

## Industrial corridors in india

### What is the National Industrial Corridor Programme?

The National Industrial Corridor Programme is an ambitious programme of the government of India in which it is envisaged to develop new industrial cities as “Smart Cities” and to converge the next-generation technologies in the infrastructure sector.

- Starting with five, currently, there are eleven industrial corridors that the programme is developing.
- The idea behind the programme is to create futuristic Indian cities that can become global manufacturing and investment destinations.
- The broad objective of the programme is to provide plug and play infrastructural facilities for setting up large scale manufacturing units.
- This will create employment opportunities and also lead to the overall socio-economic development of the country.
- The NICP involves about 30 projects in four phases.
- The implementing agency of NICP is the **National Industrial Corridor Development and Implementation Trust (NICDIT)**.
  - NICDIT is under the Department for Promotion of Industry and Internal Trade ([DPIIT](#)).
  - NICDIT originated in 2007 as the Delhi Mumbai Industrial Corridor Project Implementation Trust Fund (DMIC-PITF). The DMIC-PITF’s mandate was expanded and redesignated as the NICDIT in 2016.
  - It will monitor and coordinate all central efforts at developing the industrial corridor projects.
  - It is also responsible for approving and sanctioning projects.

### National Industrial Corridor Programme Objectives

The overall objective of NICP is to “enhance India’s competitiveness in manufacturing through the creation of world class infrastructure and reduced logistics costs”.

The 11 corridors are spread across India and the programme will see the development of ‘smart cities’ along these corridors. These cities will house the workforce required for the industrial corridors. Planned urbanisation is envisaged in these planned cities with state-of-the-art infrastructure. This will give a tremendous boost to industrialisation.

### How many industrial corridors are there in India?

The NICP envisages the development of 11 industrial corridors in four phases. The corridors are:

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

6. Extension of CBIC to Kochi via Coimbatore
7. Hyderabad Nagpur Industrial Corridor (HNIC)
8. Hyderabad Warangal Industrial Corridor (HWIC)
9. Hyderabad Bengaluru Industrial Corridor (HBIC)
10. Odisha Economic Corridor (OEC)
11. Delhi Nagpur Industrial Corridor (DNIC)

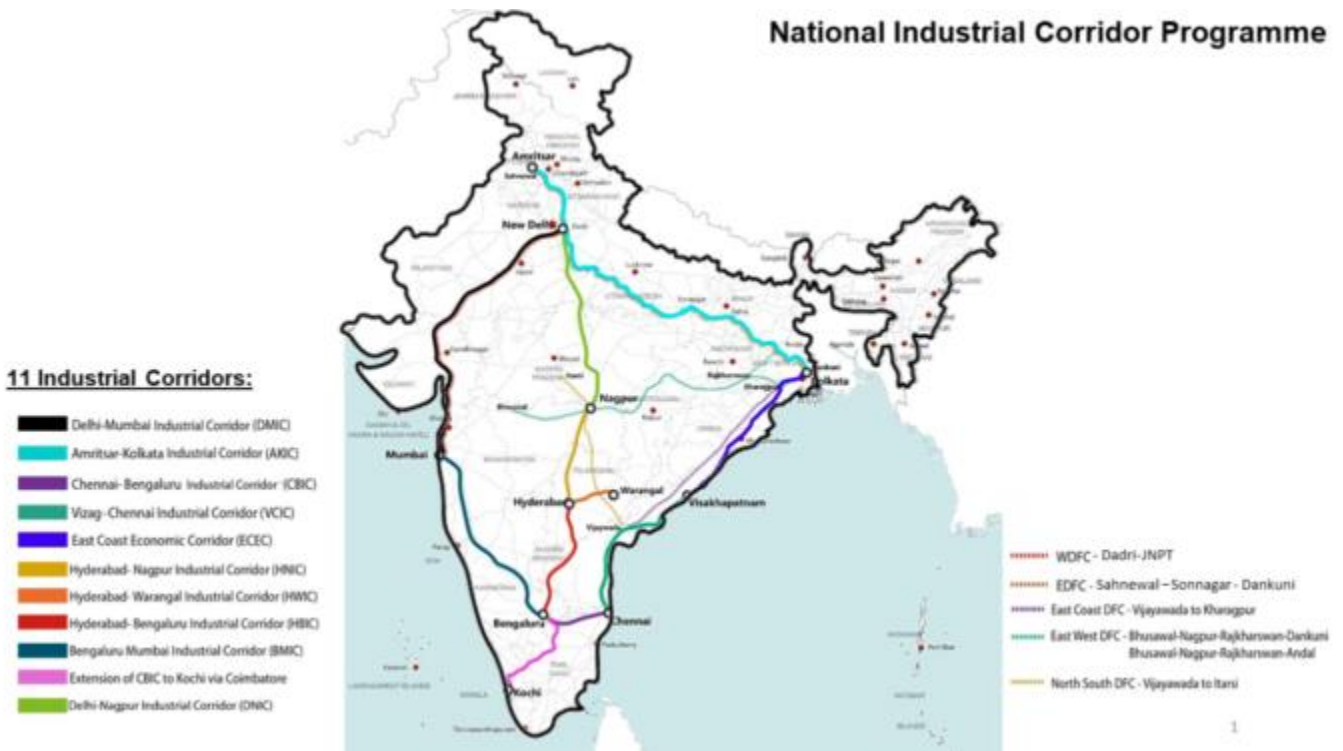


Image source: <https://www.nicdc.in/>

### ***National Industrial Corridor Programme Significance***

The NICP will lead to planned industrialisation and urbanisation bringing in overall development to the country. The benefits of such a programme are given below.

#### **Economic Benefits**

- This will help build logistics infrastructure that will aid in firms achieve economies of scale and help them focus on their core competencies.
- This will provide a huge impetus to employment generation and has the potential to reverse distress migration.
- This can promote exports by way of lowering logistics costs and improving the efficiency of business units.
- This will enhance private sector investments.
- The manufacturing and the infrastructure sector will see a huge improvement in the country which will contribute to the GDP, and lead to overall economic prosperity.

#### **Environmental Benefits**

- The development of industries in a scattered manner along various routes will prevent the concentration of industrial units in a few places. This will prevent environmental exploitation and degradation.

#### **Socioeconomic Benefits**

- Industrial corridors will have a cascading effect on the cities and towns along their routes.
- Apart from the development of small towns as smart cities, this will also see a flourishing of other amenities such as hospitals, educational institutions, etc. This will benefit the people living there immensely.
- Such corridors will have world-class facilities such as high speed road and rail transportation network, ports with modern cargo handling systems, modern airports, SEZs, logistic parks/transshipment hubs, knowledge parks, townships, and urban infrastructure.

#### ***Challenges to Industrial Corridors***

Some of the challenges in the implementation of this programme are discussed below.

- Land acquisition is proving to be a major challenge because of the legal hurdles and the compensation issue.
- India's taxation regime needs to clearly define the tax liabilities of foreign firms operating in India as permanent establishments and otherwise.
- Massive investment in industrialisation can lead to large displacement of people and also destroy fertile agricultural land.

#### ***Difference between Industrial Corridor and Special Economic Zone***

The main difference between industrial corridors and special economic zones (SEZs) is that while industrial corridors are for the purpose of industrial development and growth, SEZs are for the promotion of exports.

Currently, there are more than 250 operational SEZs in India, whereas only 11 industrial corridors are envisaged. They are in the developmental stage.

Read more on [Special Economic Zones](#) in the linked article.