

Crafting Tomorrow’s Armour: Unlocking Opportunities in UP’s Defence & Aerospace Innovations

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Uttar Pradesh, the nation’s third-largest economy, contributes a substantial 9.2% to the national GDP. Boasting a colossal consumer base of nearly 24 crore, the state stands as a demographic powerhouse, with 56% of its population within the working age group – a driving force for future growth. Under the sagacious leadership of Chief Minister Yogi Adityanath, Uttar Pradesh has donned the mantle of India’s preferred investment destination and the state presents a tableau of possibilities waiting to be explored.

Uttar Pradesh’s Pioneering Defence Industrial Corridor (UPDIC)

Central to this transformation is the Uttar Pradesh Defence Industrial Corridor (UPDIC), a visionary initiative aimed at catapulting India into the global arena of defence and aerospace manufacturing. With its strategic location, world-class infrastructure, and dynamic policy framework, UPDIC offers unparalleled opportunities for investment and growth in the global defence sector.

Chief Minister Yogi Adityanath, with a visionary approach, has propelled the UPDIC project across six strategic nodes within the state: Agra, Aligarh, Lucknow, Kanpur, Chitrakoot, and Jhansi. The inception of the Defence Industrial Corridor project dates back to an investors’ summit in February 2018, where the Union Government sanctioned defence corridors for Uttar Pradesh and Tamil Nadu. Since then, Uttar Pradesh has emerged as a frontrunner in this mission, making significant strides toward becoming a defence manufacturing powerhouse in India.

A Grand Endeavour

According to UPDIC, the Uttar Pradesh Defence Industrial Corridor project spanning across the western, central, and Bundelkhand regions of **Uttar Pradesh**, represents an ambitious undertaking with a proposed investment of `21237.60 crore. This initiative underscores the government’s unwavering commitment to transforming the state’s industrial landscape.

The swift and seamless execution of the project is evident, with Prime Minister Narendra Modi inaugurating the Aligarh node in 2021 and development bids for four nodes invited shortly after the 2023 Assembly poll results.

Creating A Conducive Business Environment Through Policy Initiatives

Uttar Pradesh’s growth story is further bolstered by its proactive and investorfriendly policy framework. The government has introduced numerous initiatives aimed at streamlining business processes, facilitating ease of doing business, and incentivizing investment.

For instance, the government offers capital subsidies of up to seven percent (up to INR 500 crore) to aerospace and defence units set up in strategic nodes. Additionally, land subsidies, transport subsidies, and incentives related to technology transfer are also provided, fostering a conducive environment for investment.

Key Enablers: Unleashing The Potential

Uttar Pradesh beckons investors with open arms, offering liberal government schemes, including relaxed offset limits under the revised Make II procedures and Defence Procurement & Production policy. The state allows 100% Foreign Direct Investment (FDI) in the Defence industry, ensuring that global players find a welcoming home. The comprehensive support system includes schemes like PM SAMPADA Yojana, grants for Common Facility Centres, and various subsidies and grants for Mega Anchor, Anchor, MSMEs, and Private Defence & Aerospace Parks.

Attracting National & International Interest

UPDIC has garnered significant interest from both domestic and international companies, with several major players already leveraging the opportunities it presents. Companies such as BrahMos Aerospace, Adani, Tata Technologies, and others have upcoming projects in the corridor, along with Defence Public Sector Undertakings (DPSUs) like Bharat Electronics Limited and Hindustan Aeronautics Limited.

The Uttar Pradesh government has signed numerous Memorandums of Understanding (MoUs), with over 577 hectares of land allotted to 36 industries, showcasing the immense faith industries have in this endeavour.

Forging Strong Academic Collaborations

Uttar Pradesh’s academic and research institutions play a pivotal role in driving innovation and technological advancements in the aerospace and defence sector. Collaborations between academia and industry, facilitated by MoUs with premier technical education institutes like the Indian Institute of Technology (IIT) Kanpur and IIT-BHU, are promoting indigenous innovation and helping the state compete globally.

The Future: Continuing The Growth Trajectory

Looking ahead, Uttar Pradesh is poised to continue its growth trajectory, becoming a leading player in India’s defence and aerospace industry. With its strategic location, robust infrastructure, and strong policy framework, the state is wellpositioned for success in the global arena.

In conclusion, **Uttar Pradesh**, under the visionary leadership of CM Yogi Adityanath, is undergoing a transformative journey, poised to emerge as a significant force in aerospace and defence manufacturing. The UPDIC represents a landmark project, signaling India’s ascent in the global defence manufacturing landscape and inviting investors to be part of Uttar Pradesh’s industrial revolution.