'Land acquisition for defence corridor over in Aligarh, focus now on Lucknow'

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Despite a slowdown in activities due to Covid-19 pandemic, UP's <u>defence corridor</u> project has recorded significant progress over the past few months. Land allotment is almost complete in Aligarh while acquisition has started in Lucknow. In an interview to Neha Lalchandani, CEO of UP Expressways Industrial Development Authority Awanish Awasthi said a seminar is also being planned in Lucknow after July to bring various stakeholders on one platform and promote defence manufacturing in the state.

Q. What is the status of land procurement at various nodes?

A. There was some delay due to the coronavirus pandemic but we have made good progress till now. In Aligarh, we have procured about 73.7 hectare land and allotted it to 15 companies. Allotments are being made to another five companies. In this node, we have commitments for Rs 1,000 crore. Construction work on projects should be completed by December. Kanpur is another node where work is in full swing. We have acquired about 175 hectare land and one investor has already been allocated land. Allotment to the second investor is in progress. We are expecting that 50% of work will be completed by December. In Jhansi, we have acquired about 1,035 hectare land and are in the process of acquiring 45 hectare more. The first unit has come up here and we are expecting another two to start work in another 3-4 months. So far, we have acquired about 100 acre land in Lucknow. Land is being identified in Agra and as soon as the district administration is ready with its proposal, we will establish a node there. In Chitrakoot, we have acquired about 100 hectares.

Q: What will be the role of MSMEs in the development of the defence corridor?

A: India has a domestic procurement budget of about Rs 70,000 crore. Foreign companies are eager to enter the Indian market and are on the lookout for local partners. Recently, India and Russia signed an MoU for production of arms and equipment in India. We have requested the Department of Defence Production to provide a list of items to us so that we can disseminate it to MSMEs and help them identify opportunities in manufacturing spare parts for Russian origin aircraft. We plan to set up a common facility centre (CFCs) in the corridor to support MSMEs with facilities for testing, designing and prototyping as well as providing skill development training to the youth. Plans are afoot to establish the first such facility in Lucknow.

Q. Have foreign companies shown interest in the defence corridor?

A. Several UK companies have shown interest. Our consultant, KPMG, is in touch with these companies. Our consultants are also in touch with Swedish companies. Land has been allotted in Aligarh to Milkor Defence, a South African company and its Indian partner company. They will manufacture multi barrel grenade launchers, speed boats and UAVs (unmanned aerial vehicles).

Q. Will the government assist companies in securing finances?

A. The government is in the process of tying up with various financial institutions to ensure easy availability of finance to MSMEs willing to invest in defence corridor. We have also been approached by venture capital funds which are ready to support startups in Artificial Intelligence and 3D printing.