



INDUSTRIAL CORRIDOR

SUMMARY

The different sectors of an economy are inter-dependent on each other. Industrial corridors, recognizing this inter-dependence, offer effective integration between industry and infrastructure, leading to overall economic and social development. Industrial corridors constitute world-class infrastructure, such as: ¹

- High-speed transportation network – rail and road
- Ports with state-of-the-art cargo handling equipment
- Modern airports
- Special economic regions/industrial areas
- Logistic parks/transshipment hubs
- Knowledge parks focused on catering to industrial needs
- Complementary infrastructure such as townships/real estate
- Other urban infrastructure along with enabling policy framework

Following five industrial corridor projects have been identified and approved for development of the Government of India: ²

1. Delhi Mumbai Industrial Corridor (DMIC)
2. Amritsar Kolkata Industrial Corridor (AKIC)
3. Chennai Bengaluru Industrial Corridor (CBIC)
4. East Coast Economic Corridor (ECEC) with Vizag Chennai Industrial Corridor (VCIC) as Phase-1
5. Bengaluru Mumbai Industrial Corridor (BMIC)

The development of these five industrial corridor projects will be implemented through the National Industrial Corridor Development and Implementation Trust (NICDIT). These corridors are spread across India, with strategic focus on inclusive development to provide a boost to industrialization and planned urbanization. Smart cities are being developed along these corridors. These cities, with state-of-the-art infrastructure, will house the new workforce that is required to power manufacturing, in turn leading to planned urbanization. ²

DELHI-MUMBAI INDUSTRIAL CORRIDOR [DMIC]

The Delhi-Mumbai Industrial Corridor (DMIC) is a mega infrastructure project by the Government of India. The corridor covers an overall length of 1483 km between the political capital, Delhi, and the business capital, Mumbai, of India. ³

The US\$ 90 Bn project is being funded by the Government of India, Japanese loans, investments by Japanese firms and through Japan depository receipts issued by Indian companies. ⁴

National Industrial Corridor Development Corporation (NICDC) Limited, formerly known as Delhi Mumbai Industrial Corridor Development Corporation (DMIDC) Limited ⁵ is the incorporating agency for the project. NICDC has been registered as a company with 49% equity of the Government of India, 26% equity of the Japan Bank for

International Cooperation (JBIC) and the remaining held by government financial institutions. ⁶ The NICDC has been incorporated to establish, promote and facilitate the development of the DMIC project. It undertakes and assists project development services, for various central government agencies and state governments, relating to investment regions/industrial areas/economic regions/industrial nodes and townships. ⁷

The corridor will have 24 investment regions in eight manufacturing cities in Phase 1 of the project. The five cities that have been chosen in Phase 1 as Investment Regions are: ⁸

1. Manesar – Bawal (Haryana)
2. Dadri – NOIDA – Ghaziabad (Uttar Pradesh)
3. Ahmedabad – Dholera (Gujarat)
4. Pithampur – Dhar – Mhow (Madhya Pradesh)
5. Khushkhera – Bhiwadi – Neemrana (Rajasthan)

The three cities that have been chosen as Industrial Areas are:

1. Shendra – Bidkin (Maharashtra)
2. Dighi Port (Maharashtra)
3. Jodhpur – Pali – Marwar (Rajasthan)

Current Status of Project:

The DMIC Project has made considerable progress with trunk infrastructure development activities nearing completion at four locations in Gujarat, Maharashtra, Uttar Pradesh and Madhya Pradesh. ⁹

Developed land is being allotted to industries. 56 plots covering 335.51 acres of land area have already been allotted. This is expected to bring investments worth US\$ 1.2 Bn over a period of 3-5 years (as of December 2018). ⁹

A Project Development Fund (PDF) of about US\$ 133.33 Mn has been sanctioned by the Government of India. Approximately US\$ 77.27 Mn has been released and utilized while about US\$ 82.69 Mn has been approved through budgetary allocation. ¹⁰

AMRITSAR-KOLKATA INDUSTRIAL CORRIDOR (AKIC)

The Amritsar-Kolkata Industrial Corridor (AKIC) Project extends from Amritsar (Punjab) to Dankuni (West Bengal). The AKIC will have an influence area across seven Indian states – Punjab, Haryana, Uttar Pradesh, Bihar, Jharkhand and West Bengal. The length of the Amritsar-Kolkata Industrial Corridor (AKIC) is 1839 km. ¹¹

Following seven Integrated Manufacturing Clusters (IMCs) have been identified: ¹¹

1. Rajpura-Patiala (Punjab)
2. Prag-Khurpia Farms (Uttarakhand)
3. Bhaupur (Uttar Pradesh)
4. Gamhariya (Bihar)
5. Barhi (Jharkhand)
6. Raghunathpur (West Bengal)
7. Saha (Haryana)

Current Status of Project: ¹²

The perspective plan of the AKIC has been completed.

One Integrated Manufacturing Cluster (IMC) has been finalised for further development in the seven states.

Detailed master planning and Preliminary Engineering activities are underway for IMC site at West Bengal (Raghunathpur).

BENGALURU-MUMBAI INDUSTRIAL CORRIDOR (BMIC)

The Bengaluru Mumbai Industrial Corridor (BMIC) is intended to facilitate the development of a well-planned and resource-efficient industrial base served by world-class sustainable connectivity infrastructure, bringing significant benefits in terms of innovation, manufacturing, job creation and resource security. The BMIC will be spread across Karnataka and Maharashtra.¹³

Current Status of Project:¹⁴

Perspective plan has been completed for the overall BMIC project.

Dharwad node in Karnataka has been identified as the priority node for further implementation.

CHENNAI-BENGALURU INDUSTRIAL CORRIDOR (CBIC)

The Chennai Bengaluru Industrial Corridor (CBIC) has been Proposed to achieve accelerated growth, regional industry agglomeration in the states of Tamil Nadu, Karnataka and Andhra Pradesh, and to facilitate the development of a well-planned and efficient industrial base.¹⁵

The industrial corridor will achieve the goal by providing smooth access to industrial production units, reducing transportation logistic costs and improving delivery time as well as decreasing inventory cost. This will ensure increased private investments in manufacturing and industrial activity in the three states.¹⁵

The Japan International Cooperation Agency (JICA) study team conducted a preliminary study for the Comprehensive Integrated Master Plan of the CBIC. The study team identified 25 priority projects, across various sectors, that aim to remove infrastructural bottlenecks in the project.¹⁵

Current Status of Project:¹⁶

Perspective plan has been completed for the overall CBIC project.

Three nodes have been identified for further development:

Krishnapatnam (Andhra Pradesh)

Tumakuru (Karnataka)

Ponneri (Tamil Nadu)

SPVs for execution of the project at Krishnapatnam node in Andhra Pradesh and Tumakuru node in Karnataka respectively have been incorporated.

Detailed master planning and Preliminary Engineering activities for the Activation Area (2500 acres for Krishnapatnam node, 1736 acres for Tumakuru node) have been finalized.

VIZAG-CHENNAI INDUSTRIAL CORRIDOR (VCIC)

Vizag Chennai Industrial Corridor (VCIC) is the first coastal economic corridor in the country. It is part of the East Coast Economic Corridor (ECEC).²²

It covers more than 800 km of Andhra Pradesh's coastline and is aligned with the Golden Quadrilateral. It also plays a critical role in the "Act East Policy" of India which focuses on increasing the integration of the Indian economy with the economies of the Association of the Southeast Asian Nations (ASEAN).¹⁷

ADB carried out initial development activities for VCIC and identified the following four nodes for development:¹⁷

1. Visakhapatnam

2. Chittoor
3. Donakonda
4. Machilipatnam

The four nodes identified by ADB are based on the following criteria: ¹⁷

1. Current level of industrial agglomeration
2. Availability of land for development of new industrial clusters
3. Proximity to urban centres and seaports
4. Rail and road connectivity
5. Availability of power and water.

Current Status of Project: ¹⁸

Asian Development Bank (ADB) approved a loan of US\$ 631 Mn to the Government of Andhra Pradesh (GoAP) for the development of VCIC project.

The National Industrial Corridor Development and Implementation Trust (NICDIT) has approved development of Vishakhapatnam and Chittoor as priority nodes in phase-1 of VCIC.

The Government of Andhra Pradesh has awarded seven civil works contracts which are to be met out of ADB financing. The awarded civil works are as given below:

Construction of 1 MLD Common effluent treatment plant, Naidupeta

Augmentation of Industrial area, Naidupeta

Bulk water supply & summer storage tank, Naidupeta

Samaralakota –Rajanagaram Road

Augmentation of Sub Stations in Visakhapatnam Node

Augmentation of Sub Stations in Chittoor Node

Water Supply distribution network improvement in GVMC area

SOURCES

1. “Delhi Mumbai Industrial Corridor”, Characteristics of Industrial Corridor, <http://delhimumbaiindustrialcorridor.com/characteristics-of-industrial-corridor.html>
2. Industrial Corridors, Ministry of Commerce & Industry, PIB website, <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>
3. “Delhi-Mumbai Industrial Corridor”, Introduction, <http://delhimumbaiindustrialcorridor.com/introduction.html>
4. “Delhi-Mumbai Industrial Corridor”, Introduction, <http://delhimumbaiindustrialcorridor.com/introduction.html>
5. “DMU Report for April 2020”, https://www.dmicdc.com/Uploads/image/290imguf_DMUReport-April2020.pdf
6. “*Delhi Mumbai Industrial Corridor (DMIC)*”, Department for Promotion of Industry and Internal Trade, <https://dipp.gov.in/japan-plus/delhi-mumbai-industrial-corridor-dmic>

7.
“About NICDC, An Overview”, <https://www.dmicdc.com/about-DMICDC>
8.
“NICDC Projects, Project Influence Area”, <https://dmicdc.com/DMIC-projects/project-influence-area>
9.
“Year End Review 2018 - Ministry of Commerce & Industry”, PIB website, <http://pib.nic.in/PressReleaseDetail.aspx?PRID=1555538>
10.
“Industrial Corridors”, PIB website <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>
11.
“*Industrial Corridors - Annexure-III*”, Department for Promotion of Industry and Internal Trade, <https://dipp.gov.in/sites/default/files/ic-annex3.pdf>
12.
“Industrial Corridors”, PIB website <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>
13.
“*Industrial Corridors - Annexure-III*”, Department for Promotion of Industry and Internal Trade, <https://dipp.gov.in/sites/default/files/ic-annex3.pdf>
14.
“Industrial Corridors”, PIB website <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>
15.
“*Chennai-Bengaluru Industrial Corridor (CBIC)*”, Department for Promotion of Industry and Internal Trade, <https://dipp.gov.in/japan-plus/chennai-bengaluru-industrial-corridor-cbic>
16.
“Industrial Corridors”, PIB website <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>
17.
“India’s First Coastal Corridor, Vizag–Chennai Industrial Corridor, Conceptual Development Plan” Final Report by Asian Development Bank, https://www.apindustries.gov.in/APIIndus/Data/Vizag-Chennai%20Industrial%20Corridor_Full%20Report.pdf
18.
“Industrial Corridors”, PIB website <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1592382>

HAVE A QUERY? CONNECT WITH US



MAKE IN INDIA