

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 542.
TO BE ANSWERED ON FRIDAY, THE 5TH FEBRUARY, 2021**

DEVELOPMENT OF INDUSTRIAL NODES IN ANDHRA PRADESH

542 SHRI G.V.L. NARASIMHA RAO:

Will the Minister of Commerce and Industry be pleased to state:

- (a) the places identified for development as industrial nodes or cities in Andhra Pradesh under different Industrial Corridors;
- (b) the status of proposed industrial nodes in (a) above, their investment and employment potential;
- (c) the present status of Visakhapatnam-Chennai Industrial Corridor (VCIC) and its planned implementation schedule;
- (d) the potential of VCIC in industrial development of Andhra Pradesh;
- (e) the potential for employment generation when VCIC is fully developed;
- (f) the reasons for delay in sanctioning Yerpedu-Srikalahasti industrial node under VCIC; And
- (g) the fate of National Investment Manufacturing Zone at Chittoor?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a): Based on the prioritization by the State Government, the places identified for development as industrial nodes or cities in Andhra Pradesh under different Industrial Corridors are as follow:

S.No.	Name of the Industrial Corridor	Node identified in Andhra Pradesh
1	Visakhapatnam Chennai Industrial Corridor (VCIC)	(1) Chittoor (Srikalahasti), (2) Vishakhapatnam and (3) Kadappa
2	Chennai Bengaluru Industrial Corridor (CBIC)	Krishnapatnam
3	Hyderabad Bengaluru Industrial Corridor (HBIC)	Orvakal

- (b) The status of above identified nodes is as follows:

Chittoor (Srikalahasti) and Visakhapatnam (VCIC): Consultant for master planning and preliminary engineering for Chittoor (Srikalahasti) Node has been appointed by National Industrial Corridor Development Corporation Ltd. (NICDCL). Further, for Visakhapatnam node, the master planning and preliminary engineering is initiated by the State Government. The expected employment generation on implementation of both the nodes is expected to be about 1,80,000.

Kadappa (VCIC): Consultant for master planning and preliminary engineering for Kadappa node has been appointed by National Industrial Corridor Development Corporation Ltd. (NICDCL).

Krishnapatnam (CBIC): Cabinet Committee on Economic Affairs (CCEA) has approved the development of Krishnapatnam node under CBIC on 30th December, 2020 with an estimated cost of the project of Rs. 2139.44 crore (including land) for construction of various trunk infrastructure components. The preparation for issuing tender documents regarding appointment of contractor for 'Design Construction, Testing, Commissioning and Operation & Maintenance of infrastructure Works on EPC basis' has been initiated by the Special Purpose Vehicle of project, namely NICDIT Krishnapatnam Industrial City Development Ltd. The employment generation is expected to about 98,000.

Orvakal (HBIC): National Industrial Corridor Development and Implementation Trust (NICDIT) in its meeting held on 19th August, 2020 has accorded its approval for initiation of project development activities for Orvakal node as the prioritized node. For this pre-project development activities have been initiated.

- (c) Visakhapatnam Chennai Industrial Corridor (VCIC) is being implemented as Phase 1 of East Coast Economic Corridor (ECEC). Three nodes namely Chittoor (Srikalahasti), Visakhapatnam and Kadappa have been identified under VCIC. Consultant for master planning and preliminary engineering for Chittoor (Srikalahasti) & Kadappa Nodes has been appointed by National Industrial Corridor Development Corporation Ltd. (NICDCL). For Visakhapatnam node, the master planning and preliminary engineering is initiated by the State Government. After completion of master planning and preliminary engineering, projects are posed for consideration and approval from NICDIT and CCEA.

- (d)&(e): The objective of VCIC project includes expansion of industrial output, increasing employment opportunities, provide better living and social facilities for the new and growing workforce in the state. As per feasibility study conducted by the Government of Andhra Pradesh, VCIC has the potential to:

- i. Increase GDP in the region by 6 times (from INR 2,000 billion in 2015 to INR 11,600 billion by 2035),
- ii. Expand manufacturing output by 7 times (from INR 1,110 billion in 2015 to INR 7,823 billion by 2035).
- iii. Create approximately 11 million additional incremental employment (from 2.9 million in 2015 to 14 million by 2045).

It has been envisaged to foster industrial development by providing state of the art infrastructure and creating an ecosystem which would serve as an attractive destination for investments into export oriented industries and manufacturing.

- (f) : The State Government of Andhra Pradesh had submitted a proposal for inclusion of two nodes namely Chittoor (Srikalahasti) and Visakhapatnam as part of VCIC under the National Industrial Corridor Development and Implementation Trust (NICDIT) mandate in October, 2018. NICDIT in its meeting held on 30th August, 2019 has accorded its approval for development of Vishakhapatnam and Chittoor (Srikalahasti) as priority nodes in Phase-1 of VCIC. Thus, there is no delay in approval.
- (g) : Government of India granted 'in-principle' approval for establishment of National Investment and Manufacturing Zone (NIMZ) under the National Manufacturing Policy (NMP) in Chittoor District of Andhra Pradesh on 2nd January, 2013. Thereafter, the proposal for consideration of granting 'final' approval was placed before the High Level Committee (HLC) under NMP and the same was not granted due to inadequate information from State Government. In the meeting of HLC, State Government was directed to acquire land and get it transferred in the name of the concerned authority. However, status on land acquisition and other progress made so far for establishment of NIMZ in Chittoor is awaited from State Government.
