



Industrial Corridors



Industrial Corridors

- A package of infrastructure spending allocated to a specific geographical area, to stimulate industrial development.
- Offer effective integration between industry and infrastructure.
- Constitute world-class infrastructure, such as:
 - 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

Planned Industrial Corridors

- **Delhi Mumbai Industrial Corridor (DMIC):** Uttar Pradesh, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra.
- **Chennai Bengaluru Industrial Corridor (CBIC):** Tamil Nadu, Andhra Pradesh and Karnataka.
- **Bengaluru Mumbai Economic Corridor (BMEC):** Maharashtra and Karnataka.
- **Amritsar Kolkata Industrial Corridor (AKIC):** Punjab, Haryana, Uttarakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal.
- **East Coast Economic Corridor (ECEC):** West Bengal, Odisha, Andhra Pradesh and Tamil Nadu.

Industrial Corridors

Significance

- **Economic:**
 - **Avenues for Exports:** lower the cost of logistics => increasing the efficiency of industrial production structure => lowers the cost of production => Indian made products more competitive in International Markets
 - **Job Opportunities:** Would attract investments for the development of Industries => likely to create more jobs in the market
 - Provides opportunities for private sector investments
- **Environmental:** Establishment of Industrial Units in a scattered manner along the industrial corridor will curb exploitation of the environment beyond its carrying capacity
- **Socio-Economic:** setting up of industrial townships, educational institutions, hospitals => raise the standards of human development.

Challenges

- **Land Acquisition:** slow due to legal and political challenges
- Lack of Technological know-how, skilled labour force
- Complex **taxation regime: no clear definition** of tax liabilities of foreign firms operating in India as permanent establishments
- Can lead to **large human displacement and destruction of fertile agricultural land**
- Fear of **widening Rural-urban gap** in terms of human development, economic well-being and standards of living

Conclusion

Industrial corridors can help India's efforts to lead the world in the fourth wave of industrial revolution.



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