



revenue, creating employment, and promoting Assam's tea heritage globally.

- **Question:** What challenges are faced by the paper industry regarding raw materials?

Answer:

The paper industry in Assam struggles with raw material shortages due to overexploitation of bamboo, poor transportation facilities, and inefficient supply chain management, affecting continuous production.

- **Question:** How can food processing support rural Assam?

Answer:

Food processing can reduce post-harvest losses, add value to agricultural produce, create rural employment, and support small farmers and entrepreneurs by opening local and international markets for processed goods.

- **Question:** Why is modernization essential for Assam's fertilizer and cement industries?

Answer:

Modernization is essential to improve production efficiency, reduce costs, comply with environmental norms, and make Assam's fertilizer and cement industries competitive in both national and regional markets.

Unit 5

Emerging Issues and Some Agencies of NER

(1) Write a detailed note on North Eastern Industrial and Technical Consultancy Organisation Limited (NEITCO).

Answer: **North Eastern Industrial and Technical Consultancy Organisation Limited (NEITCO) –**

The **North Eastern Industrial and Technical Consultancy Organisation Limited (NEITCO)** is a regional consultancy agency dedicated to promoting industrial development and providing technical and management consultancy services in the North Eastern Region (NER) of India. Established in **1973**, NEITCO was formed as a public sector organisation to support the industrialisation process of the North East, which historically faced challenges like geographical isolation, inadequate infrastructure, and limited industrial investment.

NEITCO was jointly promoted by various financial institutions, including the **State Bank of India (SBI)**, **Industrial Development Bank of India (IDBI)**, and other nationalised banks and public sector undertakings. It was created with the objective of offering comprehensive consultancy services to entrepreneurs, industries, and government agencies in the North Eastern states. Its headquarters is located in **Guwahati, Assam**, and it has had a significant presence across several North Eastern states such as Arunachal Pradesh, Meghalaya, Manipur, Nagaland, Tripura, and Mizoram.

The primary aim of NEITCO has been to **promote, plan, and support industrial and economic growth** in the North East by offering professional services in project identification, project report preparation, market surveys, technical feasibility studies, financial consultancy, and management advisory services. It has acted as a bridge between financial



institutions and entrepreneurs, helping industries secure project finance and execute sustainable business models. NEITCO has played a crucial role in assisting **small and medium enterprises (SMEs)** in preparing detailed project reports and securing funding from financial institutions. It has also provided training, capacity-building programmes, and support to first-generation entrepreneurs in the region. Through these initiatives, NEITCO has contributed to creating employment opportunities and promoting regional industrial development.

However, despite its initial success and contribution, NEITCO faced significant challenges in the late 1990s and early 2000s due to the **slow pace of industrial growth in the North East**. The organisation suffered operational and financial setbacks, primarily because of reduced consultancy demand and the limited growth of the industrial base in the region. A study conducted by IDBI in 2002 found NEITCO to be financially unviable in its existing structure and recommended either closure or restructuring.

There was also a proposal to merge NEITCO with **North Eastern Consultancy Organisation Limited (NECON)** to consolidate resources and expertise, but the proposal was not accepted by NECON. The Government of India later approved the transfer of NEITCO's management to the **North Eastern Council (NEC)** to ensure that its assets and services could still be utilised for regional development, though its operational status has been relatively inactive in recent years. In summary, NEITCO was a vital industrial consultancy body in the North Eastern region, providing essential services for industrial promotion and entrepreneurship development.

Although its functional role has diminished over time, NEITCO remains a significant part of the history of industrial consultancy in North East India, symbolising efforts to bring balanced regional growth and industrialisation.

Objectives of NEITCO:

- **Promotion of Industrial Development:**

NEITCO aims to promote industrial growth in the North Eastern Region by offering consultancy services and guiding entrepreneurs to set up viable industrial units.

- **Support to Small and Medium Enterprises (SMEs):**

It focuses on assisting small and medium-scale industries by preparing project reports, conducting feasibility studies, and offering advisory services.

- **Encouragement of Entrepreneurship:**

NEITCO's objective is to encourage and support first-generation entrepreneurs by providing them with the necessary technical, managerial, and financial guidance.

- **Facilitating Project Financing:**

One of NEITCO's key goals is to bridge the gap between entrepreneurs and financial institutions, enabling easy access to project funding.

- **Regional Industrial Balance:**

The organisation works towards reducing regional imbalances in industrial development by focusing on the less developed North Eastern states.

- **Development of Technical and Managerial Skills:**

NEITCO aims to improve the technical and managerial competence of local entrepreneurs and industrialists through



training and capacity-building programmes.

- **Utilisation of Local Resources:**

The organisation encourages the establishment of industries based on the locally available raw materials, thereby supporting sustainable development.

Functions of NEITCO:

- **Preparation of Project Reports:**

NEITCO prepares detailed project reports (DPRs), feasibility studies, and viability reports for proposed industrial and commercial projects.

- **Market Research and Survey:**

It conducts market studies, demand forecasting, and sector-specific research to assist entrepreneurs in making informed business decisions.

- **Technical Consultancy:**

NEITCO provides technical assistance in areas such as plant layout, machinery selection, production process optimisation, and quality control.

- **Financial Consultancy:**

The organisation helps in preparing financial projections, loan applications, and securing finance from banks and financial institutions.

- **Management Advisory Services:**

NEITCO offers management consultancy services including cost management, organisational planning, and business strategy formulation.

- **Entrepreneurship Development Programmes (EDPs):**

It conducts training, workshops, and seminars to develop entrepreneurial skills and build local industrial leadership.



- **Project Appraisal:**

The organisation appraises projects on behalf of financial institutions, ensuring the technical and financial soundness of investment proposals.

- **Assistance in Obtaining Licenses and Approvals:**

NEITCO assists entrepreneurs in acquiring necessary industrial licenses, government clearances, and regulatory approvals.

- **Consultancy in Government Schemes:**

It helps businesses and individuals in availing the benefits of government-sponsored industrial development schemes.

- **Post-Implementation Support:**

NEITCO provides ongoing consultancy to resolve operational problems and improve the performance of established industrial units.

(2) Write a detailed note on North Eastern Handloom and Handicrafts Development Corporation (NEHHDC).

Answer: **North Eastern Handloom and Handicrafts Development Corporation (NEHHDC) –**

The North Eastern Handloom and Handicrafts Development Corporation (NEHHDC) is a Government of India enterprise established in 1977 under the Ministry of Development of North Eastern Region (DoNER). Its primary aim is to promote, develop, and market the rich and diverse handloom and handicraft products of the North Eastern Region (NER). The corporation plays a pivotal role in preserving traditional art forms and supporting the artisans and weavers of the region.



The North Eastern Region is home to a vibrant cultural heritage, especially in the handloom and handicrafts sector. NEHHDC works to harness this potential by providing artisans with marketing platforms, capacity-building training, raw material support, and design development opportunities. The corporation not only focuses on the economic empowerment of local craftsmen but also ensures the cultural continuity of traditional skills passed down through generations.

One of the key activities of NEHHDC is **organising exhibitions, trade fairs, and buyer-seller meets** across India and abroad to showcase and market North Eastern products. It also manages emporiums under the brand name '**Purbashree**', which provide direct market access for artisans without the involvement of middlemen, thereby ensuring fair prices for their products.

NEHHDC further contributes to the growth of the sector by offering **skill development programmes, modern design inputs, and quality improvement training** to artisans. It facilitates credit linkage and provides raw materials at subsidised rates to enhance production efficiency.

Through its initiatives, NEHHDC has helped create sustainable livelihood opportunities in the rural and tribal areas of the North East, especially for women artisans. By linking traditional products with modern markets, the corporation plays a crucial role in promoting regional crafts and contributing to the socio-economic development of the region.



Objectives of NEHHDC:

- **Promotion of Traditional Crafts:**

To promote and preserve the rich handloom and handicraft traditions of the North Eastern Region.

- **Market Expansion:**

To create marketing avenues at national and international levels for artisans and weavers of the North East.

- **Economic Empowerment:**

To enhance the income and livelihood opportunities of artisans, especially women and rural craftsmen.

- **Skill Development:**

To improve the skills of artisans through training, design development, and capacity-building programmes.

- **Support for Raw Materials:**

To ensure the timely and affordable availability of quality raw materials to weavers and craftsmen.

- **Quality Enhancement:**

To promote the production of high-quality handloom and handicraft items that meet market standards.

- **Employment Generation:**

To create sustainable employment in rural and tribal areas of the North East.

- **Direct Market Access:**

To eliminate middlemen by providing direct marketing platforms like exhibitions and emporiums under the brand 'Purbashree.'

Functions of NEHHDC:

- **Organising Exhibitions and Fairs:**

NEHHDC regularly organises trade fairs, exhibitions, and



buyer-seller meets to promote North Eastern handloom and handicrafts.

- **Running Emporiums:**

It operates showrooms under the brand 'Purbashree' to directly sell artisans' products to customers.

- **Providing Marketing Support:**

The corporation helps artisans access larger markets by participating in domestic and international trade events.

- **Skill Development and Training:**

NEHHDC conducts skill upgradation, design development, and product diversification workshops.

- **Raw Material Distribution:**

It ensures the supply of quality raw materials to artisans at affordable rates.

- **Facilitating Credit Support:**

NEHHDC helps artisans obtain financial assistance from banks and government schemes.

- **Product Development:**

It provides modern design inputs and encourages innovation to meet changing consumer preferences.

- **Supporting Export Promotion:**

NEHHDC promotes the export of North Eastern handloom and handicraft products to international markets.

- **Documentation and Preservation:**

It undertakes efforts to document and preserve traditional crafts and weaving techniques of the region.

- **Socio-Economic Development:**

By supporting artisans, NEHHDC contributes to the overall socio-economic development of the North Eastern Region.

(3) Write a detailed note on North Eastern Council (NEC)

Answer:

The **North Eastern Council (NEC)** is a statutory advisory body established in **1971** under the **North Eastern Council Act, 1971** to promote the coordinated and balanced development of the North Eastern Region (NER) of India. Initially set up as an advisory body, the NEC was later accorded the status of a regional planning agency with both advisory and executive functions.

The NEC serves as the **apex regional planning body** for the eight North Eastern states: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and Sikkim (which was included in December 2002). The Council is headquartered in **Shillong, Meghalaya**.

The primary objective of NEC is to **formulate regional plans** and coordinate economic and social development activities in the North Eastern Region. It focuses on addressing the unique challenges of the region, including geographical isolation, underdeveloped infrastructure, and socio-economic disparities.

The NEC is chaired by the **Union Minister for Development of North Eastern Region (DoNER)**. Its members include the Governors and Chief Ministers of the member states and other nominated members. This inclusive structure ensures that the regional development needs are collectively discussed and addressed.

Key areas of NEC's focus include **infrastructure development**, especially in sectors like transport, power, water resources, agriculture, and tourism. It also funds various developmental

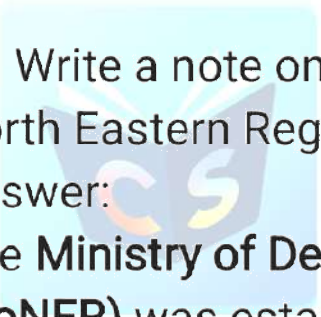


projects that have regional importance and cannot be fully addressed by individual states.

In recent years, NEC has taken active steps to promote **entrepreneurship, skill development, and livelihood programmes** to generate employment and enhance the quality of life in the region. The Council also supports capacity-building initiatives, improving connectivity, and boosting trade and investment in the North East.

In summary, NEC plays a critical role in fostering economic integration, planning, and regional cooperation, working as a catalyst for the socio-economic development of the North Eastern Region of India.

(4) Write a note on DONER in economic development of North Eastern Region.

Answer:  The Learning App

The **Ministry of Development of North Eastern Region**

(DoNER) was established in **2001** as a dedicated central ministry to accelerate the socio-economic development of the North Eastern Region (NER) of India. The North East, which comprises eight states — Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and Sikkim — has unique challenges such as difficult terrain, inadequate infrastructure, and historical neglect in economic planning. The Ministry of DoNER plays a vital role in addressing these challenges and promoting inclusive and balanced growth in the region.

Key Roles and Contributions of DoNER:

- **Focused Planning and Policy Formulation:**



The Ministry of DoNER formulates region-specific policies and development strategies, focusing on infrastructure, connectivity, and human resource development to uplift the North Eastern states.

- **Infrastructure Development:**

DoNER has significantly invested in improving road connectivity, airports, bridges, and rural infrastructure, which are crucial for the economic integration of the region with the rest of India.

- **Funding Support through NEC and NERSDS:**

DoNER channels financial assistance to North Eastern states through the **North Eastern Council (NEC)** and the **North East Special Development Scheme (NESDS)**, enabling the execution of priority projects that have regional significance.

- **Promotion of Entrepreneurship and Skill Development:**

The Ministry promotes entrepreneurship and skill-building initiatives, especially among the youth and women, to generate employment and encourage self-reliance.

- **Boosting Tourism:**

DoNER supports tourism promotion in the North East by improving infrastructure and marketing the region's natural beauty, cultural diversity, and adventure tourism potential.

- **Strengthening Connectivity:**

Special emphasis is given to enhancing **air, road, rail, and digital connectivity** in the region, which is essential for trade, commerce, and investment.

- **Support for Handloom and Handicrafts:**

DoNER actively supports the promotion of traditional handloom and handicrafts industries to preserve cultural heritage and generate livelihood opportunities.



- **Disaster Management and Climate Resilience:**

The Ministry funds projects aimed at flood control, erosion prevention, and disaster resilience to protect the region's economy and environment.

- **Capacity Building and Governance Support:**

DoNER invests in capacity building of local administration, project management, and good governance to ensure efficient implementation of development schemes.

- **Encouraging Investment and Trade:**

The Ministry works to create a favorable environment for investment by improving infrastructure, policy support, and facilitating cross-border trade with neighboring countries.

Conclusion:

The Ministry of DoNER plays a pivotal role in addressing the developmental gaps of the North Eastern Region. By focusing on infrastructure, connectivity, skill development, and regional integration, it has significantly contributed to the socio-economic upliftment and sustainable growth of the North East.

(5) Explain the Border Trade problems and prospects in North Eastern Region.

Answer:

The **North Eastern Region (NER)** of India shares over **5,300 kilometers of international borders** with countries like China, Myanmar, Bhutan, Bangladesh, and Nepal. Due to its strategic geographical location, the region has immense potential for border trade which can foster regional development, enhance connectivity, and promote socio-



economic integration with neighboring countries. However, despite its advantages, border trade in the NER faces several critical challenges that hinder its growth.

Problems of Border Trade in NER:

- **Poor Infrastructure:**

Inadequate road networks, lack of modern border trade centers, limited warehousing, and insufficient customs facilities severely restrict trade efficiency in the region.

- **Security Concerns:**

The region is often affected by insurgency, smuggling, and cross-border tensions, especially along sensitive borders like those with Myanmar and Bangladesh, which create an unstable trade environment.

- **Non-Tariff Barriers:**

Complex customs procedures, stringent regulatory measures, and limited harmonization of trade policies between India and its neighboring countries make cross-border trade cumbersome.

- **Limited Trade Routes and Connectivity:**

Many border points remain underdeveloped, and the region suffers from poor rail, air, and inland water transport connectivity, which increases the cost and time of trading activities.

- **Informal Trade and Smuggling:**

A significant portion of cross-border trade happens informally, resulting in revenue loss for the government and creating unfair competition for local businesses.

- **Lack of Banking and Financial Services:**

Border areas in the NER often lack adequate banking



infrastructure, currency exchange facilities, and financial services to support formal trade operations.

- **Inadequate Awareness and Information:**

Local traders are often unaware of trade policies, regulations, and available incentives, leading to poor utilization of official trade agreements.

Prospects of Border Trade in NER:

- **Strategic Gateway to ASEAN:**

The NER can become India's gateway to South-East Asia under the **Act East Policy**, promoting greater economic integration with ASEAN countries.

- **Boost to Local Economies:**

Enhanced border trade can provide local farmers, artisans, and manufacturers direct access to international markets, thereby improving income and livelihoods.

- **Development of Infrastructure:**

Government initiatives like the construction of Integrated Check Posts (ICPs), road upgradation, and establishment of Land Custom Stations (LCS) will strengthen trade infrastructure.

- **Employment Generation:**

Expansion of border trade can generate new employment opportunities in transport, logistics, warehousing, and retail sectors along the border areas.

- **Improved Bilateral Relations:**

Border trade can serve as a tool to strengthen diplomatic ties with neighboring countries through enhanced economic interdependence and people-to-people contact.

Conclusion:



While border trade in the North Eastern Region faces considerable challenges such as poor infrastructure, security issues, and policy bottlenecks, its long-term prospects remain highly positive. With strategic policy support, improved connectivity, and better security management, the NER can emerge as a vital hub for India's international trade with Southeast Asia and beyond.

(6) Explain the tourism status, prospects and priorities of North Eastern Region.

Answer:

The **North Eastern Region (NER)** of India, comprising eight states—Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and Sikkim—is a region of immense natural beauty, cultural diversity, and ecological richness. Known for its scenic landscapes, wildlife, adventure tourism opportunities, and unique tribal cultures, the NER holds significant potential to emerge as a leading tourist destination in India.

Current Status of Tourism in NER

Tourism in the North Eastern Region is still at a **developing stage** compared to other popular Indian tourist circuits. The region attracts domestic tourists primarily from nearby states, but the inflow of foreign tourists remains limited. Key attractions include the Kaziranga National Park in Assam, the living root bridges of Meghalaya, the monasteries of Sikkim, and the cultural festivals of Nagaland and Manipur.

However, tourism in the NER faces challenges such as:

- Inadequate transport and accommodation facilities.



- Limited promotional activities at the national and international levels.
- Security concerns in some border areas.
- Bureaucratic restrictions such as Inner Line Permits (ILP) in certain states, which often deter potential tourists.

Despite these issues, the region has been gradually gaining attention due to focused government efforts under the **Ministry of Tourism and the Ministry of Development of North Eastern Region (DoNER)**. Various promotional campaigns like '**Incredible India**', '**North East India: Paradise Unexplored**', and the introduction of tourism festivals have begun to highlight the region's potential.

Prospects of Tourism in NER

The future of tourism in the North Eastern Region is promising due to several factors:

- **Natural Beauty and Biodiversity:**

The region is home to national parks, wildlife sanctuaries, snow-capped mountains, waterfalls, and lush valleys, offering excellent eco-tourism opportunities.

- **Cultural Diversity:**

The rich traditions, ethnic diversity, handicrafts, music, and cuisine of the North East can attract cultural tourists interested in indigenous lifestyles.

- **Adventure and Sports Tourism:**

The region offers excellent prospects for adventure tourism, including trekking, river rafting, mountaineering, and paragliding.

- **Religious and Spiritual Tourism:**



With its Buddhist monasteries, temples, and pilgrimage sites, the region can attract both domestic and international spiritual tourists.

- **Integration with Act East Policy:**

Improved connectivity with ASEAN countries under the Act East Policy can further position the North East as a transit and tourism hub.

Tourism Development Priorities in NER

To fully realise the tourism potential of the region, certain priorities must be addressed:

- **Infrastructure Development:**

Expansion of airports, roadways, hotels, and transport facilities to make travel convenient for tourists.

- **Safety and Security:**

Ensuring the safety of tourists by improving law and order and removing travel restrictions where feasible.

- **Capacity Building:**

Training local youth as guides, hospitality staff, and travel operators to create employment and improve service quality.

- **Sustainable Tourism:**

Encouraging eco-friendly tourism practices to protect the fragile environment and preserve cultural heritage.

- **Aggressive Promotion:**

Strengthening domestic and international marketing campaigns to project the North East as a must-visit destination.

Conclusion

The North Eastern Region of India holds vast tourism potential due to its unique combination of natural beauty,



cultural wealth, and adventure opportunities. With focused development efforts, infrastructure upgrades, and strategic promotion, the region can become one of India's leading tourism hubs, contributing significantly to regional employment, income generation, and socio-economic growth.

(7) Write a note on Urbanization and slums in North Eastern Region.

Answer:

The **North Eastern Region (NER)** of India, comprising eight states, has historically been known for its predominantly rural character. However, in recent decades, the region has been experiencing a gradual process of **urbanization**, driven by the growth of administrative centers, educational institutions, commercial activities, and improved connectivity. Cities like Guwahati, Agartala, Imphal, Shillong, and Aizawl are emerging as key urban hubs in the region. Despite this growth, the **urbanization rate in the North East remains lower than the national average**. The region is characterized by uneven urban development, with a few major cities showing significant expansion while many smaller towns remain underdeveloped. The primary factors influencing urbanization in the region include migration from rural to urban areas in search of education, employment, and better living standards. Additionally, the development of transport and communication networks, particularly through government initiatives, has contributed to urban growth. However, the pace of urbanization in the North East has brought **multiple challenges**, the most prominent being the rise of **urban slums**. As cities in the region struggle to cope



with the growing population, many migrants are forced to settle in informal housing areas that lack basic amenities. Slums in cities like Guwahati, Imphal, and Shillong are becoming increasingly visible, posing significant concerns regarding public health, sanitation, housing, and social infrastructure.

The slums in the North Eastern Region typically suffer from **poor housing conditions, overcrowding, lack of proper drainage, inadequate water supply, and insufficient waste management systems**. Many of these slum dwellers are engaged in informal and low-income occupations, which further perpetuate poverty and social exclusion.

Another serious concern is that unplanned urbanization is putting excessive pressure on the limited infrastructure of the region's cities. Traffic congestion, water scarcity, and environmental degradation are becoming more frequent in urban centers.

Way Forward:

To address the issues of urbanization and slums in the North Eastern Region, **planned urban development** is essential. There is a need to improve basic urban services, provide affordable housing, and create sustainable employment opportunities for the urban poor. Initiatives like **Smart Cities Mission, AMRUT, and Pradhan Mantri Awas Yojana** should be effectively implemented in the region to control the growth of slums and improve living conditions.

In conclusion, while urbanization offers new opportunities for economic growth in the North East, the rising slum population presents a serious challenge that requires



comprehensive urban planning, infrastructure investment, and social inclusion to ensure balanced and sustainable urban development.

(8) Write a note on Panchayats and Municipalities in North Eastern Region.

Answer:

The **North Eastern Region (NER)** of India has a unique system of local governance that differs significantly from the rest of the country due to its diverse tribal population, customary laws, and special constitutional provisions.

Panchayats and Municipalities in the region function under both the **73rd and 74th Constitutional Amendments** and under **special local governance structures** as provided by the Sixth Schedule of the Constitution.

In most parts of India, **Panchayati Raj Institutions (PRIs)** form the backbone of rural governance. However, in many North Eastern states such as **Meghalaya, Mizoram, and Nagaland**, traditional tribal councils and village-level customary bodies exercise substantial control over local governance instead of formal Panchayats. These traditional bodies handle local disputes, resource management, and community welfare based on customary laws and practices.

In states like **Assam, Tripura, Manipur, and parts of Arunachal Pradesh**, the formal three-tier Panchayati Raj system has been implemented, with Village Panchayats, Block Samitis, and Zilla Parishads carrying out rural administration, development planning, and delivery of public services. These Panchayats are empowered to implement government schemes related to health, education, sanitation,



and rural development.

The **Sixth Schedule of the Constitution** provides for the establishment of **Autonomous District Councils (ADCs)** in the tribal areas of Assam, Meghalaya, Tripura, and Mizoram. These councils enjoy legislative, administrative, and judicial powers in areas under their jurisdiction and operate independently of the Panchayati Raj system. ADCs are responsible for land management, traditional law enforcement, and the protection of tribal customs and practices.

Regarding **Municipalities**, urban governance in the North East is handled by Municipal Corporations, Municipal Councils, and Town Committees as per the **74th Constitutional Amendment**. Cities like **Guwahati, Shillong, Aizawl, Agartala, and Imphal** have municipal bodies responsible for urban planning, waste management, sanitation, and other civic services.

However, the functioning of both Panchayats and Municipalities in the region faces several challenges, including **lack of financial resources, inadequate administrative capacity, political interference, and insufficient infrastructure**. In some tribal areas, there is resistance to the full implementation of the Panchayati Raj system due to fears of losing traditional autonomy.

Conclusion

The system of Panchayats and Municipalities in the North Eastern Region is a blend of **constitutional governance and traditional tribal administration**. While formal local bodies play an important role in Assam, Tripura, and Manipur, tribal



councils remain dominant in other states. For effective local governance, it is essential to strengthen the capacity, funding, and autonomy of these institutions while respecting the unique cultural and traditional identities of the region.

(9) Write a note on Look East to Act East Policy and the North Eastern Region.

Answer:

The **Look East Policy (LEP)** was launched by the Government of India in the early 1990s with the primary aim of strengthening India's economic and strategic relations with the countries of Southeast Asia and East Asia. Over time, this policy evolved into the **Act East Policy (AEP)** in 2014 under the leadership of Prime Minister Narendra Modi. The Act East Policy signifies a more action-oriented, dynamic approach to engage with the Asia-Pacific region with a special focus on connectivity, trade, security, and cultural exchange.

The **North Eastern Region (NER)** holds a central position in both the Look East and Act East Policies due to its **strategic geographical location**. The NER shares international borders with China, Myanmar, Bangladesh, Bhutan, and Nepal, making it the natural gateway to Southeast Asia. As such, the region is key to India's ambition to strengthen trade and diplomatic ties with the ASEAN (Association of Southeast Asian Nations) countries.

Importance of North Eastern Region in the Policy Framework:

- **Geographical Gateway:**



The North East is the most direct land link to Southeast Asia and can serve as a major transit route for goods, people, and services under the Act East Policy.

- **Connectivity Initiatives:**

Several infrastructure projects like the **India-Myanmar-Thailand Trilateral Highway, Kaladan Multi-Modal Transit Transport Project, and border trade agreements** are being promoted to physically connect the NER with Southeast Asia.

- **Economic Integration:**

The policy aims to boost border trade, attract investments, and promote tourism in the NER to integrate the regional economy with the ASEAN markets.

- **Security Dimension:**

Strengthening the North East is crucial for national security, especially given the region's sensitive borders and history of insurgency.

- **Cultural and Historical Ties:**

The Act East Policy also focuses on promoting cultural and historical links between the North East and Southeast Asia, encouraging people-to-people contact and cultural exchanges.

Challenges:

Despite the strategic importance of the region, there are several challenges:

- Poor infrastructure and inadequate transport facilities.
- Security concerns due to insurgency and cross-border issues.
- Limited institutional capacity and trade facilitation at border points.



- Resistance from local communities fearing cultural erosion and economic displacement.

Way Forward:

For the Act East Policy to succeed, the government must prioritize:

- Accelerating infrastructure development in the North East.
- Improving connectivity by roads, railways, airways, and inland waterways.
- Ensuring security and stability through peaceful conflict resolution.
- Involving local communities in development planning to ensure inclusive growth.

Conclusion:

The Act East Policy provides a significant opportunity to transform the North Eastern Region into a vital economic and strategic hub. With proper investments in connectivity, security, and human development, the NER can truly become India's gateway to Southeast Asia, driving growth, prosperity, and regional cooperation.

(10) Write a note on Look East Policy.

Answer:

The **Look East Policy (LEP)** was introduced by the Government of India in the early **1990s** under the leadership of then Prime Minister **P.V. Narasimha Rao**. The policy aimed to shift India's foreign policy focus towards strengthening economic, strategic, and cultural ties with the countries of **Southeast Asia and East Asia**. This marked a significant



departure from India's earlier focus on West Asia, Europe, and the United States.

The Look East Policy emerged in the context of India's **economic liberalization** and the growing importance of Southeast Asia as a dynamic hub of trade and investment. India recognized the need to integrate itself into the rapidly growing economies of the Asia-Pacific region and to expand its influence beyond South Asia.

Key Objectives of the Look East Policy:

- **Enhancing Economic Relations:**

India sought to increase trade, investment, and business partnerships with ASEAN countries and East Asian economies.

- **Improving Connectivity:**

The policy emphasized developing transport and communication links between India, especially the North Eastern Region, and Southeast Asia to facilitate smooth movement of goods and people.

- **Strategic and Security Cooperation:**

India aimed to strengthen security cooperation with Southeast Asian countries to ensure peace and stability in the region, particularly in the context of China's growing influence.

- **Cultural and People-to-People Links:**

The policy aimed to revive historical and cultural connections between India and Southeast Asia through educational exchanges, tourism, and cultural programs.

Significance:

The Look East Policy led to India becoming a **sectoral**



dialogue partner of ASEAN in 1992, a full dialogue partner in 1996, and a participant in the ASEAN Regional Forum (ARF). It also opened avenues for cooperation with countries like Japan, South Korea, and Australia.

Transition to Act East Policy:

In 2014, the Look East Policy was upgraded to the **Act East Policy** under Prime Minister Narendra Modi. The Act East Policy emphasized a more proactive, result-oriented engagement with Southeast Asia and beyond, with special focus on India's North Eastern Region as the gateway to these countries.

Conclusion:

The Look East Policy was a significant strategic shift in India's foreign policy, aiming to strengthen its presence in East and Southeast Asia through economic, political, and cultural engagement. It laid the foundation for the more assertive Act East Policy that followed.

(11) Write a note on Act East Policy.

Answer:

The **Act East Policy** was launched by the Government of India in 2014 under the leadership of Prime Minister **Narendra Modi**, as an upgraded and more action-oriented version of the earlier **Look East Policy** initiated in the 1990s. While the Look East Policy mainly focused on building economic and diplomatic relations with Southeast Asian countries, the Act East Policy emphasizes **active engagement, deeper economic integration, and stronger strategic partnerships** with countries in the **Asia-Pacific** and



Indo-Pacific regions.

The Act East Policy represents a shift from passive policy orientation to a **proactive, result-driven approach** aimed at enhancing India's role in the dynamic Asia-Pacific region. The policy aligns with India's broader foreign and economic strategies, particularly its focus on promoting connectivity, strengthening security cooperation, and expanding trade partnerships.

Key Objectives of the Act East Policy:

- **Strengthening Economic Ties:**

The policy aims to boost trade, investment, and infrastructure development between India and the Association of Southeast Asian Nations (ASEAN), along with East Asian countries like Japan, South Korea, and Australia.

- **Enhancing Physical and Digital Connectivity:**

Act East focuses on improving road, rail, air, and maritime connectivity between India and Southeast Asia, with particular emphasis on the North Eastern Region as a gateway.

- **Deepening Security Cooperation:**

India seeks to enhance defense collaboration, maritime security, and counter-terrorism cooperation with ASEAN and other regional partners to ensure peace and stability in the Indo-Pacific.

- **Promoting Cultural and Educational Exchanges:**

The policy encourages people-to-people contact, tourism, academic partnerships, and cultural interactions to strengthen regional relationships.

- **Positioning North East India as a Strategic Hub:**



The North Eastern Region is central to the Act East Policy, serving as India's bridge to Southeast Asia through border trade, cross-border connectivity, and infrastructure projects.

Significance:

The Act East Policy strengthens India's strategic positioning in the **Indo-Pacific region** amidst rising geopolitical competition. It enhances India's presence in regional forums like ASEAN, East Asia Summit (EAS), and the BIMSTEC.

Conclusion:

The Act East Policy is a crucial step in expanding India's regional influence, promoting economic growth, and ensuring security in the Indo-Pacific. By focusing on proactive engagement and strengthening ties with neighboring countries, the policy aims to secure India's long-term strategic and economic interests.

2 Marks Section

1. What is the North Eastern Industrial and Technical Consultancy Organisation Limited (NEITCO)?

NEITCO is a regional consultancy organisation established in 1973 to promote industrial development in the North Eastern Region by offering technical, financial, and management consultancy services to entrepreneurs, industries, and government agencies.

2. What are the main objectives of NEITCO?

The main objectives of NEITCO are to promote industrial



growth, support small and medium enterprises, encourage entrepreneurship, facilitate project financing, and help in the preparation of viable project reports for the North Eastern Region.

3. What is the North Eastern Handloom and Handicrafts Development Corporation (NEHHDC)?

NEHHDC, established in 1977, is a government organisation that promotes, develops, and markets handloom and handicraft products of the North Eastern Region, supporting artisans through training, marketing, and raw material supply.

4. What are the key functions of NEHHDC?

NEHHDC organises exhibitions, runs emporiums under the brand 'Purbashree,' provides skill training, facilitates raw material supply, supports artisans in accessing markets, and promotes the export of handloom and handicraft products.

5. What is the North Eastern Council (NEC)?

The North Eastern Council (NEC) is a statutory regional planning body established in 1971 to coordinate economic and social development efforts in the eight North Eastern states of India, headquartered in Shillong.

6. What are the key roles of NEC in the North Eastern Region?

NEC formulates regional development plans, funds infrastructure projects, supports skill development, promotes tourism, enhances connectivity, and coordinates with state governments for balanced socio-economic development in the North East.



7. What is the role of the Ministry of DoNER in North East development?

The Ministry of DoNER plans and funds regional development projects, promotes connectivity, supports entrepreneurship, improves urban infrastructure, and works to economically integrate the North East with the rest of India.

8. How does DoNER support infrastructure in the North East?

DoNER supports road, rail, air, and digital connectivity projects, builds integrated check posts, develops airports, and enhances basic urban and rural infrastructure to connect the North East with the national economy.

9. What are the major problems of border trade in the North East?

Border trade problems include poor infrastructure, security concerns, limited trade routes, complex customs processes, informal trading, lack of banking services, and low awareness among local traders about formal trading systems.

10. What are the prospects of border trade in the North East?

Border trade can boost regional economies, create employment, improve connectivity, attract investment, and strengthen bilateral relations with neighboring countries under India's Act East Policy and infrastructural improvement initiatives.



11. What is the status of tourism in the North Eastern Region?

Tourism in the North East is developing, with attractions like Kaziranga, Sikkim, and Meghalaya drawing visitors. However, poor infrastructure, security issues, and limited marketing hinder its full growth potential.

12. What are the prospects of tourism in the North East?

The North East has high tourism potential due to its natural beauty, cultural diversity, adventure opportunities, religious sites, and better connectivity under the Act East Policy, which can attract global tourists.

13. What are the main urbanization challenges in the North East?

Urbanization challenges include unplanned city growth, rise of slums, poor sanitation, traffic congestion, water scarcity, and insufficient urban infrastructure, especially in growing cities like Guwahati, Shillong, and Imphal.

14. How do Panchayats and Municipalities function in the North East?

In the North East, Panchayats operate in some states, while Autonomous District Councils govern tribal areas.

Municipalities manage urban governance in major cities, but financial and administrative constraints persist.

15. What is the Act East Policy and its relevance to the North East?

The Act East Policy is a proactive foreign policy aiming to



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enhance India's engagement with Southeast Asia. The North East is crucial as India's gateway to ASEAN countries through trade, tourism, and connectivity projects.



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