

Tatas move to Gujarat, but Karnataka announces Nano panel

The Karnataka government seemed so confident it had bagged the Nano small car project that it announced constituting a committee Tuesday evening to decide on tax concessions to Tata Motors, even as Ratan Tata was holding a press conference in Gandhinagar announcing the project relocation to Gujarat.

In fact, the Karnataka cabinet decided to set up the committee headed by Industries Minister Murugesh Nirani despite news reports through the day that the Tatas have zeroed in on Gujarat as the new site to manufacture the Rs.100,000 car, and that a formal announcement would be made in Gandhinagar Tuesday evening.

'The cabinet decided that a committee headed by Nirani with the chief secretary and secretaries of finance and industry as members will decide the tax concessions and other facilities to be given to encourage setting up of Nano car project in the state,' an official release said Tuesday evening.

At that time Tata Group chairman Ratan Tata and Gujarat chief minister Narendra Modi were announcing in Gandhinagar that the Nano small car would roll out of Sanand near Ahmedabad.

Tata Motors managing director G. Ravi Kant met Karnataka Chief Minister B.S. Yeddyurappa Sunday and also inspected the land the state government was offering for the project in Dharwad district, around 420 km from here, where the Tata Group makes earthmoving equipment and is setting up a plant to manufacture luxury buses.

The Tatas have been allotted 900 acres for these two facilities, and the state was ready to give an additional 1,000 acres for the Nano project.

After Ravi Kant's site visit, Nirani said that a meeting between Yeddyurappa and Ratan Tata was possible within a week to finalise the deal.

Nirani was not available for his reaction to Nano going to Gujarat. The state government has no comments to offer, an official spokesperson said.

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