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NOTIFICATION

No. G. 17017/1/2024-PLG, the 15th February, 2024. In the interest of public services and as approved by the Council of Ministers in its meeting held on 5th Feb. 2024 conveyed vide No. J. 11011/1/2024-POL Dt 05.02.2024, the Governor of Mizoram is pleased to notify '**The Mizoram Sustainable Investment Policy, 2024**' with immediate effect.

The Policy may be downloaded from the Department's website - planning.mizoram.gov.in.

Lalmalsawma Pachuau,
Secretary to the Govt. of Mizoram,
Planning & Programme Implementation Dept.

1. BACKGROUND

The State of Mizoram, offers the unique advantage of being a 'gateway' state on account of two-thirds of its borders being shared with Bangladesh and Myanmar. Mizoram is a key player in Government of India's "Look East" policy and offers a plethora of opportunities to investors.

Mizoram, with its immense potential vastly untapped presents a unique and promising opportunity for private investment. Nestled in the picturesque landscapes of Northeast India, the state offers a rich blend of natural resources and skilled human capital. Mizoram has consistently ranked as one of the more developed States of the region, owing to its high levels of literacy and per capita SGDP. The percentage of urban population is over 50% of its total population and is by far the highest in the region. Mizoram is known for its peace, discipline, honesty and is known as the happiest state in India.

The government is also committed to partake in Government of India's vision of '*Aatmanirbharta*' or self-reliance by being a net contributor to the country's growth. To accomplish these objectives, it recognizes the importance of private investment as a catalyst for job creation, infrastructure development, and the enhancement of local livelihoods.

2. NEED FOR THE POLICY

Between 2011-12 and 2021-22, the services sector grew to about 50.08% to the Gross State Value Added (GSVA), followed by the industry sector at 25.09% and then the primary sector, which comprises agriculture and allied activities, at 24.83%. The share of agriculture, forestry, and fishing has steadily increased over the years from 20.12% in 2011-12 to 24.83% in 2021-22. This has, however, come at the expense of the services sector, that has either remained static or marginally shrunk between 2011-12 and 2021-22 despite the State being blessed with a significantly young populace that has attempted to move away from agriculture. The industrial sector has also exhibited growth, albeit in a more limited way.

To bridge the gap between what the State has achieved and what it aspires for the people of Mizoram, Government of Mizoram welcomes private investments in the State as it considers them as long-term sustainable capital in the economy and contributes towards technology adoption, development of priority sectors, greater innovation, competition, employment creation and development of local startups & local businesses amongst other benefits.

The State's sustainable investment policy is therefore an attempt to find a balance between the interests of the State and those of investors, while also laying down an appropriate institutional arrangement to ensure a win-win situation for both the investors as well as the indigenous populace, ensuring the protection of their indigenous customs and traditions, and in some cases, furthering them. Therefore, the key objective of this policy is to accelerate the overall development of Mizoram while ensuring inclusivity, environmental sustainability, and social welfare.

Through the Mizoram Sustainable Investment Policy, the government aims to attract diversified investments, create employment opportunities, enhance infrastructure, promote skill development, and boost the overall socio-economic growth of the state. This policy would serve as a catalyst for transforming Mizoram into a vibrant and sustainable investment destination, while preserving its unique cultural heritage and natural resources.

This policy highlights the government's commitment to providing a transparent, predictable, and investor-friendly environment. It emphasizes the importance of streamlined procedures, single-window clearances, and effective grievance redressal mechanisms to facilitate the establishment and growth of businesses in Mizoram. It also recognizes the significance of sustainable development and responsible business practices. It encourages investors to adopt eco-friendly technologies, promote social responsibility, and contribute to the well-being of local communities.

3. SCOPE OF THE POLICY

3.1. Policy Coverage

The Policy shall encompass all of Mizoram except the area of autonomous districts of Lai, Mara and Chakma, whose autonomous district councils may, at their discretion, adopt any or all parts of this Policy. This Policy shall be in force from the date of its publication in the official gazette until modified, replaced or repealed or suspended by the Government of Mizoram.

3.2. Policy Goals

- a) Help balance the State's economy to utilize its workforce effectively, ensuring that the emerging young workforce finds gainful employment, whether in the form of entrepreneurship or from organized enterprise.
- b) Help established businesses all over India and possibly abroad make inroads into the State and use the State's resources, especially its workforce to offer high quality products and services to the northeast as well as the rest of India
- c) Provide gainful employment to indigenous youth and the workforce that has progressively shifted from agrarian sector(s) to service sectors
- d) Leverage the high rates of literacy, social discipline, and workforce participation to contribute to both personal as well as the State's development, essentially ensuring a higher gross value addition per worker and wealth creation per capita.
- e) Enhance own source as well as earned or assigned revenue base of the State from resources such as Goods and Services Tax.

3.3. Policy Objectives

- a) Attract Private Investments: To offer a competitive edge to investors to establish their businesses in the State.
- b) Promotion of Mizoram as a viable investment destination: To present Mizoram in various forums to mobilize private domestic and foreign investments across sectors in Mizoram wherein it has the comparative advantage.
- c) Framework for Investment: To provide a framework for interested investors to invest in Mizoram.
- d) Economic Growth: To stimulate economic growth, enhance productivity, and diversify the state's economy through strategic investments.
- e) Sustainable Development: To promote investments that align with sustainable development principles, including environmental protection, social welfare, and inclusive growth.
- f) Job Creation: To generate gainful employment for the local population and foster skill development through investment-led initiatives.
- g) Infrastructure Development: To attract investments that contribute to the development and improvement of critical infrastructures in the State.
- h) Technology & Skill Transfer: To facilitate diffusion of technological and entrepreneurial expertise of international standards.

3.4. Guiding Principle

This Policy shall also serve as a guiding principle to other sector policies that may be notified by the State insofar as promotion of enterprises, attracting capital from outside Mizoram or even outside India, rights of investors and protection of their interests.

4. SALIENT FEATURES

4.1. Provision of Land

- a) Availability of land is the primary requisite for most investments. In this regard, joint ventures / firms / companies who are investors from outside the state of Mizoram are allowed to enter into a lease agreement with land owners who may be government/ community/ private with the previous sanction of the State Government. This would be governed by the Mizoram (Land Revenue) Act & Rules, 2013 as amended from time to time and other notifications in this regard.

- b) The lease of land to non-indigenous allottees will be permitted under the following conditions:
- (i) The Government of Mizoram will specify the term of lease granted to a lease-holder not exceeding thirty-three years at one time depending on the project life and not shorter than one year. The term of lease granted can be renewed as per the decision of the Government of Mizoram on an application made in this regard. The land will revert back to the State / the private owner of the land on expiry of the lease.
 - (ii) That the land is used for a period of lease only for the purposes for which it is leased.
 - (iii) Sub-leasing of land will be permitted only for ancillary industries.
 - (iv) Leasing to individuals (indigenous as well as non-indigenous) for residential purposes shall not be permitted.
 - (v) The purpose for which the land is provided must be realized within a period of two years from the date of allotment, which may be extended to five years on a one-time basis. The lease will stand cancelled in case of failure to commence operations in the stipulated time.

4.2. Facilitating Special Zones for Investors

To further facilitate investments from the private sector from inside as well as outside the state while still taking care of the protection provided by The Bengal Eastern Frontier Regulations of 1873, the State of Mizoram proposes to foster 'investment zones'. The Policy will be to –

- Put surplus Government lands to productive and economic use;
 - Create 'ready-to-move-in' spaces for the private sector;
 - Accelerate production readiness for investors.
- a) Land pooling for investment zones: Zones will be created within the State which shall be opened for lease of land to non-indigenous parties that meet certain entry and operational conditions within the State. These zones will include –
- (i) existing industrial growth centres, industrial estates & parks and other areas created from land that vests with the State Government as part of common 'pool', as elucidated in the Mizoram Government Land Pooling and Management Scheme, 2018;
 - (ii) besides government lands, private citizens belonging to the state of Mizoram who own surplus lands shall also be able to pool such lands into the system.
- b) Revitalization of investment zones: The Policy will attempt to resume and repurpose industrial areas that have thus far seen low traction, allowing these to be re-planned on the lines of promoting complete value chains in addition to the current practice of leasing 'unit by unit'. In this method, a larger investor carries with itself a pool of ancillary suppliers and channels – which work in consonance with the main production unit, allowing the entire cluster to work as a single unit or as divided units, depending on demand. Newer pooled lands will be suitably developed in terms of basic infrastructure, connectivity by roads, power, wastewater drainage, (bulk) water supply as well as digital infrastructure by way of fiber optic as well as satellite connectivity (low earth orbit as well as conventional). The development of these lands could be through Government or private investments.
- c) Industrial Infrastructure Maintenance Fund (IIMF): The Government will set-up a new fund to be called "Industrial Infrastructure Maintenance Fund". The fund shall be utilized for maintenance and up-gradation of industrial infrastructure such as strengthening of power network, internal roads, sewage systems, etc. in existing industrial clusters. Depending on the requirements, the IIMF may be outsourced to a fund manager.

- d) Flatted factories: Ready-to-use manufacturing spaces would be set up and equipped with modern infrastructure and facilities. These flatted factories will not only reduce the initial setup time and costs but also streamline the investment process, enabling investors to swiftly establish their operations and focus on their core business activities.
- e) Investment zone support services: These zones will also foster support services such as fast-tracking business registrations in the State, GST registrations, fast-track processing of GST, other permits etc. For the most part, these zones will also be 'pre-cleared' in terms of several provisions – notably environmental clearance for specified groups of activities and have ready data for approvals such as consent to establish and operate.
- f) While indigenous entrepreneurs can avail of the benefits of this Policy anywhere within the State, non-indigenous entrepreneurs can avail of the benefits predominantly within the designated investment zones.
- g) Since investors will be leased land from the pool (Government or private), all contributors to the pool can partake into income generated from lease of such lands. The terms of such should be arrived at on a case-to-case basis through a legally binding Memorandum of Agreement (MoA).

4.3. Manpower Engagement

Manpower required in the operation of units arising out of the investment may be sourced from among the indigenous labour force to the extent possible. The Investment Promotion Agency will provide handholding support wherever required.

4.4. Scalable Approach & Indirect Investment Channels

- a) The Policy recognizes that each sector would work across different scales of business, and that in Mizoram, there is a need to promote local entrepreneurship. To this end, it is proposed that in all sectors, the 'micro-scale' of enterprises be retained exclusively for indigenous entrepreneurs, while larger scales be allowed for non-indigenous entrepreneurs as well, subject to prescribed investment floors and ceilings. In some cases, both indigenous and non-indigenous entrepreneurs will be facilitated, but in situations where all things considered, the investment proposal from indigenous and non-indigenous entrepreneur carry equal merit in terms of –
 - being able to generate revenues for the State by way of Goods and Service Tax,
 - being able to generate employment locally,
 - being able to adhere to principles of sustainability,
 - being able to exhibit fiscal adequacy to maintain operations,
 - being able to use technology required for the operations,

preference will be accorded to the indigenous entrepreneur in such terms. These sectors may include, inter alia:

Sector	Size of enterprise			
	Micro	Small	Medium	Large
	< 1 cr	< 10 cr	< 50 cr	> 50 cr
Primary Sector				
Bamboo – cultivation, processing, creation of food or non-food items				
Horticulture – primary food production, packaging				
Sericulture – primary production and weaving				
Palm Oil production, packaging, marketing and export				
Piggery, poultry, cattle & goat rearing – Milk, egg, meat production, preservation and export.				
Production of offal waste derived products, bone meal, rendering waste, animal feed etc. from animal slaughter				
Rice production, milling and export				
Cold chains & agricultural warehousing				
Other agrarian industries				
Export processing, including warehousing, inland container depot, cold chain				
Secondary Sector				
Food processing – production of preserves, processed foods				
Silk and fabric processing – blended forms of silk, production of readymade products – production, marketing and export				
Textile, garments and fashion				
Sports goods manufacturing				
Wines and spirits – production, marketing and export (markets outside Mizoram)				
Light engineering & fabrication				
Handicrafts				
Prefabricated construction material and elements				
Tertiary Sector				
Printing and publishing (English and other languages using Romanic script)				
Education – preparation and production of content for both books as well as for digital media				
Film, digital media & post processing				
Entertainment & music				
E-Commerce, warehousing and supply chain management, commodities trading				
Banking, Financial Sector and Insurance work				
Transport & infrastructure ¹ (roads, ropeways, logistics, power, mass transit, water supply)				
Tourism, hospitality & leisure				
Sports & athletics				
Healthcare				
Skill training (general)				
Specialized skill training (associated with specialized equipment)				
Research & Higher Education				
Quality testing and certification				
Private 5G networks, LoRa deployments				
IT based support or agglomeration services for retail and/or other services				
Data warehousing				
Legal and other process outsourcing				

LEGENDS:

-  : Local (indigenous) entrepreneurs to be exclusively promoted
-  : All entrepreneurs to be entertained but all other things equal, preference to be given to the indigenous entrepreneur.
-  : Entrepreneurs from all over India and abroad to be treated equally

¹ The term 'infrastructure' includes all such sectors which are included in the Harmonized Master List of Infrastructure Sub-sectors' as notified in circular no. F. No. 13/1/2017-INF dated 13th August 2018 issued by Department of Economic Affairs, Government of India and as updated from time to time.

- b) However, channels of indirect investment will remain open to all investors. These channels would largely manifest in the form of local entrepreneurship development funds, maintained by the Government of Mizoram. These funds will be used predominantly for –
 - Improving entrepreneurial education for young indigenous entrepreneurs;
 - Extending line of credit and credit guarantee facilities for indigenous entrepreneurs;
 - Incubation of new ventures;
 - Helping small or medium enterprises scale up and find other investors;
 - Such other purposes as may be deemed appropriate by the Government.

4.5. Priority Sectors

While the Government of Mizoram will endeavor to support all legitimate forms of business, it may give priority to selected sectors having potential to boost employment and economy with special incentives from time to time. These sectors may include, inter alia:

- a) *Agriculture and Horticulture*: Mizoram's fertile lands and favourable climate make it suitable for agriculture and horticulture investments. Mizoram has the Geographical Indication (GI) tag in Mizo Chilli and Mizo Ginger. The State has vast tracts of land available for cultivation of high-value crops such as tea, coffee, spices, fruits, and vegetables. Investments in modern farming techniques, processing units, and agro-based industries are some of the attractive avenues for private investments.
- b) *Food processing*: The state's abundant agricultural and horticulture resources, favourable climatic conditions, and emphasis on organic farming create a reliable and high-quality source of raw materials for food processing industry. Noteworthy is the Mizo Chilli (or bird eye chilli) which has been accorded a GI tag. Additionally, the strategic location of Mizoram provides access to neighbouring states and countries, opening up a broader consumer base. The government's supportive policies, incentives, and focus on infrastructure development further enhance the investment environment.
- c) *Bamboo*: Mizoram is known as the "Bamboo State of India" due to its abundant bamboo resources. Bamboo occupies 6,446 sq.km area of Mizoram, which is around 30% of the total land area of the State. The state offers opportunities for investments in bamboo- based industries, including bamboo furniture, handicrafts, flooring, paper production, and even renewable energy generation from bamboo biomass.
- d) *Education and Skill Development*: Mizoram has a growing demand for quality education and skill development institutes. Investments in educational institutions, vocational training centres, and skill development programs can address the need for skilled professionals in various sectors and contribute to human resource development in the state.

- e) *Handloom and Handicrafts*: Mizoram has a rich tradition of handloom and handicrafts, renowned for their intricate designs and vibrant colours. Five of the traditional Mizo designs have the GI tag. Investments in this sector can focus on enhancing production capabilities, providing skill development and training, establishing marketing and export channels, and introducing modern designs to cater to domestic and international markets.
- f) *Information Technology (IT) and IT-enabled Services*: With its high literacy rate and large English speaking employable youths, Mizoram aims to become an IT destination in North East India. Opportunities for private investments exist in software development, IT consulting, Business Process Outsourcing (BPO), and e-governance initiatives.
- g) *Music & Entertainment*: Music holds a profound significance within the fabric of Mizo culture, with a latent pool of extremely talented musicians and vocalists. The Policy aims to draw a strategic focus on nurturing this creative potential and indigenous talent into a burgeoning industry.
- h) *Nursing & Hospitality*: The youths of Mizoram are in high demand in nursing and hospitality sectors. Investments in these sectors would enable these sectors to further develop.
- i) *Power and Renewable Energy*: Mizoram has significant potential for hydropower generation due to its numerous rivers and hilly terrain. Investments in hydropower projects can capitalize on the state's renewable energy potential. The government is also encouraging investments in solar power projects and biomass energy for clean and sustainable energy generation.
- j) *Ropeways*: Urbanisation in Mizoram is as high as 52% making it one of the highest urbanised state in the country. Mizoram with its hilly terrain offers good opportunity to explore investments in ropeways from the point of view of tourism development as well as an alternative means for urban mobility.
- k) *Sports*: Mizoram is the first state in India to recognise sports as an industry in May, 2020. This is aimed to instil professionalism in sports such that the talents of the Mizo youths in sports are tapped and used for gainful employment. Football, badminton, basketball, and boxing are some of the more popular sports with individual achievements abound in other disciplines as well. Investments opportunities in this sector is immense ranging from the development of infrastructures to the development of the sport persons.
- l) *Textile and Garments*: Mizoram has the potential to become a hub for textile and garment manufacturing. The state offers a skilled workforce, affordable labour, and supportive government policies. Investments in sericulture, textile mills, garment manufacturing units, textile parks, and skill development centres can leverage Mizoram's competitive advantages in the textile sector.
- m) *Tourism*: The Mizoram Responsible Tourism Policy 2020 has been laid down to provide economic, social, and environmental benefits to the State through responsible and sustainable tourism development and management in a coordinated manner by engaging with various stakeholders including the private sector. Mizoram's scenic landscapes, rich cultural heritage, and warm hospitality make it an attractive destination for investment. The state offers opportunities for investments in hotels, eco-tourism, adventure tourism, wellness retreats, hospitality infrastructure, cultural tourism etc.

- n) *Transport and Logistic Hubs*: To leverage on the enabling infrastructures for business such as the extension of the railway line upto Aizawl; the capital city, the Kaladan Multi Modal Transit Transport Project, the construction of nearly 800 kms of National Highways in the State and Mizoram having an extensive borders with Bangladesh and Myanmar; investments in heliports, logistic hubs and border trade facilities would give a boost to economic activities in the State. Investment in inland waterways to utilise the reach of the river Tlawng (R. Dhaleswari) and river Chhimtuipui (R. Kaladan) would further strengthen Mizoram to be the logistic hub for the North East and India and give a fillip to the Act East Policy of the Government of India.

The Government may give thrust to other sectors having potential to boost employment and economy with special incentives from time to time.

4.6. Facilitating Promoters for Infrastructure Development

The State of Mizoram is also a participant in several of Government of India's schemes on development of infrastructure. These schemes largely entail the development of large- scale infrastructure in terms of logistics, power, mobility etc.

While Government of Mizoram will attempt to advocate the need for relaxed or more geographically relevant norms for infrastructure in the northeast, as highlighted in the Harmonized Master List for Infrastructure, there will always be the need for investors to be facilitated from outside Mizoram to establish such facilities. To this extent, the State Government shall set forth a list of potential promoters who have a proven track record in India insofar as development, operations and management of such infrastructure is concerned.

Such promoters shall, upon their empanelment by the State Government be permitted to open branch offices within the State at locations of their preference on rent basis. Further, moveable assets can be situated in any part of the State, provided that the concerned Department has engaged such entrepreneur through any kind of Public Private Partnership arrangement.

4.7. Asset Management Agency

In certain cases, where the State Government is of the view that a project is of strategic and economic importance to the State, the asset under such project, even if owned by a private individual can be co-opted by the State Government for seeking private sector investment. Such co-opting may be in the form of:

- a) Additional equity infusion to the project, retaining the original proponent's interest in the project; or
- b) Acquisition of the project assets at replacement cost or market value of the project, in case the original proponent is not able to take the project to fruition.

The Empowered Committee listed in Para 5 below would take a decision on (i) identification of such project and (ii) course of development to be followed – equity infusion or acquisition of assets.

An Asset Management Agency shall be engaged for the above purpose which would form a Special Purpose Vehicle and may have representation from the following departments from the State government's side –

- Commerce & Industries
- Finance Department
- Land Revenue and Settlement Department
- Law & Judicial Department
- Local Administration Department
- Planning & Programme Implementation Department
- Transport Department
- Urban Development & Poverty Alleviation Department

The mandate of this SPV shall be to:

- a) Identify potential projects of strategic and economic importance to the State
- b) Assess if the current state of development of the project warrants the need to 'step in' by the State
- c) Identify projects that can be taken up on Public Private Partnership basis, depending upon the proponent's request for such proposals
- d) Identify potential cases which can be addressed through Swiss Challenge Method
- e) Facilitate, for and on behalf of the project asset owner, Public Private Partnership agreements, including
 - (i) appointment of suitable consultants for technical, financial and legal feasibility,
 - (ii) empanelment and/or appointment of transaction advisors including retention of any panel by Government of India,
 - (iii) creation of concession agreements
 - (iv) Closure of concession agreements (point where concession offering authority and private party reach the agreement)
 - (v) Assist in financial closure of the State for in-State (domestic resources)
 - (vi) Empanelment and/or appointment of independent engineer and/or other assurance parties.
 - (vii) Such other appurtenant tasks associated with PPP arrangements
 - (viii) Take up the planning, development and construction and development of investment zones either by itself, or through third parties through concession agreements.
 - (ix) Assess means of raising capital from capital markets including INVITs, investor funds etc.
 - (x) Acquisition of distressed assets and completion of projects, including finding other potential investors

4.8. Engaging into PPP Arrangements where Necessary

Government of Mizoram, through the Empowered Committee for Investment in Mizoram, shall also deliberate on:

- a) Projects proposed by different Departments and offices of the State of Mizoram that can be taken up for implementation through PPP arrangements, provided such projects warrant an investment of over INR 10 crore by the private sector. For investments below INR 10 crore, the concerned Department or office may constitute an appropriate mechanism at the level of the concerned Minister and consider the projects in line with the principles laid down in this Policy.
- b) Possible transaction structures to be followed by the State including the legislative feasibility of certain structures.
- c) Development of a comparative framework to determine the suitability of whether or not a project should be taken up on PPP arrangement. Such framework would examine, inter- alia:

- (i) The financial implications of taking up this work through regular budgetary sources vis-à-vis the option of doing this through PPP over its intended lifecycle,
- (ii) Capacity of the Department or office concerned
- (iii) Potential infractions, if any, with respect to Bengal Eastern Frontier Regulation, 1873, or any other law in effect at the time.
- (iv) Sustainable management of the natural resources and environment of the State
- (v) Contract management capabilities of the proponent Department.
- (vi) Conditions of concession agreements that are regularly in use
- d) Changes in law or extant practices, if needed.
- e) Arbitration, mediation and conciliation mechanisms present in the State.

5. INSTITUTIONAL FRAMEWORK FOR INVESTMENT FACILITATION

5.1. Nodal Department

The nodal department for promoting, facilitating and coordinating private investment within Mizoram would be Planning & Programme Implementation Department, Govt. of Mizoram to start with which could be changed as per decision made by the Government from time to time.

5.2. Empowered Committee for Investment in Mizoram

To promote investment in Mizoram, the Empowered Committee for Investment in Mizoram has been constituted under the Chairmanship of Hon'ble Chief Minister of Mizoram with Chief Secretary as the Vice Chairman and Secretary, Planning and Programme Implementation Department as the Member Secretary. The members of the committee include administrative heads of the stakeholder departments and concerned ministers as invitees.

Terms of Reference of the Empowered Committee includes:

- a) To coordinate state departments and agencies with a view to promote investment and business growth in the state while safeguarding the interests of the indigenous citizens.
- b) To facilitate the addressing of infrastructure challenges, reduction of regulatory hurdles and improvement of the ease of doing business in the state.
- c) To review, evaluate and approve investment proposals and the modalities of land use, joint ventureship, subsidies, incentives etc. applicable on a case-to-case basis as recommended by the Working Committee for Investment in Mizoram.
- d) To approve the model MoUs with potential investors of the kind that lay down an initial understanding and engagement.
- e) To approve the MoUs between the State Government Departments and private investors.

5.3. Working Committee for Investments in Mizoram

This Committee has also been constituted under the Chairmanship of Secretary, Planning and Programme Implementation Department and includes all the stakeholder Departments and agencies. The Terms of Reference includes the following:

- a) To engage with potential investors and agencies through various forums and facilitate the provision of necessary information and support for investment in the state, and facilitate timely clearance of investment-related issues faced by investors in Mizoram.

- b) To review and evaluate investment proposals and suggest the modalities of land use, joint ventureship, subsidies, incentives etc. applicable on a case-to-case basis and lay before the Empowered Committee for Investment in Mizoram for their consideration and approval.
- c) To study and report on the draft MoU between the State Government Departments and private investors for consideration by the Empowered Committee.

5.4. Investment Promotion Agency:

Investment Promotion Agencies expedite industrial growth by fostering a favourable investment environment, generating employment, and enhancing the competitiveness of local businesses through improved infrastructure, skilled workforce, incentives, and administrative support. It is envisaged to create an Investment Promotion Agency in Mizoram as a separate legal entity with autonomy as a statutory body, Trust, Society, LLP and/or a Company in the long term as per the investment scenario requirements of the State.

In the initial stage, the IPA will function as an Inter-Departmental Cell or Team, pooling resources from Planning & Programme Implementation Department as well as Commerce & Industries Department. The Investment Promotion Team will operate under the aegis of the Working Committee on Investment. It will work closely with the Investment Facilitation Centres to be set up by Commerce & Industries Department at the district level.

The Investment Promotion Team will be headed by an officer not below the rank of Joint Secretary, and will consist of an Investment Promotion Specialist and an External Engagement Specialist to be engaged on contract, an Investment Facilitation Specialist and an EODB Specialist to be assigned from the Single Window Clearance Authority (SWCA) under C&I Dept., and a Policy & Research Specialist to be assigned from P&PI Dept.

The IPA will have the following terms of reference:

- a) *Investment Plan:* Develop an investment plan and create strategies for attracting investment.
- b) *Investment Promotion:* Promote the state's investment opportunities and advantages to domestic and international investors, build Mizoram's brand and encourage businesses to invest in the state.
- c) *Investor Facilitation:* Assist investors throughout the investment process by providing information and guidance on investment policies, regulations, and procedures, facilitating access to necessary permits and approvals, and connecting investors with relevant government agencies, business networks, and local partners. It will also assist the State in implementing a Single Window System (SWS) for streamlined regulatory clearances and incentive disbursement.
- d) *Market Intelligence and Research:* Conduct market research and analysis to identify priority sector for potential growth, emerging trends, investment opportunities, and develop tailored investment promotion strategies that can attract investments in areas aligned with the state's strengths and priorities.
- e) *Investor's Aftercare Support:* Provide ongoing support to investors include offering aftercare services once investments are attracted such as facilitating access to finance, helping investors expand or reinvest in the region, assisting with workforce development, and addressing any challenges or issues that investors may face during their operations.
- f) *Enhance investment climate:* Provide feedback, recommendations, and insights on investment-related policies and regulations to enhance the investment climate of the State.

5.5. Ease of Doing Business

The Mizoram Ease of Doing Business Act, 2022 provide for delivery of transparent, efficient and timely services to the eligible persons in the State of Mizoram under various state enactments for setting up Industrial or service sector undertakings and for matters connected therewith or incidental thereto. The Act provides for the establishment of a Single Window Clearance Authority (SWCA) for the purpose of providing one-stop clearance/ grant/ approval to new industrial and service sector investment applications and overall supervision and administration of speedy processing of investment applications and issue of various clearances. In due time, all applications shall be received, all decisions conveyed, and relevant services delivered through an Online Single Window Portal (SWP).

6. INVESTMENT PROCEDURE

- a) Interested investors can apply online or physically to the Nodal Department. For overseas investors, a request can be made through the Indian Embassy to office of the resident commissioner, Mizoram House, New Delhi for information or such other details.
- b) A dedicated portal for submission of application online will be created with integration of other relevant systems.
- c) Requests for information or solicitation for investment proposals can also be made during any investment fair organised by the Government of Mizoram or by any Ministry or agency where Government of Mizoram is participating.
- d) The Government may also float a Request for proposal for specific projects under priority sectors.
- e) Proposals for investment will typically contain details in a prescribed format, and also including a concept note.
- f) The proposal, once received by the nodal Department will be appraised by the concerned Working Committee for Investments in Mizoram as mentioned in Section 5.
- g) Potential investors shall be facilitated by the State to make presentations to the Working Committee or Empowered Committee, clearly highlighting –
 - (i) Nature of investments
 - (ii) Products/ services offered
 - (iii) State support sought
 - (iv) Potential employment generated
 - (v) Impact on sustainable management of natural resources and environment of the State
 - (vi) Revenues generated in the form of tax or other fees
- h) The Government of Mizoram may engage the services of specialised agencies to conduct due diligence of the proponent including status of similar investments in other States, financial wherewithal, environmental issues and legal issues (if any). The purpose is to highlight any risks that may arise on account of presence of any issues.
- i) The Working Committee shall examine the investment proposal and recommend, among other things, on whether to mandate joint ventureship with indigenous entrepreneur/ Company and specify equity shareholding pattern as a precondition for approval as and where it deems necessary,
- j) Notwithstanding anything mentioned in this Policy, the Working Committee may reject an investment proposal if it feels that the sub-sector wherein the investor proposes to operate needs to be safeguarded.
- k) The Working Committee, after due diligence based on its terms of reference, shall put forward the proposal to the Empowered Committee for consideration.
- l) The Empowered Committee, after having duly satisfied itself of the veracity of the proponent may approve the proposed investment with complete or partial State support. It can also reject the proposed investment put forward by the Working Committee.

- m) Once investment proposals are approved by the Empowered Committee, same would be considered by the concerned Department in detail by entering into a specific Memorandum of Agreement (MoA) which would be in accordance to the principles laid down in this Policy.
- n) Mode of implementation / partnership and other incentives that can be made available to the investors in the areas such as power, labour, taxes etc can be worked out in the MoA mentioned above. Same may be facilitated by the Investment Promotion Agency.
- o) The said MoA must necessarily contain the start date. Stakeholder Government departments must ensure that the investor is enabled to commence work from the start date. In case no action is taken by the investor within the period specified in the MoU, the MoU would be liable to be cancelled.
- p) The MoA arrived at would be subject to vetting by Law & Judicial Department and Finance Department, Government of Mizoram. Further, to ensure that the principles laid down in this Policy are adhered to, it would be vetted by the Nodal Department (i.e., Planning & Programme Implementation Department). In case a situation arise that the MoA have important bearings on issues especially relating to land and environment, same could be referred to the concerned Department(s) by the Nodal Department. The vetting in each instance would have to be completed in five to ten working days which could be extendable up to fifteen days.

7. INCENTIVES

A key principle used in this regard is to ensure rapid operationalisation of the proponent's investment as opposed to fiscal incentives that rarely generate the return on investment and instead impede the State's revenue receipts. As elaborated in Section 6, investments would be considered on a case-to-case basis and the incentives that can be made available would be arrived at accordingly. These incentives could include:

- a) *Fiscal incentives:* The State Government has provided various fiscal incentives under the Industrial Policy, revised from time to time to suit current requirements. These fiscal incentives will remain available for new investors and the same will be reviewed to relieve the financial burden of investors during their initial years of establishment taking into account the fiscal condition of the state.
- b) *Customised incentives:* Large projects with a minimum initial investment of Rs.100 crore may apply for customised incentives for implementation of the project under the various categories of incentives provisioned in the extant state policies. The application will be considered by the Working Committee and Empowered Committee for Investment on a case-to-case basis.
- c) *Single Window Clearance:* Approvals other than National level approvals will be facilitated at the 'doorstep', i.e., within the specified investment zones based on the Mizoram Ease of Doing Business Act, 2022 as amended from time to time.
- d) *Solar power:* Investor units are encouraged to install rooftop solar photovoltaic units which can be used to sell units to the P&E Department which will be guided by the Solar Power Policy of Mizoram, 2017 as amended from time to time.
- e) *Manpower incentive:* Incentive for hiring skilled indigenous worker at different level would be provided by supporting the skilling/ reskilling/ orientation training cost of indigenous labour to be employed, which will be examined on a case-to-case basis. The incentive will be on reimbursement basis with prescribed ceiling which will be determined by the Government from time to time.
- f) *State GST reimbursement:* SGST reimbursement for manufacturing Micro, Small & Medium Enterprises on the net SGST paid, other than the amount of tax paid by utilization of input tax credit, for a period of 5 years from the date of commencement of commercial production. Claim of the SGST reimbursement should be made within 6 months from the date of filing SGST returns.

8. LOCAL LEVEL FACILITATION

8.1. Enabling Communication

The Policy also acknowledges the need to ensure appropriate and fluent communications between indigenous and non-indigenous persons to facilitate smooth operations. To this end, Government of Mizoram proposes to establish language learning nodes – which would impart business level speaking and communications in English, Hindi and Mizo for both entrepreneurs and workers. These nodes would be recognised under Schedule VII under Section 137 of Companies Act, 2013 and can therefore be treated as being compliant with the purpose of Corporate Social Responsibility.

8.2. Quality Certification

Government of Mizoram would undertake to enable the presence of as many NABL certified entities to enable quality testing and certification, all over the State (and not necessarily within the investor zones) whose services can be availed by investors as well as local entrepreneurs for testing and certifying products and services. This will be supported by quality control training through the appropriate agencies.

8.3. Brand Promotion and Recognition

Government of Mizoram shall undertake a brand promotion policy to ensure that products and services made in or offered from Mizoram carry their own brand and may also appoint one or more brand ambassadors to carry the brand of Mizoram as a viable investment destination as well as branding of products and services that emanate from the State.

Invest in Mizoram promotional materials will be prepared for dissemination at strategic locations and summits will be conducted at major cities within and outside India.

8.4. Integration with Other Policies

The Mizoram Sustainable Investment Policy, with regards to its applicability on investment-related matters and procedural methodologies, integrates with existing state policies, acts, and rules, to ensure that there is consistency and clarity in the regulatory framework for investors.

- a) As previously stated, matters concerning land use would be governed by the following as amended from time to time –
 - (i) Mizoram (Land Revenue) Act & Rules, 2013
 - (ii) Mizoram Government Land Pooling and Management Scheme, 2018
- b) In regards to the setting up of industries or business units and allotment of land within industrial estates, the provisions under the following will apply (however, in matters covered by the Investment Policy for which provisions are also made by these previous policies, provisions under the Investment Policy will take precedence) –
 - (i) Mizoram Industrial Policy, 2012
 - (ii) The Mizoram Industrial Area (Management, Regulation & Control) Act, 2008
- c) Fiscal incentives for investors and businesses at the time of ratification of the Investment Policy shall be as per the Mizoram Industrial Policy, 2012, and will incorporate any other incentives adopted in the future under other sector policies.

- d) The following Mizoram labour laws will also apply as amended from time to time –
- (i) The Mizoram Minimum Wages Rules, 1992
 - (ii) The Mizoram Payment of Wages Rules, 1992
 - (iii) The Mizoram Trade Union Regulation, 1992
 - (iv) The Mizoram Contract Labour (Regulation & Abolition) Rules, 2004
 - (v) The Mizoram Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Rules, 2005
 - (vi) The Mizoram Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2008
 - (vii) The Mizoram Employees Compensation Rules, 2009
 - (viii) The Mizoram Child Labour (Prohibition and Regulation) Rules, 2010
 - (ix) The Mizoram Shops & Establishments Rules, 2011
 - (x) The Mizoram Factories Rules, 2014
- e) Other state policies that are concurrent to the Investment Policy include –
- (i) Mizoram State Logistic Policy, 2022
 - (ii) The Mizoram Ease of Doing Business Act, 2022
 - (iii) Mizoram State Policy on Skill & Entrepreneurship Development, 2018
 - (iv) Solar Power Policy of Mizoram, 2017
 - (v) The Mizoram Wood Based Industry (Establishment & Regulation) Rules, 2017
 - (vi) Mizoram Eco-Tourism Policy, 2017
 - (vii) Mizoram Responsible Tourism Policy, 2020
 - (viii) Mizoram Bamboo Policy, 2002 etc.

Various other sector policies such as agriculture & horticulture policy, food processing policy, sports policy, startup policy, tourism policy etc. that may be formed or revised hereafter shall be integrated with this Policy.

9. PARTAKING IN INDIA'S TRADE AGREEMENTS

Mizoram, as part of its Sustainable Investment Policy, acknowledges the significance of India's bilateral and multilateral agreements in fostering economic development. The state shall actively seek opportunities to participate in and make effective use of such agreements to enhance investment inflows, promote technological advancements, and facilitate the exchange of knowledge. The government of Mizoram is committed to creating a conducive environment for businesses to leverage the benefits arising from India's engagements in bilateral and multilateral forums.

Annexure – I: DEFINITIONS

1. "Allotment" means allocation or appointment of land or part of it to a specific person or body of persons having legal entity known as the allottee by the State Government.
2. "Domicile", with reference to the State of Mizoram, means any resident of the State, whose family has been residing in Mizoram prior to 26th January, 1950.
3. "Indigenous" means a Tribal who is a domicile of Mizoram.

4. “Infrastructure” means all such sectors which are included in the ‘Harmonized Master List of Infrastructure Sub-sectors’ as notified by Department of Economic Affairs, Government of India and as updated from time to time.
5. “Large Enterprise” means an enterprise which is not classified as Medium Enterprise and with investment in plant and machinery or equipment greater than INR 50 crore and turnover greater than INR 250 crore.
6. “Lease-holder” means a person who is given a lease of specified tenure to occupy certain parcel of land for specific purpose like industry, educational institution, etc.
7. “Medium Enterprise” means an enterprise where investment in plant and machinery or equipment does not exceed INR 50 crore and turnover does not exceed INR 250 crore as notified by Ministry of MSME, Government of India and as updated from time to time.
8. “Micro Enterprise” means an enterprise where investment in plant and machinery or equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crore as notified by Ministry of MSME, Government of India and as updated from time to time.
9. “Person” includes an individual, a firm, a Company or an association or a body of individuals whether incorporated or not.
10. “Small Enterprise” means an enterprise where investment in plant and machinery or equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore as notified by Ministry of MSME, Government of India and as updated from time to time.
11. “State” means the State of Mizoram unless stated otherwise.
12. “State Government” or “Government” means the Government of Mizoram unless stated otherwise.
13. “Tribal” means a person who belongs to one of the Scheduled Tribes for the State of Mizoram and specified as such by an order or orders made by the President of India under Article 342(1) of the Constitution of India in so far as the specification pertains to Mizoram.

Annexure-II: Industrial Parks

INFORMATION ON INDUSTRIAL PARKS IN THE STATE

Sl. No.	Name of the Park / Industrial Area	Total Area (in Acre)	Available Area (in Acre)	Sector / Theme	Location	Distance from National Highway	Facilities	Whether On boarded on IILBS?
1	Industrial Estate, Zuangtui	104.03	NIL	Mixed	Aizawl District, 23.756405, 92.738746	7 min (2.1km) via Zuangtui - Selesih Rd	road, power supply, water	YES
2	Industrial Growth Centre, Luangmual	253.36	244.73	Mixed	Aizawl District, 23.756567, 92.658585	9.0 KM via MZU Road	road, power supply, water	YES
3	Export Promotion Industrial Park, Lengte	459.57	450.62	Mixed	Mamit District, 23.788729, 92.607979	6 Min (3.1KM) via Lengte Road	road, power supply, water	YES
4	Bamboo Technology Park, Sairang	43.01	38.86	Mixed	Aizawl District, 23.842666, 92.661404	1 min (6 m)	road, power supply, water	YES
5	Integrated Infrastructure Development Centre (IIDC), Pukpui, Lunglei	25.34	20.17	Mixed	Lunglei District, 22.941128, 92.760343	36 min (12.5km) via Lunglei-Thenzawl Rd	road, power supply, water	YES
6	Integrated Infrastructure Development Centre (IIDC), Zote, Champhai	24.50	NIL	Mixed	Champhai District, 23.499994, 93.356828	5 hr 38 min (157 km)	road, power supply, water	YES
7	Industrial Estate, Lawngtlai	7.09	NIL	Mixed	Lawngtlai District, 22.515556, 92.894167	6 min (1.5km) via Chengkawllui Rd	road, power supply	YES

Annexure-III: Point of contact

Principal Adviser-cum-Additional Secretary, Planning & Programme Implementation Department,
Government of Mizoram, Aizawl, Mizoram.

Email: investmizoram@gmail.com