

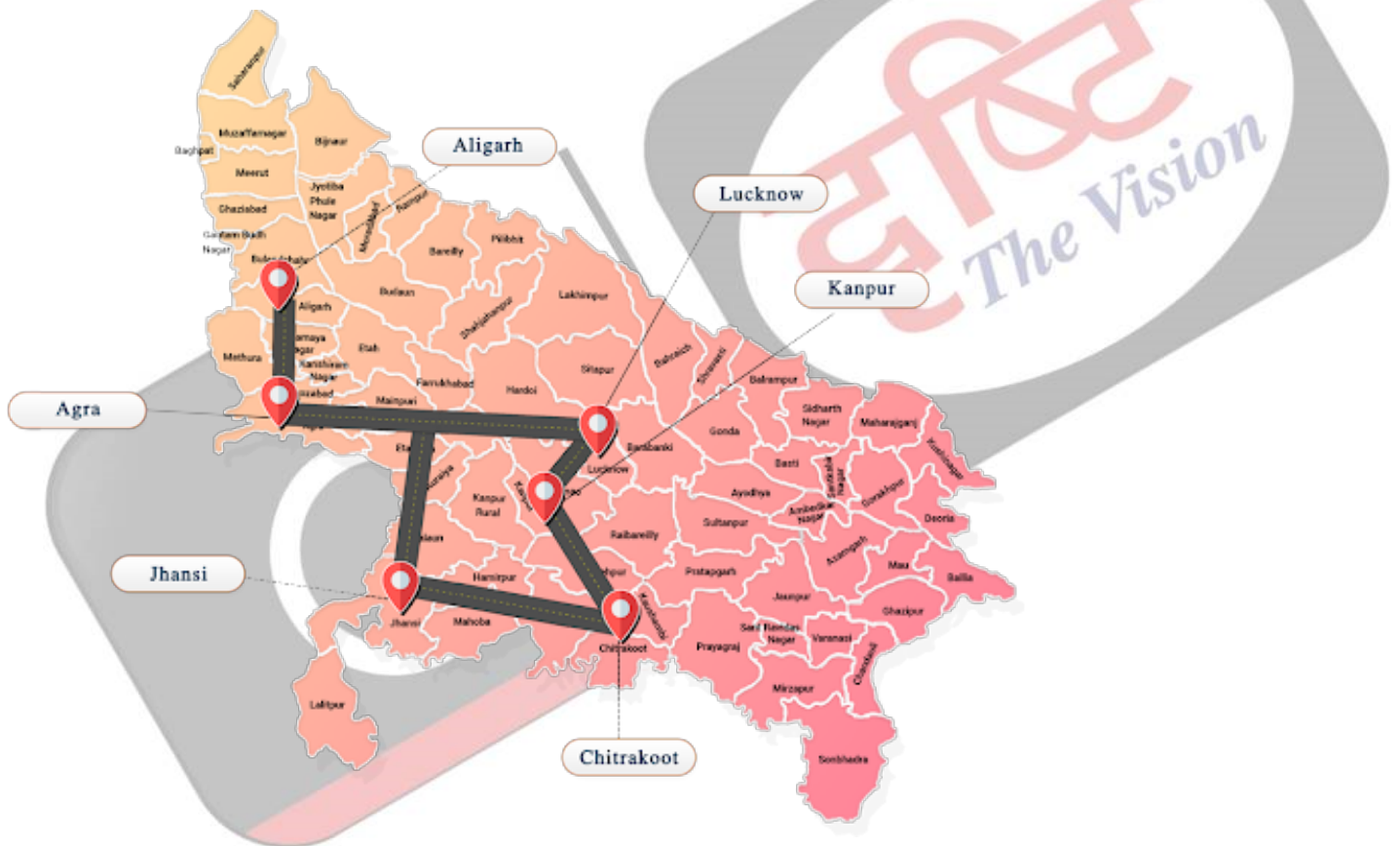


Defence Industrial Corridor

Why in News

Recently, the **Prime Minister visited the exhibition models** of the **Aligarh node** of the upcoming **Uttar Pradesh Defence Industrial Corridor**.

- It was announced by the Prime Minister while inaugurating the **UP Investors Summit** in Lucknow in **2018**.
- The government has established **another Defence Industrial Corridor in Tamil Nadu**.



Key Points

- **Defence Industrial Corridor of UP:**
 - It is an aspirational project that intends to **reduce foreign dependency** of the **Indian Aerospace & Defence Sector**.
 - It will have **6 nodes** - Aligarh, Agra, Kanpur, Chitrakoot, Jhansi and Lucknow.
 - The **Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)** is the **nodal agency** to execute this project in conjunction with various other state agencies.
 - It aims to **bring up the state as one of the largest & advanced Defence**

manufacturing hubs and put it on the world map.

▪ **Features:**

- Single Window approvals and clearances to Defence and Aerospace (D&A) manufacturing units via **Nivesh Mitra**.
 - **Nivesh Mitra** Portal has been launched by the Government of Uttar Pradesh to ease the [Ease of Doing Business](#) in the state.
- **Labour Permits** for D&A industry towards flexible employment conditions.
- Simple Procedures and **rationalised regulatory regime** with easy reimbursement of incentives and subsidies.
- Assured **water supply** and uninterrupted **electricity**.
- Connectivity with **4-lane heavy-duty highway**.

▪ **Reason for choosing UP for Defence Corridor:**

- Uttar Pradesh is the **fourth largest state in India** and the **third largest economy within the country**.
- With a population of more than 200 million, **UP has the highest number of available labour force** and is one of the **top five manufacturing states in India**.
- The state also ranks **first in terms of number of [Micro, Small & Medium Enterprises \(MSMEs\)](#)** in the country and ranks **2nd in [Ease of Doing Business \(EoDB\)](#)**.

Defence Corridors

▪ **About:**

- A **defence corridor refers** to a route or a path along which domestic productions of defence equipment by **public sector, private sector and MSMEs** are lined up to enhance the operational capability of the defence forces.

▪ **Significance:**

- It will **help in making the nation self-reliant** in the field of **defense production and promoting 'Make in India'**, which will **reduce our imports and promote the export of these items** to other countries.
- It will provide a **fillip to the defence manufacturing ecosystem** through synergistic development of technologies, promote the **growth of private domestic manufacturers**, including **MSMEs** and [Start-Ups](#).

▪ **Challenges:**

◦ **Technological Development in Defence:**

- The first challenge in the development of technology is in **advanced electronics and materials**, which cut across all the verticals.
- The second challenge is **relative immaturity of Material Science** to use lighter and stronger intelligent material.

◦ **Meeting Industries Expectations:**

- Meeting expectations of the industry, who not only wants faster clearance of their proposals for setting up or shifting their bases, but also tax benefits like in [Special Economic Zones \(SEZ\)](#), faster decision making etc is a challenge for the government.

◦ **Less Involvement of Private Players:**

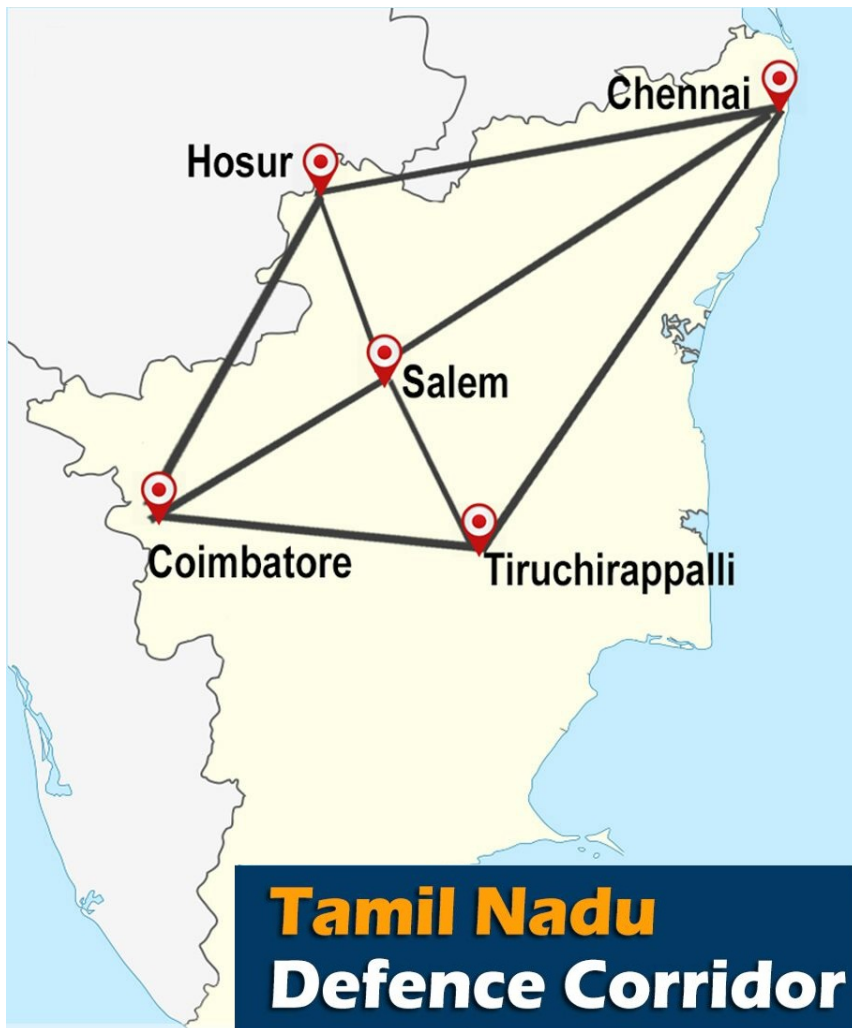
- While there is an **over-concentration of orders with the public sector** (leading to choking and queuing), hardly any orders are actually flowing to the private players.

◦ **Human Resource:**

- Unavailability of **talented human resources** is also one of the major issues.

Tamil Nadu Defence Industrial Corridor

- It comprises **Chennai, Tiruchirappalli, Coimbatore, Salem and Hosur**. It will create **new defence production facilities and promote clusters** with necessary testing and certification facilities, export facilitation centres, technology transfer facilitation, etc.
 - The corridor was **inaugurated in 2019**.



Way Forward

- Its success would lie in **addressing the concern of 'Make in India' in addressing the concern of industry**, attracting investments, generating employment, creating contemporary technologies, aiding the growth of the manufacturing sector and making India Self-reliant.
- The **right infrastructure**, support for a vibrant supply chain network, skill development, involvement of established national and global players to bring in capital and viable projects can give the required traction.
- There is a **need to identify short term, medium-term and long-term roadmaps** keeping existing capability, requirements, technology, capital and infrastructure development in mind. It will also help in the development of clusters with supporting ecosystems around them.

[Source: TH](#)

