

Industrial Area Planning

GIZ

22nd October 2018



Agenda

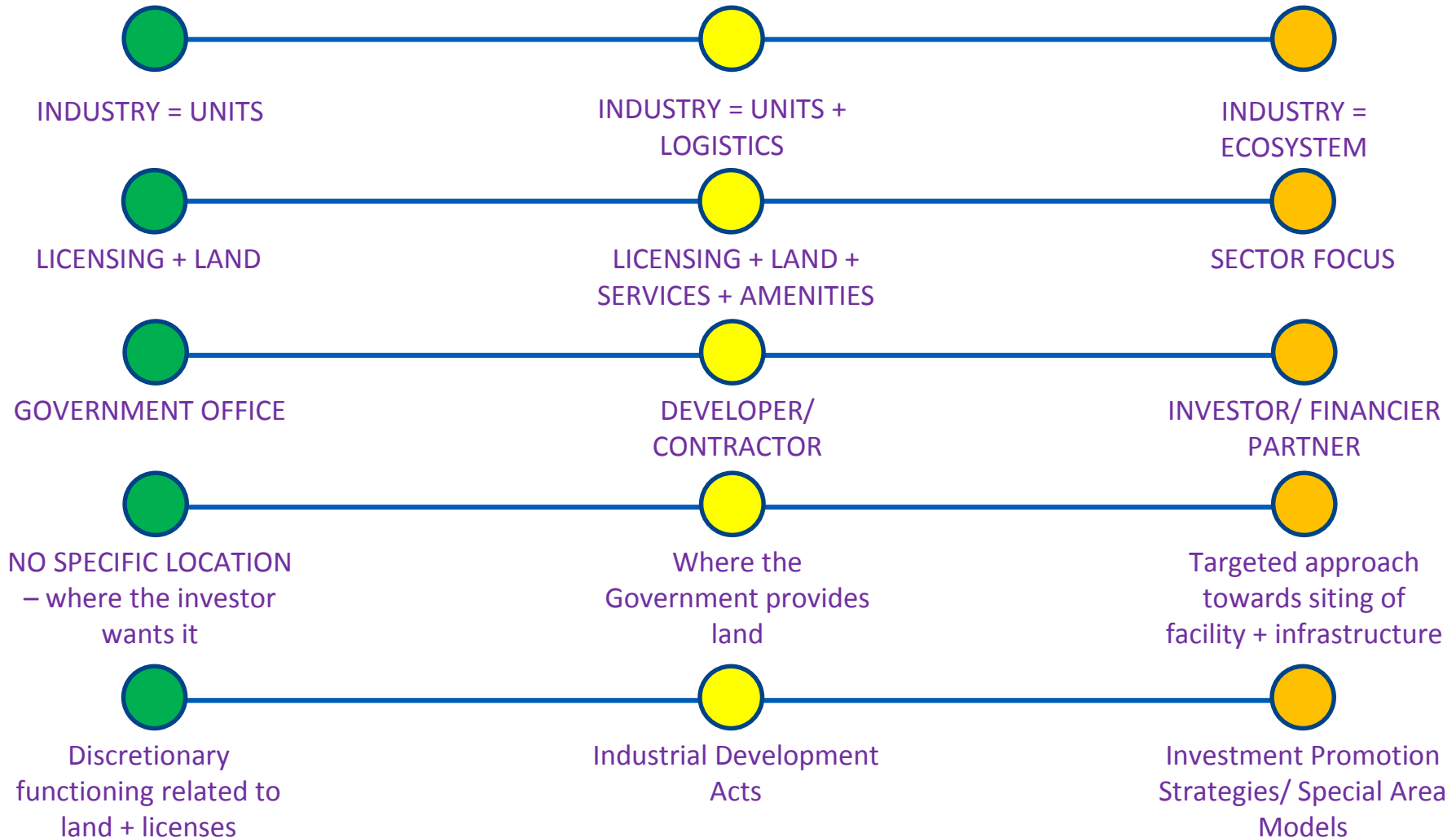
1 Basics

2 Examples

Evolution of Industrial areas over the years



Transformation



Examples

Stand-alone industries	Industrial Areas/ Estates	'Corridors'
<p>Acquisitions for stand-alone factories</p> <ul style="list-style-type: none"> - R L Aurora - Sugar Industries Association 	<p>General purpose</p> <ul style="list-style-type: none"> - RIICO industrial estates in Alwar & elsewhere - UPSIDC estates in UP - All of Delhi's industrial areas - Most APIIC estates 	<p>Large unit ecosystem base</p> <ul style="list-style-type: none"> - Growth Centre, Bawal (Haryana) - Industrial Model Townships (Manesar/ Rohtak) - All industrial corridors
<p>Acquisitions for Central Public Sector Undertaking integrated townships</p> <ul style="list-style-type: none"> - SAIL & NALCO - BHEL & NCL - IOC/HP/NRL - Coal India - HEC - ONGC/GAIL 	<p>Focal purpose</p> <ul style="list-style-type: none"> - Tronica City, Ghaziabad - Food Park, Rai (Sonipat) - All installations under MFP scheme - Textile city, Gujarat - APIIC sponsored MRO at RGIA, Hyderabad (SEZ status) 	<p>Export oriented</p> <ul style="list-style-type: none"> - NEPZ, NOIDA (Uttar Pradesh) - SEEPZ, Mumbai - Dronagiri SEZ, Maharashtra

Stand-alone industries

Parameter	How things worked
Siting	Usually preferred by the unit desirous of setting up an industry, given in the form of choices to the State Government
Land	Acquired on request under Land Acquisition Act, 1894 under Part VII (for Companies) – challenged in Court in 1962, largely stayed away from now Gram Panchayat consent was not necessary then
Licensing conditions	Industries Department only provides clearance for the site and handover; rest of matters to be addressed by respective line Departments <ul style="list-style-type: none"> - Pollution Control Board (after 1973) - Labour Commissioner - Import licensing - Financing bodies
Provision of services	Largely self provided <ul style="list-style-type: none"> - Water: Extracted out of ground - Electricity: Direct connection from Electricity Board - Roads: Usually would be provided upon request by the PWD - Waste management: owner's responsibility

On CO Integrated Industrial townships

Parameter	How things worked
Siting	Selected by concerned line Ministry after discussions with State Government and assessment of linkages
Land	Acquired on request under Land Acquisition Act, 1894 under Part II (for Public Purpose); now under RFTLARR Act, 2013 Gram Panchayat consent was not necessary then, is mandatory now Usually has TWO components <ul style="list-style-type: none"> - Plant/ production area - Township area (may be separated by a buffer in case of coal/ metal/ mineral industries)
Licensing conditions	Pre-cleared in most cases; environmental clearances usually secured considerably faster; CTO is accorded just before commencement.
Provision of services	Townships are usually self-contained; bulk water and energy provision is by the State; internal distribution is managed by the CPSU Most CPSUs hold power distribution licenses within the township area unless part of a larger urban distribution continuum
Compliances	CPSUs usually maintain good compliance on ISO as well as sustainability standards

Industrial Estates first generation

Parameter	How things worked
Purpose	No specific sectors; units that are 'compatible' with certain use restrictions
Siting	Initially – next to or along logistical links (supply as well as demand) Now – where land is available
Land	Acquired on request under Land Acquisition Act, 1894 under Part II (for Public Purpose); now under RFTLARR Act, 2013 Gram Panchayat consent was not necessary then, is mandatory now
Licensing conditions	Units are selected either by draw of lots or by auction; pre-cleared except CTO under Pollution Control Act
Provision of services	Provided by the State Industrial Development Corporation and/or certain specialized agencies (in case of electricity or water). ETPs are usually treated as a separate unit and may be run by a different party
Compliances	Most host units are generally compliant unless there is poor monitoring and cost of compliance is simply too high.

generation

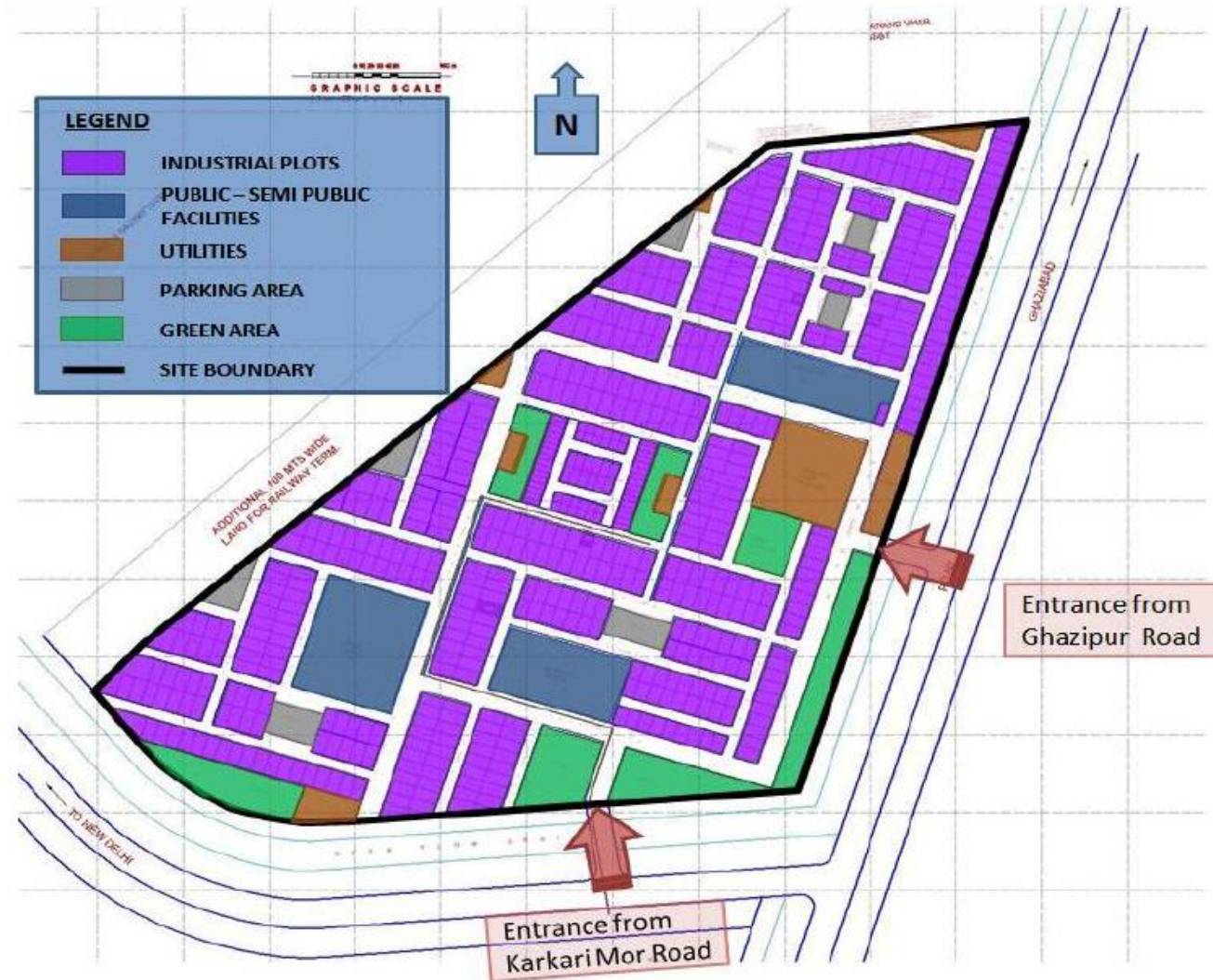
Parameter	How things worked
Purpose	Highly focused on industrial sector(s) or groups thereof – which are interconnected
Siting	Close to logistical links to material supplies and distributions
Land	Acquired on request under Land Acquisition Act, 1894 under Part II (for Public Purpose); now under RFTLARR Act, 2013 In certain cases, new variants under RFTLARR Act, 2013 like land-as-equity have been used (e.g. PCPIR) Gram Panchayat consent was not necessary then, is mandatory now
Licensing conditions	Units are selected BY INTERVIEW – so many of them come pre-cleared except CTO under Pollution Control Act
Provision of services	Provided by the State Industrial Development Corporation and/or certain specialized agencies (in case of electricity or water). ETPs are usually treated as a separate unit and may be run by a different party
Compliances	Compliances are may taken up as a group of industries collectively.

“Corridors”

Parameter	How things worked
Purpose	“Investment regions” designed for integrated development
Siting	Close to logistical links to material supplies and distributions
Land	Acquired on request under Land Acquisition Act, 1894 under Part II (for Public Purpose); now under RFTLARR Act, 2013 In certain cases, new variants under RFTLARR Act, 2013 like land-as-equity have been used (e.g. PCPIR) Gram Panchayat consent was not necessary then, is mandatory now
Licensing conditions	Units are both selected as well as accommodated from unsolicited investment proposals
Provision of services	May be provided by a multitude of authorities, but ASSURED by a common Central Authority or Agency
Compliances	Usually high to very high since most of the assets are ‘investment grade’

Industrial / Roads, first generation”

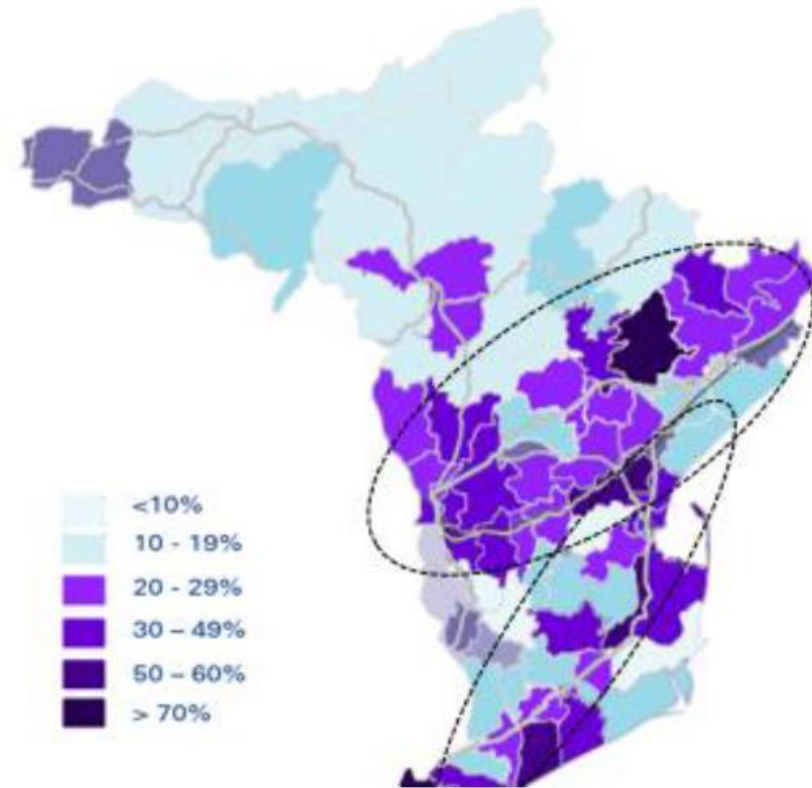
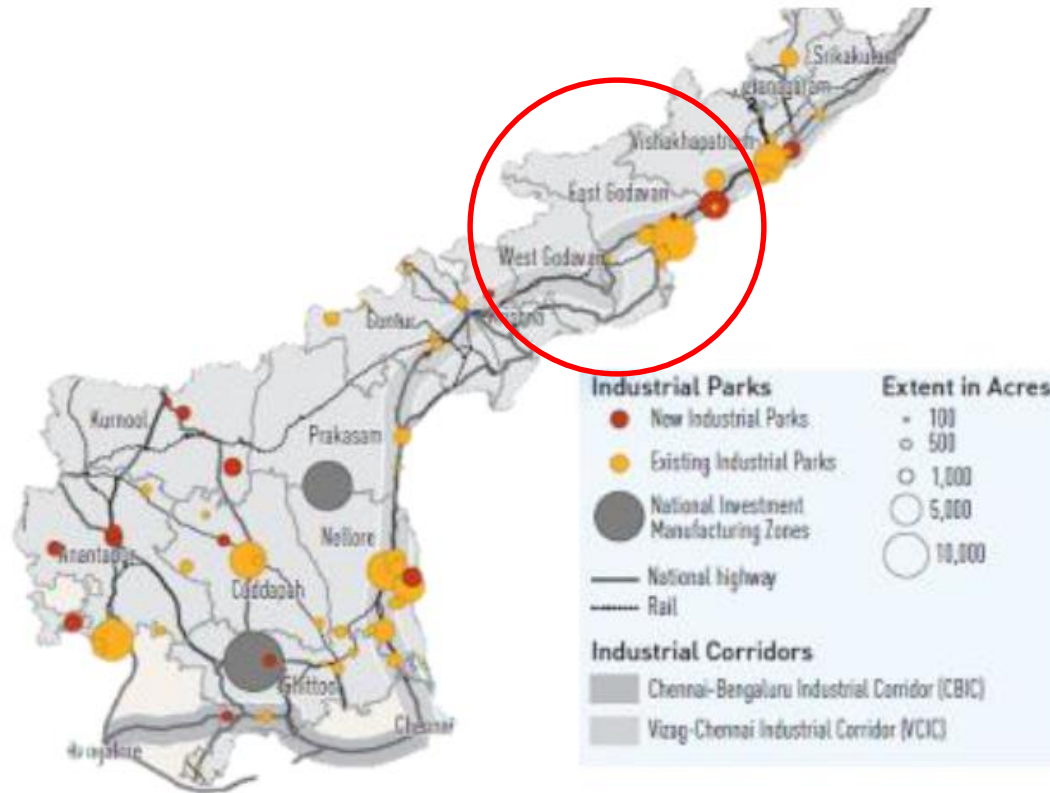
Category of land use	Area (hectares)	Percentage of total
Industrial plots	65.48	50.37%
Green spaces (open areas, parks and playgrounds)	11.00	8.47%
Plots reserved for parking (as per the last concession agreement created in 2012)	3.59	2.76%
Roads, streets and other forms of circulation	35.94	27.64%
Amenity plots (common facilities)	10.40	8.00%
Utilities (infrastructure assets and appurtenant fixtures)	3.59	2.76%
Total	130.00	100.00%



Industrial Areas, Second generation”



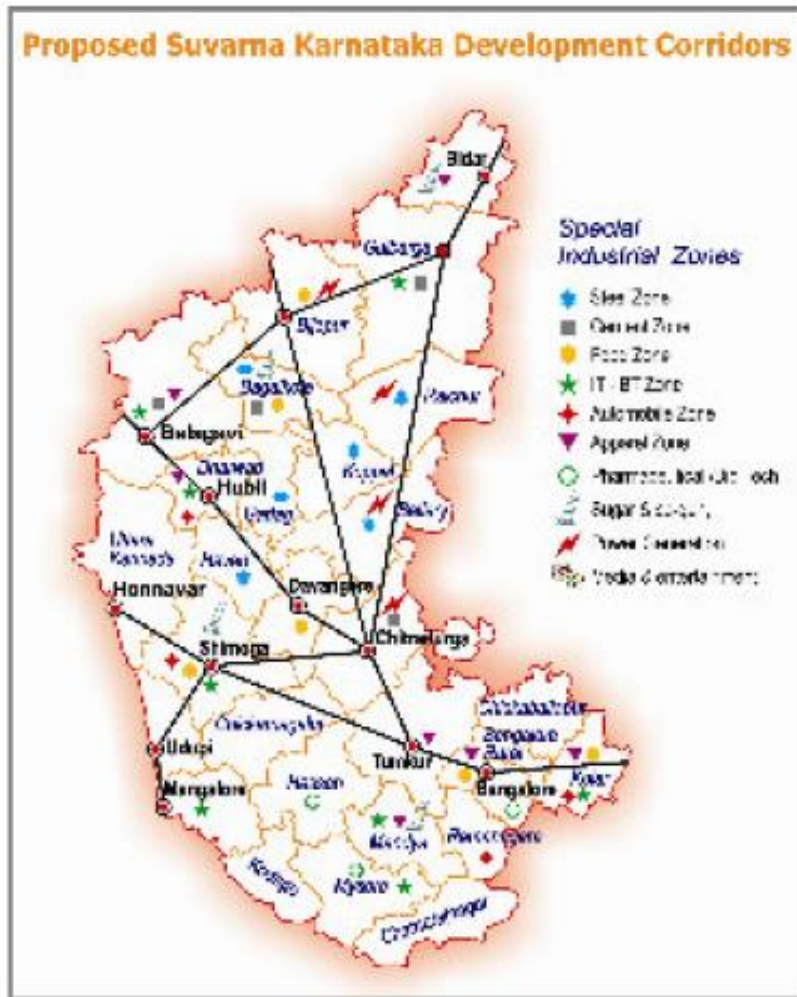
“Corridors”



“Considered & Integrated models”



“State Wide Approach”



What was proposed

- Each district has focal growth areas → each industrial unit or investment proposal can be “slotted” into an appropriate zone
- Assured infrastructure

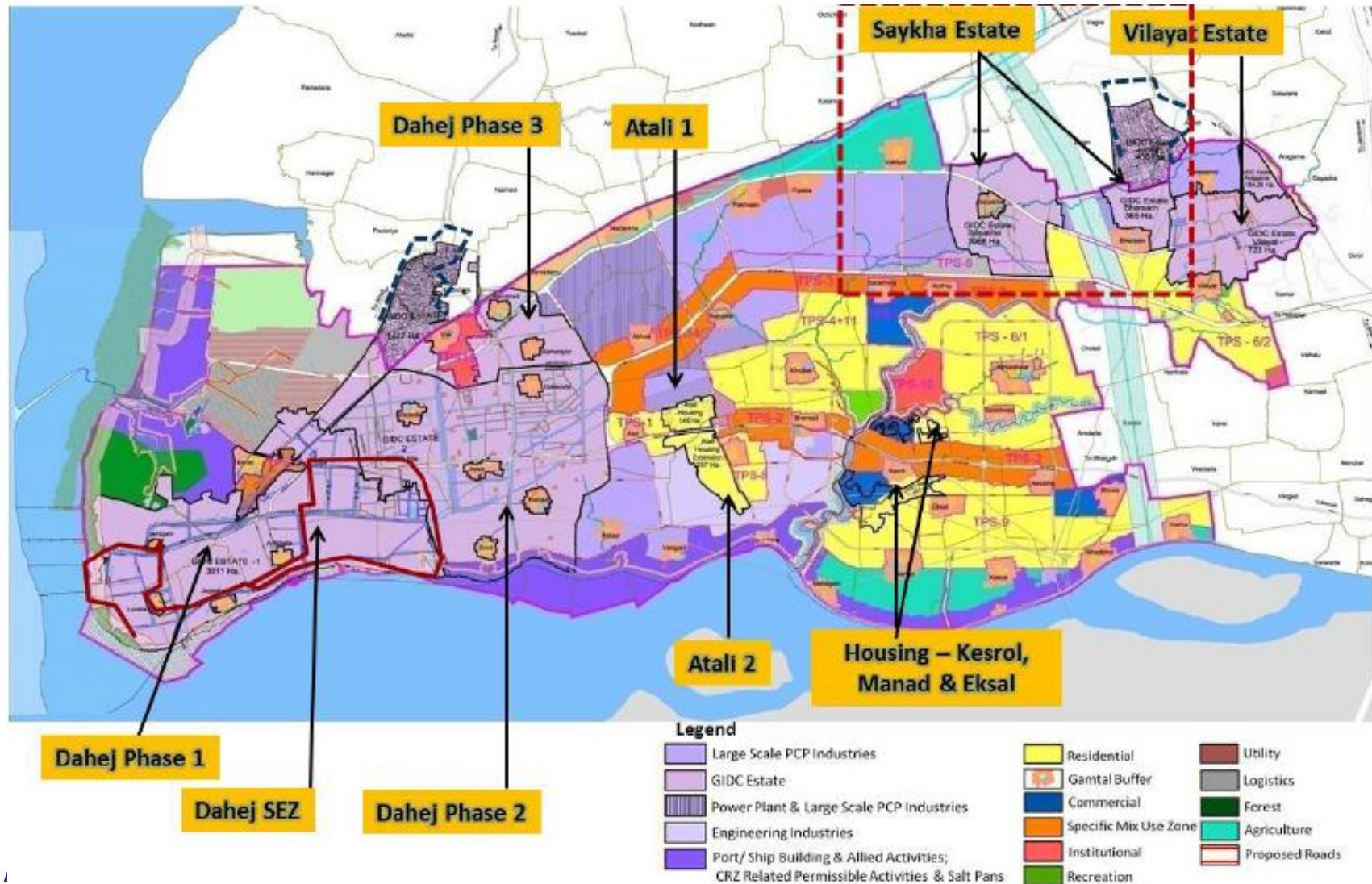
What actually happened

- State could not provide services on time; particularly electricity
- Marketed and allotted land too soon
- Land caught up in disputes over compensation

Super-regional approach



PCPIR at Dahej, Gujarat





Thank you

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