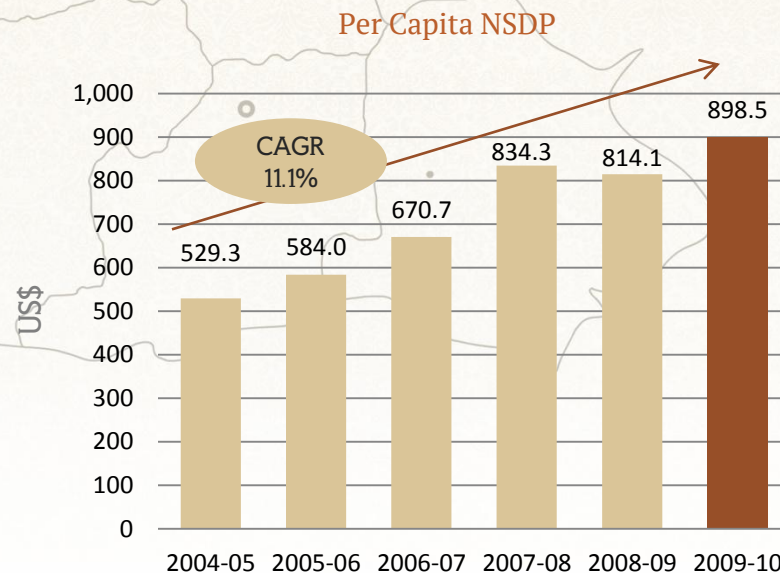
- The state's per capita GSDP in 2009-10 was US\$ 1,022.8 as compared to US\$ 598.1 in 2004-05.
- The per capita GSDP has increased at a CAGR of 11.3 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Per Capita NSDP

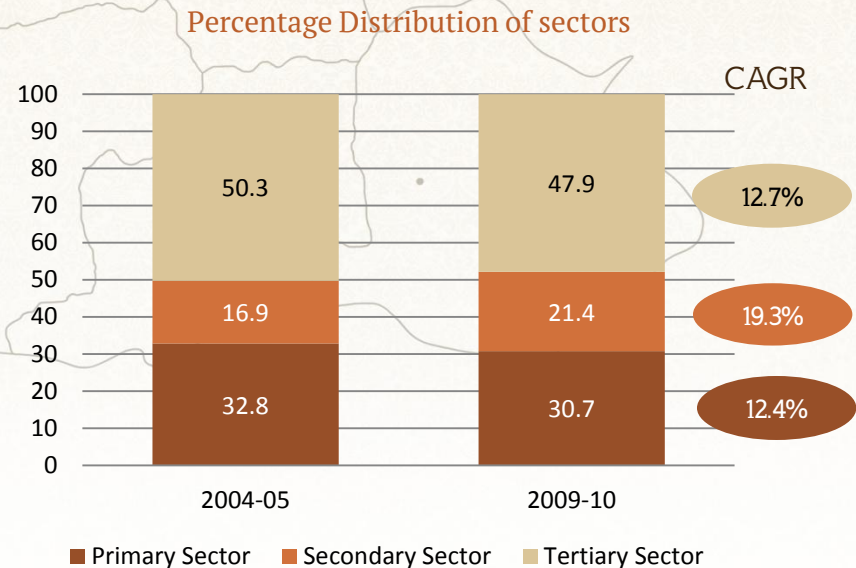
- The state's per capita NSDP in 2009-10 was US\$ 898.5 as compared to US\$ 529.3 in 2004-05.
- The per capita NSDP increased at an average rate of 11.1 per cent between 2004-05 and 2009-10.



Source: CMIE

## Economic Snapshot – Percentage Distribution of GSDP

- At a CAGR of 19.3 per cent, the secondary sector has been the fastest growing among the three sectors from 2004-05 to 2009-10. The growth has been driven by manufacturing, construction and electricity, gas and water supply.
- The tertiary sector, the largest contributor to Meghalaya's economy, grew at a CAGR of 12.7 per cent between 2004-05 and 2009-10. It was driven by trade, hotels, real estate, finance, insurance, transport, communications and other services.
- The primary sector grew at a CAGR of 12.4 per cent between 2004-05 and 2009-10.

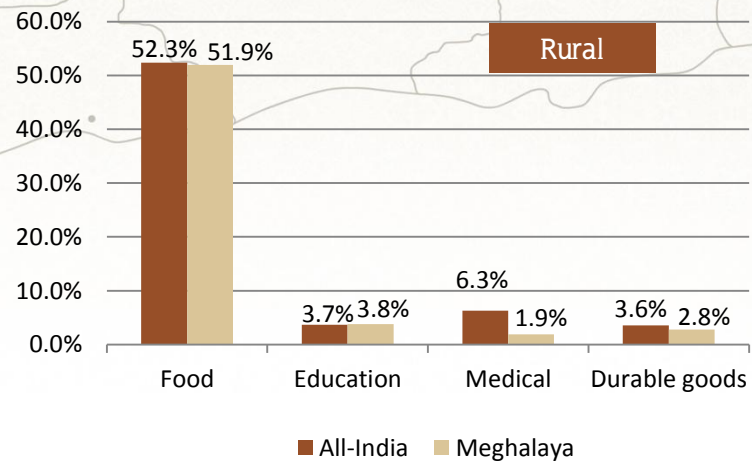


Source: CMIE

## Economic Snapshot – Consumer Expenditure on Household Goods and Services

- Meghalaya is ahead compared to all-India in share of per capita expenditure on education.
- With regards to share of expenditure on food and durable goods, the state is comparable to the all-India level.

Share of Average Monthly Per Capita Expenditure on Household Goods and Other Services



Source: Household Consumer Expenditure in India, 2007-08 NSS 64th Round

## Economic Snapshot – Agricultural Production

- Citrus fruits, pineapple, banana, papaya, plum, peach and apricot are the major fruits grown in Meghalaya.
- Turmeric, ginger, black pepper and bay leaves are the major spices cultivated in Meghalaya. The state is also promoting the tea cultivation in selected areas.
- The state has achieved success in the cultivation of non-traditional crops like Tea, Cashewnut, Oilseeds, Tomato, Mushroom, Wheat, etc.
- Meghalaya produced 98.9 million eggs and 76,500 tonnes of milk in 2007-08.

Crop	Annual Production – 2009-10 (tonnes)
Potato	221,700
Rice	200,209**
Pineapple	106,800
Banana	82,800
Ginger	52,960*
Citrus Fruits	43,100
Jute	35,304**
Tapioca	26,400
Maize	25,334**
Mesta^	20,178**
Sweet Potato	19,200
Turmeric	9,958*

Sources: Indian Horticulture Database 2010, National Horticulture Board, North Eastern Development Finance Corporation Ltd, Directorate of Economics & Statistics, Government of Meghalaya

\*\*As of 2006-07

\*As of 2007-08

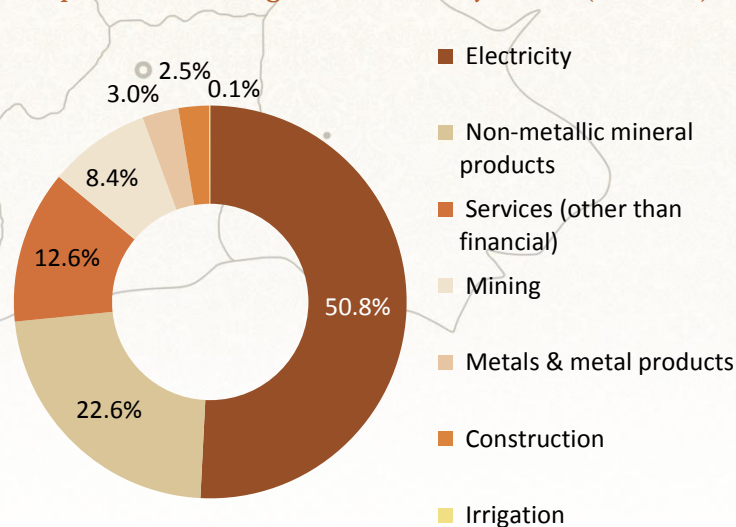
^Bales of 180 kg each

## Economic Snapshot – FDI Inflows & Investments

- According to the Department of Industrial Policy & Promotion, the cumulative FDI inflows to the Northeast states from April 2000 to April 2011 amounted to US\$ 72\* million.
- In 2009-10, outstanding investments in the state were US\$ 10.12 billion.
- Of the total outstanding investments, the electricity sector accounted for around 50.8 per cent followed by non-metallic mineral products sector (22.6 per cent).

\*FDI inflows for RBI'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

## Economic Snapshot – Exports Trends

- As of March 2008, Meghalaya had exports worth US\$ 61.3 million.
- Coal accounted for over 87 per cent of the state's total exports.
- An Export Promotion Industrial Park (EPIP) has been set up in Byrnihat over an area of 259 acres to promote exports.
- Meghalaya shares a 443-km border with Bangladesh and has eight land-custom stations to aid exports.
- The key commodities exported to Bangladesh are coal, limestone, boulder stone, agricultural produce, and raw hides and skins.

Meghalaya's Exports as of March 2008

Export Commodity	Value (US\$ million)
Coal	53.7
Limestone	6.9
Shale	0.3
Orange	0.05

*Source:* Meghalaya State Development Report, 2008-09

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## Physical Infrastructure – Roads

- Meghalaya had a total road length of 8,164 km, with a road density of 36.4 km per 100 sq km, as of 2007-08.
- The state is well connected to its neighbouring Northeastern states and other parts of India through four National Highways (NH): NH-40, NH-44, NH-51 and NH-62.
- The Meghalaya Transport Corporation provides bus transport services across the state.



Source: Maps of India

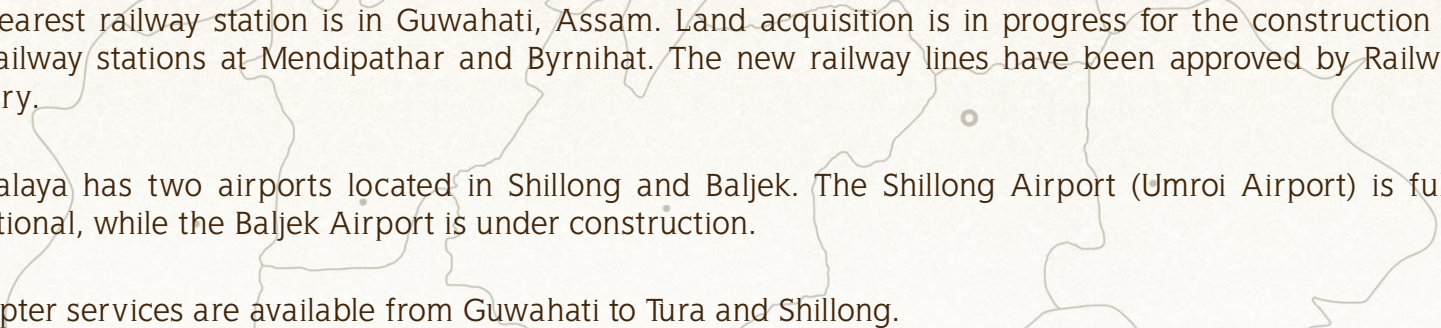
Road Type	Road Length (km)
National Highways <sup>^</sup>	810
State Highways*	1,137
Major District Roads*	1,219
Other District Roads*	5,205

Sources: Ministry of Road Transport & Highways, Annual Report 2010-11  
Statistical Handbook of Meghalaya 2008-09,

<sup>^</sup>As of March 2011

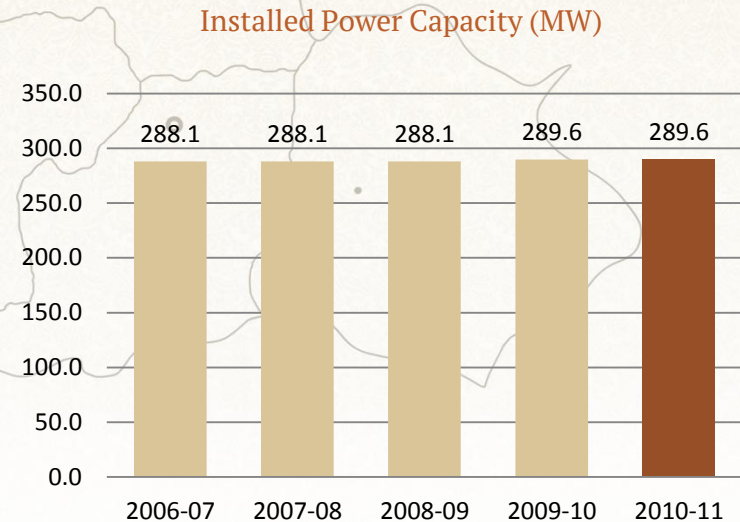
\*As of 2007-08

## Physical Infrastructure – Railways and Airports

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- The nearest railway station is in Guwahati, Assam. Land acquisition is in progress for the construction of two railway stations at Mendipathar and Byrnihat. The new railway lines have been approved by Railway Ministry.
  - Meghalaya has two airports located in Shillong and Baljek. The Shillong Airport (Umroi Airport) is fully operational, while the Baljek Airport is under construction.
  - Helicopter services are available from Guwahati to Tura and Shillong.

## Physical Infrastructure – Power

- As of March 2011, Meghalaya had a total installed power generation capacity of 289.6 MW. It consisted of 189.1 MW under state utilities and 100.5 MW under central utilities .
- Of the total installed power generation capacity, 230.6 MW was contributed by hydro power, 28.0 MW was contributed by thermal power and renewable power contributed 31.0 MW of capacity.
- The per capita power consumption of Meghalaya was 675.1 kwh as of 2009-10. As of March 2009, 59.29 per cent of the villages had been electrified in the state.
- In April 2010, the State Government restructured the Meghalaya State Electricity Board (MeSEB) to create a holding company called Meghalaya Energy Corporation Limited (MeECL) and its three subsidiaries: Meghalaya Power Generation Corporation Limited (MePGCL), Meghalaya Power Transmission Corporation Limited (MePTCL) and Meghalaya Power Distribution Corporation Limited (MePDCL).



Source: Central Electricity Authority

## Physical Infrastructure – Telecom

- As of December 2010, Meghalaya had 129 telephone exchanges with 171,478 telephone connections (BSNL).
- As of 2007, there were 7,360 internet connections in the state, including 1,621 working broadband connections.
- Virtual Private Network (VPN) over broadband line is also available in the state to enable business communications.
- Meghalaya had 488 post offices as of March 2007, providing postal services across the state.

Telecom Infrastructure (December 2010)	
GSM Cellular Subscribers <sup>^</sup>	7,088,382*
BSNL Telephone Connections	171,478
Telephone Exchanges	129
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 Meghalaya

Bharat Sanchar Nigam Limited (BSNL)

Bharti Airtel

Aircel Limited

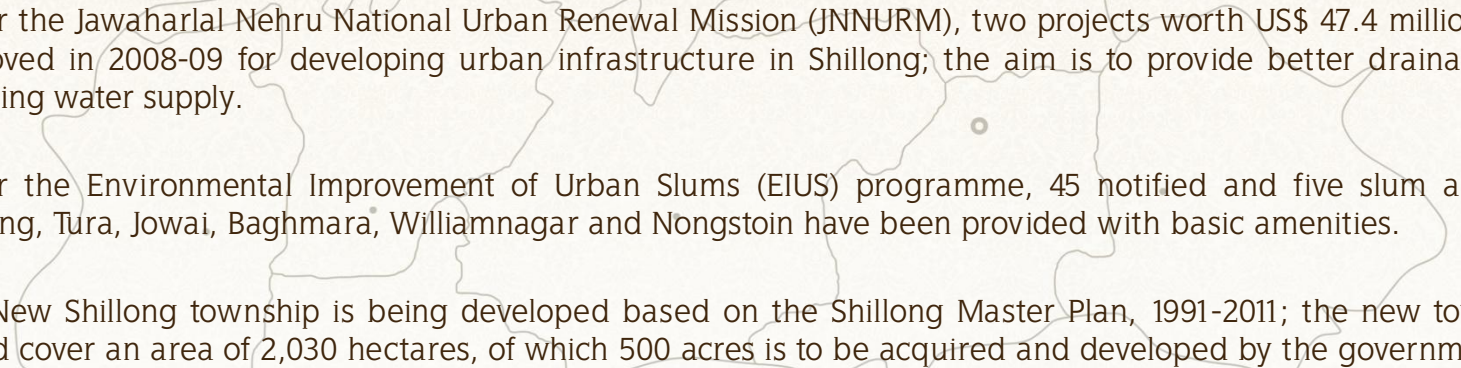
Vodafone Essar

IDEA Cellular

Reliance Communications

Tata Teleservices

## Development Projects: Urban Infrastructure ... (1/2)

- 
- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), two projects worth US\$ 47.4 million were approved in 2008-09 for developing urban infrastructure in Shillong; the aim is to provide better drainage and drinking water supply.
  - Under the Environmental Improvement of Urban Slums (EIUS) programme, 45 notified and five slum areas in Shillong, Tura, Jowai, Baghmara, Williamnagar and Nongstoin have been provided with basic amenities.
  - The New Shillong township is being developed based on the Shillong Master Plan, 1991-2011; the new township would cover an area of 2,030 hectares, of which 500 acres is to be acquired and developed by the government.

## Development Projects: Urban Infrastructure ... (2/2)

### Water Supply & Sewerage

- The average per capita supply of water in major cities and towns is 150 to 200 litres per day.
- Meghalaya has 16 urban centres and about 71 per cent of households in these areas have access to receive drinking water through piped water supply.
- Solid-waste segregation and disposal is diligently adhered to across the state.
- A 100 Tonnes Per Day (TPD) compost plant in Shillong and 40 TPD plant in Tura are operational in the Public Private Partnership (PPP) mode for safe disposal of solid wastes.
- Sites have been identified in Williamnagar, Baghmara and Resubelpara and work has commenced on developing compost plants.

## Development Projects: Public Private Partnership Projects

→ Meghalaya has two projects being implemented under the Public-Private Partnership (PPP) mode.

Contract Authority	Project	Investment (US\$ million)	PPP Type	Stage
Roads				
National Highways Authority of India (NHAI)	Four Laning of Jorabat - Shillong Section	117.6	BOT - Annuity	Construction
National Highways Authority of India (NHAI)	Two Laning of Shillong Bypass Section	49.5	BOT - Annuity	Construction

Source: <http://www.pppindiadatabase.com>  
BOT: Build-Operate-Transfer

## Social Infrastructure – Education

- Meghalaya has a literacy rate of 75.5 per cent according to the provisional data of Census 2011; the male literacy rate is 77.2 per cent and the female literacy rate is 73.8 per cent.
- The North East Hill University (NEHU) provides bachelors, masters and doctoral degrees in the science, technology and humanities streams.
- The North East Indira Gandhi Regional Institute of Health and Medical Sciences (NEIGRIHMS) in Shillong conducts bachelor of medicine and post graduate courses in medicine; a bachelors of nursing college also operates under its aegis.
- The National Institute of Fashion Technology (NIFT) in Shillong conducts courses on fashion technology.

Educational Infrastructure*	
Universities	1
Colleges	56
Teacher Training Institutes	3
High and Higher Secondary Schools	774
Middle and Senior Basic Schools	2,259
Primary and Junior Basic Schools	6,351

Pupil-Teacher Ratio of Schools in Meghalaya^	
Primary Schools	34:1
Secondary Schools	24:1
High and Higher Secondary Schools	25:1

Source: Statistical Handbook of Meghalaya, 2008-09

\*As of 2006-07

^As of 2005-06

## Social Infrastructure – Health

- There are 10 private hospitals in the state with a total bed strength of 1,650 beds as of 2008.
- The state's four military and paramilitary hospitals provide preventive and promotional healthcare services.
- NEIGRIHMS, which has been instituted to provide medical education, has a 500 bed super-specialty hospital; expansion works are underway.

Health Indicators (2009)	
Beds Per 100,000 Population <sup>^</sup>	137
Birth Rate*	24.4
Death Rate*	8.1
Infant Mortality Rate**	59

Sources: Statistical Handbook of Meghalaya 2008-09,  
Sample Registration System 2009  
<sup>^</sup>As of 2005-06

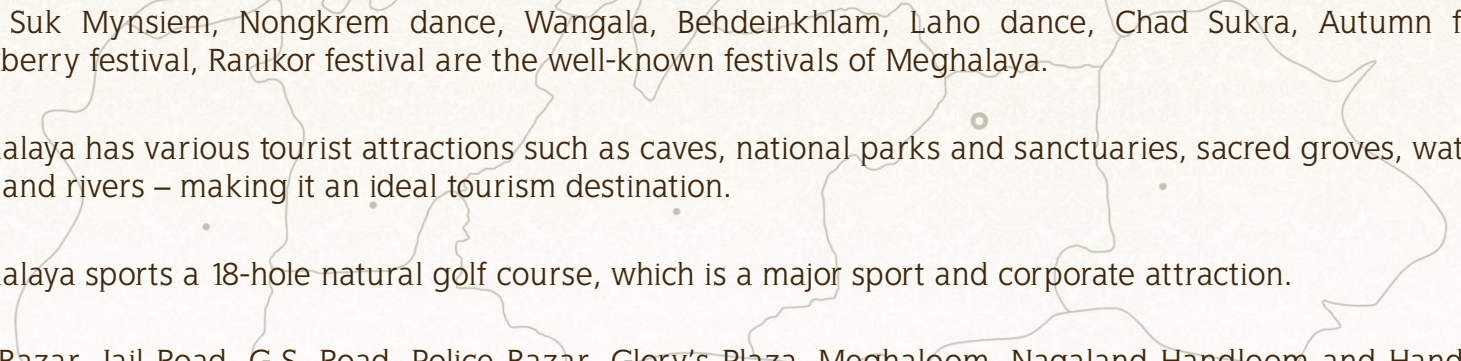
\*Per thousand persons

\*\*Per thousand live births

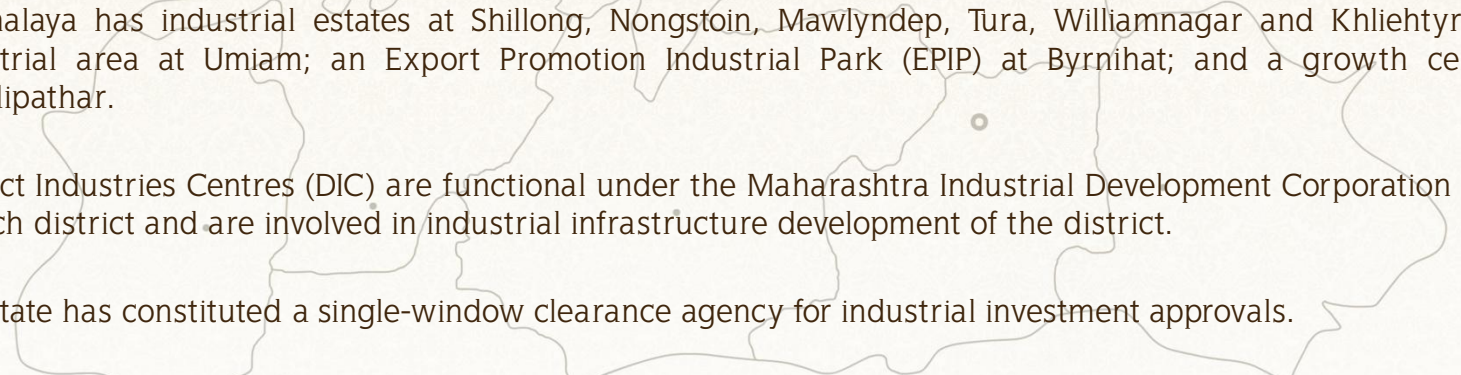
Health Infrastructure (2007-08)	
Primary Health Centres	104
Sub-Centres	404
Community Health Centres	28
Hospitals	9
Dispensaries	12
Leprosy Colonies	2
Leprosy Control Units	2
Doctors	671
Nurses	893

Source: Statistical Handbook of Meghalaya 2008-09

## Cultural Infrastructure

- 
- Shad Suk Mynsiem, Nongkrem dance, Wangala, Behdeinkhlam, Laho dance, Chad Sukra, Autumn festival, Strawberry festival, Ranikor festival are the well-known festivals of Meghalaya.
  - Meghalaya has various tourist attractions such as caves, national parks and sanctuaries, sacred groves, waterfalls, lakes and rivers – making it an ideal tourism destination.
  - Meghalaya sports a 18-hole natural golf course, which is a major sport and corporate attraction.
  - Bara Bazar, Jail Road, G.S. Road, Police Bazar, Glory's Plaza, Meghaloom, Nagaland Handloom and Handicrafts, Assam Emporium, India Emporium, Khadi Gramodyog, Manipur Emporium, Tantuja, and Purbashree are the key shopping areas in Meghalaya.
  - Williamson Sangma State Museum, Don Bosco Centre for Indigenous Cultures, Entomological Museum (Butterfly Museum) are the famous museums of Meghalaya depicting its rich cultural heritage.
  - Lady Hydari Park, Mattilang Park, Sa-I-Mika Park, Thangkharang Park, Eco Park in East Khasi hills; Nehru Park, Kharsati Park, Thrills Fun Park in Ri Bhoi; Nokrek National Park in West Garo hills; Balpakram National Park in South Garo hills, Jalong Park, looksi (Kupli) Park in Jaintia hills are the popular national parks and recreation centres in Meghalaya.

## Industrial Infrastructure

- 
- Meghalaya has industrial estates at Shillong, Nongstoin, Mawlyndep, Tura, Williamnagar and Khliehtyrshi; an industrial area at Umiam; an Export Promotion Industrial Park (EPIP) at Byrnihat; and a growth centre at Mendipathar.
  - District Industries Centres (DIC) are functional under the Maharashtra Industrial Development Corporation (MIDC) in each district and are involved in industrial infrastructure development of the district.
  - The state has constituted a single-window clearance agency for industrial investment approvals.
  - Techno-Economic Feasibility Reports (TEFR) are available with the MIDC for poultry, agro-based industry, fruit processing, paper-grade lime, alcohol from tapioca, calcium carbonate extraction, ceramic-glazed tile manufacturing, marble and tile, and meat processing.
  - Under the Central Government's Assistance to States for Developing Infrastructure for Exports (ASIDE) programme, 29 infrastructure development projects worth US\$ 21.1 million had been approved as of 2008-09.

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## Key Industries

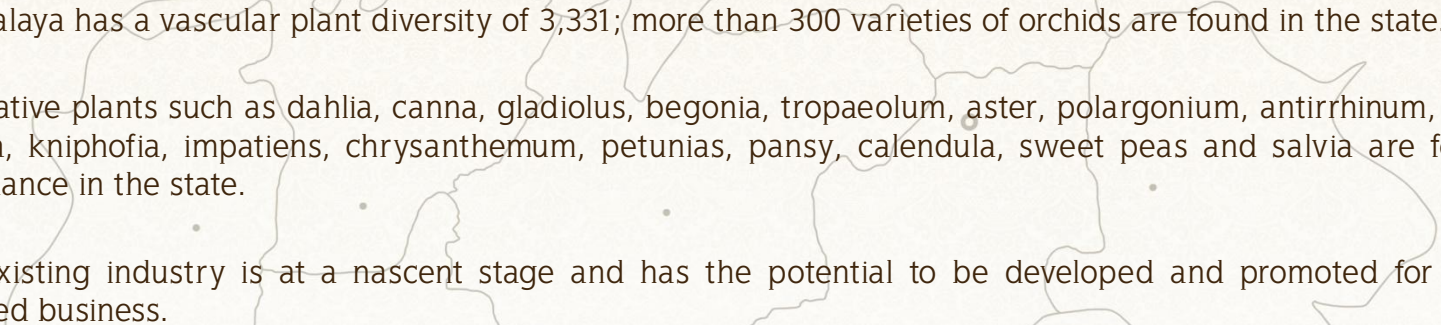
- The natural resources, policy incentives and infrastructure in the state favour investments in the tourism, hydroelectric power, manufacturing and mining sectors.
- Agriculture and related industries contribute around 20 per cent to the state's GSDP and employ more than 70 per cent of the population.
- Mineral, horticulture, electronics, IT, export oriented units and tourism have been identified as the thrust sectors for industrial development.
- There were 116 (as of 2008-09) large and medium industrial undertakings and 6,511 (as of 2007-08) small scale industries in Meghalaya.
- The Commerce & Industries Department of Meghalaya and its constituent unit, Meghalaya Industrial Development Corporation (MIDC), are jointly responsible for the development of industrial infrastructure in the state.

### Key Industries in Meghalaya

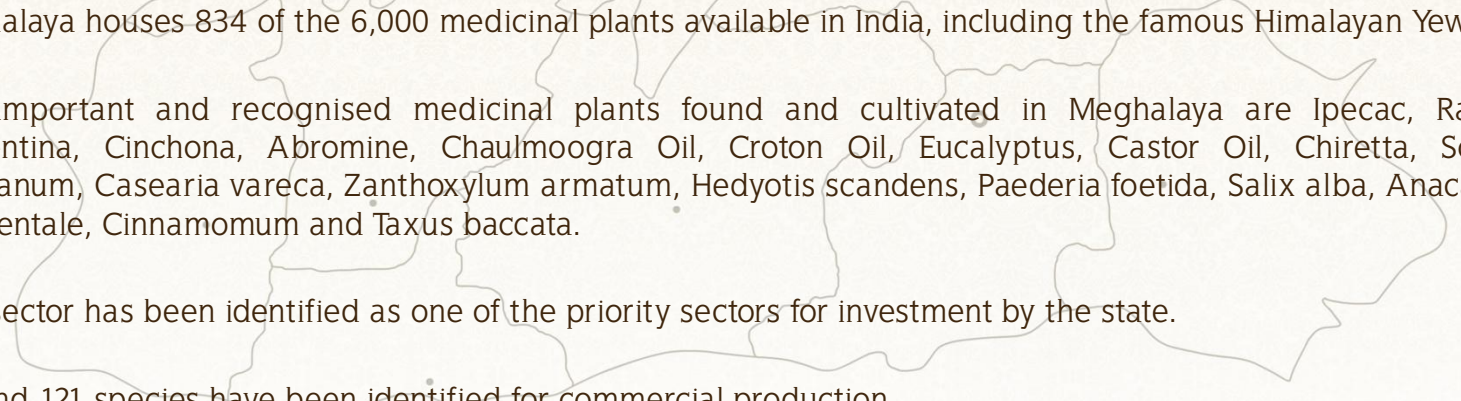
- Agriculture and Food Processing
- Horticulture
- Mining
- Cement
- Tourism
- Hydroelectric Power
- Dairy and Livestock
- Handloom and Handicrafts
- Steel Processing

*Source: Meghalaya Directorate of Industries*

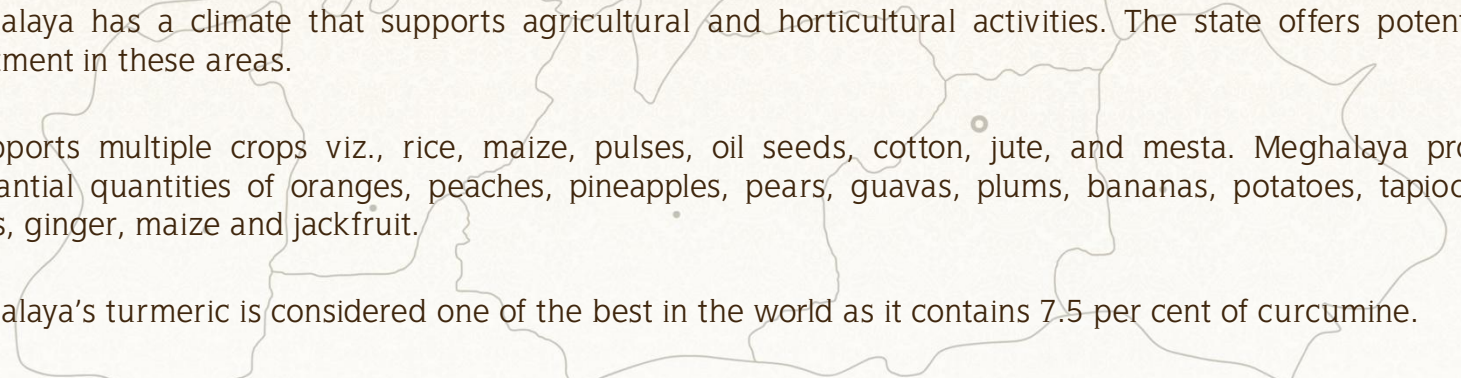
## Key Industries – Floriculture

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- Meghalaya has a vascular plant diversity of 3,331; more than 300 varieties of orchids are found in the state.
  - Decorative plants such as dahlia, canna, gladiolus, begonia, tropaeolum, aster, polargonium, antirrhinum, crinum, celosia, kniphofia, impatiens, chrysanthemum, petunias, pansy, calendula, sweet peas and salvia are found in abundance in the state.
  - The existing industry is at a nascent stage and has the potential to be developed and promoted for export-oriented business.

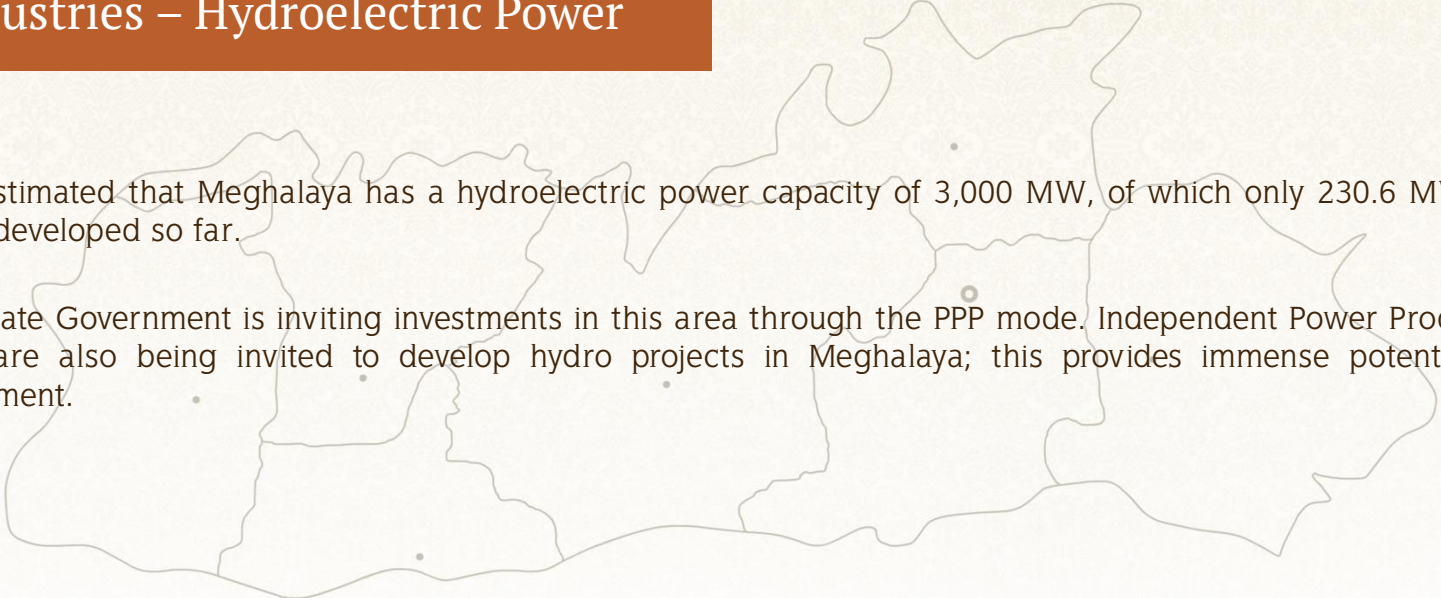
## Key Industries – Medicinal Plants and Bamboo

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- Meghalaya houses 834 of the 6,000 medicinal plants available in India, including the famous Himalayan Yew.
  - The important and recognised medicinal plants found and cultivated in Meghalaya are Ipecac, Rauvolfia serpentina, Cinchona, Abromine, Chaulmoogra Oil, Croton Oil, Eucalyptus, Castor Oil, Chiretta, Solanum khasianum, Casearia vareca, Zanthoxylum armatum, Hedyotis scandens, Paederia foetida, Salix alba, Anacardium occidentale, Cinnamomum and Taxus baccata.
  - This sector has been identified as one of the priority sectors for investment by the state.
  - Around 121 species have been identified for commercial production.
  - Meghalaya is one of the leading producers of bamboo in the country. Bamboo enterprises could be developed from the bamboo reserves and forest cultivations.

## Key Industries – Agriculture, Horticulture and Food Processing

- 
- Meghalaya has a climate that supports agricultural and horticultural activities. The state offers potential for investment in these areas.
  - It supports multiple crops viz., rice, maize, pulses, oil seeds, cotton, jute, and mesta. Meghalaya produces substantial quantities of oranges, peaches, pineapples, pears, guavas, plums, bananas, potatoes, tapioca, bay leaves, ginger, maize and jackfruit.
  - Meghalaya's turmeric is considered one of the best in the world as it contains 7.5 per cent of curcumine.
  - The state is focusing on developing water harvesting and distribution infrastructure to increase the level of mechanisation in the horticulture sector.

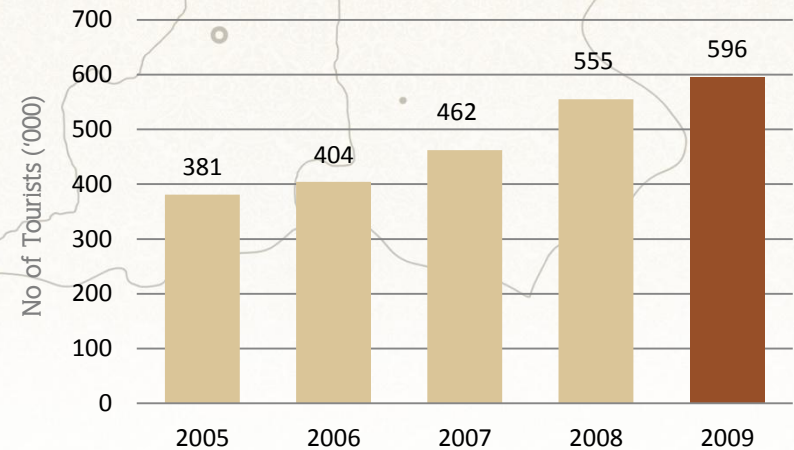
## Key Industries – Hydroelectric Power

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- It is estimated that Meghalaya has a hydroelectric power capacity of 3,000 MW, of which only 230.6 MW has been developed so far.
  - The State Government is inviting investments in this area through the PPP mode. Independent Power Producers (IPP) are also being invited to develop hydro projects in Meghalaya; this provides immense potential for investment.

## Key Industries – Tourism

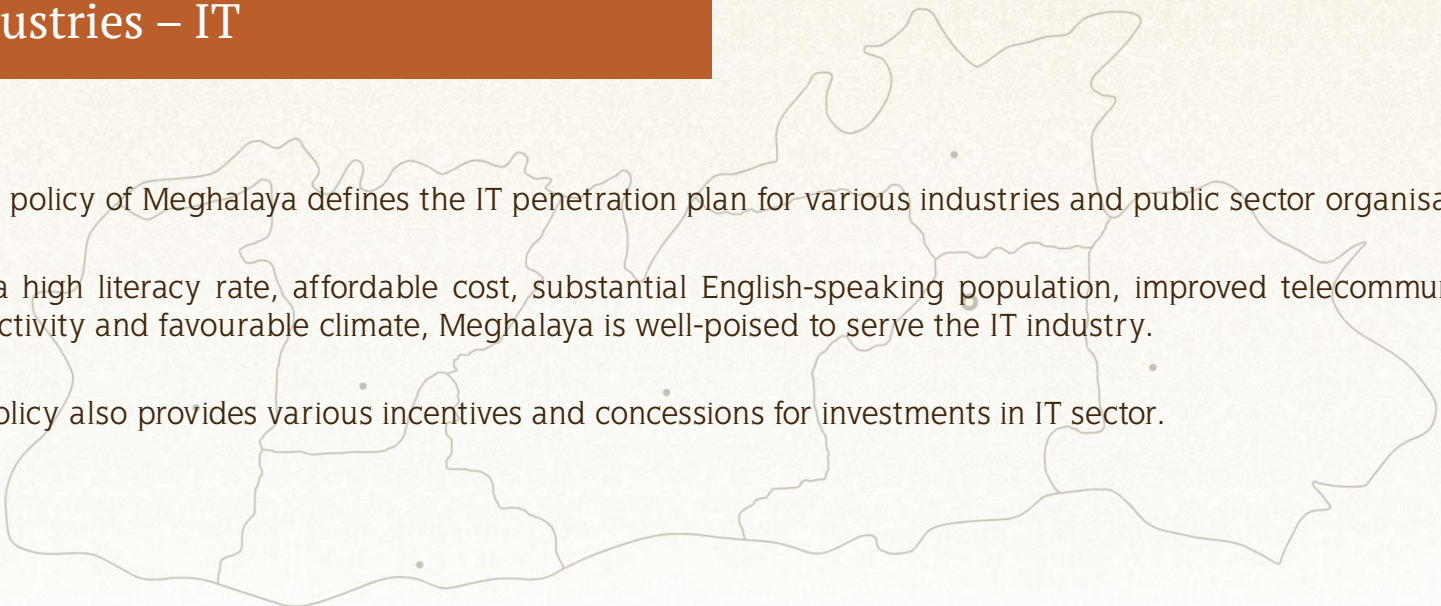
- Meghalaya is richly endowed with flora, fauna, thick forests, ancient forest groves, large rivers and grass fields – making it an attractive tourism destination.
- The domestic tourist population increased by 7.4 percent from 550,000 in 2008 to 591,000 in 2009.
- In 2009, around 5,000 foreign tourists have visited the state.
- Public Private Partnership (PPP) is being invited by the Meghalaya government to create tourist complexes, eco-tourism, adventure tourism, ethnic culture tourism, health farms, hotels, convention centres, tourist travel services, etc.
- The state is planning to utilise its abundant water resources to attract tourists, through eco-tourism and adventure tourism.

Total Tourist Arrivals in Meghalaya

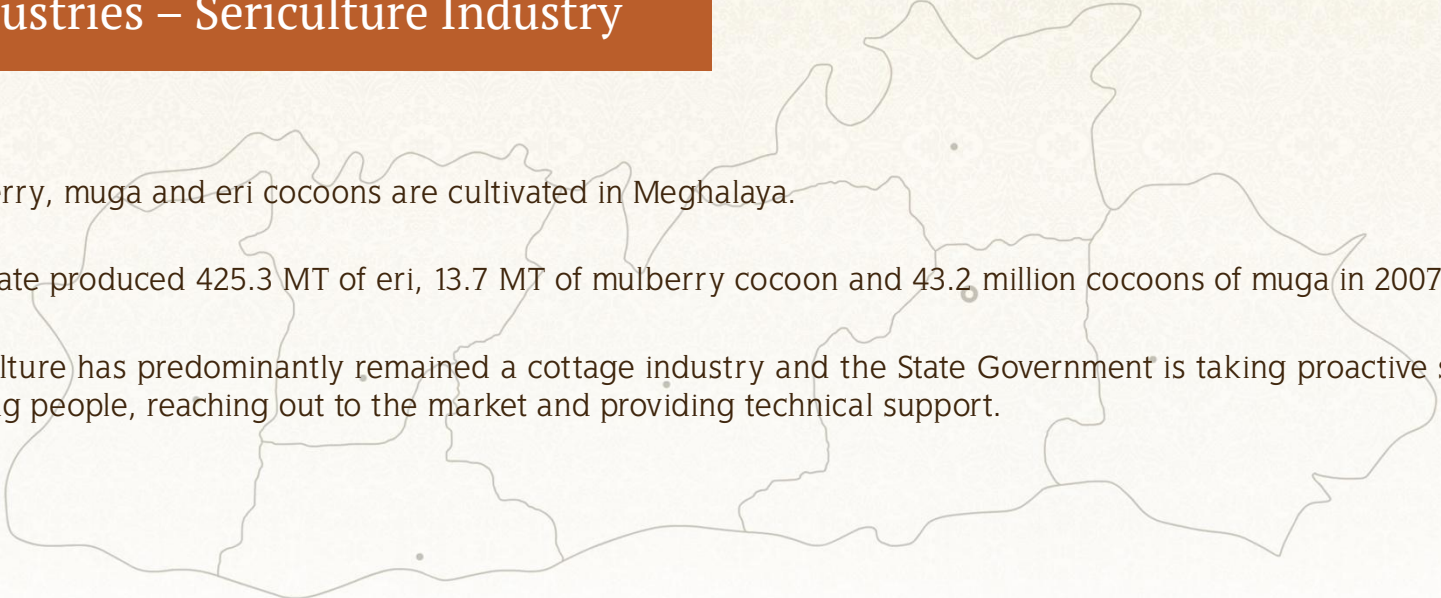


Sources: Statistical Handbook of Meghalaya 2008-09,  
Ministry of Tourism, Government of India

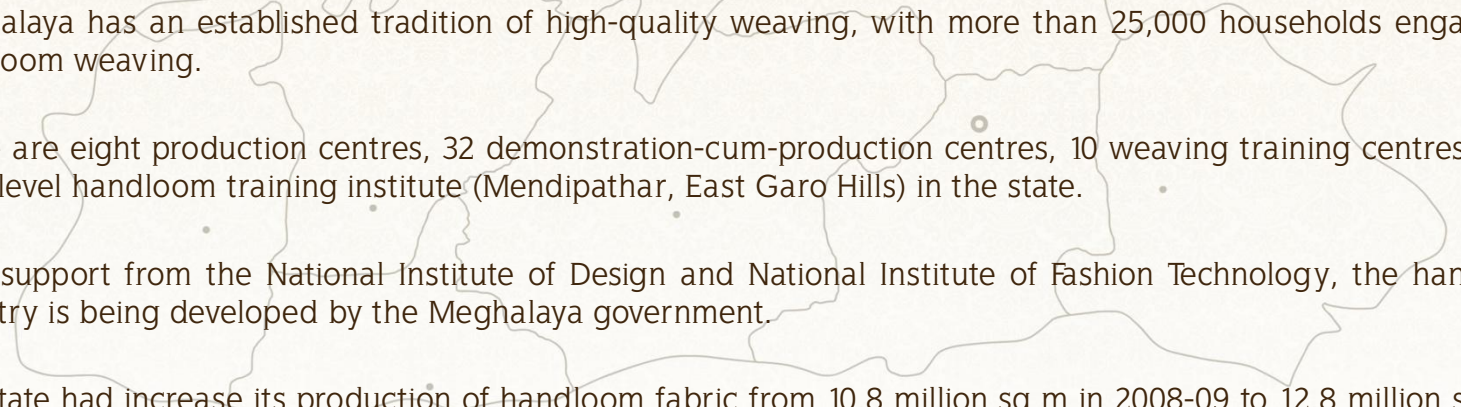
## Key Industries – IT

- 
- The IT policy of Meghalaya defines the IT penetration plan for various industries and public sector organisations.
  - With a high literacy rate, affordable cost, substantial English-speaking population, improved telecommunication connectivity and favourable climate, Meghalaya is well-poised to serve the IT industry.
  - The policy also provides various incentives and concessions for investments in IT sector.

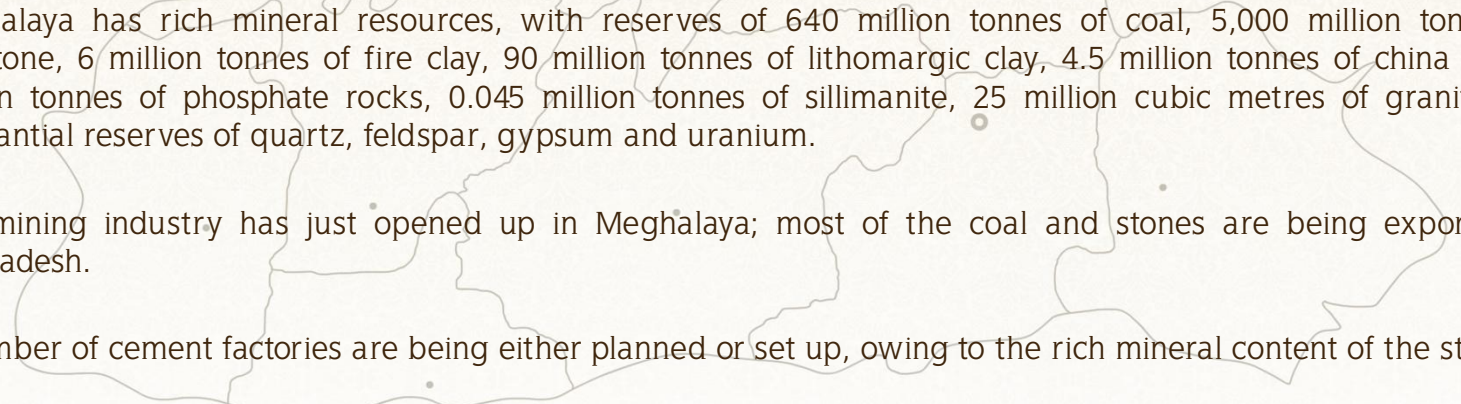
## Key Industries – Sericulture Industry

- 
- Mulberry, muga and eri cocoons are cultivated in Meghalaya.
  - The state produced 425.3 MT of eri, 13.7 MT of mulberry cocoon and 43.2 million cocoons of muga in 2007-08.
  - Sericulture has predominantly remained a cottage industry and the State Government is taking proactive steps in training people, reaching out to the market and providing technical support.

## Key Industries – Handloom and Handicrafts

- 
- Meghalaya has an established tradition of high-quality weaving, with more than 25,000 households engaged in handloom weaving.
  - There are eight production centres, 32 demonstration-cum-production centres, 10 weaving training centres and a state-level handloom training institute (Mendipathar, East Garo Hills) in the state.
  - With support from the National Institute of Design and National Institute of Fashion Technology, the handloom industry is being developed by the Meghalaya government.
  - The state had increase its production of handloom fabric from 10.8 million sq m in 2008-09 to 12.8 million sq m in 2009-10, through the supply of improved looms and accessories to weavers.

## Key Industries – Minerals and Mining

- 
- Meghalaya has rich mineral resources, with reserves of 640 million tonnes of coal, 5,000 million tonnes of limestone, 6 million tonnes of fire clay, 90 million tonnes of lithomargic clay, 4.5 million tonnes of china clay, 5 million tonnes of phosphate rocks, 0.045 million tonnes of sillimanite, 25 million cubic metres of granite and substantial reserves of quartz, feldspar, gypsum and uranium.
  - The mining industry has just opened up in Meghalaya; most of the coal and stones are being exported to Bangladesh.
  - A number of cement factories are being either planned or set up, owing to the rich mineral content of the state.
  - The state drafted a Mining Policy in 2009, which aims to “facilitate systematic, scientific and planned utilisation of mineral resources and to accelerate the mineral-based development of the state.”

# Meghalaya

NOVEMBER  
2011

ABODE OF CLOUDS

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



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## Key Approvals Required

Approvals and Clearances Required	Department
Incorporation of Company	Registrar of Companies
Registration, Industrial Entrepreneurs Memorandum, Industrial Licenses	Industries Department of Meghalaya
Permission for Land Use	
Allotment of Land	
Site Environmental Approval	Meghalaya Pollution Control Board
No-Objection Certificate and Consent under Water and Pollution Control Act	
Registration under States Sales Tax Act and Central and State Excise Act	Excise Department
Commercial Taxes	
Sanction of Power	Meghalaya Energy Corporation Limited
Power Feasibility	
Power Connection	
Approval for Construction Activity and Building Plan	Public Works Department
Water and Sewerage Clearance	Public Health and Engineering Department
Water Connection	

## Cost of Doing Business in Meghalaya

Cost Parameter	Cost Estimate	Source
Cost of Land (per acre)	US\$ 50,000 to US\$ 75,000 (Shillong)	Industry Sources
Hotel Cost (per room per night)	US\$ 10 to US\$ 55	State Tourism Website
Office Space Rent (2,000 sq ft)	US\$ 75 to US\$ 200 per month	Industry Sources
Residential Space Rent (2,000 sq ft house)	US\$ 60 to US\$ 100 per month	Industry Sources
Power Cost (per kwh)	Commercial: US 7.4 cents to US 8.5 cents Industrial: US 7.4 cents to US 8.4 cents	Meghalaya Energy Corporation Limited
Labour Cost (minimum wages per day)	Unskilled: US\$ 2.2 Skilled: US\$ 3.0	Ministry of Labour and Employment, Government of India

## Contact List

Agency	Contact Information
Ministry of Development of North Eastern Region	258, 1st Floor, Vigyan Bhavan-Annexe New Delhi-110011 Phone: 91-11-2302 2401, 2302 2400 Fax: 91-11-2306 2754 Website: <a href="http://www.mdoner.gov.in">www.mdoner.gov.in</a>
Commerce & Industries Department	Commerce & Industries Department Administrative Building, Lower Lachumiere Shillong-793 001 East-Khasi Hills District, Meghalaya E-mail: <a href="mailto:industries-meg@nic.in">industries-meg@nic.in</a> Website: <a href="http://megindustry.gov.in">http://megindustry.gov.in</a>
Meghalaya Energy Corporation Limited	Meghalaya Energy Corporation Limited Lum Jingshai, Short Round Road Shillong-793001 Meghalaya, India Phone: 91-364 2590610/ 2590742/ 2590710/ 2591843 Fax: 91-364-2590355 E-mail: <a href="mailto:meseb-shil-meg@nic.in">meseb-shil-meg@nic.in</a> Website: <a href="http://www.meseb.nic.in">www.meseb.nic.in</a>

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

### Meghalaya Tourism Policy 2011

#### Objective

- To position Meghalaya as a preferred tourist destination by taking advantage of its rich cultural heritage and natural beauty.

[Read more](#)

### Mining Policy 2009 (Draft)

#### Objective

- To facilitate systematic, scientific and planned utilisation of mineral resources and to accelerate the mineral-based development of the state.

[Read more](#)

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

#### Objective

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

[Read more](#)

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

### IT Policy 2004

#### Objectives

- To create wealth, generate employment and bring in IT-led economic growth.
- To make information technology as a tool for attaining all round development in the state.

[Read more](#)

### Industrial Policy 1997

#### Objectives

- To facilitate rapid and sustained industrial development of the state.
- To achieve a balanced and growth oriented development covering the entire state through promotion of village and small scale industries.

[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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