

‘Region can create business icons, needs better infra’

Varanasi strengthens its reputation as Purvanchal’s economic engine by supporting businesses and cutting red tape

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Varanasi is the economic engine of Purvanchal (eastern Uttar Pradesh), getting ₹50,000 crore worth of investments in the past 12 years to build infrastructure. The economic spinoff has strengthened industries and created three new townships as the city and nearby districts confront the challenges of poor infrastructure, land paucity and red tape.

A panel discussion on “Industries in Purvanchal: Potential, Opportunities and Challenges” dwelt upon these issues at the *Business Standard Ubharta Purvanchal conclave* held in Varanasi last month.

Purna Borah, vice-chairman of the Varanasi Development Authority (VDA), said the VDA’s jurisdiction spreads over Mirzapur, Chandauli and Varanasi districts. It has set up a single-window system to approve building plans and maps within seven to 15 days.

The VDA will launch three new townships where it will offer land — a scarce commodity in Varanasi — for hotels, schools, commercial centres, and housing projects. “We are planning a medicity, an aerocity and a convention centre,” he said, adding that in the years to come Varanasi will emerge as a commercial hub.

Borah, an officer of the Indian Administrative Service, announced that the VDA is launching its first three townships in 30 years. These include the 300-acre Anand Kashi near the Ring Road in Kallipur, debuting in August, followed soon by the 170-acre residential plot development, Rudra Vihar.

Addressing other panelists’ complaints of delays in approving projects, Borah said the VDA has taken sev-

eral steps to help businesses, but often multiple government departments and agencies are involved in approving a project. “Visit us, interact with us and you will discover the difference in our working style. Please do not go by the legacy perception built over several decades.”

Borah called for a wider debate on why approving renovation maps for old buildings takes longer than the expected seven to 15 days. He noted that officials must first verify original building plans — ensuring façades and floor counts remain unchanged — while navigating complex legal constraints involving court restrictions and environmental oversight.

Varanasi has got significant investments but infrastructure still needs to improve, said Ashok Gupta, chairman and managing director of Banaras Beads Limited. Industry needs not only land but also a reliable energy supply. Plastic and glass units face an inconsistent power supply, halting pro-

duction and wasting time and resources. “How can we compete with China in this scenario?” he said, urging the government to incentivise industries to use solar power.

Gupta alleged bureaucratic red tape had “quadrupled” in recent years, hurting businesses that also face difficulties in land allocation and goods and services tax issues. He, however, praised the VDA for the transparency brought in expediting approvals of building layouts and plans.

Ritesh Kumar Singh, deputy general manager (Varanasi) of Small Industries Development Bank of India (Sidbi), said infrastructure and banking in Varanasi have vastly improved ever since Prime Minister Narendra Modi became the constituency’s representative in Parliament.

Sidbi’s “End to End Energy Efficiency” scheme provides affordable loans, including for solar power, for sustainable development. “I myself have disbursed approximately 50 Mw of solar financing from the Varanasi

office, so you can understand the level of financing on solar power when it is not a favourite product in the banking sector since there is no security value and it involves high risk, as solar panels once installed have only scrap value,” he said.

Purvanchal enjoys a demographic dividend, but needs to skill young people for entrepreneurship. “I do not think access to credit is a challenge, and no business is impossible, and there is no reason why business icons cannot emerge from Purvanchal,” he said, listing his organisation’s various financial schemes to support micro, small, and medium enterprises (MSMEs).

R K Chaudhury, national vice-president of the Indian Industries Association, Varanasi, said MSMEs in Purvanchal need cheap land and better infrastructure to benefit from improved connectivity and law and order. The state government has a laudable industrial policy but “ease of doing business” could still improve, said Chaudhury.



(From left) Purna Borah, vice chairman, Varanasi Development Authority; RK Chaudhury, national VP, Indian Industries Association, Varanasi; Ashok Gupta, CMD, Benaras Beads Limited; Ritesh Singh, DGM, Sidbi