

Printed from

THE TIMES OF INDIA

Centre zeroes in on 12 spots for new industrial hubs along freight corridors

TNN | Jul 29, 2024, 02.38 AM IST



NEW DELHI: Gaya, Koparthy and Orvakal may have hogged the limelight due to the focus on packages for Bihar and Andhra Pradesh in the Union budget, but others, including those in opposition-governed states, are part of the Centre's latest push to create new industrial hubs.

From Punjab and Haryana to Uttar Pradesh, Uttarakhand, Telangana and Maharashtra, govt has identified 12 locations for new industrial cities along freight and highway corridors, Rajesh Kumar Singh, secretary for industrial promotion and internal trade, told TOI.

Govt has come under attack from opposition parties for "favouring" Bihar and Andhra, with JDU and TDP as BJP's coalition partners and ignoring the interests of others - a charge that has been denied by finance minister Nirmala Sitharaman.

"We will be seeking cabinet clearance for them soon. We are looking at an investment of Rs 10,000-12,000 crore for creating trunk infrastructure and will then offer plots to companies," Singh said, adding that the model is the same as was followed in earlier cases. While Dholera (Gujarat), Vikram Udyogpuri (MP), Shendra Bidkin (Maharashtra) and Dadri had been taken up in the first phase when the Delhi-Mumbai industrial corridor was conceived 15 years ago, similar nodes are coming up in Krishnapatnam (Andhra), Tumakuru (Karnataka), Nangal

Chaudhary (Haryana) and Greater Noida (UP).

Typically, these projects take 10-15 years to be fully developed, including allotment of land, but Singh said that in several new cases, things will move quickly as they are already around large cities.

But from the initial phase when Dholera and Shendra Bidkin were sought to be developed as completely new cities, the newer projects are seen to be on a smaller scale, focusing on creating logistics hubs or industrial clusters.

Some of the newer projects will be along the Amritsar-Kolkata industrial corridor, which is running woefully behind schedule given that land was not acquired by the West Bengal govt.

Singh also said that govt intends to correct the inverted duty structure for sectors such as leather and textiles and his department will take up the issue with the revenue department, which handles the import duty. Inverted duty refers to the duty structure where finished products attract lower duty than inputs and raw material, creating complications for manufacturers.

In the budget, Sitharaman has made an attempt to revise some of the tariffs with inputs sought for further changes. Singh said industry consultations on the issue will be held soon.

He also said that the abolition of angel tax will boost the startup ecosystem, by helping with funding, and also support foreign direct investment flows into the country. Department for industrial promotion and internal trade is also undertaking a review of the FDI norms and procedures, and Singh said the idea is to ensure that the approvals, wherever required, come quickly.