GIDC, GUJARAT

GIDC – A Government of Gujarat Undertaking

- Set up under the Gujarat Industrial Development Act, 1962.
- Identifying and developing locations suited for industrial purposes, makint it tailor- made for an entrepreneurs needs.
- Provides infrastructure facilities for industries a common location.
- Has acquired 30,500 hectares of land, allotted 22,200 hectares of developed land.

GIDC- Activities

1. Identifying and Acquiring land
2. Development of Land
3. Allotment of land

- **Core Infrastructure**
- Developed Industrial Plots
- Roads, storm water drainage & street light
- Water Supply
- Power Supply Network
- Corridor for amenities- gas, telecom, pipelines etc
- Effluent collection, conveyance, treatment & disposal.

- **Support Infrastructure**:
- Skill Up-gradation centres
- Environment Conservation Initiatives- green spaces, parks & gardens, solar energy
- Space for public amenities- banks, hospitals, school, police station, post office, community hall etc
- Housing
- Commercial space.

Skill Up-gradation Centres (SUCs)

50 SUCs constructed for imparting training in various GIDC estates & 50 more to be constructed.

- GIDC is providing the fee, stipend, accommodation etc
- State of the art apparel training centres started in Ahmedabad and Surat Apparel Parks through ALT Training Foundation, Bangalore.
- Skill up gradation course through virtual classrooms.

Environmental Management

Gurajat Clearner Production Centre (GCPC) established for promotion of Cleaner Production Technology under technical guidance of UNIDO.

- **MOU Signed**:
- GTZ Advisory Services for environmental Management (ASEM) for developing Eco-Industrial Parks.
- GOG, DMICDC and Japanese Corporations for developing Smart cities and Eco Townships in Dahej and Changodar.

- **Assistance & Award:**
- Financial Assistance for implementation of Cleaner Production / Clean Technology tools.
- Cleaner Production Award to motivate industries for adopting CP/CT.
- 10 Green Societies formed.

ACQUISITION AND DISPOSAL OF LAND

- Wherever any land is required by the Corporation for any purpose in furtherance of the objects of the Act but the Corporation is unable to acquire it by agreement, the State Govt. may, upon an application of the Corporation in that behalf, order proceedings to be taken under the relevant land acquisition law for acquiring the same on behalf of the Corporation as if such lands were needed for a public purpose within the meaning of the relevant land acquisition law.

- The amount of compensation awarded and all other charges incurred in the acquisition of any such land shall have to be paid by the Corporation and thereupon the land shall vest in the Corporation.

GIDC Land Policy

Participatory Policy for Development of New Estates

Obtaining land:	♦ GIDC's policy is to acquire most of the land through consent. ♦ Area falling within 300 mtrs of the outer limit of Gamtal shall not be acquired. ♦ Land on which there is major construction shall not be acquired.
Market price	The market price of land will be determined by an independent institution (CEPT University) . Price so determined will be considered as compensation price for the land.

GIDC Land Policy

Participatory Policy for Development of New Estates

Sharing of Proceeds	In addition to the payment of market price of land, 10% of the differential amount of Allotment price and Land price received by GIDC from the allotment of land of the Estate shall be paid to the land owners. Such share of proceeds of allotment shall be calculated for the land allotted in a financial year and shall be paid before June of the succeeding financial year.
Allotment of Commercial Plot	The land owners will be given developed commercial plot to the extent of 1% of their land acquired at token rate of Rs. 1.00 per sq.mtr.

GIDC Land Policy

Participatory Policy for Development of New Estates

Interim Relief	**For the Farmers who losses the entire land-** One time financial assistance equivalent to 750 days minimum agricultural wages for loss of livelihood. **A Land Owner who becomes a marginal farmer due to land acquisition shall be entitled -** One time financial assistance equivalent to 500 days minimum agricultural wages for loss of livelihood
Special Measures for ST Land owners	If number of Scheduled Tribes (ST) land owners is more than 50% of the total land owner whose land is acquired and they lose their customary right/usage of forest product as a result of acquisition- Each ST land owner shall get additional financial assistance equivalent to 500 days minimum agricultural wages. ST Land owners, if displaced, shall be resettled close to their natural habitat and in a compact block, so that they can retain their ethnic linguistic and cultural identity.

GIDC Land Policy

Participatory Policy for Development of New Estates

Capacity Building & Employment	-As far as practicable GIDC will at its cost sponsor one person between the age of 18 to 45 in each family whose land is acquired for training in a course for upto 2 years in ITI or a similar approved institution. - The trainee would be paid stipend, expenses etc. on the pattern currently adopted by Gujarat PCPIR Welfare Society. -GIDC will endeavor to obtain employment to one member of each project affected family in the units that come up within or near the industrial estate.
Sharing with Village	-3% of the total amount recovered by GIDC from the allottee of plots shall be deposited in a separate account. -- This amount will be utilised for public purpose projects like school rooms, internal roads, community halls in the village in which land is acquired or in the surrounding villages. - The total private and government land acquired of each village shall be considered for the proportionate allocation of this amount amongst the villages.

Policy Initiatives

Policy – PPP Mode-

Policy to develop Estates in PPP mode on privately owned land

- **Participate Policy**
- New comprehensive policy
- Land owners are made partners in the economic development of estate

- **Major Policy Decisions:**
- **Ban on transfer of open plots**
- Ban on change of purpose in saturated estates
- Strict time limit on utilisation of plot
- Improved compensation policy if plot holder returns vacant plot to GIDC.

Allotment of land-

Online Application System –

Guidelines for RM user:

1. RM should take an action for online application done either confirmation of the application or sending an auto letter from system within 21 days from the date of online application

2. If either of this action is not taken within 21 days from the date of online application, then a system generated email will be fired to RM and copy of the same will be given to ED (Allotment) and concerned DM that no action is taken yet on the application, which is required to be taken urgently.

3. Application will be moved to archive after 30 days from the date of application if RM has not taken any action I.e. application is neither confirmed nor system generated email for auto letter is fired.

1. However, if an auto email for missing documents is sent from RM login to any applicant within 30 days from the date of application, then the application will be live another 30 days from the date of sending an auto letter.

2. After 30 days from the date of sending of an auto email for missing documents, application will move to archive

3. Before moving any application to archive system should fire an email alert to RM and copy to DM before 5 days from the date of moving of an application to archive

4. Close email to applicant.

- **For regeneration of application which has been moved to archive-**
- If RM user fails to confirm the application despite of receiving documents in time and an application is moved to archive then the regeneration of such application/s, RM should report this to ED (Allotment).
- A committee of ED (Alt) and concerned DM will scrutinize, discuss and take decision whether to regenerate this application again or not ? If committee approves then such application/s will be made live again.
- On approval, application will again be made live and can be moved in a Register with original date and time of application and with original priority number.

Screening Committee for allotment of land

- One Expert nominated by VC& MD
- Chief Engineer, GIDC
- Executive Engineer, GIDC
- General Manager (Marketing), GIDC
- Respective Divisional Manager (Member Secretary)
- Representative from GPCB while deciding chemical applications

- [If any member of the above committee is not available, the VC& MD can nominate any other official/expert]

- Recommendation of Screening Committee to be forwarded to respective DM/RM land upto 20,000 sq.mtr and to Head office (for approval of VC&MD) above 20,000 sq.mtr.

Land Allotment issues

- Total lease period – **99 years**
- Building plan approval- within Municipality by Govt. and outside area by GIDC.
- **Auction principle is applicable in saturated IE and land for commercial purpose.**
- Allotment made on **first cum first basis** subject to fulfillment of all requirements
- Total Industrial Estates- 221
- Regional Offices- 14
- Divisional Offices- 5

- **Land Transfer:-**

  Transferor has to submit proposal in the prescribed format duly filled enclosing required documents (deed of assignment and undertaking) (signed by all Directors/partners).

- **Vacant land is not allowed for transfer**.

- Transfer fees in case of non-formal transfer of utilised plots.

  a) utilisation for less than **5 years- 15%** of prevalent land price

- b) utilisation for more than **5 years & less than 10 years- 10%** of prevalent land price.

- c) utilisation for more than **15 years – 5 %** of prevalent land price

- For **non utilisation of land penalty** upto 3 years @ 2% on normal IE and 3% on saturated IE on the prevalent land price is chargeable.

- **Proof of utilisation-**
  - 3 months water supply bills and 3 months electricity bill
  - Date of release of electric supply from MGVCL
  - Excise duty payment challan
  - Sales tax payment documents

- **Encroachment** made by the allottee can not be entertained and the allottee has to vacate/surrender when dictated failing which allotment will be cancelled.

- Allottee will have to get the **plan approval (factory building plan)** from the concerned authority and produce copy of approved plan to the concerned Regional Manager within 3 months from the date of physical possession. Delay in getting approval will be charged @ Rs. 0.50/sq.mtr per month

Policy for GIDC Developing Estates on Privately purchased land in PPP mode

Formation of SPV Company	1. When a group of entrepreneur in a specific sector want land for development of sector specific cluster / estate, GIDC will promote such cluster in partnership mode. 2. The requirement of each sector specific estate / part would be 100- 200 hectare land. 3. GIDC set up industrial estate in PPP mode without acquiring land. Entrepreneurs will buy land on their own through private negotiation. 4. The entrepreneurs of a specific sector should form an association, which should be registered as a legal entity. 5. Such entity should form a Joint venture SPV company with GIDC with 50% share each 6. Chairman of SPV company will be appointed by GIDC.

Arrangement of land	1. Land will be arranged by the SPV through direct purchase and GIDC will not acquire land. 2. GIDC will give to the SPV upto 40% of the land cost as loan at prevailing rate of interest which is recoverable in 20 quarterly installment. 3. There will be suitable mortgage of the land with GIDC for the loan.

O&M of the Estate	▪ The O&M of the estate and the day to day expenditure thereon shall be borne by the SPV company without any financial liability on GIDC. ▪ GIDC would take up O&M till such time that substantial area about 80% has been allotted. ▪ A separate fund would be kept for O&M out of the allotment proceeds (about 10% of the Allotment price). ▪ After substantial area of the estate has been allotted, the entrepreneurs within the estate shall form a Society or any other suitable type of SPV to take care of the O&M of the estate. Thereafter, GIDC will withdraw from O&M of the estate.

Development & Marketing of Estate	1. GIDC will plan the estate and develop the infrastructure at its cost 2. The expense shall be counted as a loan given by GIDC to SPV company. 3. Such loan shall be backed by suitable security/ mortgage / bank guarantee. 4. SPV company will market the estate and allot developed plots to its members / other entrepreneurs.
Recovery by GIDC	1. GIDC will recover its equity investment and loan with interest through an escrow account to which the proceeds of land allotment would be credited. 2. At least 80% of the proceeds of land allotment would go to the escrow account. 3. The funds in the escrow account would be utilised first to repay the loan installments with interest to GIDC and subsequently the return of equity (with interest).

Recovery by GIDC	4. A time frame of upto 5 years from the date of first allotment of developed plots by the SPV company would be considered for GIDC to recover its investment (equity and loan, together with interest) while planning the project.

- **Industrial Estate SAVLI** –
- a number of MNCs like SIEMENS DuPont (Pesticide unit), Bombardier etc. have established their industries.
- The status of Savli Industrial Estate is as under;
- Established during 1996
- Total area-814 hectares
- Biotech Park-90 hectares
- Export Promotion park- 80 hectares
- Industrial zone for Automobile Ancillaries, Light & Heavy Machinery, Engineering Plastics, Electronics etc.
- Functioning industries- 400 units
- Type of industries- SIEMENS (Elect), TDW (Pipelines), Bombardier (Metro train compartment), Neta Film Irrigation etc
- GIDC maintains Industrial Estate Realize service charge Rs. 1.65 per sq.mtr (service charges = Expenditure of last year + 15% overhead + 15% interest divided by 90% of allotted area)
- Maintenance spent about Rs. 2.00 crores / annum and Association is participating.
- Water bill Rs. 30.75 per 1000 ltrs (Govt. bill Rs. 14.10 per 1000 ltrs)

- **Dahej PCPIR** area in the Bharuch district
- GIDC Planning the Daheja area is 2500 hectares. In the 1st phase they had developed 1200 hectares and 2nd phase 600 hectares. In this industrial Estates they have made zoning system for different activities – SEZ, Chemical units, Engineering units etc. Major industries like Adani Power, Aditya Birla Copper, Reliance, Adani Patronet Port (for LNG terminal), ABG Shipyard, Gujarat Narmada valley fertiliser plant etc. have been located in this PCPIR. GIDC had made 2 and 4 lane wide pucca roads, provided power supply line, drainage system and water supply from River Tapi of about 14 Kms length. For development of the Industrial Estate/roads, all the companies have contributed to common pool to SPV. By contribution of the industries a narrow gauge railway line has been converted to broad gauze Rly line. At Atali they had developed 150 hectares land for residential housing scheme and land were allotted to all the interested companies. Land cost of the area is Rs. 47.00 lakh per acre. The rate of power is Rs. 7.00 per unit to industry and Rs. 5.00 per unit for domestic use.

- **GIDC (Lothika) Industrial Estate** is situated on Rajkot-Kalawad SH No.23 at the distance of 12 k.m. from the municipal limit of Rajkot city. As it is located near by village Metoda, estate is well popular as GIDC METODA also.

- Industrial Estate was established in 1990. This Estate comprises of 424 hectares of land which has been divided into 1500 plots and is fully equipped with infrastructural facilities required for the development of industry. At present more than 1200 industrial units of different kind, mainly Engineering, Plastic, packaging, food processing and others i.e. building materials, pharmaceutical, old storage etc. are working in the estate. The estate with capital investment around of Rs.3000 crores is generating employment of 22,000 and also achieved the export of Rs.590 crores in year 2011-12.GIDC (LODHIKA) INDUSTRIAL ASSOCIATION was formed in year 1996 registered as charitable Trust vide Regd. no. F-797, with object to develop, upgrade and simultaneously to maintain the infrastructure facilities and estate properly.

- Besides to represent the issues of the industrialist to the competent authority for the solution of grievances. In addition to industrial development activity, it also conducts the social and educational activity for the development of the society. The association initially started with six members has a crossed the strength of members more than 1000 by year end 2012. Keeping the estate neat and clean by the Association, it was declared as the BEST INDUSTRIAL ESTATE of the State by the State Government and also awarded by the 1st prize under “Nirmal Gujurat” Abhiyan – 2008. It moves very fast to make the estate as Model Estate for the Nation. For critical infrastructure (one time investment) like water supply, roads, drainage which involve large amount, the contribution of State Govt., GIDC and Association is as follows.
- ● State Govt. contribute – 50% of the estimated amount,
- ● GIDC contributes – 30% of the amount and
- rest 20% borne by the Association. Approximate cost of annual maintenance of water project comes to Rs. 3.00 lakh and for road maintenance Rs.4.00 lakh.