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Government mulls project-wise security for investments in North-east

NEW DELHI, Oct 15: In what may be good news for potential investors in the North-east, the Ministry of Development of North Eastern Region (DoNER) is mulling a proposal to provide "project-wise" security to those willing to do business in the region.

DD News today reported that DoNER had already written a letter to the Home Ministry to explore the possibility of extending security cover at the project sites to allay any security-related apprehensions of the corporate sector to invest in the region.

DoNER Minister Mani Shankar Aiyar said project-related security was important to promote investment in the North-east as investors cite poor law-and-order situation there for

not coming up with investment.

"I have written a letter to the Home Minister requesting him to explore the possibility. I think he is examining it," Aiyar said. He said "project wise security would encourage investment in the region, which had so far received very little attention from the private sector."

"A general body of CISF and CRPF personnel could provide project-wise security as it will encourage investment to a great extent," Aiyar said.

Observing that removing security concerns was important to woo investment, he said the region was totally safe for investors and both the Centre and State Governments were

committed to provide full security to the projects.

According to him, the private sector could even pay for the security cover as they could make huge profit, taking advantage of the tax benefits and other incentives under a new industrial policy for the region.

Investors are offered huge tax benefits and subsidies under the North-East Industrial Investment and Promotion Policy (NEIPP), 2007.

Aiyar said the Centre was investing huge sums of money to improve infrastructure in the region and the private sector should come forward to bring the region at par with the rest of the country.

The DoNER Ministry last month organized a North-East Business summit

in Guwahati to attract investments from the ASEAN and other neighbouring countries to the region.

Delegates from 10 foreign countries as well as investors from across the country participated in the summit which was inaugurated by Vice President Hamid Ansari.

The Centre invested Rs 80,942 crore in the region in the 10th Five Year Plan and it plans to invest around two lakh crore in the 11th Plan period, officials said. Aiyar, who took over charge of the Ministry in 2006, said barring few places in Assam and Manipur, almost all the States in the region were safe for investment as the security situation was improving.

He said the economy of the region might improve as private sector has evinced interest in investing in the region.

Vision 2020 Document, unveiled by Prime Minister Manmohan Singh in July, for the first time quantified the need to bring the growth rate in the region in par with the national level.

Investment amounting to Rs 14 lakh crore will be required over the next 12 years to achieve this goal, Aiyar said. Initiatives to attract private sector, business promotion meets abroad to put the region on the world investment map and identifying specific roadmap to improve infrastructure were some of the key steps taken by the Ministry of DoNER in the last two years.