

# Chennai- Bengaluru Industrial Corridor (CBIC)

December 31, 2020

## In news

The Union cabinet approved Industrial Corridor nodes at Krishnapatnam and Tumakuru under CBIC recently

## Key updates

The Cabinet Committee on Economic Affairs chaired by Prime Minister has approved proposals of Department of Promotion of Industry & Internal Trade (DPIIT) for construction of various trunk infrastructure components for:

1. Krishnapatnam Industrial Area in Andhra Pradesh with an estimated cost of the project of Rs. 2,139.44 crore;
2. Tumakuru Industrial Area in Karnataka with an estimated cost of Rs. 1,701.81 crore;
3. Multi Modal Logistics Hub (MMLH) and Multi Modal Transport Hub (MMTH) at Greater Noida in Uttar Pradesh with an estimated cost of Rs. 3,883.80 crore.

## About Industrial corridor project

- The objective of Industrial Corridor Programme is the creation of greenfield industrial cities with sustainable, 'plug n play', ICT enabled utilities to facilitate the manufacturing investments into the country by providing quality, reliable, sustainable and resilient infrastructure to industries.
- The developed land parcels in these cities will be ready for immediate allotment for attracting investments into manufacturing and positioning India as a strong player in the Global Value Chain.
- The Industrial Corridor Programme thrives to attain the

objective of creation of an “Atmanirbhar Bharat” to drive the growth of industries and create greater avenues for investments across the country.

## Chennai Bengaluru Industrial Corridor (CBIC)

It is one of the five industrial corridors coming up in India under the aegis of National Industrial Corridor Development and Implementation Trust (NICDIT)

These projects have been planned on the backbone of multi modal connectivity infrastructure. **Krishnapatnam Industrial Area in Andhra Pradesh and Tumakuru Industrial Area in Karnataka under Chennai Bengaluru Industrial Corridor (CBIC) have been approved to kick start the development in Chennai Bengaluru Industrial Corridor Project. These greenfield industrial cities will be self-sustained** with world-class infrastructure, road and rail connectivity for freight movement to and from ports and logistic hubs along with reliable power and quality social infrastructure.

## Background

In the year 2011, during the visit of the Prime Minister of Japan to India in December, 2011, the two Prime Ministers stressed the importance of infrastructure development in the areas between Chennai and Bengaluru and directed to operationalize the modalities for the preparation of the Comprehensive Integrated Master Plan for development of CBIC

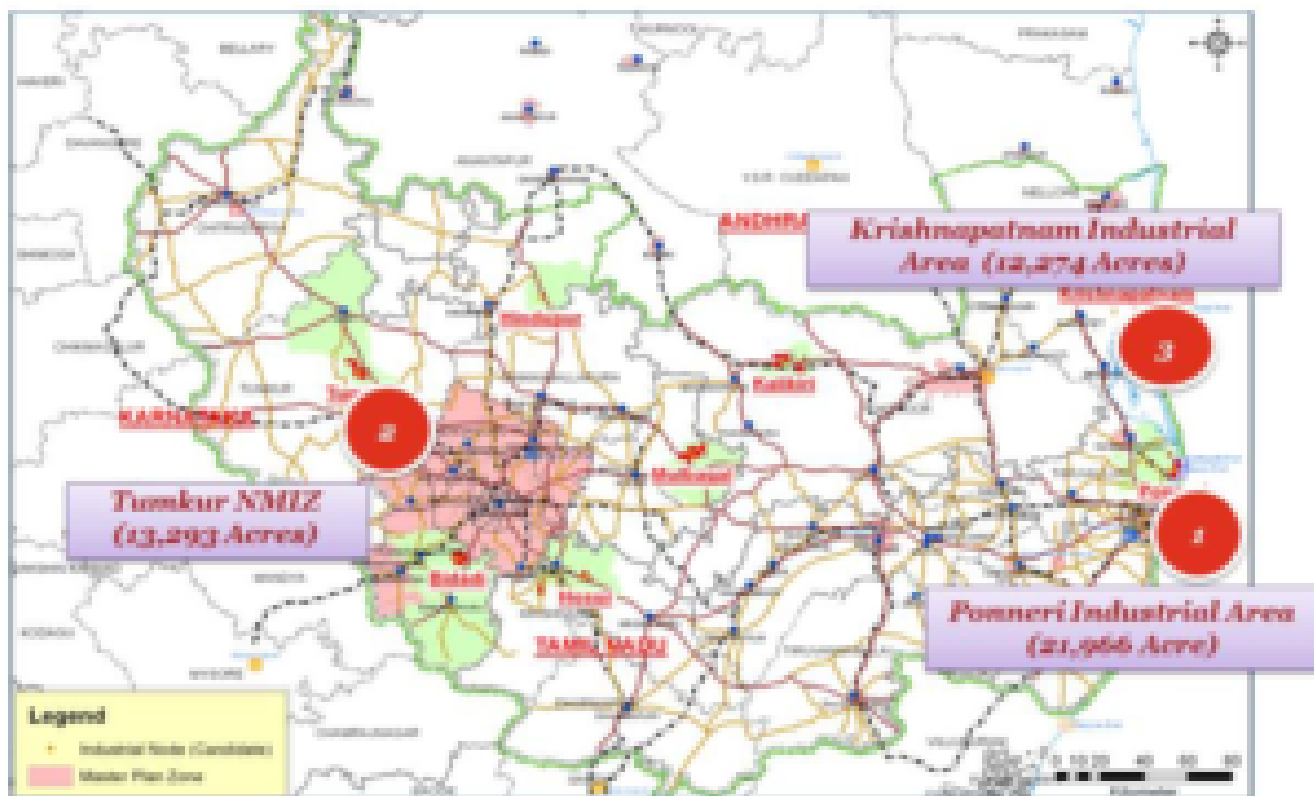
## Key features of CBIC

**The strategy to develop CBIC is part of the plan to achieve accelerated development, regional industry agglomeration in the states of Tamil Nadu, Karnataka and Andhra Pradesh** and to facilitate development of a well-planned and efficient industrial base by providing smooth access to the industrial production units, decreased transportation logistics costs along with an improved delivery time and reduction in

inventory cost and ensure increased private investments in manufacturing and industrial activity in the three states.

**Japan International Cooperation Agency (JICA) Study Team undertook the Preliminary Study for Comprehensive Integrated Master Plan for Chennai- Bengaluru Industrial Corridor (CBIC) and a total 25 priority projects across various sectors aimed at removing infrastructural bottlenecks were identified in their report. Following three nodes were taken up for Master Planning under JICA assistance:**

- Tumkur (Karnataka)
- Ponneri ( Tamil Nadu)
- Krishnapatnam ( Andhra Pradesh)



The report of master planning of above 3 industrial nodes submitted by JICA has been accepted as final and State Governments have been directed to initiate the process of notification of master plan of these nodes.

**Significance of the projects**

These projects will generate ample employment opportunities through industrialisation. For Krishnapatnam node, estimated employment projection on completion of the first phase of development is likely to be around 98,000 persons of which about 58,000 persons are likely to be employed at the site. For Tumakuru node, employment of about 88,500 persons is estimated, out of which 17,700 persons will be from service industries such as retail, offices and other commercial opportunities in the initial development phase.

#### **A brief note on Multi Modal Logistics Hub (MMLH) & Multi Modal Transport Hub (MMTH) Projects**

- MMLH & MMTH at Greater Noida, U.P. are in close proximity to Eastern peripheral expressway, NH91, Noida-Greater Noida Expressway, Yamuna Expressway, Eastern & Western Dedicated Freight Corridors.
- Logistics Hub project will be developed as a world-class facility that will provide efficient storage/transitioning of goods to/from the Dedicated Freight Corridors (DFC) and offer a one-stop destination to freight companies and customers.
- The facility will not only provide standard container handling activities but also provide various value-added services to reduce logistics cost with improved efficiency of operations.
- The MMTH project will provide world-class passenger movement facilities for the growing population of the catchment zone catering to upcoming developments in U.P. sub-region of the NCR and thus, decongest Delhi.