dholera
A NEW ERA

EXPRESSION OF INTEREST FOR
DEFENCE INDUSTRIES
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   Timeline
For development of Dholera, The Government of India through Delhi Mumbai Industrial Corridor (DMIC Trust) and the Government of Gujarat through Dholera Special Investment Regional Development Authority (DSIRDA) have formed a Special Purpose Vehicle (SPV), ‘Dholera Industrial City Development Ltd’ (DICDL) on Jan 28, 2016. The SPV comprises of 51% stake of Government of Gujarat through DSIRDA and 49% stake of Government of India through DMIC Trust.

DICDL has been formed with an initial capital of Rs. 6000 crore out of which Rs. 900 crore has already been released by the DMIC Trust against equity contribution for the Activation Area work. The equity on part of GoG through DSIRDA is in the form of land, which is allocated to DICDL. The DMIC trust has approved INR 4400 Crores for the Activation trunk infrastructure projects.

The Indian Green Building Council (IGBC) has awarded the prestigious “Platinum Rating” for Green Cities to Dholera Special Investment Region (DSIR). Dholera is the first city in India and probably the world having achieved a Platinum rating.

“Dholera has truly surpassed all expectations in green design and is the role model for future India”
Dr Prem Jain, IGBC Chairman
DICDL Board of Directors

M K Das, IAS,
Chairman
Principal Secretary, IMD, Gujarat

Jai Prakash Shivahare, IAS
Managing Director
Chief Executive Officer, DSIRDA

Alkesh Kumar Sharma, IAS
Director
Chief Executive Officer & Managing Director, DMICDC

Sanjiv Kumar, IAS
Director
Secretary (Economic Affairs), Finance Department, Gujarat

Pradeep Kumar Agarwal
Director
Chief Finance Officer, DMICDC

Abhishek Chaudhary
Director
Vice President & Company Secretary, DMICDC

V C Pisipati Prasad
Director
Chief Town Planner, GIDB
National Industrial Corridor Development & Implementation Trust
NICDIT

NICDIT is an apex body under the administrative control of DIPP for coordinated and unified development of all the industrial corridors in the country. It will channelize the Government of India (GoI) funds as well as institutional funds while ensuring that the various corridors are properly planned and implemented keeping in view the broad national perspectives regarding industrial and city development and will appraise and approve projects and support project development activities. It will coordinate all central efforts for the development of Industrial Corridor projects and will monitor their implementation.
1. Introduction & Background

Delhi Mumbai Industrial Corridor (DMIC) Development Corporation (DMICDC)

Delhi - Mumbai Industrial Corridor (DMIC) is India’s most ambitious infrastructure programme aiming to develop new industrial cities as “Smart Cities” and converging next generation technologies across infrastructure sectors. The objective is to expand India’s Manufacturing & Services base and develop DMIC as a “Global Manufacturing and Trading Hub”. The programme will provide a major impetus to planned urbanization in India with manufacturing as the key driver. In addition to new Industrial Cities, the programme envisages development of infrastructure linkages like power plants, assured water supply, high capacity transportation and logistic facilities as well as softer interventions like skill development programme for employment of the local populace. In the first phase eight new industrial cities are being developed. The programme has been conceptualized in partnership and collaboration with the Government of Japan.
India: Defence Sector

Highlights

India has the third largest Army, the fourth largest Air force and the seventh largest Navy in the world. India is among the top 10 countries in the world in terms of military expenditure and world’s largest arms importer.

![Military Spending 2017](image)

- **Sixth biggest Defence spender in world**
  - India allocates about 2.5% of its GDP towards defence spending.

- **Largest importers of conventional defence equipment**
  - 40% is allocated to capital acquisitions and only about 30% of India’s equipment is manufactured in India.
  - India is among the top five arms importer, besides China, Pakistan, the UAE and Saudi Arabia.

- **Change of FDI norms to boost inflow**
  - 100% FDI is allowed, out of which up to 49% is under automatic route. FDI above 49% is permitted through Government route on case to case basis.

- **Level playing field for DPSU and private companies**
  - Preferential treatment given to DPSUs in excise duty/custom duty has been discontinued
  - After opening of defence sector for private participation, DIPP has so far issued 222 LOIs and issued Industrial Licences (ILs) to more than 150 companies for manufacture.
  - 46 companies have so far reported commencement of production.

- **Defence Procurement Procedure (DPP)**
  - DIPP amended to promote ‘Buy Indian’ and ‘Buy and Make Indian’ over ‘Buy Global’.
  - India’s focus on indigenous manufacturing paid off as several products were manufactured in India such as HAL Tejas Light Combat aircraft, Sonar dome, Portable Telemedicine System, PCB and TB ammunition for Arjun Tanks, etc.

Notes: GDP - Gross Domestic Product; FDI - Foreign Direct Investment; DPSU - Defence Public Sector Undertaking; PCB - Penetration-Cum-Blast; TB - Thermobaric; DIPP - Department of Industrial Promotion and Policy

Source: Overview of Defence Manufacturing in India - Singhania & Associates; Make in India Achievement Report, GoI
Exports have increased over number of years

- During FY 2015-16, INR 2,059.18 crore worth of defence platforms, equipment and spares manufactured in India were exported to more than 28 countries.
- Some of the major defence equipment exported by Defence Public Sector Undertakings (DPSUs) and Ordnance Factory Board (OFB) are Patrol Vessels, Helicopters & their spares, Sonars & Radars, Avionics, Radar Warning Receivers (RWR), Small Arms, Small Caliber Ammunition, Grenades and Telecommunication equipment.
- DPSUs have been permitted to export upto 10% of their annual production to explore market opportunities for exports.

Defence Acquisitions has reached new height after amended Defence Procurement Procedure (DPP)

Contracts signed of Value
₹ 1,13,995 Crores

LOI for 12 Mine Counter Measure Vessels issued worth
₹ 32,640 Crores

Various acquisitions under progress
- Long range maritime patrol aircraft
- Multi role Combat Aircrafts
- Twin engine helicopters
- Ultra - Light Howitzers

Source: Defence Manufacturing Sector - Achievement Report, Government of India
Market Potential of Indian Armored Defence Vehicles

- Indian armored defence vehicle market stood at around US$ 1.5b in 2015 and is expected to reach US$2.1 by 2025, growing at a CAGR of 3.4%. India's exports expanded at a CAGR of 4.47 per cent to US$ 276.28 billion in FY17.
- The steep fall in 2021 is majorly due to expected end of procurement of T-90S tank under MBT category in 2020.
- The industry is likely to provide cumulative market opportunity of around US$19.9b during 2015-25 driven by favorable government policies and India’s enhanced focus on border and internal security.

![Graph showing Market Potential of Indian Armored Defence Vehicles](source: Vibrant Gujarat 2017 - Government of Gujarat)

Market Potential of Indian Navy Vessels

- During 2015-2025, the Indian naval vessels and surface combatant market is expected to grow at a robust pace of 3.4% per year to reach US$4 billion per year in 2025 from current level of US$2.9 billion (in 2015)
- The spending levels are expected to rise driven by rising activities in the coastal regions by neighbors especially China
- The key programs expected to be executed till 2025 includes, Project 17A Stealth Frigates, which aims to procure seven stealth frigates; Missile Stealth Destroyers Project-15B, which aims to deliver four guided-missile stealth destroyers in order to replace the Indian Navy’s aging Rajput class destroyers.

Notes: CAGR = Compound Annual Growth Rate
Source: Vibrant Gujarat 2017 Project Profiles, Government of Gujarat
2. Defence Sector

Growth Drivers for Defence Manufacturing

- Modernization of Indian Navy and focus on maritime surveillance
  - India has explicitly spelt out in the Long Term Integrated Perspective Plan (LTIPP), for military modernization, covering the period up to 2027.
  - India has prioritized the enhancement of overall coastal and marine security and setting up a special security force Sagar Prahari Bal (SPB).

- Indigenous manufacturing of defence equipment
  - The private players are also allowed and various exemptions such as license charges, expenditure on purchase, lease or rental of land/land rights, capital expenditure, etc. are provided to boost private participation in the defence sector.

- Labour Cost Advantage
  - Compared to other defence manufacturing destinations such as Russia and South-East Asia, the engineering labour cost offer a 20-30% cost advantage while the manufacturing labour cost advantage is around 15-25%.
  - These advantages are even higher when compared with Europe and North America.

- Simplification of procedures for Buy and Make Indian
  - Defence Procurement Procedure (DPP) 2013 and 2016 have given highest preference to Buy and Make (Indian) category for any requirement allowing the private industry to participate in maintenance and transfer of technology (ToT) thereby providing a level playing field to it with foreign OEMs and DPSUs.

Notes: OEM - Original Equipment Manufacturer; DPSU - Defence Public Sector Undertaking
Source: Vibrant Gujarat 2017 Project Profile. Government of Gujarat
Gujarat - The Ideal Investment Destination

Highlights

» Ranked amongst top 3 in Ease of Doing Business in 2016 amongst all states of India by Government of India and World Bank
» Adjudged the Best State of India by India Today in its annual “State of the States” survey 2015
» Ranked as the Top State for investment in India by the National Council of Applied Economic Research
» Contributes 19% to India’s industrial output with 5% of India’s total population and with 78.03% of literacy rate
» The FDI Inflow totaled to USD 13.28 billion during April 2000-2016. This accounts for 4.6% share in the overall FDI inflows in India
» Gujarat Gross State Domestic Product (GSDP) growth rate is 15.7% for the year 2015-16
» State contribution to Manufacturing sector to GSDP is 31.10%

Market Opportunity

The state has formulated the Aerospace and Defence Policy (2016 - 2025) to attract investments with following objectives:

- Attract 10% by value of orders of the defence sector in India over the next 10 years
- Attract five mega A&D enterprises to the State in the next 5 years
- Develop A&D ecosystem in the State
- Create 20,000 direct / indirect jobs in the A&D sector over the next 10 years

Proximity to Sea Ports

The coastline of Gujarat has gives access to 45 major and minor ports. The import of raw materials is cheap and the State has fantastic last mile connectivity through road and rail.

Proximity to Airports

Air cargo facilities are extremely essential for aerospace components manufacturing industries. Dholera with its own international airport is a unique advantage in addition to three existing airports at Bhavnagar, Ahmedabad & Vadodara.
The other advantages which gives competitive edge to Gujarat are mentioned below.

**Other Advantages**

**Flourishing economy**
Gujarat contributes 7.2% of the nation’s GDP and shows leadership in many areas of manufacturing and infrastructure sectors. Gujarat’s SDP (State Domestic Product) at current price registered a growth of 11% during the FY 2014-15.

**Strategic location and excellent infrastructure**
Located on the west coast of India, Gujarat is well connected to the major cities of the world by air and sea routes. The state has 45 ports, 12 domestic airports and 1 international airport in addition to an extensive rail and road network.

**Easy availability of raw materials**
MSMEs play an important role in the defence components manufacturing supply chain as most large companies use MSMEs to deliver significant parts of their projects. Many key industrial clusters such as foundry & forgings, steel pipes and tubes, steel re-rolled products and fabricated metal products are located in close vicinity of industrial hubs such as Dholera Special Investment Region.

**Skill development**
Gujarat has good infrastructure for education with premier institutes in engineering, management, design and infrastructure planning. There are industrial training institutes in each district to train manpower for the shop floor level. The government has encouraged skill development programmes. The skill development budget has increased from INR 107 crores in FY 2001-02 to INR 1000 crores in FY 2013-14.

**Better social infrastructure**
Gujarat has one of the lowest cost of living amongst the Indian states, is safer and relatively less congested & polluted, offering better living standards to inhabitants and providing a better environment to work.

Source: Vibrant Gujarat Summit 2017 - Government of Gujarat
Measures Supporting Growth of Defence Industries

Government of India

Encouragement to FDI

- 100% FDI is allowed in defence sector, out of which up to 49% is under automatic route.
- FDI above 49% is permitted through Government route on case to case basis where it is likely to result in access to modern technology.

Defence Procurement Procedure (DPP) 2016

- It has introduced specific provisions that will act as a growth stimulus to the domestic defence industry.
- In order to promote indigenous design and development of defence equipment, DPP 2016 has introduced the Buy-IDDM (Indigenously Designed, Developed and Manufactured) category of acquisition and accorded it the top most priority.

Offset Policy

- At least 30% of the contract value (those exceeding 300 crore INR) has to be ploughed back into the Indian defence industry as offsets. This can be either in the form of:
  - Direct purchase from Indian enterprises
  - FDI in Indian enterprises
  - ToT to Indian enterprises
  - Equipment to Indian enterprises
  - Equipment/ToT to Government Institutions
  - Advanced Technology acquisition by DRDO

Notes: FDI – Foreign Direct Investment, GOI – Government of India; ToT - Transfer of Technology; DRDO - Defence Research and Development Organization; INR - Indian Rupee
Source: Ministry of Defence, Government of India
Government of Gujarat

Industrial Licenses granted for firms willing to manufacture in Gujarat
- 22 Nos. of Industrial Licenses to Gujarat and same nos. of licenses to Maharashtra.

Excellent Technical Educational for Aerospace and Defence industries
- Gujarat has seven institutes which offers engineering courses for Aeronautics

A Manufacturing Hub
- Gujarat has a plethora of companies manufacturing precision engineering goods which can be further aligned with the Defence offset sector's requirement.
- Gujarat aims to target 35% of the possible Defence Off-sets to be sourced from India

Role of MSMEs in Gujarat
- Gujarat stands 1st in terms of the asset base of the MSME sector, according to the Fourth Census of MSME's
- Collaboration of large business houses with Gujarat's SME's and MSME's, can help transform Indian Aerospace & Defence ecosystem

Centre of Excellence in Aerospace and Defence
- Government of Gujarat has sanctioned to establish Siemens Center of Excellence in Aerospace & Defence at L D College of Engineering, Ahmedabad by signing a MoU in 2013

Gujarat Forensics Sciences University
- A state-of-the-art Ballistic Armored Materials Testing Range and Research Centre has been inaugurated at Gujarat Forensic Sciences University

Policies and Incentives
- Incentives provided by Government of Gujarat to boost Aerospace sector through Aerospace and Defence Policy (2016-25). Incentives are mentioned in next section

Notes: MSME - Micro, Small and Medium Enterprise; MoU - Memorandum of Understanding;
Source: Vibrant Gujarat Investor Summit 2017, Government of Gujarat
# Incentives

## Government of India

### Export linked

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export Oriented Unit</td>
<td>Exemption/Refund of various indirect taxes such as customs duty, excise duty on the procurement of capital goods and inputs (as the case be) for permitted operations</td>
</tr>
<tr>
<td>Export promotion capital goods</td>
<td>Allows duty-free procurement of capital goods by exporters, subject to the fulfillment of export obligation and other specified conditions</td>
</tr>
<tr>
<td>Duty Free Import Authorization Scheme</td>
<td>Permit the import of inputs without customs duty, subject to the fulfillment of value-added norms and export obligation</td>
</tr>
<tr>
<td>Served from India Scheme</td>
<td>Available to specified service providers having service exports of ₹ 1 million or more – for import/procurement of spares, office equipment, furniture and consumables. Post export benefit allowed by way of duty credit scrip equivalent to 10% of the net foreign exchange earned in the current financial year</td>
</tr>
<tr>
<td>Duty drawback</td>
<td>Post export benefit to allows rebate of taxes and duty paid on inputs and input services used in the manufacture of exported goods at prescribed rates</td>
</tr>
<tr>
<td>Focus Product Scheme</td>
<td>Post export benefit allowed by way of duty credit scrip equivalent to a specified percentage of the FOB value of exports of specified products to any country/all products to notified countries</td>
</tr>
</tbody>
</table>

### Activity based

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted Deduction for R&amp;D facilities</td>
<td>In-house R&amp;D facility eligible for deduction @ 200% under the Act</td>
</tr>
<tr>
<td>Employment of New Workmen</td>
<td>Deduction equivalent to 30% of additional wages/salary (over and above expenditure on wages/salary) available for three years in respect of new workmen employed</td>
</tr>
</tbody>
</table>

Source: Tax Incentives in India, Ernst & Young
Defence Procurement Procedure 2016

It has introduced specific provisions that will act as a growth stimulus to the domestic defence industry. In order to promote indigenous design and development of defence equipment, DPP 2016 has introduced the ‘Buy-IDDM’ category of acquisition and accorded it the top most priority. For the first time ever, provision to procure equipment with enhanced performance parameters, has been accounted for – this will enable the armed forces procure the most advanced weapon systems available in the market. DPP 2016 also provides greater impetus to the MSMEs, with certain category of ‘Make’ projects reserved exclusively for them.

<table>
<thead>
<tr>
<th>Acquisition Categories in Order of Priority</th>
<th>Buy - IDDM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement from an Indian vendor meeting one of the two conditions: (1) products that have been indigenously designed, developed and manufactured with a minimum of 40% IC on cost basis of the total contract value; (2) or products having 60% IC, which may not have been designed and developed indigenously. Apart from overall IC as detailed above, the same percentage of IC will also be required in (a) Basic cost of equipment; (b) Cost of MRLS; and (c) Cost of SMT and STE</td>
<td></td>
</tr>
</tbody>
</table>

Buy (Indian)
Procurement of products from an Indian vendor having a minimum of 40% IC on cost basis of the total contract value.

Buy and Make (Indian)
Initial procurement of equipment in Fully Formed (FF) state from an Indian vendor engaged in a tie-up with a foreign OEM, followed by indigenous production in a phased manner involving Transfer of Technology (ToT) of critical technologies as per specified range, depth and scope from the foreign OEM. A minimum of 50% IC is required on cost basis of the Make portion of the contract.

Buy and Make
Initial procurement of equipment in Fully Formed (FF) state in quantities as considered necessary, from a foreign vendor followed by indigenous production in a phased manner involving Transfer of Technology (ToT) of critical technologies as per specified range, depth and scope from the foreign OEM. A minimum of 50% IC is required on cost basis of the Make portion of the contract.

Buy Global
Outright purchase of equipment from foreign or Indian vendors. In case of procurement through foreign vendors, Govt. to Govt. route may be adopted, for equipment meeting strategic/long term requirements.

Note: IDDM - Indigenous Designed Manufacturing; IC - Indigenous Content; MRLS - Manufacturers’ Recommended List of Spares; SMT - Special Maintenance Tools; STE - Special Test Equipment; Source: Defence Procurement Procedure 2016 - Government of India
## Incentives

### Government of Gujarat

### Aerospace and Defence

#### CATEGORY OF INDUSTRY AS PER POLICY

<table>
<thead>
<tr>
<th>Category</th>
<th>EligibilityDetails</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mega A&amp;D Enterprise</td>
<td>Global/Indian OEM which makes investment of ₹ 500 Crores or above at the time of commencement of production Has on hand A&amp;D orders of ₹ 50 Crores or ore at the time of commencement of production</td>
</tr>
<tr>
<td>Large A&amp;D Enterprise</td>
<td>Investment lower than 500 Crores and above than prescribed for medium enterprise as per MSME Development Act, 2006 of GOI</td>
</tr>
<tr>
<td>MSME A&amp;D Enterprise</td>
<td>As per the conditions mentioned in MSME Development Act, 2006</td>
</tr>
</tbody>
</table>

Source: Industrial Policy 2015, Government of Gujarat

### Incentives offered as per policy

#### Capital Investment Subsidy to MSME A&D enterprises

1) Micro units: 25% of eligible fixed capital investment with ceiling of ₹12.5 lakh.
2) Small units: 25% of eligible fixed capital investment with ceiling of ₹1.25 crores.
3) Medium units: 25% of eligible fixed capital investment with ceiling of ₹2.5 crores

#### Land

100% reimbursement of the stamp duty as well as registration fee paid to Government towards lease/sale/transfer of land. Government will support A&D testing ranges/sites in State for testing of products

#### Interest Subsidy

1) Mega A&D - ECB or DB - maximum of 2-5% or 50% of interest rate whichever is lower; up to ₹ 10 Crores per annum for 5 years
2) Large A&D - ECB or DB - maximum of 2-5% or 50% of interest rate whichever is lower; up to ₹ 5 Crores per annum for 5 years
3) MSME - ECB or DB - maximum of 2-7% or 50% of interest rate whichever is lower; up to ₹ 1 Crore per annum for 5 years

Note: ECB - External Commercial Borrowing; DB - Domestic Borrowing

Source: Aerospace and Defence Policy (2016-25), Government of Gujarat
## Incentives offered as per policy

<table>
<thead>
<tr>
<th>Incentive Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GST Reimbursement</strong></td>
<td>SGST will be reimbursed subject to overall ceiling of 90% of GFCI as maximum eligibility for reimbursement. It will be allowed for 10 years from the date of production. Quantum of incentive is under examination</td>
</tr>
</tbody>
</table>
| **Power Tariff and Electricity Duty** | 1) Power tariff subsidy at ₹ 1 per unit in the billed amount for period of 5 years  
2) 100% reimbursement for electricity duty paid by it for period of 5 years from the date of commencement of production  |
| **Skill Development**             | 1) Mega A&D - 50% of cost of training up to maximum of ₹ 1 lakh per employee per annum for 25 employees  
2) Large A&D - 50% of cost of training up to maximum of ₹ 1 lakh per employee per annum for 20 employees  
3) Large A&D - 70% of cost of training up to maximum of ₹ 10000 per employee per annum for 10 employees  |
| **R&D Support**                   | 50% capital subsidy to maximum of ₹ 5 Crores                                                                                                                                                    |
| **Equity Support**                | Government may participate in the equity share capital of Mega or Large A&D enterprise directly or through State PSU                                                                                     |
| **Patent Assistance**             | Assist MSMEs in patent and copyrights                                                                                                                                                                |
| **Quality Certification**         | Assistance in obtaining quality certification                                                                                                                                                        |

## Single Window Clearance

**Single Window Clearance Act, 2017** is in force to provide speedy process of various licenses, clearances and certificates for setting up industrial units and also to provide investor friendly environment in the state.

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Note: GST - Goods and Service Tax; GFCI - Gross Fixed Capital Investment; R&D - Research and Development; MSME - Micro, Small and Medium Enterprise

Source: Aerospace and Defence Policy (2016-25), Government of Gujarat
Advantage Dholera

Dholera in the state of Gujarat is the largest Greenfield Smart city being built under the DMIC. It is planned for 920 square kilometres over 30 years. An Activation Area, the first phase of 22.54 square kilometres (5600 acre) is under construction and will be ready for operation in 2019.

Activation Area majorly consist of industrial land use and residential land use with 50% and 28% respectively. Along with it, Activation area also includes Mixed land use (High Access Corridor), Recreational & Sports and Tourism land uses.

Large and Contiguous Land Parcels

Dholera offers the largest land parcels in any city in India and perhaps South Asia. Land parcels range from 5 hectares to 140 hectares and can be combined to produce parcel size up to 750 hectares.

The plot size requirement of Defence industries vary from 40 hectares to 80 hectares. Dholera has large land parcels which can be utilized to form Defence Manufacturing Cluster for manufacturing industries.
Advantage Dholera

Defence and Aero Manufacturing Clusters
- Provision of Helipad
- Adequate space for Testing Airstrip / Runway
- Strategic location of Ancillary Industries
- Future expansion of industries possible

Proximity of Dholera International Airport
- Proposed International Passenger and Cargo Terminal
- Two runways for smooth operation
- Great potential to setup MRO

Development of R&D Facilities
World Class Infrastructure

Exceeds world class standards for performance and sustainability. Dholera will use ICT as an underlying enabler in all spheres of the city and will integrate multiple essential disciplines, facilitate ease of doing business and ease of living along with a platform for efficient operations and administration. Dholera’s Command and Control Centre is designed to oversee safety & security and will provide collaboration among city departments e.g. utilities, traffic management, emergency response for orchestrated functioning thus enhancing city livability.

Sustainability

Zero waste discharge by treating, recycling & reusing 100% of the wastewater generated to tertiary standards for non-potable and industrial use while implementing best practices such as smart metering and SCADA to minimize losses.

Capture storm water runoff to minimize flooding and property damage. Implement a rain water harvesting system through an open earthen canal which will allow aquifer recharge and reuse of water for irrigation.

100% collection of solid waste with no sights of public dumping and foul odour. Biodegradable solid waste will be treated for use as compost and to generate energy.
Plug & Play

Building this city from the ground up, the vision is to have a ‘Plug & Play’ approach wherein all land parcels are fully ICT enabled and completely built up infrastructure is offered right at the plot level. Dholera is unique in, that, it is the first city in India where all underground utilities Gas, Power, Potable water, Recycled water, Sewage pipes and Storm water are pre-planned for implementation, with the capability of handling the growing demands of the city.

Live Work Play

True to its name, Dholera Industrial City focuses on catering to the needs of businesses and industries. While the businesses and industries will create jobs for people to come to Dholera for work, the residential zones will ensure that the employees and their families can walk to work & improve their quality of life in a pre-planned city ensuring the requirement of its citizens to fulfill their aspirations.

There is a paradigm shift in the manner in which cities are being planned and designed; the problems our existing cities face in terms of safety, traffic congestion, lack of open green spaces or social/cultural facilities directly informs what all we need to address or incorporate in our future cities. Research has consistently shown that cities where people walk more and drive less are healthier cities. The automobile is losing out to the transit and pedestrians, and people (resident, visitors and workers) are the main focus of city-building. In Dholera planning, the distribution of open green spaces and social infrastructure builds upon the core strategy of creating a city for the people. Based upon this strategy, the guiding principle of Live-Work-Play was adopted. The guiding principle emphasizes creating a People Centric City; creating a Smart City with smart social and physical infrastructure with more pedestrians and cycle tracks and creating a city that integrates arts, culture, and education for socio-economic growth of its inhabitants.
Walkability Index

- Neighbourhood park: 400 meter
- Community park: 800 meter
- Linear park: 1500 meter
- Regional park: 4000 meter

5% of total area earmarked for parks and open green spaces

Provision of walkways and cycle track in Row

Shaded pathways and large green public activity spaces
3. Advantage Dholera

Open space framework

Neighbourhood park

Community park

Linear park

Regional park
Utilities (Water & Waste Water)

**24 X 7 Potable water supply**

Permanent source of 100 MLD Raw water

Smart metering with 100% coverage

50 MLD Water Treatment Plant (WTP) is under construction

Potable water quality parameters are as below:

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Color, Hazen units, Max.</td>
<td>Not more than 5</td>
</tr>
<tr>
<td>pH</td>
<td>6.5 - 8.5</td>
</tr>
<tr>
<td>Turbidity (NTU)</td>
<td>&lt;1</td>
</tr>
<tr>
<td>Total suspended solids (mg/l)</td>
<td>Not more than 1</td>
</tr>
<tr>
<td>Taste</td>
<td>Unobjectionable</td>
</tr>
<tr>
<td>Odour</td>
<td>Unobjectionable</td>
</tr>
</tbody>
</table>

**24 X 7 Recycled water supply**

Dual plumbing system for residential areas

Smart metering with 100% coverage

Defence Industries are allowed to dispose effluent in city network after treating to following effluent parameters:

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>pH</td>
<td>5.5 - 9</td>
</tr>
<tr>
<td>Colour (Hazen)</td>
<td>&lt;100</td>
</tr>
<tr>
<td>Oil &amp; Grease (mg/l)</td>
<td>&lt;100</td>
</tr>
<tr>
<td>Liquid Temperature (max.)</td>
<td>450 C</td>
</tr>
<tr>
<td>BOD5 (mg/l)</td>
<td>500 - 600</td>
</tr>
<tr>
<td>COD (mg/l)</td>
<td>1200 - 1500</td>
</tr>
<tr>
<td>Total suspended solids (mg/l)</td>
<td>&lt; 500</td>
</tr>
<tr>
<td>Chlorides (mg/l)</td>
<td>500 - 600</td>
</tr>
</tbody>
</table>

**Parameters**

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coliform Organism</td>
<td>Absent</td>
</tr>
<tr>
<td>Aluminium</td>
<td>&lt;0.2</td>
</tr>
<tr>
<td>Free chlorine at clear water reservoir outlet (mg/l)</td>
<td>Not less than 0.4</td>
</tr>
<tr>
<td>Appearance</td>
<td>Clear</td>
</tr>
<tr>
<td>Bacteriological Standard</td>
<td>No Coliform for 100% sample</td>
</tr>
</tbody>
</table>

**100% collection of domestic waste water and Industrial effluent**

**100% recycling and reuse**

10 MLD Sewage treatment Plant (STP) is under construction

20 MLD Common Effluent treatment Plant (CETP) is under construction
Utilities (Solid waste, Power & ICT)

100% waste collection
City Integrated waste management system for domestic, Industrial and hazardous waste

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic waste</td>
<td>Treatment of recyclable material such as Glass, metal, plastic, paper etc through registered vendors</td>
<td>Landfill site for disposal of inert waste</td>
<td>Incineration Plant for Treating industrial waste</td>
<td>Dedicated E-waste recycling in Integrated SWM Facility</td>
</tr>
</tbody>
</table>

24 X 7 Power supply
Dual circuit network with redundant power source for backup
100% underground power distribution network
Power quality parameters are as below:

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Value</th>
<th>Type of System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Loss</td>
<td>Less than 5%</td>
<td>Energy Management System (EMS)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gas Insulated Switchgears and SVCs</td>
</tr>
<tr>
<td>Commercial Loss</td>
<td>Less than 5%</td>
<td>Distribution Management System (DMS)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Advanced Metering Infrastructure (AMI)</td>
</tr>
<tr>
<td>Scalability</td>
<td>-</td>
<td>SCADA</td>
</tr>
<tr>
<td>Voltage Variation</td>
<td>+5</td>
<td>Static Var Compensator (SVC) are part of the AC transmission system device regulating voltage and harmonics</td>
</tr>
<tr>
<td>Total Harmonic Distortion</td>
<td>+5</td>
<td></td>
</tr>
<tr>
<td>Power Factor Correction</td>
<td>Less than 15%</td>
<td>Automatic Power Factor Controller Panels (APFC)</td>
</tr>
<tr>
<td>Zero Outage</td>
<td></td>
<td>Smart grid with Fault passage indicators</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Outage Management System (OMS)</td>
</tr>
</tbody>
</table>

100% Coverage with Fiber Optical cables
ICT enabled city infrastructure
Integrated City Operation Centre (CIOC) to control and manage city operations
City wide WiFi and networking
Housing Provision

As per the report of National Skill Development Corporation (NSDC) in 2014, the manpower from the different sectors of industry consists of the following:

- **Experts**: 4 - 5%
- **Supervisory staff / Technical**: 49 - 50%
- **Non - Technical Staff**: 25 - 27%
- **Field staff**: 19 - 21%

Approximately more than two-thirds of the manpower consists of Supervisory staff, Non-Technical and field staff, the Defence industry requires housing provision for Economic Weaker section (EWS) or Middle Income Housing (MIG).

 Activation Area consist of almost 650 hectares of land dedicated for residential development which accommodate High, Medium and Low density development. During the planning phase, housing provision for Economic Weaker Section (EWS) has been considered and land is reserved. The map below shows the identified EWS housing clusters within Activation Area:
External Connectivity

Ahmedabad to Dholera 6 lane expressway 100km
Ahmedabad to Dholera Mass Rapid Transit System (MRTS) line 87km
Dedicated Freight Rail line connecting to DFC 35km
Dholera International Airport

Mundra Port - 6 hours
Pipava Port - 2 hours
Ahmedabad Airport - 2 hours
Dedicated Freight Corridor (DFC) - 1.5 hours
Dholera Airport - 15 mins

Proposed Infrastructure

Ahmedabad to Dholera 6 lane expressway 100km
Ahmedabad to Dholera Mass Rapid Transit System (MRTS) line 87km
Dedicated Freight Rail line connecting to DFC 35km
Dholera International Airport
Dholera will be a sustainable Greenfield Industrial City planned and located approximately 100km south of Ahmedabad. The project as envisaged will be the first initiative from DMIC-DC to create a linear zone of industrial clusters and the nodes will be developed in the influence area of Western Dedicated Freight Corridor (DFC). As a new city by 2040, Dholera will cater to a population of 2 million and an employment base of over 8,00,000.

The Development Plan for Dholera has been prepared and sanctioned. It is divided into three phases with phase-I constituting an area covering 158sqkm.

To trigger the development of Dholera, an Activation Area is identified which acts as a catalyst for further investments and attracts local and global investors. The Activation Area is spread across an area of approximately 22.5sqkm. The area has approximately 72kms of roads and an optimum mix of land use comprising of industrial, residential, mixed use, recreation and tourism. The area selected is based on immediate availability of land and its future status after implementation of TP schemes (area with the highest opportunity of commencement of site work).

**Development at a glance**

- Total area of Dholera: 920 square kilometers
- Developable area: 422 square kilometers
- Area to be developed in Phase I: 158 square kilometers
- Activation area (Part of Phase I): 22.54 square kilometers
Activation Area

The Activation Area is approximately 4.25% of the total developable area of Dholera. It can cater to a residential population of 1.2 lakhs with an employment of approximately 80,000 people by 2020. The Activation Area has a major portion of Government land (approx. 80%) which will provide ready to move plots with all the major trunk infrastructure at the door steps of each plot.
3. Advantage Dholera

Smart Governance

**Unified agency for all city operations:**
DICDL is the unified company to maintain and operate the city

**Environment Clearance:**
City wide environment clearance obtained from the Ministry of Environment, Forest and Climate Change

**Dholera Integrated Operation Centre (DIOC):**
Centralized city wide operation centre to operate and manage the entire city

Land Allotment & Pricing

- As per the approved Land Allotment Policy of DICDL, appropriate discount up to 50% on land price is provided to Anchor tenants
- Discount on 50% land price is provided for developing social infrastructure (health facility, educational facility and other public amenities) as per policy
- Transparent process of land allotment for different land uses

Highlights

- Land allotment within 17 days
- Land possession within 90 Days

Land Pricing

<table>
<thead>
<tr>
<th>Land use</th>
<th>Rate (per sq m)</th>
<th>Rate (per acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>INR</td>
<td>USD</td>
</tr>
<tr>
<td>Industrial</td>
<td>2750</td>
<td>42.79</td>
</tr>
<tr>
<td>Residential</td>
<td>4125</td>
<td>64.19</td>
</tr>
<tr>
<td>High Access Corridor</td>
<td>3438</td>
<td>53.50</td>
</tr>
<tr>
<td>Tourism and Resort</td>
<td>5500</td>
<td>85.58</td>
</tr>
<tr>
<td>Recreation &amp; Sports</td>
<td>2750</td>
<td>42.79</td>
</tr>
</tbody>
</table>

USD1 = INR65.00 on Apr 02, 2018
Land Allotment process
Shortest time frame for land allotment and land possession

Procedure of Land Allotment – FCFS Method

Online Application by Applicant

Submission of Application Form with Processing Fee

Form 1: Application Form

Presentation of Applicant’s proposal before Screening Committee

Screening of Proposal

Yes

Selection of Plot by Applicant

No

Resubmission or Cancellation of Application

Yes

Selection of Plot by Applicant

No

Cancellation of Application

Allotment Letter

Form 2: Allotment Letter

Down Payment (10%)

No

Cancellation of Application

Yes

Balance Payment (90%)

Ext. of time for bal. payment

No

Down Payment Forfeited

No

Execution of Lease Agreement and possession of site

Yes

Form 3: Allotment Letter

Form 4: Form of Agreement

Timeline (days)

PF

Presentation

7

AL

17

DP

25

BP

82

LA and possession

90

AL = Allotment Letter

BP = Balance Payment

LA = Lease Agreement

DP = Down Payment

PF = Processing Fee

FCFS - First come first served
Ease of Doing Business

Electronic Land Allotment System

- Online transparent system of Land Allotment
- Identified land bank – use of Web GIS to view parcels
- Hassle free online document submission
- Live updates on applications status

Direct link for Land Allotment: https://elas.dicdl.in

Direct link for WebGIS: http://dicdl.in/land-parcel-map/


**Construction Timeline**

Activation Area is scheduled to complete by September 2019.
4. Project Timeline

Timeline

It shows time required to set up of manufacturing unit overlapped on construction timeline of Activation Area.

- Land allotment
- Land possession
- Planning & Design
- EIA & other statutory approvals

Manufacturing industry setup

0 Month 3 Month 6 Month 9 Month 12 Month

Activation area

Sep 2018
Administrative & Business Centre for Dholera
4. Project Timeline

- Sep 2019
  72km Roads & Underground services

- Jun 2019
  Sewage & Common Effluent Treatment Plants

- Activation area ready for operation

- Operation & production
To know more and get in touch with us:

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**E:** hr@dicdl.in  |  **W:** www.dicdl.in

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