

Cabinet raises subsidy limit under revised defence policy

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Lucknow: The Cabinet on Tuesday approved amendments to the UP Defence and Aeronautical Policy, allowing for subsidies to be increased from Rs 10-15 crore to a maximum of Rs 500 crore.

Cabinet minister AK Sharma said that a subsidy to the tune of 7%, up to a maximum of Rs 500 crore will be provided to investors, the calculation of which will be done on the basis of their immovable assets, excluding the value of land. In Bundelkhand, which houses two nodes of the upcoming defence corridor and where the govern-

ment is keen to promote investments, the subsidy will be to the tune of 10%, up to a maximum of Rs 500 crore.

Under the defence corridor nodes, newly developed industrial areas will have facilities like power supply, water supply, sewerage and roads. A peripheral boundary wall will be created to demarcate the industrial area.

The defence and aerospace policy determines the terms of investment in 13 areas. Defence packaging, due to its importance in the defence sector, will also be included under the policy.

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