
Hero Honda to expand Haridwar facility

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BS reported that Hero Honda has decided to expand its Haridwar manufacturing facility after resolving issues with the State Infrastructure and Industrial Development Corporation of Uttarakhand Ltd to retain its hold over the 94 acres of vacant land.

Official sources said after speaking with state government officials, the company deposited INR 32.5 crore as land premium to retain its hold over the vacant land for which it was served notices by SIDCUL. Barring a minor dispute over 22 acres, most of the concerns have been resolved with Hero Honda.

Mr P C Sharma Uttarakhand Principal Secretary (Industries) confirmed that Hero Honda had deposited INR 32.5 crore to expand its Haridwar unit. The 94 acres at the Haridwar industrial plant of Hero Honda had become a bone of contention with SIDCUL, which had served a series of notices to the company for getting the land premium. Following this, the auto giant had held talks with state government officials to end the stalemate.

Mr Sharma said the company would carry out considerable expansion at its Haridwar unit which would create vast opportunities for employment in the state.

SIDCIL the state government's nodal agency for industrial development had allotted 265 acres to Hero Honda for setting up a manufacturing facility at Haridwar in 2006. According to SIDCIL's latest notice, the group set up its facility on only 119-120 acres and kept around 50 acres for its vendors, the land premium for which has been paid to SIDCUL. For the remaining 94 acres of land, Hero Honda paid INR 32.5 crore against SIDCIL's earlier estimate of INR 50 crore.

(Sourced from Business Standards)

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