

CHINA TO INVEST OVER \$5 BILLION IN TWO INDUSTRIAL PARKS IN MAHARASHTRA, GUJARAT



A day after Japan announced investments to the tune of \$35 billion in India, China has said that it would set up two industrial parks—one each in Maharashtra and Gujarat involving investments in excess of \$5 billion. China would invest \$5 billion in the industrial park in Pune alone, which would focus on automobile manufacturing, in phases over the next decade.

The agreement on setting up industrial parks would be signed when Chinese President Xi Jinping visits India later this month, said the Chinese Consul-General in Mumbai, Liu Youfa.

While the Pune park would have an area of about 6 sq km, the park that would come up near Ahmedabad in Gujarat would encompass an area of around 10 sq km and would require investments in excess of \$1 billion.

The Ahmedabad park would focus on power transmission and generation equipment manufacturing, Youfa, who was in the city to participate in a programme organized by the Southern India Mills' Association, said. The first phase of the Pune park, which would be completed in three years, would see investments to the tune of \$500 million, he said.

"It (the park) would be a smart city. It would have banks, hotels, schools, recreational centres and all facilities," Youfa said. The Pune park would ultimately employ 1 lakh persons and generate billions of dollars in revenues, he said. The park would have 15 companies and a bulk of the investments would come from Chinese firms, the Consul-General said.

China is seeking to prop up its investments in India, which remains paltry due to a host of issues. Direct investments by Chinese firms amounted to just \$1 billion compared to around \$4 billion invested by Indian companies in China, Youfa stated.

China has made investments to the tune of \$750 billion across the world. "Excessive security (screening) has killed efforts to increase Chinese investments (into India). Your (Indian) government has been setting up tall barriers," he rued.