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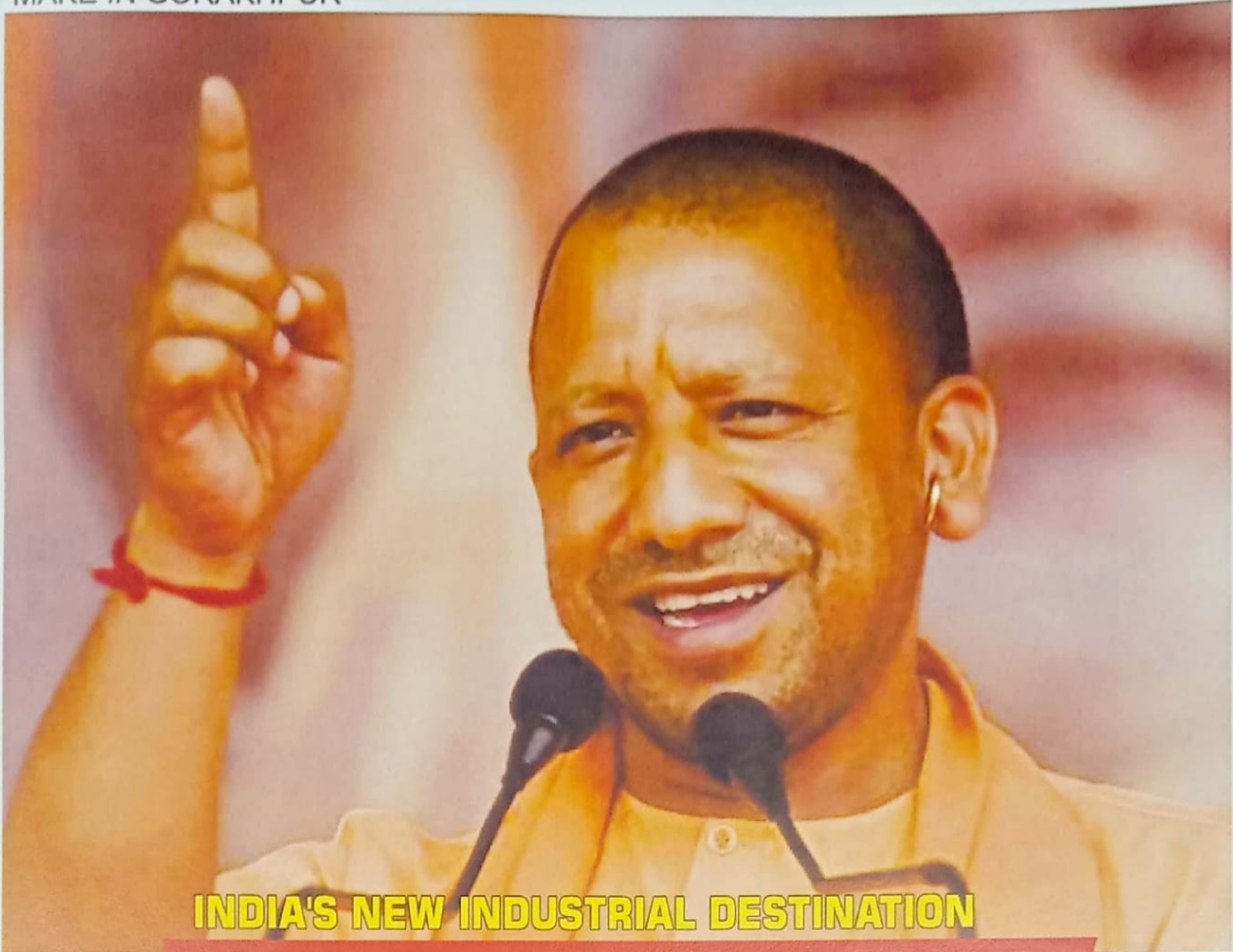
Make In **GORAKHPUR**

The Future Growth Engine Of
UTTAR PRADESH

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INDIA'S NEW INDUSTRIAL DESTINATION

GORAKHPUR

Gorakhpur has a remarkable history and a strategically advantageous location in India. It can safely be called the gateway to the East and further up North --- Nepal, China etc. With the augment of Gorakhpur Industrial Development Authority (GIDA), the area around has become home to some of the renowned business names, varying from manufacturing units, service providers, start-ups, educational institutions, SMEs etc. New residential colonies have sprung up as the urban population has greatly increased. A chain of hotels and business agencies have come up at a rapid pace.

Gorakhpur is the headquarters of the North Eastern Railways and connected to all four corners of the country. The city is now well-connected through air services, too. One of the important national highways in the country--- NH28--- passes through the district connecting

it to all major highways.

In 2018, the UP government did an Investors' Meet, wherein investment proposals worth crores of rupees were received and the ground-breaking ceremonies have been performed twice since then. Gorakhpur is no longer behind in projecting itself as a viable manufacturing destination for industries within the country and worldwide, too. It has the potential and scope for setting up Industrial units, export hubs, SEZs, infrastructure projects, health-care, education, agricultural investment etc.

The region offers affordable skilled and non-skilled manpower. The electricity supply scenario has improved significantly and water availability has never been a problem. With the start of operations at the AIIMS and up-gradation of the Baba Raghav Das Medical College, it offers immense opportunity in the health-care sector as well. Quality manpower coming out of technical, management, and medical colleges are readily employable.

GIDA rises from strength to strength

As many as 500 industrial units are already functioning. They have invested Rs 1,500 crore in the area. The industrialists in the area have expressed the desire to invest a further Rs 1,200 crore



It was in 1983 that a movement began to include Gorakhpur in the list of backward districts. This was done when the Chamber of Industries was set up. Between 1983 and 1986, the Chamber and the incumbent MP Madan Pandey made several attempts to push for an authority for the development of the district.

It was finally in September 26, 1986 that the proposal regarding the lack of development in the region was placed before the Baijal Committee, constituted for the development of the backward areas of the state, which proposed that for the industrial development of Gorakhpur, it was vital that 2,000 acres of land be provided for industrialisation between Gorakhpur and Sahjanwa.

In 1989, the UP Cabinet granted permission for the setting up of GIDA. Set up with a fund of Rs 27.75 crore, the authority came into existence on November 30, 1989. At the time, only 96 revenue villages were provided for development to the authority.

Under the GIDA Vikas Yojana, to be completed by 2032, a total of 78 villages from Gorakhpur to Sahjanwa have been brought under the purview of GIDA. A total of 13,135 acres of land has to be acquired and developed for industry in this area. To expand the work of GIDA, it is proposed to include the Gola Tehsil and notify 18 new villages in the scheme of things. A development plan is being prepared for the area and a notification to the

effect was issued on September 02, 2019.

The development schemes being undertaken by GIDA at present are divided into 32 sectors, out of which 11 sectors are residential, four are both residential and commercial, one residential and industrial, one Transport Nagar and commercial, two institutional areas, one institutional and commercial area, and 12 sectors for industrial use. GIDA has already acquired 1,717 acres of land for this purpose, out of which it has already developed 1,543 acres of land. Also, it has already allotted 1,175.85 acres of land to the parties concerned.

Foundation of GIDA

The foundation for GIDA was laid on September 8, 1992. Once that happened, the pace of work began to pick up speed. Under the then sitting MP Mahant Avidyanath, the work of GIDA was expedited at a very fast pace. Huge tracts of land were acquired from farmers in the region, keeping welfare of the tillers in mind.

GIDA allotted its first plot on May 20, 1993. Between 1993 and 1998 the authority made satisfactory progress. However, a major jump took place in 1998 when two major players, India Glycols and Gallantt Ispat, established their units in Gorakhpur. At the same time, due to tireless efforts of Yogi Adityanath, a food park and textile park proposal was passed for the district. He played an instrumental role in having another bridge sanctioned across the Rapti River. Roads were

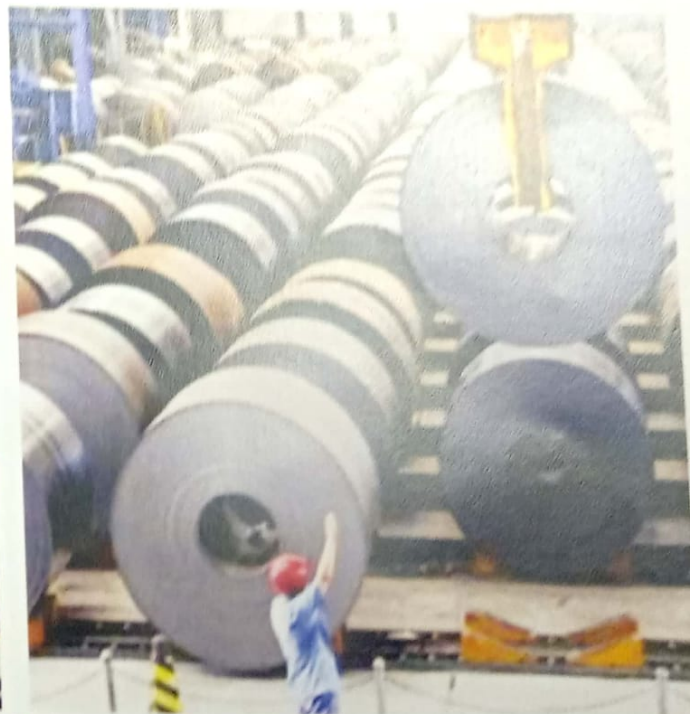
widened under his insistence and proper street lighting was provided, and even GIDA was given a new and better office. Yogi Adityanath provided support for acquiring the land and was present himself at the commissioning of industrial plants to encourage the entrepreneurs.

Today, out of the acquired 1,700 acres of land, there are 500 functional industrial units. They have already invested Rs 1,500 crore in the area. However, under the progressive industrial policy outlined by the present government of Chief Minister Yogi Adityanath, the industrialists in the area have expressed the desire to invest a further Rs 1,200 crore. The State Government is also developing 7,000 acres of industrial land along the Purvanchal Expressway. Industrialists from states like Maharashtra, Gujarat, Tamil Nadu and West Bengal have expressed interest in setting up projects here. GIDA is therefore expected to play a pivotal role in the industrial growth of eastern Uttar Pradesh.

The Potential of GIDA

Industrial growth is a vital prerequisite for the growth of a state and nation. The region of eastern UP provides space for many industries to come forward. Uttar Pradesh also has a very large young population which can be used to provide vital human resources to the industrial houses that set up base here.

There are several sectors that can flourish in Gorakhpur. Take the food processing sector, for



example, there is an ample scope for this industry here as there are plenty of raw materials available. In the textile sector too, a traditional base awaits those who wish to bring in modern plants to the region.

The district houses the headquarters of the North Eastern Railway, which provides huge opportunities to players to come and start ancillary units for the Railways here. Similarly, fabrication and casting units can also be set up in the area.

The state has a population exceeding 20 crore and with industry coming in there will be a crossover effect, with people getting employment and industry getting labour. It will also sort out the regional development imbalance between the western and eastern part of the state.

Apart from food processing, heavy machinery and steel, the area offers several opportunities to the sugar sector and pharmaceutical sectors. Even though Gorakhpur is a major pharma hub, the majority of the pharma manufacturing companies are located in Maharashtra, Gujarat, Hyderabad, Himachal Pradesh and Sikkim. A few are scattered over in Odisha, West Bengal and even Assam, which goes to show that there is a latent demand for the product in UP. The state has a huge population and demands for health-care concerns need to be met locally.

The pharma industry requires trained manpower, for which there are four technical colleges imparting a bachelor's degree in Pharmacy. The curriculum of these colleges will have to be developed to be industry oriented. At present, despite the fact that Uttar Pradesh has exported almost Rs 520 crore worth of pharma products, there is no manufacturing unit in Gorakhpur.

Government of Uttar Pradesh is also laying stress on the development of the sugar industry in the region. There were more than 25 sugar mills in eastern UP but most of them had become sick and were closed down. The industry needs modern technology and inputs to run today. Sugarcane is the basic raw material for the mills and this is a major cash crop among the farmers of the area.



The government has managed to set up two sugar mills in the region at Pipraich and Munderwa.

Meanwhile, at the national level, new policies are being formulated to encourage the consumption of products like ethanol from sugarcane to boost the sugar industry. The percentage of ethanol to be added to petrol is to be increased from 5 to 20 per cent to increase consumption of ethanol.

As part of its Industrial Investment and Employment Promotion Policy, the government is offering huge fiscal incentives to industry to come to Gorakhpur.

While GIDA provides basics like land, drainage and road network to set up factories, the government is giving major incentives. These include 100 per cent waiver of stamp duty for setting up projects in Purvanchal region. There is EPF reimbursement to units providing direct employment to 100 workers to the tune of 50 per cent of the employers' contribution. Subsidy is being given both on capital interest and infrastructure interest. There is 100 per cent waiver of electricity duty for 10 years for new units. There is also 100 per cent exemption on Mandi fee for new food processing units on purchase of raw material for five years. There are several incentives for private sector industrial parks, too, in the state.

The UP government under Chief Minister Yogi Adityanath has come up with several new policies to promote films, Tourism, the IT sector and start-ups promote women and SC and ST entrepreneurs and many other policies and schemes. The opportunities for entrepreneurs are endless and so is the potential of GIDA.