



## New Industrial Infrastructure Projects

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### Why in News

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Recently, the **Cabinet Committee on Economic Affairs (CCEA)** has approved three infrastructure proposals worth **Rs 7,725 crore** for setting up **greenfield industrial cities with connectivity to major transportation corridors**.

The cabinet also approved a modified scheme for **interest subvention for Ethanol production** expanding the scheme to **include grain based distilleries and not just molasses based ones**.

The scheme would **encourage ethanol production** from grains like barley, maize, corn and rice and **boost production and distillation capacity** to 1,000 crore litres and help in meeting the **goal of 20% ethanol blending with petrol by 2030**.

### Key Points

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- These projects are based on major transportation corridors like **Eastern & Western Dedicated Freight Corridors, Expressways and National Highways, proximity to ports, airports**.
- This will **attract investments into manufacturing and position India as a strong player in the global value chain**.
- These projects will generate **ample employment opportunities through** development of Industrial Corridors.

### Industrial Corridors

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- **Industrial corridors** offer **effective integration between industry and infrastructure**, leading to overall **economic and social development**.

- **Economic Significance:**

- **Avenues for Exports:** The Industrial Corridors are likely to lower the cost of logistics thereby increasing the efficiency of industrial production structure. Such an **efficiency lowers the cost of production which makes the Indian made products more competitive in international markets.**
- **Job Opportunities:** Development of Industrial Corridors would attract investments for the development of Industries which is likely to **create more jobs in the market.**
- **Logistics:** These corridors would **provide necessary logistics infrastructure needed to reap economies of scale**, thus enabling firms to focus on their areas of core competence.
- **Investment Opportunities:** Industrial corridor **provides opportunities for private sector investment** in the provision of various infrastructure projects associated with the exploitation of industrial opportunity.
- **Improved Functioning:** Apart from the **development of infrastructure**, long-term advantages to business and industry along the corridor include benefits arising from smooth access to the industrial production units, **decreased transportation and communications costs, improved delivery time and reduction in inventory cost.**

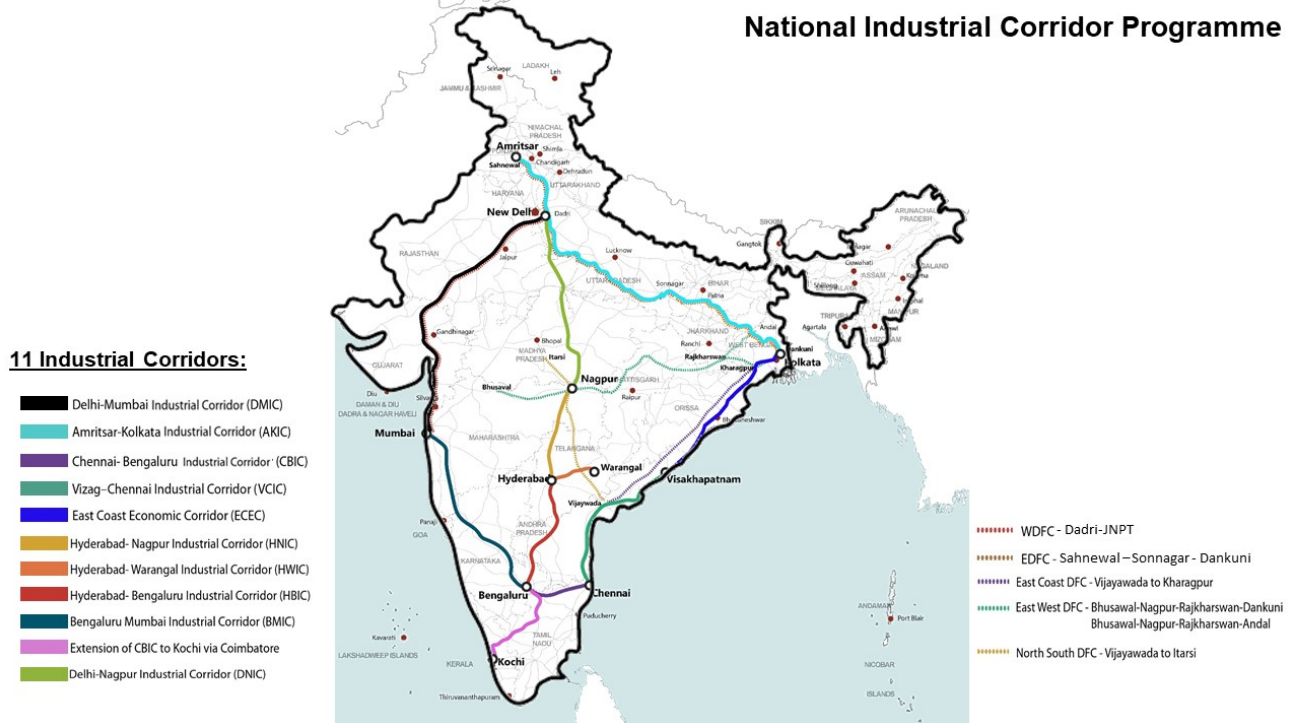
- **Environmental Significance:**

The establishment of Industrial Units in a scattered manner along the industrial corridor across the length of the state will **prevent concentration of industries in one particular location which exploited the environment beyond its carrying capacity** and caused environmental degradation.

- **Socio-Economic Significance:**

- The cascading effect of industrial corridors in socio-economic terms are many such as setting up of industrial townships, educational institutions, hospitals. These will further **raise the standards of human development.**
- Moreover, people would find job opportunities close to their homes and would not have to migrate to far-off places (would prevent distress migration).

- **National Industrial Corridor Development Programme:**



- **Aim:** The Government of India is developing various Industrial Corridor Projects as part of the **National Industrial Corridor programme** which is aimed at development of futuristic industrial cities in India which can compete with the best manufacturing and investment destinations in the world.
- **Administration:**
  - National Industrial Corridor Development and Implementation Trust (NICDIT)** is under the administrative control of **Department for Promotion of Industry and Internal Trade (DPIIT)** for coordinated and unified development of all the industrial corridors which are at various stages of development and implementation.
- It is India's most ambitious infrastructure programme aiming to develop new industrial cities as **"Smart Cities"** and **converging next generation technologies** across infrastructure sectors.
- 11 Industrial Corridors Projects are being taken up for development with 30 Projects to be developed in **04 phases up to 2024-25:**

## Way Forward

- To make the corridors successful, India has to be part of the **Industrial Revolution 4.0**, which will be **shaped by a fresh wave of innovation** in areas such as smart robotics, materials that are lighter and tougher, and a manufacturing process built around 3D printing and analytics.
- **Industrial corridors will help India's efforts to lead the world in the fourth wave of industrial revolution.** Effective execution of this plan could make India take a major leap in the race of development

**Source: TH**