

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

**UNSTARRED QUESTION NO. 526.
TO BE ANSWERED ON WEDNESDAY, THE 05TH FEBRUARY, 2020.**

VIZAG-CHENNAI INDUSTRIAL CORRIDOR

526. SHRI BALASHOWRY VALLABHANENI:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Vizag-Chennai Industrial Corridor has completed all formalities and is ready for execution;
- (b) whether only two nodes, i.e., Vizag and Chittoor are being taken up for development, leaving aside Donakonda and Machilipatnam;
- (c) if so, the reasons therefor; and
- (d) the details of the loan sanctioned by the Asian Development Bank (ADB) and the time by which construction of the project is likely to commence?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a) to (c):** Asian Development Bank (ADB) had prepared Conceptual Development Plan (CDP) for Vizag-Chennai Industrial Corridor (VCIC) and four nodes namely (i) Visakhapatnam, (ii) Machilipatnam, (iii) Donakonda and (iv) Chittoor were identified for development. Amongst these nodes, Visakhapatnam and Chittoor have been prioritized by the Government of Andhra Pradesh (GoAP). Initial master planning of these two nodes were also completed by ADB. As per the proposal of GoAP, National Industrial Corridor Development and Implementation Trust (NICDIT) in its meeting held on 30th August, 2019 has accorded its approval for development of Vishakhapatnam and Chittoor as priority nodes in phase-1 of VCIC.
- (d):** The loan has been agreed between State Govt. and Asian Development Bank (ADB). ADB has approved US \$631 million (in loans and grants) for VCIC, comprising a Multi-tranche Financing Facility (MFF) as follows:
- i. Two-tranche MFF of US \$500 million to build key infrastructure;

- ii. Two-tranche Policy Based Loan (PBL) of US \$125 million to support policy reforms and institutional development in the State
- iii. Grant of US \$5 million from the multi-donor Urban Climate Change Resilience Trust Fund (UCCRTF) to build climate change resilient infrastructure in Visakhapatnam
- iv. Technical assistance of US \$1 million to help the Andhra Pradesh local government implement policy reforms

Since the project is presently under development stage, time for commencement for construction of the project can not be ascertained.
