

14.2 Fact Finding

14.2.1 Site Description (Gurgaon)

(1) Geographical Setting

The geographical setting of the Gurgaon site is summarized in Table 14-2, and is illustrated on Fig.14-2. In the village of Kasan located west of the site, there is a Hindu temple. The hillock area that surrounds the southern area of the site is designated a natural preserve by the central government (Aravali Range). Prior permission is required as there are prohibitions to prevent physical alterations to the land.

Within 10 km of the site, there are 49 villages. The villages, including the previous eight villages, recorded a 1991 population of 97,874 persons. The railway station is located in the northern periphery in a 10 km radius. A resort club was constructed and two golf/resort clubs are under construction.

Major geographical findings within a 25 km distance that could become subjects of the SEIA are a bird sanctuary in the north, a resort lake in the south-east, a resort club, and a 9-hole golf course, and the City of Gurgaon. A water treatment plant is located in the north, and is undergoing construction. If completed, the capacity is estimated at 2 million gallons per day.

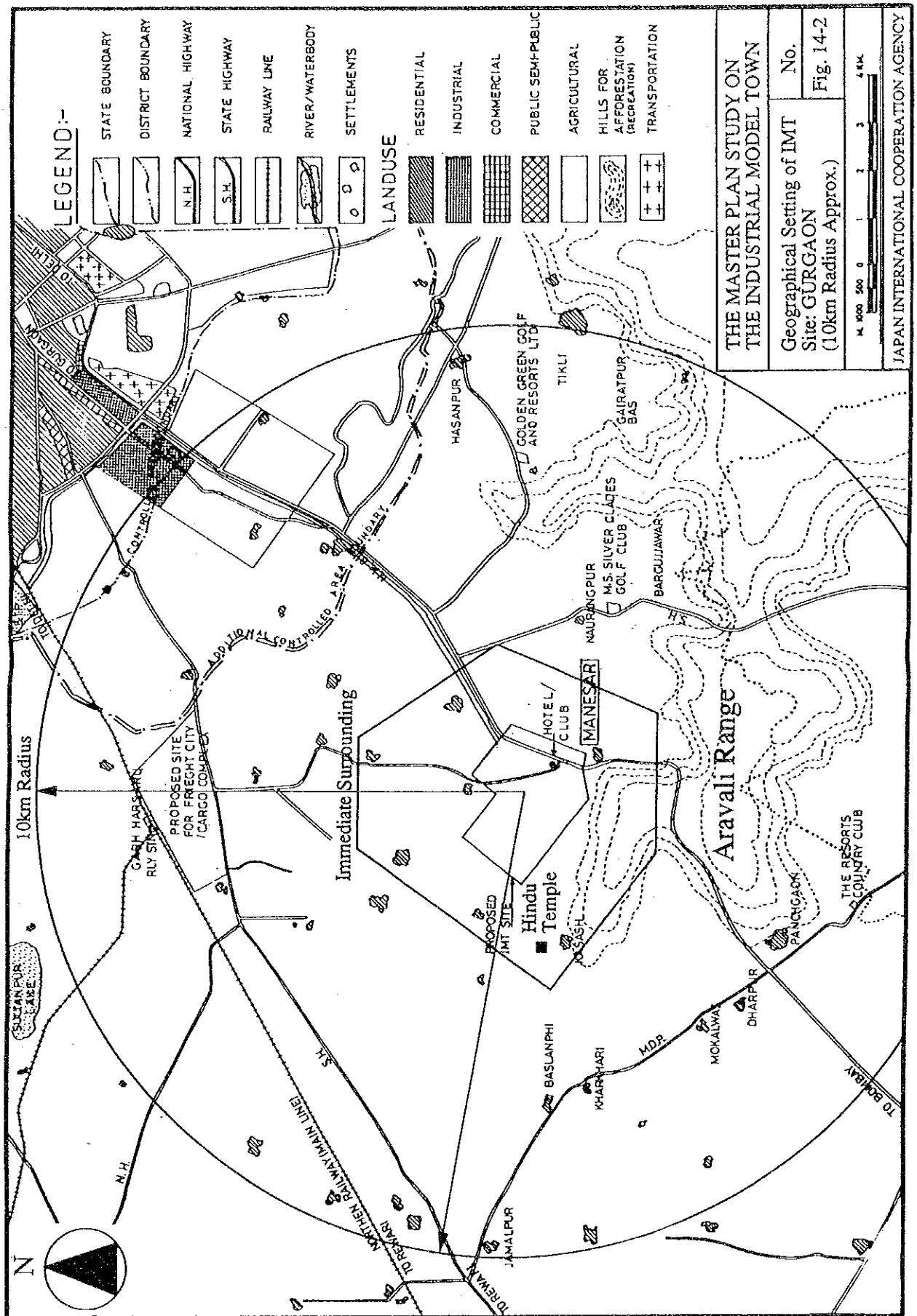
(2) Demographics

Within 10 km distance from the IMT candidate site, 57 villages were identified. The villages belong to three different administrative sub-districts: the Gurgaon tehsil, the Pataudi tehsil, and the Nuh tehsil. Among the villages, eight villages are in the immediate vicinity of Manesar, Lakhnola Naharpur Kasan, Nawada Fatehpur, Bangrola, Kankrola, Kasan, and Khoh. The population and the share of scheduled castes for the villages are listed in Table 14-3. Literacy rates for the villages are given in Table 14-4. The following demographic characteristics were identified.

Table 14-2 Geographical Summary of IMT Site in Gurgaon

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1. Within a IMT Site
 - 1) 600 ha agricultural land (wheat and mustard)
 - 2) Hotel (under construction)
 - 3) Chewing gum factory (under construction) and temporary housings for construction laborers
 - 4) Few residents in the site
 2. Immediate Surroundings
 - 1) Eight villages (Manesar, Lakhnola, Naharpur Kasan, Nawada Fatehpur, Bangrola, Kasan, Kankrola, Khoh)
 - 2) Puran Bhagat Mandir (Hindu temple)
 - 3) Aravali Ranges (Natural Preservation)
 - 4) Transportation
 - a. Trunk road for IMT
 - National highway #8
 - b. Local Road
 - Manesar to Rewari road (M.D R)
 - Lakhnola to Taoru
 - Manesar to Kasan
 3. Within a 10 km distance
 - 1) 49 more villages
 - 2) Railway (Garhi Harusaru station)
 - 3) Aravali Ranges (Natural Preservation)
 - 4) Resprt & Golf courses
 - Golden Green Golf & Resort (under construction)
 - Silver Glades Golf Club (under construction)
 - The Resort Country Club
 4. Within a 25 km distance
 - 1) Sultanpur Lake (bird Sanctuary)
 - 2) Damdama Lake (Resort)
 - 3) Aravali ranges (Natural Preservaton)
 - 4) Water treatment plant (under construction)
 - 5) Meadow Golf C.C.(9 holes)
 - 6) Gurgaon City
 - 7) Industrial estate (Maruti-Suzuki, Sona Steering, Hero Honda, etc)

Source: Database for this table derived from map information "Gurgaon Integrated Part Plan of Delhi, Gurgaon and Faridabad District" by Department of T & C Planning, Haryana. Table is also supplemented by the site investigation, and various Central / State Government documents.



- (a) The total population for 57 villages is 97,874, with the number of males greater than the number females.
- (b) The population of the immediate surrounding villages is 21,848 according to the 2001 census. The number of males is substantially larger than the female population. This disproportionate share of males in the population prevails in the villages surveyed, and throughout India.
- (c) The village of Manesar has the largest population (5,649 in 1991), and functions as a sub-center of the region.
- (d) In the last decade, population growth did not substantially increase in the immediate surroundings. The population of five villages selected, increased from 12,470 to 14,672 during the last decade, and accounts for a 17.7 per cent for the period. India's total population growth during the same period was 23.7 per cent, with the rural population recording a 19.7 per cent increase.
- (e) The literacy rate for the surrounding villages is 50.4 per cent of the total population, and demonstrates a higher literacy rate than the national average. Male literacy rates are substantially greater than the literacy rates for the female population.
- (f) The immediate surrounding villages have higher literacy rates than other villages, and have posted substantial increases over 1981 levels. This could be a result of the relatively large number of schools located in the region.

Table 14-3 Demographic Data of Surrounding Villages of Gurgaon Site, 1991

Villages	Male	Female	Total (1991)	Total (1981)
1. Manesar*	3,025	2,624	5,649	2,765
2. Lakhnola	1,217	1,132	2,349	n.a.
3. Naharpur Kasan*	786	684	1,440	1,371
4. Nawada Fatehpur*	888	847	1,735	1,519
5. Bhang Rola	1,371	1,221	2,592	n.a.
6. Kankrola	1,234	1,001	2,235	n.a.
7. Kasan*	2,563	2,025	4,588	3,698
8. Khoh*	665	595	1,260	1,117
Immediate surroundings(8)	11,749	10,099	21,848	1,117
Selective five villages*			14,672	12,470
Other surroundings(49)	40,878	35,148	76,026	n.a.
Total	52,627	45,247	97,874	n.a.

Note: n.a. = not available

Source: Census of India 1991.

Table 14-4 Literacy Rates for Surrounding Villages of Gurgaon Site

Villages	Male	Female	Average (1991)	Average (1981)
Immediate surroundings	65%	35.5%	51.3%	38.5%
Other surroundings	63.5%	34.5%	50.1%	n.a.
Total	63.8%	34.7%	50.4%	n.a.
India	52.6%	32.4%	42.9%	--

Note: The Literacy rate of immediate surroundings in 1981 is calculated by the number of literates of selecting 5 villages in Table 14-3.

Source: See Table 14-3.

(3) Economic Settings

Agriculture is the primary economic industry of the villages in proximity to the Gurgaon IMT candidate site. Agricultural household incomes are estimated to range from one to five thousand Indian Rupees per month. The crop yields of the area are considered relatively higher due to the fertility of the land.

The total village work force in proximity to the Gurgaon site is shown in Table 14-5. The table summarizes the number of main workers and marginal workers in the surrounding villages, and associated work participation. The following points were identified as local work force characteristics:

- (a) Primary workers of surrounding villages account for 26,199 of the work force, with male workers comprising a substantial per cent share.
- (b) The number of marginal workers of the surrounding villages is one tenth of the main workers. Females are primarily employed in the marginal occupational category.
- (c) The immediate surrounding villages have nearly 95 per cent of workers comprising the main category as male, and nearly all of the marginal occupation group are female.
- (d) The work participation rate of the surrounding villages is 30 per cent. Assuming the average household size is five, this per centage indicates that a family household is engaged in work and his/her spouse is likely about 50 per cent of the time to be employed in an occupation (not including domestic workers).

Table 14-6 lists primary work groups in the surrounding villages. A cursory examination indicates that more than 70 per cent of primary workers are engaged in agriculture, and 57 per cent are landowners, lease property from the government and/or from a private landowner. The number of cultivators indicates that nine persons (population / cultivators) depend upon one landowner.

Table 14-5 Surrounding Villages of Gurgaon Site, 1991: Work Force

Villages	Main workers			Marginal workers			Total All
	Male	Female	total	Male	Female	total	
1. Manesar	1,475	22	1,487	6	185	191	1,688
2. Lakhnola	575	88	663	0	200	200	863
3. Naharpur		30	384	0	0	0	384
Kasan	354						
4. Nawada		27	438	0	168	168	606
Fatehpur	411						
5. Bangrola	653	28	681	0	13	13	694
6. Kankrola	570	6	576	0	368	368	944
7. Kasan	1,194	43	1,237	0	0	0	1,237
8. Khoh	309	6	315	0	0	0	315
Immediate							
surroundings	5,541	230	5,791	6	934	940	6,731
Other							
surroundings	18,088	1,440	20,408	152	1,637	1,780	22,187
All							
surroundings	24,529	1,670	26,199	158	2,571	2,729	28,928
Gurgaon							
District			310,861			42,877	353,738

Note: Work is defined as participation in any economically productive activity. Work involves not only actual work but also effective supervision and direction of work. It also includes unpaid work on farm in family enterprises.

Note: Main workers work for the major part of the year, i.e. more than 6 months. Marginal workers do not work for the major part of the year.

Source: See Table 14-3.

Table 14-6 Main Work in Surrounding Villages of Gurgaon Site, 1991

Villages	Cultivation	Agricultural labor	Household	Others	Total
Immediate	2,650	978	41	1,098	4,767
surroundings	(56%)	(21%)	(1%)	(23%)	(100%)
Other	8,784	2,199	158	4,149	15,290
surroundings	(57%)	(14%)	(1%)	(27%)	(100%)
All	11,434	3,177	199	5,247	20,057
Surroundings	(57%)	(16%)	(1%)	(26%)	(100%)

Note 1: Cultivator is engaged either as employer, single worker, or family worker in cultivation of land owned or held from government or hold from private persons or institutions for payment in money, kind or shares. Cultivation includes supervision or direction of cultivation.

Source : See Table 14-3.

(4) Natural Settings

Tree observations (natural environment) in proximity to the IMT site in Gurgaon, should be noted. The Hillock area that is located to the south of the IMT site is designated as the Aravali Range and is to be preserved from any activities that would lead to environmental degradation. The Ministry of Environment and Forests in India (MEF) prohibits the location of industrial activities, mining operations/ leases, timber harvests, construction of residential housing, or other social infrastructure, and electrification within the area of the Aravali Range located in Gurgaon District (unless prior permission is granted by the MEF. MEF notification, May 7, 1992).

Sultanpur Lake, which is located in the northern area outside a 10 km radius distance from the site, is preserved as a bird sanctuary by the State Government of Haryana. The Environmental Guideline for Siting of Industry, prepared by the MEF (August, 1985) instructs entrepreneurs to maintain industrial locations at least 25 km from the ecologically sensitive area (includes sanctuaries). Discussions should be held with state environmental control officials.

The Damdama Lake is another natural setting that could possibly become a subject of an environmental impact assessment. Damdama Lake is located in the outer area, about 20 km in a southeasterly direction from the IMT

candidate site. The lake is within the Hillock area of Gurgaon that is also designated within the Aravali Range, (Lat., 28° 17'N, Long 77° 08'E, height 261 above sea level). The lake is bottle-shaped in the north, three km in length, and 0.8 km in width. The tourist season falls during the winter months from October to February. An estimated 500 tourists visit the lake per day. There is a guest house with dining facilities.

(5) Social Infrastructure

(a) Schools

Within a 10 km distance from the IMT site, 56 schools were documented. Among those, 12 schools are located in the immediate surrounding villages.

Table 14-7 Schools in Surrounding Villages of Gurgaon Site

School	Distance	
	Immediate	In 10 km radius
Primary School	05	37
Middle School	03	10
High School	03	08
Senior Sec. School	01	01
Total	12	56

Source : School location map prepared by Haryana State Government.

(b) Hospital

In the district of Gurgaon, 150 hospital and sanitary facilities were identified. Among these, five general hospitals are located in a large regional center (see Table 14-8).

Table 14-8 Hospitals and Sanitary Facilities

Hospital	Number
General Hospital	05
Community Health Center	06
Primary Health Center	22
Sub-health center	03
Govt. Dispensary	24
Total	150

Source: Sanitary location map prepared by Haryana State Government.

(6) Land Acquisition

The Gurgaon IMT candidate site is privately held by approximately 600 landowners, who are cultivators in the villages of Naharpur Kasan, Kasan, and Khoh. According to the data, nearly 810 landowners who are cultivators in these villages will be affected by land acquisition for the IMT candidate site. A total of 447 agricultural workers are without land.

Table 14-9 Cultivators and Dependent Workers in Immediate Surrounding Villages to Gurgaon Site, 1991

Village name	Cultivators	Agricultural laborers	Others
Naharpur Kasan	196	74	98
Kasan	421	361	206
Khoh	193	12	54
Total	810	447	358

Source: See Table 14-4.

If land acquisition occurs for the IMT candidate site, many of the agricultural practices in these villages will be terminated. Dependent laborers, normally agricultural workers and household workers, will become unemployed and need to find employment and/or other residences. Thus, those persons who will be adversely affected and displaced, should be considered for employment created by the IMT project.

The Land Acquisition Law (LAL), 1894, granted the central and state governments legal authority to obtain privately held land for public purposes through the Due Process legal statutes. Section 4 of the LAL instructs that the government must provide notification prior to any such actions, and section 6 defines commendations and land acquisition for the government.

14.2.2 Squatter Settlements in Delhi

(1) Squatter Population in Delhi

Squatters are defined as those persons who illegally occupy and build semi-permanent or permanent shelters on public or private lands. However, unauthorized colonies can hold legal title to the land, although the subdivision of land and the building of shelters are undertaken without the approval of responsible civil authorities.

In Delhi, 800,000 squatters occupy 600 jhuggi clusters, and 1.2 million colonizers reside on unauthorized land (based on 1987 data). The squatter population has increased substantially in recent years; from 05 per cent of Delhi's total population in 1951, to an increase of 28 per cent in 1987. Projections indicate that by the year 2000, squatters will represent 35 per cent of Delhi's total population.

For purposes of establishing a preliminary description of squatter characteristics in Delhi, a published report based on a sample survey of the demographics of squatter populations (sample population N = 2,114) in 1987 was obtained. The findings of that demographic research are introduced.

(2) Environmental quality

A majority of the settlements are congested due to overpopulation. Shelters, most of which are simple huts, are built close together, leaving very narrow pathways which are also used as an open drain system. Although hand pumps for drinking water are available on a communal basis, lack of infrastructure (sewerage, running water, etc.) results in unhygienic conditions. There is an absence of adequate garbage and refuse collection which contributes to unsanitary conditions in and around the settlement.

Unsanitary conditions, as described above, are attributable to incidences of gastro-intestinal, respiratory, and other communicable diseases.

This situation is particularly aggravated during the monsoon season, when inadequate drainage systems are unable to handle a sudden surge in water volume due to fast-flowing flood waters. Settlements located on the banks of rivers are also under threat of inundation and destruction. Poorly constructed shelters which are made from scrap, timber planks, bamboo, mats, jute cloth, etc., are easily destroyed by heavy rains, floods, and or fires.

Squatter settlements or colonies are not formally organised per se, but have affiliations based on group identification, religious beliefs, and political issues (women's rights, youth employment, etc.) However, most settlements have "jhuggi-jhopri Sangharsh Morcha" organizations that are registered societies. The primary purpose of such an organization is to protect the settlement from court orders that call for the destruction of the settlement's shelters and/or the eviction of the settlement's residents.

(3) Demographic Distribution of Squatters

The sample survey data revealed that the largest population of squatters in Delhi are from the State of Uttar Pradesh (68 per cent), the second largest population from Bihar (9.8 per cent), and the third largest migrant group is from Rajas (5.9 per cent). Squatters from the State of Haryana comprise about 3.8 per cent of all squatters in Delhi.

The squatter age cohorts identified many squatters are young. One explanation for this is that many squatters are first generation urban migrants. Age cohorts less than 40 years old comprise an 86 per cent share of the total squatter population. About 43 per cent of all squatters surveyed are less than 14 years old. (See Table 14-9).

The average family size is five; and five to eight family member households comprise 60 per cent of total family households. (See Table 14-10).

**Table 14-10 Population Distribution by Age Group,
for Delhi: 1987-88.**

Age Group	Survey (%)
0-14	43.4
15-19	10.2
20-29	20.4
30-39	12.1
40-49	07.8
50-59	03.5
60 and above	02.7

Source: Promila Suri, "Urban Poor and Their Shelter". A Case or Squatter Settlements in Delhi, SPACE, Journal of School of Planning and Architecture, New Delhi, Volume. 2, No.4: Oct. 1987.

Table 14-11 The Number of Family Members

No. of persons/household	Households (%)
1	02.1
2	06.0
3-4	14.3
5-6	39.5
7-8	27.1
9-10	08.6
More than 10	02.4

Source: See Table 14-9.

(4) Squatters: Push and Pull Factor

Research indicates that rural populations migrate to urban areas due to overpopulation and the need to acquire basic levels of subsistence. Although India's farms are large, a farmer must divide the land with the heirs, as the generations progress, arable lands for cultivation purposes become less and are unable to sustain family life. Having become landowners with small, inefficient lots, the landowners sell their plots to sustainable landowners and migrate to the urban areas.

The sample survey results indicated that the largest number of respondents reported that insufficient income, is a primary reason for migrating from their rural home lands to urban centres. This is termed the push factor. Another push factor is the partitioning of land areas as happened in the case of Pakistan and Bangladesh (See Table 14-11).

Pull factors are identified as employment opportunities (46.5 per cent) and family/clan/extended family pattern relationships (30.8 per cent). (See Table 14-12.)

Table 14-12 Push Factor for Leaving Place of Origin

Reasons for leaving place of origin	Migrant households (%)
Insufficient or no income	85.9
Law and order situation bad	03.8
Transfer / Contractor brought me	05.1
Partition of the country	05.1
Others	00.1
Total	100.0

Source: See Table 14-9.

Table 14-13 Pull Factor for Leaving Place of Origin

Reasons for choosing Delhi	Migrant households (%)
expected to find work	46.5
Relations / friends were here	30.8
Transfer / Contractor brought me	17.2
Others	05.5
Total	100.0

Source: See Table 14-9.

(5) Occupation and Income of Squatters

A large number of squatters are employed as unskilled labor in the construction of factories, or in traditional trades. Table 14-13 lists the results of the sample survey regarding occupations.

Table 14-14 Squatter Household Occupations: Delhi

Occupation	No. of Household (%)
Hawkers and Venders	05.9
Petty Businessmen	09.3
Unskilled Construction	10.2
Unskilled Manual	17.4
Skilled Manual	03.8
Traditional Skills and Trades	23.2
Skilled Industrial	12.2
Unskilled Industrial	02.8
Semi-professional	00.5
White Collar	06.4

Source: See Table 14-10.

Monthly income per household is less than Rs. 1,500, and accounts for 96 per cent of households.

Table 14-15 Distribution of Household Income in Delhi, 1987

Monthly Income	Household (%)
up to Rs. 750	40.3
Rs. 750 - Rs. 1,500	55.9
Rs. 1,501 - Rs. 2,500	3.3
More than 2,500	0.5

Source: See Table 14-10.

14.2.3 Civil Protest of Project

The Narumada River Basin Development Project demonstrates the degree by which public opinion can be marshaled into legitimate civil protest. The IMT project may or may not invite civil protest, but the JICA study team has faced civil demonstrations against the location of the IMT in Bidadi, Karnataka.

The SEIA examined the possibility of civic protests directed against the IMT project. A copy of the letter of protest and written claims made against the IMT project, were obtained and studied. Interviews were held with a university professor, a government worker assigned to an industrial real estate development project, and a non-governmental group (NGO) group. Also, several case studies were documented in India. The probability of such an occurrence, and preventive measures that would prove appropriate were examined.

(1) Statement Letter of Civil Protest in Bidadi

The letter criticizing the location of an IMT in Bidadi was submitted to the Governor of Karnataka in November 1992. The JICA study team visited Bidadi and were confronted by protesters. The author of this letter was a professor of a local university, and delineated seven issues. However, it appears that four claims can be resolved by careful project implementation; two claims must be resolved only by the Indian people; and the last requires developing communication channels that can foster mutual understanding between Indian and Japanese citizens. Selected excerpts are quoted and appear below.

Selected Excerpts:

The first complaint was directed at landuse transformations; especially change from a communal, agrarian-based lifestyle, to one of without landowning workers.

"...where thousands of farmers have been enjoying the right of ownership of land completely evicted from the area, as a result, they who were masters till yesterday become beggars at the Japanese doors for jobs or becomes slaves of unclean habits,..."

Although the style of writing is emotional, the claim is one of anxiety related to recent changes in the country's industrialization policies. The Government of India should provide adequate communication channels that will foster understanding of industrial policies and the need to garner foreign investments.

The second objection is directly related to land compensation to landowners. If the IMT resides in the state, farm lands will be acquired through Due Process legal statutes as embodied in the Land Acquisition Act, 1894. It appears there are generalised fears regarding the amount of remuneration to be paid to the villagers, especially after costs are deducted from middlemen (such as local politicians or village leaders). Also, farmers may never obtain compensation payments.

In the subsequent feasibility study, fair evaluation methods for land compensation should be established, and the land ledger of the project site should be confirmed. The central and state government should consider proper transfer of compensation payments to landowners, and may assist displaced persons with acquiring new land/residences elsewhere.

Another criticism was directed at the loss of natural resources (water) and infrastructure (electric power, sewerage, telecommunications, etc.) to the IMT's enterprises. Simply, villagers feared the diversion of resources from their daily needs to those of the IMT. Resource balance should be carefully studied and not be constrained by the location of IMT. A detailed plan should clarify and resolve this issue.

Loss of employment opportunities to better trained, immigrant workers from the IMT enterprises' host countries (Japan was singled out) was mentioned. One example described a fear that industries utilising computer technology or manufacturing complex computer parts would exclude the very people who will be displaced from the lands. However, from a foreign investor's point of view, India's inexpensive labor cost is the most attractive incentive for siting factories in India, and are expected to employ local workers as is possible.

A fifth objection described "civilized modern diseases" that presumably are the consequences industrialised countries face as social problems. However, India also needs to accomplish modernization of the country's industry, but should remain aware of the country's unique needs and characteristics in order to find methods of resolving social problems related to industrialisation.

The sixth objection directly refers to consideration of the ecology. The subsequent detailed plan should allow for this and provide clarity as to the clearance and protection of the natural environment in and around the site area.

A criticism mentioned that "the experiences of countries like Thailand, Malaysia, and the Philippines, with Japanese (factories) are not very happy." This complaint appears to be grounded in a misunderstanding of the work ethic of industrialised countries (especially Japan). Both countries should strive to provide adequate communication that fosters mutual understanding and respect. Cultural exchange programs and localised philanthropic activities by Japanese manufacturers that locate in the IMT site would be effective tools.

(2) Civil Protest: Rationale

After examining the statements above, it would appear that successful resolutions to the issues raised is possible. However, it will require that responsible Indian representatives and entrepreneurs locating to the IMT project develop effective communication methods that can promote the formation of civic groups and other community-based activities.

The literacy rate is low in India, and is a factor when considering the probability of misunderstandings related to the IMT project and its implementation; especially the impact such a project will have on the lives of people it is least likely to benefit.

(3) Civil Protest in India: Case Study

The Tehri Dam Project in the State of Uttar Pradesh, was objected to by residents of the area who believed their communities and farm lands would be destroyed, and that inadequate compensation allowances would be made to those most effected by the project.

The state government reviewed the acquisition and compensation process, and improved compensation allowances by offering alternative lands and additional payments. The crisis was resolved in 1991. The project will be completed in 1995.

Land acquisition by the Misoram state government produced protests from farmers who are not landowners but believed their rights were violated. A local politician supported the protesters, and helped bring the issue to the courts.

There were cases reported that public opinion was negative regarding land price increases effected by land acquisitions related to an industrial real estate project in a suburb of Delhi. Reports of land speculation drove up land prices and protests were lodged against using the land for industrial purposes.

Generally, landowners resist projects because of the subsequent price escalation for available land. There are occasions where such disputes can only be resolved in the courts. However, court decisions can take two to three years for resolution, but there have been cases documented that take a longer duration to successively resolve (such as the Narela Industrial Real Estate problems which have been in the courts since 1978. It should be noted that during litigation, projects are allowed to continue.). Court cases once resolved generally have higher land compensation payments.

(4) Gurgaon: Civil Protest Probability

There is a very low probability that objections in the form of civil protests would occur in Gurgaon. In Gurgaon, there will not be relocation problems. Also, the literacy rate in Gurgaon is high, and affected people are more likely to understand the project descriptions given by the state government, and private entrepreneurs of the project. The factories of Suzuki-Maruti and Hero-Honda already reside in proximity to the project site, and there have been no reports of civil protest or unrest related to foreign business undertakings.

14.2.4 Environmental Laws and Related Legislation

Environmental clearances are basically administrated by the state governments, and state governments tend to minimize central government involvement in local matters. However, the Ministry of Environment and Forests is trying to establish central government participation in projects that exceed certain criteria established by the MEF. There are three possible laws that can evoke the central government's participation in this project: one law was approved by the parliament, and two others are being drafted, or are under revision.

(1) MEF Notification, May 7, 1992

Established as a law, it prohibits environmental degradation activities within the area of the Aravali Range without prior approval of the MEF (see 14-2-1 (4)).

(2) MEF Notification, the 28th January, 1993; Draft Notification. This notification is expected to pass legislation within a few months. It defines those cases that would involve the central government in the environmental clearance of projects.

The central government requires project environmental clearances for:

- (a) industrial estates that exceed 100 units or 20 hectares.
- (b) industrial townships that exceed 5,000 dwelling units or a total area of 50 hectares.

Entrepreneurs must file an application with an environment impact assessment (EIA), and an environment management plan (EMP) with the central government.

(3) Environmental Guidelines for the Siting of Industry, August 1985, MEF.

This MEF guideline instructs entrepreneurs, environmental regulatory agencies of the central/state government, and others connected with

environmental issues, to take proper actions regarding the selection of industrial site locations.

The Industrial Policy Statement of July 1980, recognized the need to preserve ecological balances and improve urban living conditions in the country. The guideline is under revision, and will be more comprehensive and practical.

Key sentences related to the SEIA are quoted as follows:

PP 2 1.6 ii) "The entrepreneur commits both to the State Government and Central government that he will install the appropriate equipment and implement the prescribed measures for the prevention and control of pollution."

PP 2-3 1.7 "...With regard to projects where support from the central government / international agencies is envisaged and which come under the purview of industrial licensing, approval of the project site from environmental angle should be obtained from the Department of Environment, Government of India.

PP 31.9 "...The entrepreneur will be required to submit comprehensive Environmental Impact Assessment Report, and Environmental Management Plans."

PP 3-4 2.2 "...an industrial sites shall maintain the following distances from the area listed: (a) Ecologically and/or otherwise sensitive areas, at least 25 km; (e) Major settlement (300,000 population); distance from settlements is difficult to maintain because of urban sprawl. At the time of siting of the industry if any major settlement's notified limit is within 50 km, the spatial direction of growth of the settlement for at least a decade must be assessed and the industry shall be sited at least 25 km from the projected growth boundary of the settlement.

PP 5-6 2.3 "... no prime agricultural land shall be converted into industrial site..... Associated township of the industry must be

created at a space having physiographic barrier between the industry and the township".

PP 11 3.12 "Persons who are displaced or have lost agricultural lands as a result of locating the industries in the area, should be properly rehabilitated".

14.3 Discussions of Social Environmental Issues

14.3.1 Gurgaon

(1) Land acquisition for the IMT candidate site will redistribute agricultural workers and laborers from agricultural activities, impacting upon the economic base of the surrounding villages.

- The IMT site was designated land for industrial use by the Haryana State Government. The land will be acquired by the state government based on the Land Acquisition Act, 1894.

- The land is approximately owned by 600 cultivators who reside in the surrounding three villages of Naharpur Kasan, Kasan, and Khoh.

- Landowners will be compensated, but laborers dependent on the agricultural industry will become unemployed. However, some may be motivated to migrate to other areas in search of job opportunities. There are about 805 agricultural workers who will be affected.

- If the average family size is estimated at five persons, then 4,025 (= 805 X 5) persons potentially will be displaced from the villages.

- Thus, the IMT project should consider agriculture workers for job training programs and subsequently give those workers priority for employment positions created by the IMT.

(2) If the IMT closes the land, it will disconnect the transportation network between Naharpur Kasan / Nawada Fatehpur, and Manesar, and disrupt community ties.

- The local road from the village of Manesar towards the Garhi Hernias Railway Station crosses the IMT candidate site. This road is the sole road for the villagers of Naharpur Kasan and Nawada Fatehpur, which links to the national highway and travel to Manesar.
 - Since Manesar functions as a sub-center of this district (population 5,694 in 1991), Manesar is important to the villagers of Naharpur Kasan and Nawada Fatehpur.
 - If the IMT closes this road, the transportation and community ties between Manesar and two villages will be disrupted.
 - Thus, the IMT should consider constructing a substitute road around the site.
- (3) It is necessary to prepare measures that can prevent squatters from illegal occupancy of the IMT land area.
- There are two reasons for this illegal occupancy of land; one is due to temporary housing for construction laborers, and the other is due to relocation money given by landowners.
 - Since the IMT candidate site was designated as an industrial area by the state government, the relocation payments should not be a problem. The state government will clear the land by force. The IMT should also maintain a sufficient degree of security to prevent illegal squatters from forming slums.
 - For construction laborers, the IMT should consider providing better housing than poorly constructed temporary structures during the construction period.
- (4) The location of the IMT will impose little constraint on the geographical growth of Gurgaon City.
- Gurgaon City is located north - east from the IMT candidate site, and its geographical expansion is planned towards the south. The expansion should not infringe upon the IMT boundaries.

- (5) There is a danger of accelerating top-soil erosion of farm lands, and the natural preservation area for brick production.

- The IMT will create a number of construction projects that demand a large amount of building materials. Brick is the easiest, and inexpensively produced (Rs. 1 per piece) for building material, and is commonly used in India.

- Top soil of farm lands and green areas has been used for making bricks in factories. The neighboring lands to the factories are eroded and vegetation does not remain. In Gurgaon, there are soil erosion areas due to brick factories. It is in agricultural area, and even in the Aravali Range preservation area.

- IMT must consider substituting other building materials for bricks. For example, flash that is disposed of from a number of coal thermal power plants in India could be utilized for new construction materials.

- (6) The bird sanctuary of Sultanpur Lake will receive little environmental impact from the IMT candidate site, unless air polluting industries reside in the IMT without adequate pollution control measures.

- Winds from the south-east during the monsoon season may have an environmental impact if air polluting industries without proper pollution control measures are located in the IMT.

- (7) The surrounding area of the IMT site will experience an increase in land prices. It will become difficult for farmers and agricultural laborers to buy land. Also, the number of landowners will decrease around the candidate site location.

14.4 Mitigation Measures of Social Environmental Issues

This section reviews the mitigation measures that were mentioned in the previous sections. (Refer to Table 14-15).

Table 14-16 Social Environmental Issue and Measures

Social Environmental Issue	Objective	Methodology
(Gurgaon) 1. Land Acquisition Issues	<ul style="list-style-type: none"> - Fare evaluation of compensation - Compensation for landowner (Prevention of intermediate commission) - Employment opportunity for agrarians 	<ul style="list-style-type: none"> - Destination of land owners by registered records - Clarification of evaluation Standards for land compensation - Diversification (compensation many, lands, employment) of compensation method for land acquisition - Priority employment and vocational training for local people
2. Road Disconnection	<ul style="list-style-type: none"> - Establishment of community roads among Manesar and Naharpur Kasan/Nawada Fatehpur 	<ul style="list-style-type: none"> - Keep existing roads or construction new roads
3. Squatter/Colonies	<ul style="list-style-type: none"> - Prevention of illegal occupancy 	<ul style="list-style-type: none"> - Control of public space - Housing construction and control for construction labours
4. Top Soil Erosion	<ul style="list-style-type: none"> - Prevention of soil erosion areas due to brick factories 	<ul style="list-style-type: none"> - Study for new construction materials (using flash, etc.) - Reduction of brick factories - Limited use of bricks for the IMT
5. Bird Sanctuary	<ul style="list-style-type: none"> - Minimised impact to the bird sanctuary of Sultanpur Lake 	<ul style="list-style-type: none"> - Further study in F/S stage
6. Rising of Surrounding Agricultural Land	<ul style="list-style-type: none"> - Prevention of an increase in land prices 	<ul style="list-style-type: none"> - Guidance of upgrading for agricultural production - New employment opportunity and increasing income under industrialisation
7. Countermeasure to Movement	<ul style="list-style-type: none"> - Protect from the movement against the project 	<ul style="list-style-type: none"> - Enough explanation of local people - Enough prevention for environmental changes

14.5 Conclusion

The IMT project will produce anxiety and hope for the people residing in and around the IMT candidate site. Villagers practice a traditional agrarian lifestyle. The IMT will acquire their lands, but should provide jobs and vocational training opportunities for some villagers. The circumstances of the IMT site will change,

and villagers will become exposed to international standards related to industry and lifestyles.

The villages will adapt to the new circumstances and there will be some confusion during the period of reestablishing their lifestyles. However, economic rewards derived from the IMT will provide economic stimulus to the area and its people.

The study described potential social environmental problems that can be expected from locating the IMT in Gurgaon.

14.6 Feasibility Study Scope

This section describes the SEIA in the future detailed feasibility study.

(1) Land Acquisition Issues

In order for land acquisition to proceed for the IMT site, the study should specify land ownership and identify affected persons. At the same time, a fair and just compensation system and evaluation method of the land should be developed. The list of landowners should be prepared based on a land ledger. The affected villages and villagers, in addition to landowners, need to be identified utilizing a site survey. Farm land yields around the IMT site should be confirmed.

(2) Employment

After specifying which factories will locate to the IMT, the available labor supply from surrounding villages needs to be examined based on the number of workers and skills required. If factories require a substantial number of skilled laborers, vocational training programs should be considered. An employment system and an organisation for establishing employment priorities for localities should be considered.

(3) Squatter /Colonies

Urban slums should not be a problem in the IMT, however, squatter camps that inadequately house construction workers are common in India, and deteriorate living conditions. Furnished housing structures for construction workers should be considered.

(4) Water Rights

The Manesar drain canal crosses the Gurgaon IMT site, but needs to be investigated. The water rights, if any, and utilization of the drain canal, shall be surveyed as part of the SEIA.

(5) Road Disconnection

Traffic volume and frequency of traffic along the connection road between Naharpur Kasan / Nawada Fatehpur and Manesar should be surveyed. A substitution road plan needs to be evaluated.

(6) Traffic Increase

An increase in traffic to and from the IMT is expected. Traffic studies and projections should be derived and included in the SEIA.

(7) Top Soil Erosion

The use of flash as a new construction material should be studied, and other possible materials should be identified.

CHAPTER 15 RECOMMENDATIONS

CHAPTER 15 RECOMMENDATIONS

The Master Plan Study has demonstrated the importance of formulating an IMT in India as one of the most effective measures for revitalising the country's economy. In order to build on the concept of establishing an IMT in India, the following future subjects and recommendations should be noted.

15.1 Macro Economy and Industrial Policy

India's macro economy, industrial policies, and industrial development were studied and described in the chapters preceding Chapter 6, the formulation of the IMT concept. From the results of the studies, it should be noted that major influences, however indirectly related to the IMT, continue to be economically important issues for the country and are discussed below.

(1) Simplification and further liberalisation of capital goods import

In order to decrease imports, further simplification and the liberalising of capital goods imports is necessary to produce a higher quality of domestic intermediate goods and capital goods.

(2) Promotion of technical collaboration and establishing joint venture companies with foreign manufacturers.

Previously, manufacturers could market products relatively competition free under a "less supply than demand" circumstance. Thus, domestically manufactured products that were of internationally accepted quality levels were quite limited. To improve product quality, the introduction of competition in the market is a necessary first step, followed by the introduction of foreign technology through establishing technical collaborations and joint ventures with reliable foreign manufacturers.

(3) Increasing the production of capital goods and other manufactured goods.

The production of capital goods and other manufactured goods totaled about 35 per cent of the country's GDP, which is relatively low in comparison to Thailand; a country with agricultural production that mirrors India. Again, to decrease imports, requires increasing domestic production.

- (4) Production of quality goods that meet consumption demand and structure.

As the middle class consumer becomes more interested in high quality goods, the domestic production of consumer durables that can meet consumers' demand, and structure should increase.

15.2 To Actualize the IMT

Concrete measures should be immediately introduced for attracting foreign investors that effectively competes with incentives promoted by neighboring countries.

15.2.1 Feasibility Study: Selection of Candidate Site

Four candidate sites were evaluated and awarded priorities based on the IMT development concept. After a consensus is arrived at regarding the appropriate candidate site, the IMT Master Plan Study is expected to proceed to the feasibility study stage.

15.2.2 Feasibility Study Implementation: Subjects

Further study of the Soft and Hard factors should lead to successful actualisation of the IMT as defined in the Master Plan Study. Subjects for the feasibility study implementation should address the following:

- (1) Investment Demand Survey.....(refer to Chapter 7)

At the implementation stage of the investment demand survey in this study, the IMT site location, completion of industrial estates, scale of estate, sales price, etc., were not as yet decided. Therefore, the investment potential of individual enterprises is difficult to grasp.

It is significant that grasping investors' demand to affect the IMT's fruitfulness. Therefore, investment potentiality of individual enterprises should be surveyed in more detail during the Feasibility study.

(2) Foreign Investor Promotion.....(refer to Chapter 13)

The measures listed below should be adopted as soon as is possible.

- Public Relations efforts that reveal India's investment climate.
- Improving industrial licensing systems.
- Developing practical procedures for implementing industrial policies.
- Special incentives for the IMT.

(3) Social and Industrial Infrastructures.....(refer to Chapter 11)

The following detailed study should be conducted after reviewing the conceptual design made in the Master Plan Study.

- Types of Industry and Development Scale.
- Land Utilisation
- Traffic Planning
- Planning and Zoning of Green Belt and Parks
- Land Reclamation Planning
- Infrastructure (water supply, sewerage, energy, telecommunications)

Infrastructure planned in proximity to the candidate site is required for implementation in accordance with the IMT development schedule as these directly effect the success of the IMT's formulation.

In order to facilitate efforts, the necessary discussions and coordination among the relevant central and state level organisations should be accomplished during the preparation stage.

(4) Consolidation of the IMTPO and associated activities.....(refer to Chapter 11)

The IMTPO should be studied and established in the early stages for furthering realisation of the IMT's goals as an effective and functional organisation. The IMTPO's functions and organisation should be clarified and separate from existing organisations. Also, incentives and financial resources should be studied.

(5) Social Environmental Assessment.....(refer to Chapter 14)

The following items should be supplementary or further studied to prevent possible social and urban development problems during the IMT's implementation, or after completion.

- Land Acquisition
- Employment related issues (local people)
- Slums
- Water Rights
- Access Roads
- Traffic Conditions and Forecasts
- Protection of Soil from Effluents

APPENDIX

**APPENDIX-I : MEMBERS OF THE STEERING COMMITTEE
AND JICA TEAM**

APPENDIX - I

MEMBERS OF THE STEERING COMMITTEE

1. Mr. Surendra Singh CHAIRMAN
Secretary
Department of Industrial Development
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New Delhi 110011
Mr. Suresh Kumar (*) CHAIRMAN
Secretary
2. Mr. Dilip Lahiri
Joint Secretary
Ministry of External Affairs
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3. Ms. Rama Murali
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Ministry of Finance
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Mr. D. P. Subbarao (*)
Joint Secretary
4. Mr. K. Dharmarajan
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5. Mr. N. Mohanty
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General Manager
Industrial Development Bank of India (IDBI)
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General Manager

8. Mr. S. Sen
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9. Mr. S. Behura
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10. Mr. S. K. Srivastava
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Ministry of Industry
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11. Mr. Puran Singh
Under Secretary
Department of Industrial Development
Ministry of Industry
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12. Mr. D. Gupta
Former Director
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LIST OF COUNTERPART PERSONNEL FOR JICA TEAM

Name of JICA Member		Indian Counterparts
S.No.	Name	Name & Address
1.	Mr. Hisashi Kurokouchi (Team Leader)	Mr. S.K. Srivastava Director Department of Industrial Development Udyog Bhawan New Delhi 110011 Phone: 301 4820 Mr. Deepak Gupta (*) Director
2.	Mr. Toshio Ikawa (Economic and Industrial Development)	Mr. R. M. V. Raman Deputy General Manager Export Import Bank Jeevan Bharati Building Connaught Place New Delhi 110001 Phones: 332 6375, 326254, 332 6625
3.	Mr. Masaaki Ueda (Regional Industrial Development)	Mr. Puran Singh Under Secretary Department of Industrial Development Ministry of Industry Udyog Bhawan New Delhi 110011 Phone: 301 3024 Mr. B. D. Seth (*) Deputy Economic Advisor
4.	Mr. Masayuki Harayama (Investment Promotion)	Mr. Jayant Bhuyan Senior Director Confederation of Indian Industry New Delhi 110003 Phone: 4629994
5.	Mr. Akinori Hashimoto (Investment Analysis)	Same as Above
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*Denotes former member.

APPENDIX-II : LIST OF INDUSTRIES FOR APPROVALS

Proposed list of Industries to be Reserved for the Public Sector

1. Arms and ammunition and allied items of defense equipment, defense aircraft and warships.
2. Atomic Energy
3. Coal and Lignite.
4. Mineral oils.
5. Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond.
6. Mining of copper, lead, zinc, tin, molybdenum and wolfram.
7. Mineral specified in the Schedule to the Atomic Energy (Control of production and Use) Order, 1953
8. Railway transport.

List of Industries in respect of which Industrial licensing will be Compulsory

1. Coal and Lignite.
2. Petroleum (other than crude) and its distillation products.
3. Distillation and brewing of alcoholic drinks.
4. Sugar.
5. Animal fats and oils.
6. Cigars and cigarettes of tobacco and the manufacture of tobacco substitutes.
7. Asbestos and asbestos-based products.
8. Plywood, decorative veneers, and other wood based products such as particle board, medium density fibre board, block board.
9. Raw hides and skins, leather, chamois leather and patent leather.
10. Tanned or dressed furskins.
11. Motor cars.
12. Paper and newsprint except bagasse-based units.
13. Electronic aerospace and defense equipment; All types
14. Industrial explosives, including detonating fuse, safety fuse, gun powder, nitrocellulose and matches.
15. Hazardous chemicals.
16. Drugs and Pharmaceuticals (according to Drug Policy).
17. Entertainment Electronics (VCRs, Colour TVs, C.D. players, Tape Recorders).
18. White Goods (Domestic Refrigerators, Domestic Dish washing machines, programmable Domestic Washing Machine, Microwave ovens, Air-conditioners).

Note: The compulsory licensing provisions would not apply in respect of the small-scale units taking up the manufacture of any of the above items reserved for exclusive manufacture in the small-scale sector.

**List of Industries for Automatic Approval of Foreign Technology Agreements
and for 51 per cent Foreign Equity Approvals.**

1. Metallurgical Industries
 - i) Ferro alloys.
 - ii) Castings and forging.
 - iii) Non-ferrous metals and their alloys.
 - iv) Sponge iron and pelletisation.
 - v) Large diameter steel welded pipes of over 300 mm diameter and stainless steel pipes.
 - vi) Pig iron.
2. Boilers and Steam Generating Plants
3. Prime Movers (other than electrical generators)
4. Electrical Equipment
 - i) Equipment for transmission and distribution of electricity including power and distribution transformers, power relays, HT-switch gear synchronous condensers.
 - ii) Electrical motors
 - iii) Electrical furnaces, industrial furnaces and induction heating equipment.
 - iv) X-ray equipment
 - v) Electronic equipment, components including subscribers and telecommunication equipment.
 - vi) Component wires for manufacture of lead-in wires.
 - vii) Hydro/steam/gas generators/generating sets upto GOMW.
 - viii) Generating sets and pumping sets based on internal combustion engines.
 - ix) Jerry-filled telecommunication cables.
 - x) Optic fibre.
 - xi) Energy efficient lamps and
 - xii) Midget carbon electrodes
5. Transportation
 - i) Mechanised sailing vessels upto 10,000 DWT including fishing trawlers.
 - ii) Ship ancillaries.

- iii) (a) Commercial vehicles, public transport vehicles including automotive commercial three wheeler jeep type vehicles, industrial locomotives.
 - (b) Automotive two wheelers and three wheelers.
 - (c) Automotive components/spares and ancillaries.
 - iv) Shock absorbers for railway equipment and
 - v) Brake system for railway stock and locomotives.
- 6. Industrial Machinery
 - i) Industrial machinery and equipment.
- 7.
 - i) Machine tools and industrial robots and their controls and accessories.
 - ii) Jigs, fixtures, tools and dies of specialised types and cross land tooling, and
 - iii) Engineering production aids such as cutting and forming tools, patterns and dies and tools.
- 8. Agricultural Machinery
 - i) Tractors.
 - ii) Self-propelled Harvester Combine.
 - iii) Rice planters.
- 9. Earth Moving Machinery
 - i) Earth moving machinery and construction machinery and components thereof.
- 10. Industrial Instruments
 - i) Indicating, recording and regulating devices for pressure, temperature, rate of flow weights levels and the like.
- 11. Scientific and Electro-medical Instruments and Laboratory Equipment.
- 12. Nitrogenous & Phosphoric Fertilizers falling under
 - i) Inorganic fertilizers under '18-Fertilizers' in the First Schedule to IDR Act, 1951.
- 13. Chemicals (other than fertilizers)
 - i) Heavy organic chemicals including petrochemicals.
 - ii) Heavy inorganic chemicals
 - iii) Organic fine chemicals.
 - iv) Synthetic resins and plastics.
 - v) Man made fibres.
 - vi) Synthetic rubber.

- vii) Industrial explosives.
- viii) Technical grade insecticides, fungicides, weedicides, et cetera.
- ix) Synthetic detergents.
- x) Miscellaneous chemicals (for industrial use only)
 - (a) Catalysts and catalyst supports.
 - (b) Photographic chemicals.
 - (c) Rubber chemicals.
 - (d) Polyols.
 - (e) Isocyanates, urethanes, etc.
 - (f) Specialty chemicals for enhanced oil recovery.
 - (g) Heating fluids.
 - (h) Coal tar distillation and products therefrom.
 - (i) Tonnage plants for the manufacture of industrial gases.
 - (i) High altitude breathing oxygen/medical oxygen.
 - (k) Nitrous oxide.
 - (l) Refrigerant gases like liquid nitrogen, carbon dioxide etc., in large volumes.
 - (m) Argon and other rare gases.
 - (n) Alkali/acid resisting cement compound.
 - (o) Leather chemicals and auxiliaries.

14. Drugs and Pharmaceuticals
According to Drug Policy.

- 15. i) Paper and pulp including paper products.
- ii) Industrial laminates.
- 16. i) Automobile tyres and tubes.
- ii) Rubberised heavy duty industrial belting of all types.
- iii) Rubberised conveyor belting.
- iv) Rubber reinforced and lined fire fighting hose pipes.
- v) High pressure braided hoses.
- vi) Engineering and industrial plastic products.

17. Plates Glass

- i) Glass shells for television tubes.
- ii) Float glass and plate glass.
- iii) H.T. insulators.
- iv) Glass fibres of all types.

18. Ceramics
 - i) Ceramics for industrial uses
19. CEMENT Products
 - i) Portland cement.
 - ii) Gypsum boards, wall boards, et cetera.
20. High Technology Reproduction and Multiplication Equipment.
21. Carbon and Carbon Products
 - i) Graphite electrodes and anodes
 - i) Impervious graphite blocks and sheets.
22. Pretensioned High Pressure RCC Pipes.
23. Rubber Machinery
24. Printing Machinery
 - i) Web-fed high speed off-set rotary printing machine having output of 30,000 or more impressions per hour.
 - ii) Photo composing/type setting machines.
 - iii) Multi-colour sheet-fed off-set printing machines of sizes of 18'x25' and above.
 - iv) High speed rotogravure printing machines having output of 30,000 or more impressions per hour.
25. Welding Electrodes other than those for Welding Mild Steel.
26. Industrial Synthetic Diamonds.
27.
 - i) Photosynthesis improvers.
 - ii) Genetically modified free living symbiotic nitrogen fixer.
 - iii) Pheromones.
 - iv) Bio-insecticides.
28. Extraction and Upgrading of Minor Oils.
29. Pre-fabricated Building Material.
30. Soya Products

- i) Soya texture proteins.
 - ii) Soya protein isolates.
 - ii) Soya protein concentrates.
 - iv) Other specialised products of soybean.
 - v) Winterised and deodorised refined soybean oil.
31. (a) Certified high-yield hybrid seeds and synthetic seed and
(b) Certified high-yield platelets developed through plant tissue culture.
32. All food processing industries other than milk food, malted foods, and flour, but excluding the items reserved for small-scale sector.
33. All items of packaging for food processing industries excluding the items reserved for small-scale sector.
34. Hotels and tourism-related industry.

Further Liberalization after the New Industrial Policy → Press Notes

After the New Industrial Policy 1991 and the New EXIM Policy 1991, Import and Export Policy 1992-97 was announced in April 1992, the Foreign Exchange Regulation Act 1973 was amended in January 1993 and further new economic policies were announced by the Finance Minister in his 1993-94 Budget Speech in February 1993. In addition, various announcements were made by the government through the issuance of press notes, out of which some important announcements were selected.

(1) Review of the Scheme of Recognition of Additional Capacity Arising Out of Modernisation/Replacement/Renovation of Equipment

(Press Note No. 1 F.10(50)/91-1p dated 3rd January, 1992)

- (a) Under the New Industrial Policy, the requirement of licensing under the industries (Development & Regulation) Act, 1951 has been abolished for all industrial undertakings except for a short list of 18 industries.
- (b) The question of continuation of the scheme of re endorsement of capacity to 40 per-cent under modernisation/replacement/renovation of equipment as announced vide Press Note No. 2 (1986 series) dated 15.1.1986 has been considered in the light of the new Policy. It was decided that since the requirement of industrial licensing has been done away with for all industrial undertakings except for a short list of 18 categories of industries, the scheme is, therefore, being discontinued with immediate effect.
- (c) Henceforth, an entrepreneur will apply for grant of LOI per the procedure in Press Note No. 9 (1991 series) if the article to be manufactured is subject to compulsory licensing, irrespective of the location of the industrial undertaking. Similarly, if the articles of manufacture are not under compulsory licensing, but located in this restricted area, substantial expansion would require a license.

(2) Statement on Industrial Policy: Procedures in Respect of Foreign Technology Agreements - Consequences of Liberalised Exchange Rate Management System (Terms)

(Press Note No. 4 (No.1/1/92-FC) dated 20th March, 1992)

As a consequence of the Budget announcement for 1992-93, the EXIM scrip system stands discontinued w.e.f. 01.03.1992. It has been announced that interalia, foreign exchange required for payments on account of dividends, royalties and other remittance will have to be obtained at the market exchange rate. In other words, all payments flowing from approval of foreign technology agreements given by the RBI and the Government will have to be met through foreign exchange purchased at market rates.

(3) Foreign Investment and Foreign Collaboration Agreement for Software Industry

(Press Note No. 5 (No. 10 986) 91-L.P.) dated 22nd April, 1992)

Since software is a high priority industry, the facility of automatic approval for foreign technology agreements as well as for foreign investment approvals will be accorded to the software industry, in terms of aforementioned Press Notes of this Ministry.

(4) Removal of Prohibition on Use of Foreign Brand Names/Trade Marks by Industry for Internal Sale-clarification on (Press Note No. 6 . 10 (18)/92-L.P.)

It has been decided that henceforth no such condition will be imposed by this Ministry or RBI, while granting letters of Intent/Foreign Collaboration approvals.

(5) Statement of Industrial Policy-Revised List of Annex-III Items for Automatic Approval of Foreign Technology Agreement and for 51 per cent Foreign Equity Approvals

(Press Note No. 10 (10(85)/91-L.P.) dated 24th June, 1992)

Under the Liberalised Policy and procedures governing foreign investment and foreign technology agreements as per the New Industrial Policy, the list of industries eligible for automatic approval for technology agreements and for 51 per cent foreign equity approvals, was published as Annexure III to this Ministry's Press Note No. 10 and 11 (1991 series), dated 14th August, 1991, and 20th August 1991, respectively. The revised list of Annex-III items for the purpose of automatic approval of foreign technology agreements, and for 51 per cent foreign equity approvals in terms of this Ministry's Press Notes referred to above, and Press Notes No. 12, 17 and 18 (1991 series), dated 31st August 1991, 19th November 1991, and 25th November 1991, respectively, issued on foreign collaboration policy and procedure, is attached.

(6) Procedure for the Condition of "Dividend Balancing" for Foreign Investment

(Press Note No. 12 (10(30)/92-L.P. dated 26th June, 1992)

As part of its continuing economic liberalisation, and to further stimulate foreign investment in the country, the Government has not withdrawn the condition of "Dividend balancing" in all foreign investment approvals, except for industries in the consumer goods sector. The list of consumer goods industries to which the condition of "Dividend Balancing" will continue to apply is annexed. The Press Note modifies all instructions relating to the condition of "Divided Balancing" prescribed in an earlier Press Note of this Ministry.

(7) Deletion of Additional Conditions Imposed in the Industrial Approvals Granted under the Old Industrial Policy

(Press Note No. 14 (No. 10. (4)/92 L.P. dated 28th July, 1992)

Before the announcement of the New Industrial Policy in July, 1991, certain conditions were imposed in Letters of Intent and Industrial Licenses. The stipulation of these conditions has been reviewed in the light of economic liberalisation measures announced by the Government since then and some of these conditions were found to be no longer necessary. These conditions are:

- i) Imposition of export obligations.
- ii) Conditions regarding financial management of the proposed ventures of the MRTP/FERA Companies.
- iii) Conditions prescribing foreign exchange neutrality and prohibiting access to domestic financial institutions.
- iv) Conditions on setting up of joint sector units by the state industrial development corporations in association with private promoters.
- v) Conditions regarding captive use of certain items of manufacture and prohibition of merchant sales of such items.

1. Manufacture of food and food products.
2. Manufacture of dairy products.
3. Grain mill products.
4. Manufacture of bakery products.
5. Manufacture and refining of sugar (vacuum pan sugar factories)
6. Production of common salt.
7. Manufacture of hydrogenated oil (Vanaspat)
8. Tea processing.
9. Coffee.
10. Manufacture of beverages, tobacco and tobacco products.
11. Distilling, rectifying and blending of spirits, wine industries, malt liquors and malt, production of country liquors and toddy.
12. Soft drinks and carbonated water industry.
13. Manufacture of cigars, cigarettes, cheroot & cigarette tobacco.
14. Manufacture of wood and wood products, furniture and fixtures.
15. Manufacture of leather and leather and fur products.
16. Tanning, curing, finishing, embossing and japanning of leather
17. Manufacture of footwear (excluding repair) except vulcanized or molded rubber or plastic footwear.
18. Manufacture of footwear made primarily of vulcanized or molded products.
19. Prophylactics (rubber contraceptive).
20. Motor cars.
21. Entertainment Electronics (VCRs, Colour TVs, CD players, Tape Recorders).
22. White Goods (Domestic Refrigerators, Domestic Dish washing Machines, Programmable Domestic Washing Machines, Microwave ovens, Air conditioners).

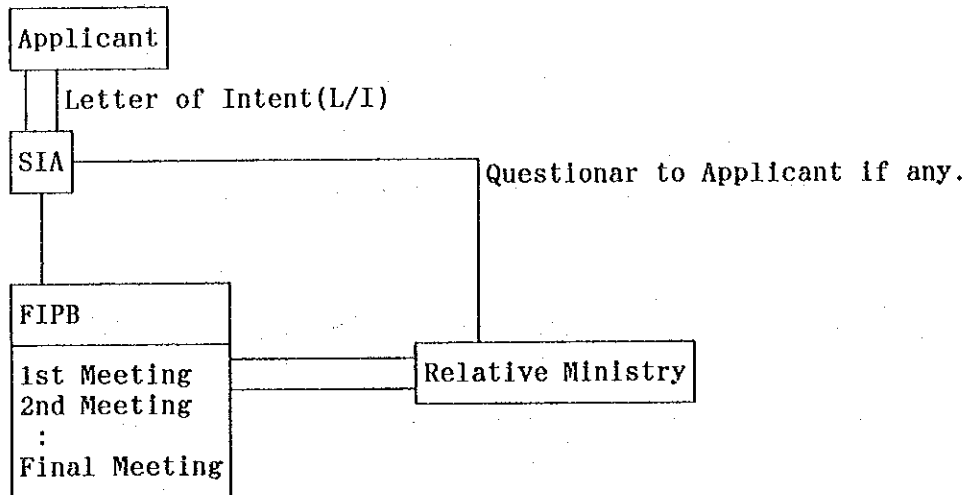
APPENDIX-III : FOREIGN INVESTMENT

THE ORGANIZATION AND PROCEDURES FOR GOVERNMENT APPROVALS

- 1. The Procedure for the Application of Investment**
- 2. The Procedures Related to Withholding Tax**
- 3. The Procedure for Import Licence**
- 4. The Procedure for Customs Clearance**

1. Procedure for Investment Application.

(1) Procedure



Remarks: The validity of L/I is one year, and 6 months extension will be automatically approved limiting on twice applications.

(2) Organization

(a) SIA

Joint Secretary —

- In charge of foreign investment/technology collaborations
- In charge of EOU and NRI
- In charge of investment policy
- In charge of industrial license (for domestic investors)
- In charge of general informations

Supporting members: From Department of Economic Affairs.

(Total 16 members) (i/c of Macro-Economics)

From Ministry of industries.

(i/c of Company Formulations)

From Ministry of Finance.

(i/c of Taxations)

From Ministry of Commerce.

(i/c of Foreign Trade)

From Ministry of Foreign Affairs.

(i/c of Foreign Investment)

From Reserve Bank of India.
(1/c Foreign Exchange)
From India Investment Center.
(1/c General Informations)

(b) FIPB Members

Chairman: The secretary to prime minister

Constant member: Secretary, Ministry of Finance

Secretary, Ministry of Commerce

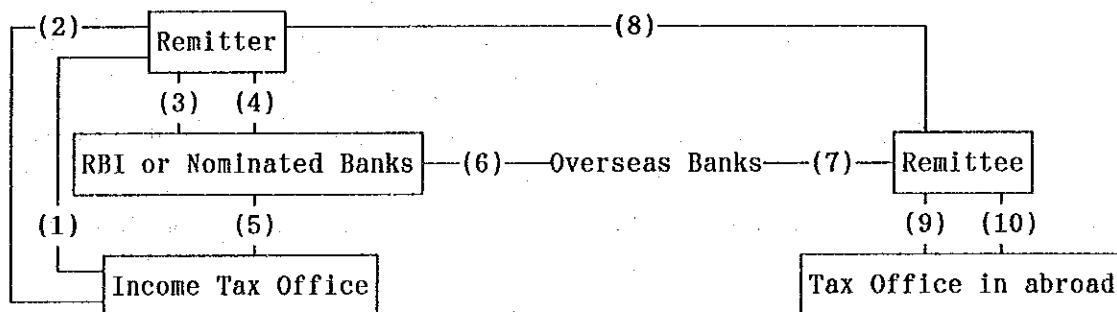
Joint secretary, Department of Industrial Development

Temporary member: Secretary, Ministry related

Remarks: FIPB meeting is to be held on every Saturday

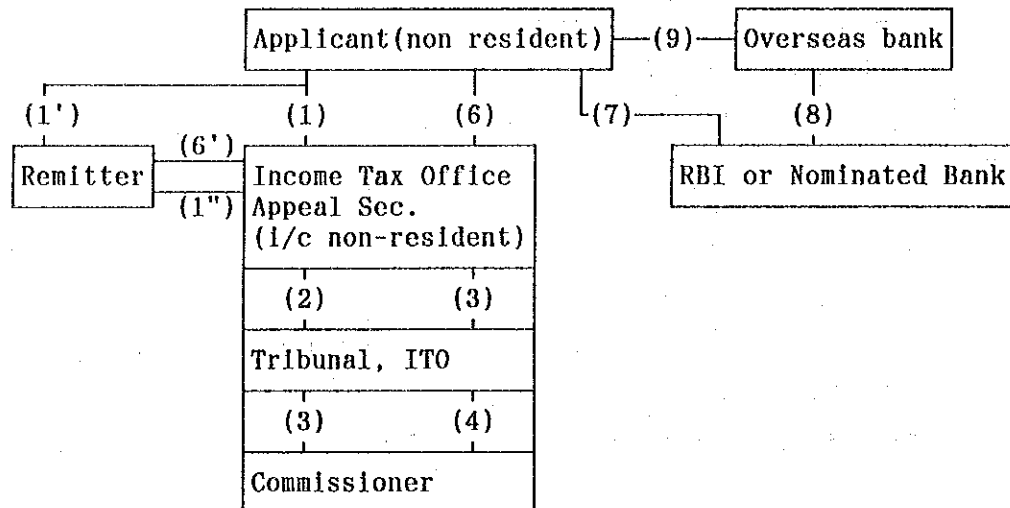
2. Procedure for Royalty and Dividend Remittance to the Abroad

1) Overseas Remittance Procedure



- (1) Declaration of withholding tax related to the overseas remittance.
- (2) Notice of withholding tax
- (3) Application for remittance (with copy of withholding tax)
- (4) Receipt of withholding tax
- (5) Notification of levied withholding tax
- (6) Remittance after deduction of withholding tax
- (7) Receipt of remittance
- (8) Application for refunding of the amount levied in abroad
- (9) Refund

2) Rebinding Procedure against over-paid tax



(1) Application for the refund of over-paid tax.

(1)' and (1)'' Information to remitter, and to income tax office through remitter.

(2) In case unable to clear the matter in appeal section, transferred to Tribunal in income tax office.

(3) Transfer to the commissioner of income tax office (the commissioner holds the judicial power)

(4), (5), (6) Notice of the final decision of income tax office with recognition of over-paid taxes.

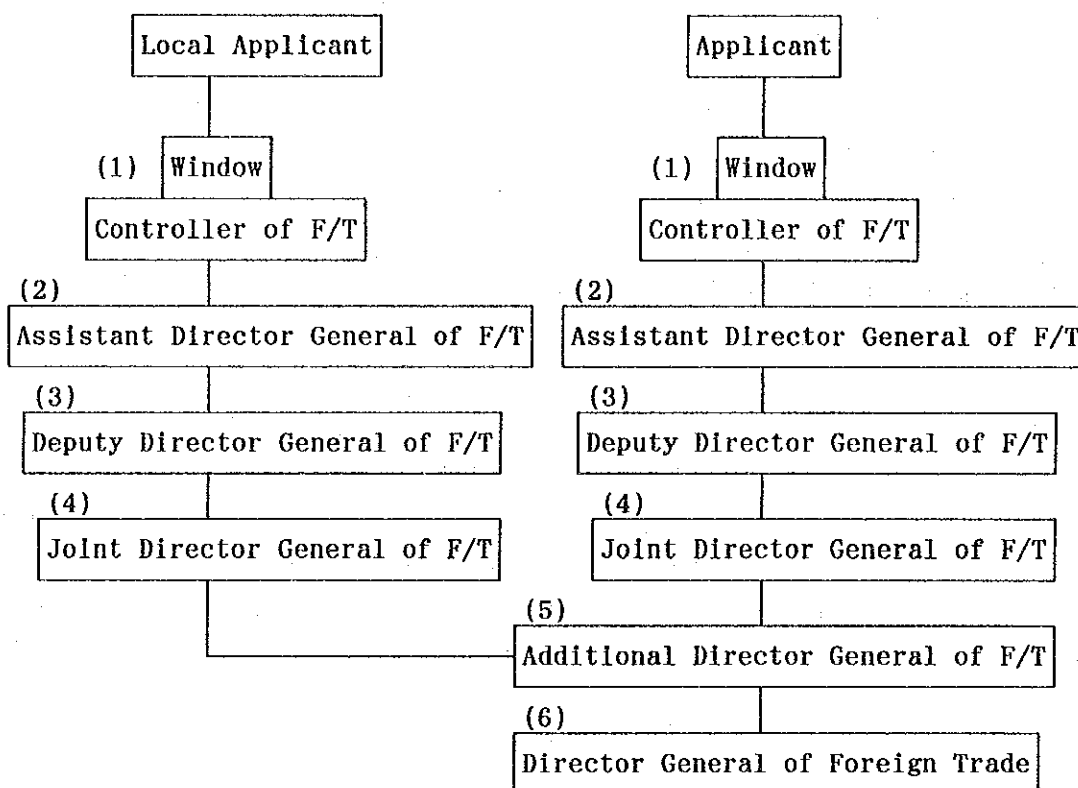
(6)' Copy of notice of recognition for the over-paid taxes to remitter.

(7) Application for the refund and remittance of over-paid taxes to RBI

(8), (9) Remittance

3. Procedure for Import License

(Ministry of Commerce)



Remarks:

(a) The power of approval

In usual cases, the controller, or assistant director general make the final decision, however, the complicated cases are to be decided with the superior classes such as Joint Director General or Joint Director General. In very rare cases, the special licensing committee as introduced below (b), is to be held on request of Director General for the consultations. It is said that the duration to the final decision is about 30-45 days in usual case, and no written limits in the regulations.

(b) The Special Licensing Committee With The request of Director General of Foreign Trade, the Special Licensing Committee is to be held in every two weeks, the members of witch are as under:

i) Director General of Technical Development

- ii) Department of Chemicals and Petrochemicals
- iii) Department of Electronics
- iv) Development Commissioner for Small Scale Industries
- v) Department of Telecommunications
- vi) Ministry of Finance, Department of Economics Affairs

(c) Needful Documents In addition to the Application Forms, the following documents are requested to attach:

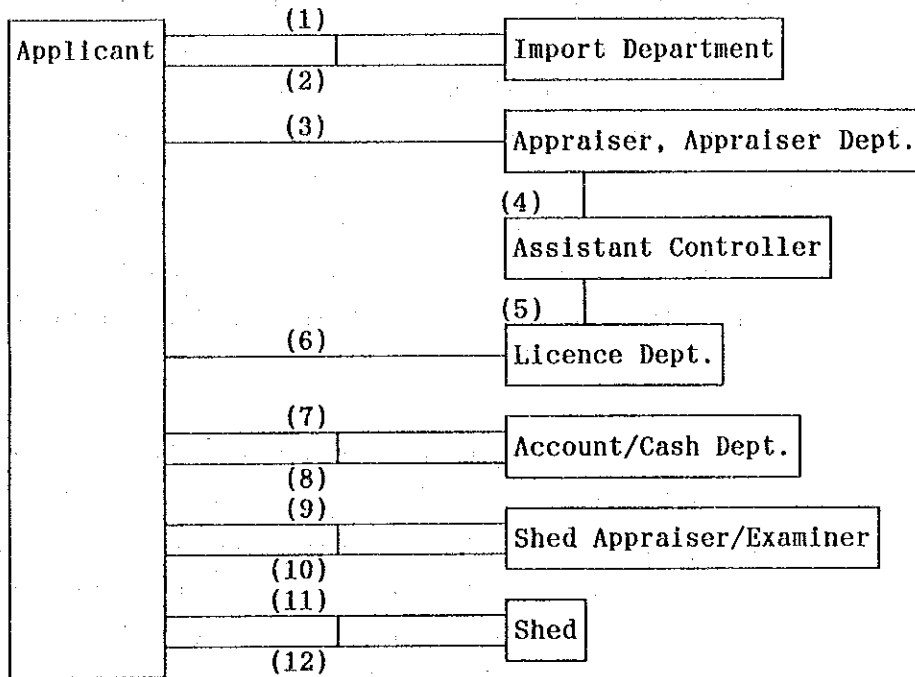
- i) Certificate of Past Consumption
- ii) Justification for Import
- iii) Copy of Industrial Licence or its substitutes
- iv) export records of past two years

(d) Appeals

The applicant can appeal to the superior bureaucrat than the staff disapproved the import licence, and the buroaucrat is to consult with another staff avoiding the join of the staff disapproved the licence. The regulation clearly state that the final decision should be rendered within 45 days after receipt of appeal.

4. Procedure of Custom Clearance.

Importer



- 1 Submit the Bill of Entry to Import Dept.
- 2 Acknowledge the Bill of Entry in Applicant.
- 3 Spply to Appraiser with Bill of Entry, Invoice, B/L and Import Licence etc.
- 4 Forward the Bill of Entry to Assistant Controller offer theching the Documents.
- 5 Forward the Bill of Entry with countersign to Licence Dept.
- 6 Return of Bill of Entry to Applicant Indicating is custom duties.
- 7 Pay the custom duty to Acount/Cash Dept
- 8 Return the duplicate copy of Bill of Entry to Applicant
- 9 Submit the duplicate copy to Bill of Entry to Shed Appraiser/Examiner for final clearance.
- 10 Issue the "Out of Charge"
- 11, 12 Submit the "Out of Charge", and take out in imported commodity from Custom Erea.

Remarks: (1) TYPES OF CUSTOMS DUTIES

The Union Government prescribes the nature and extent of customs duties to be levied on goods imported into or exported out of India. These are

(a) Basic Duty: All goods imported into India are chargeable to duty as are prescribed in first schedule of Customs Tarrif Act. This Schedule is amended from time to time to modify alter or vary the nature of duty.

(b) Additional Duty: It is also known as countervailing duty. The rate of this duty is equal to excise duty levied on like goods when manufactured in India.

(c) Specific Duty: This duty is charged on goods in order to counter-balance the excise duty leviable on the imports going into the production of such goods produced in India.

(2) When its applicant holds the different opinion about the Custom tariff, they can deporet the higher custom duty than expected resewing the right to appeal to the controller, and then take out the Imported commodity from Custom Area. When Controller who is empowered the judicial right, make the final decision faworablely to Applicant, the balanced amount is to be refunded. It takes usually about 2 weeks for the Controller's desisoin, and 6 months for the refund.

INVESTMENT PROMOTION CONCERN

(Issues raised by Foreign Investors in India)

1. Problems for the investment promotion.

1) It is desirable that the maximum limit of 51% currently set for foreign equity is liberalized.

2) It is necessary to shorten the time for the applications of joint venture. As the special experience, it took 4 years to obtain an Industrial Licence, moreover, this case was urged the export obligations.

3) Various regulations for issuing the capital stocks should be eased. The joint-venture had such experience that the foreign investment (related to automobile industries), was approved in comparatively short time in 1992, but it took 10 months for the completion of issuance of the equity stocks due to the various regulations. It is considered that improvement is needed in this connection.

4) It appears that a series of formalities are sometimes affected by individual interpretation of staff in charge and such practice should be rectified. For example, the foreign investment approved once at the time of Chandrasekal cabinet in the spring of 1991, was re-examined reflected the political reshuffle, consequently the establishment of this industry was delayed by about 6 months. Such inconsistency that an already approved case has to go through re-examination, should not appear again. In addition to the above, there was the case that the application for the new foreign investment which was joint investment with trading firm and manufacturer, was refused by the government with the reason saying the trading company who cannot transfer the technology, should not hold the larger equity share than manufacturer.

5) The restrictions for the import of capital goods should be abolished.

6) The announcement of the detailed regulations after the announcement of amendment of the Foreign Exchange Regulation Act (FERA) was delayed. For example, although the procedure for the employment of foreigner was simplified by the amendment of article 30 of FERA, some confusion occurred in the windows of practical procedure caused by lack of knowledge in detailed regulations.

7) It is recommended that the "single-window" for approval of investment should be integrated so as to work effectively. Otherwise, the application procedure would be delayed owing to the different procedure of different administrations to be submitted the various documents.

8) The exit policy should be well organized. even when the foreign investment intends to exit from India as a result of dull market situations, the liquidation of the company is quite impossible with the restriction of labor problems. In this connection, the formulation of the "Exit Law" in India is highly appreciated. When bankruptcy is adjudicated in India, an application will be filed to BIFR (the Board of Industrial Finance & Reconstruction) instead of the court with necessary documents. BIFR was originally established as a reconstruction committee designed to expel wicked dealers who plan intensive bankruptcy after the repeated borrowings. At present, the chairman of the BIFR is so much powered that he exercises an overwhelming influence over creditors on the pretext of "laborer protection." (e.g., orders to shelve credits, halve credits, etc.) Some creditors accept such an order for fear of being regarded as laborers' enemy. If the company should be reconstructed this way, its business performance will slump again unless basic problems are solved. Because of such repetitions, the enterprises can not reach to the final liquidation.

In the case of A-company, liquidation is still far away, and, every when BIFR request the conference, the staff should be attended with the troublesome formalities including preparation of

papers. The company hasn't paid salaries to employees actually because of lack of funds but they are employed by other firms without finishing retirement formalities with the company in order to retain the top priority right to receive their due of disposed assets after liquidation.

Recently, IMF, World Bank, we heard, pointed out excessively powerful authorities of this BIFR.

2. Problems for Technical Collaborations.

1) The solution of troubles related with royalty remittance should be quickened.

a) In October 1992, when we applied the royalty remittance to RBI (the Reserve Bank of India), the Bank pointed out that the tax rate should be 30% and requested to submit a certificate issued by the income tax office despite our genuine calculation based on 20% specified by the Double Taxation avoidance agreement. For solution of this problem, considerable time and efforts has been spent but it has not been solved yet as of today.

b) The mother company developed a new model of motorcycle (1,000 c.c.) for the Indian market use and applied for royalty remittance for it, however, this application has been denied insisting the technology is not new-one simply seeing the model of 1000 cc.

2) According to Article 12 of the Japan-India Tax Treaty that effectuated from January 1, 1990, the tax rate was reduced from 30% to 20% of withholding tax on royalties and dividends. However, this revision was not fully understood by local tax collectors. Examples are as followings:

Case 1

A royalty was received on March 30, 1992, deducting 30% of withholding tax. We requested the local tax office repeatedly to rectify the amount of withholding tax and allow us to remit the balance. The local tax office keeps saying that they can't do anything unless instruction is given from the Ministry of Fi-

nance, consequently the over-paid amount has not refunded yet.

Case 2

As in Case 1, 30% was deducted from royalty as withholding tax. The over-paid amount was eventually refunded but processing took a long time.

January 1990: A technical tie-up contract was made between A, Japanese firm, and B, an Indian firm.

November 1990: A received payment from B but 30% was deducted as withholding tax from the amount.

February 1991: B requested ITO in writing to refund over-paid amount equivalent to 10%, but ITO said the application was unacceptable unless it was accompanied by a letter of attorney from A.

May 1991: B requested ITO for refund again by affixing the letter of attorney obtained from A.

December 1991: ITO approved the said refund, and submitted the "No Objection Certificate" to us.

January 1992: Attaching the certificate above, B applied to RBI for the remittance of the over-paid tax. But, RBI instructed B to pay 5% of the remittance to the government of India on B's account as CESS. ("R&D Purpose" a kind of tax which is none of A's matter but is a extra expense of B.)

November 1992: After receipt of the said CESS from B, RBI issued an F/E permit to B. B then refunded it to A.

3) Other problems pertaining to royalty and dividend.

a) According to the Guidelines for Foreign Collaboration Policies & Procedures (M.O. No. 1D&FC-5 (26)/68-11 dated January 25, 1969), the terms and conditions setting the minimum royalty on the technology collaboration agreement, is prohibited. In case that the minimum royalty is within the 5% of esteemed domestic sales, should be reconsidered.

b) The rate of withholding tax on dividend must have also been reduced from 25% to 15% by the Treaty but refunding of overpay-

ments remains unsettled.

4) Refund of concessional import duty on exports which failed to obtain an advance licence due to emergency, took for 6 months long.

5) Regarding the remittance of supervising fees, the applicable tax rate is 20% according to a new provision of the Japan-India Tax Treaty. Nevertheless, a withholding tax rate of 30% was applied, to our dismay.

3. Problems for Import and Export.

1) Import liberalization

As a matter of fact, it is regulated that the import of spare-parts are bounded in principle only to the final user. This regulation prevents local agent's activity for the after services with sufficient spare parts in stocks. Consequently, the user of the machine come to suffer. Liberalization of parts imports is therefore expected.

2) Import duty reduction.

a) Tax on imported samples is too high.

b) Tax on spare parts is high.

c) A-company produces medium products for production of polyester fibers and imports necessary materials (roughly 10% of the finished product) from Japan. The import duty for these materials is extremely high, i.e., 182.5%, bringing a considerable burden for the production cost. For reference, the import duty applied by the ASEAN countries are in ranges of 25% to 45%.

d) The notifications of various deregulations and liberalizations are not clear sometimes.

e) Even the joint venture is established, the concessional incentives to be given are not clear.

3) Rationalization of export/import formalities, approval/permit procedures and customs clearance.

a) Duration for the customs clearance

In the case of the export of products from India, some part of components and accessories are required to import from abroad. Occasionally, customs clearance of imported components and accessories is taking a long time, giving a threat to scheduled delivery. Speedier customs clearance is therefore sought.

b) Generally, it takes long time for final conclusion against appeal to the custom controller.

c) Speedier customs clearance is sought.

There was a case that the export schedule was delayed caused by long duration for custom clearance of imported spare-parts.

d) The extra demurrages were charged due that the different interpretations on the concessional rates of import duties brought the long time for consultations.

e) In the case of mis-shipped/defectively-supplied cargo, it has solved as following ways:

- (1) paid the import duty of over 300% including penalty
- (2) requested to submit the third party's certificate of mis-shipped/defectively-supplied cargo
- (3) export permit was hardly obtained for shipping back this defected commodity.
- (4) the cargo was returned to Japan after the full negotiations but refund of the import duty against reexported defective commodity, took a very long time.
- (5) took over one year for refunding

- As "defective supply" used to be happened, the simplification for the settlement is so much expected. - (Even in an apparent case of theft, it cannot be certified easily.)

f) As an example of sample shipment, there was a need to export polypropylene samples made in India to Japan for testing. However, samples worth more than 3,000 rupees could not be shipped. (It was difficult for the Japanese head office to pay for them, as they were to be just tested on behalf of the local corpora-

tion. Handling of this case was really tough as it was difficult to offset the possible advance with remittance from India later under a fictitious classification.)

g) In the hope of using parts/raw materials made in India, shipment of Indian samples to Japan was once attempted but a permit of export without foreign exchange couldn't be obtained.

A-company - Use of domestic products was replaced with imports.

B-company - Switched then to paid exports and shipped them to Japan for examination.

In the case of export-specification products in particular, such examination is mandatory in view of product reliability in case of Japanese manufacturer.

h) 40kg of slender copper wire samples were to be shipped to Japan to test break ratios but it was suspended by customs on the ground that export of such a sample was limited to a length of one meter or so.

i) Though they are half forcing us to export, they do not approve warranty remittance.

j) A software company within EPZ wanted to import computer hardware for export of computer software. Whereas such imports should be automatically approved and imported with tax-exemption, a trouble was encountered in customs and the cargo remains uncleared for 3 months to their puzzlement. The same thing happened to air-conditioners for main frame's room.

5) Problems related to PMP scheme and Export Obligation

a) To comply with the domestic production ratio rule, manufacturing of parts had to be made in India, obliging us to make equipment extra investment here.

The PMP system is not applicable to new companies. But old companies established with PMP obligation, are still bound by this commitment and are required to report their progress situation every year. There were cases in which the application of preferential import tariff to the import components for effectuation of fuel-efficiency was suspended when progress lagged behind schedule, though slightly. Therefore, they are in a disadvantageous posi-

tion compare with the new companies to which the PMP system is not applicable.

b) Though export obligations have been abolished officially, one manufacturer was summoned by the Ministry of Industry and was accused of its non-fulfillment of the export goal. There is a gap between the policy to discontinue export obligations and working-level approaches.

c) There was a case that the Indian products were exported to comply with the government policies, and faced some delicate problems to be solved by Japanese engineer, and then asked for dispatch the needful engineer to imported country, however, the remittance of the expenses were not permitted by the government.

d) Though they oblige us to export forcibly, they do not approve warranty remittance.

e) Import duty on motorcycle parts is as high as 110% and they have to be procured domestically. (They say the local procurement obligation has been discontinued officially.)

4. Finance problems

1) Not liberalized yet about the financial activities.

2) Sever foreign currencies control (Liberalization of opening foreign exchange account by a foreigner are expected)

3) Development and stabilization of the call-money market are sought.

4) Problems related with banking activities.

a) When we want payments (refund, etc.) into our bank account for business purposes, there is a restriction that only the remittances from designated firms are permitted.

b) The Indian version of BIS control is irrational.

c) The ratio of our reserves in the central bank is too high.

d) There are too many guidelines and practices unique to India.

Most of them are not matched with international commercial practices.

(Ex.)

- (1) Even for the Letter of Credit at sight, it is allowed for some period of usance in domestic banks.
- (2) Rigorous arrangement of non-realistic consortium system was forced.
- (3) It takes several months (more than 6 months, in some cases) to reach the final agreement among the consortium for the decision of the finance amount required by the firm.
- (4) At present, bank loans not through a consortium are prohibited. As a result, it is impossible to take immediate action for the needs of the clients. Especially, the case of the clients organized with joint-ventures of several enterprises, is much troublesome.
- (5) The liaison office of a foreign company is not able to open foreign exchange deposit account. As a matter of fact, in February, 1992, the government of India decided to allow us to hold up to 15% of export earnings in foreign currencies. Therefore, liaison offices of foreign companies located here all rushed to apply for the opening of respective foreign exchange deposit accounts simultaneously in an attempt to "acquire foreign currency without an individual application for permit by RBI when foreign currency is needed, to make a business trip abroad for example, and also to avert a foreign exchange risk the Indian rupee may bring." Then, Reserve Bank of India once approved with the official letter dated October 14, and, they suddenly issued a notification that the opening of foreign exchange deposit accounts by the liaison office of foreign firm is not approved in November. Despite repeated negotiations with RBI officers made subsequently, they are strongly determined that "no exception is allowed". Our application was rejected and we had to give up having our own account after all.

5. Taxation problems

1) Because of different interpretations for importing items between the central government and customs, import duties rates are imposed in great differences in some cases. For business management, this creates an unexpected error between the planning and actual performance, presenting a problem to the formulation of business strategies.

2) To enhance international competitiveness and improve product quality, we are forced to import essential materials. It is desirable that the levels of import duty be lowered to those applied by other Asian countries welcoming foreign investment.

- a) Import duties for capital goods: Rates are higher than other countries.
- b) Import duties for raw materials and parts: Rates are higher than other countries.
- c) Different rates are applied to the same item, depending on the objectives of use.
- d) Too complicated itemization for importing goods.

3) Taxes in India are characterized by:

- a) Rich variety
- b) Complicated procedures which are revised often.
- c) Collection from many places and points of time.

To cope with such a complicated tax system, many specialists of tax have to be retained and time and money is required to comply with various procedures. We have no alternatives other than accepting the prevailing situations. If we are able to pay the various taxes once when the commodities delivered from the factory, the time and cost might be saved considerably.

4) Sales tax

Each state has its own rate of sales tax. Some state levies the very high rate of sales tax. It is considered necessary to reduce these rates to reasonable levels as of neighboring countries. This disparity is a neck to the formulation of sales strategy in all over the India. (Example: 5% in Delhi, 16.5% in Gujarat)

5) Excise duty

Excise duties rates are too high. The current tendency to levy excise duty from weak and obedient industries, should be improved.

Example: (1) Dry battery: 34.5%. (Dry batteries are indispensable for farmers and general consumers.)

(2) Rice cooker: 23%, while Pressure pan (propane gas-fueled): 0%.

6) Octroi: Abolition suggested.

7) Seems no consistency in taxation policies

8) Tax refund takes too much time. It must be shortened.

A draw-back of import duty for exports takes as long as 6 months. In case obtained the advance license which is scheduled to export purpose, such kind of draw-back of overpaid import duty is not happened, but there are some occasion to import urgently the components for exporting products.

8) According to the advance payment system for corporate tax, if a taxable income estimated during the fiscal year falls short of the actual taxable income, a penalty is charged. If an overpayment is made, the overage is not eligible for adjustment in the following fiscal year and it takes years to get it back.

6. Problems related to Japanese staffs in Indian enterprises

1) Takes too long time for obtaining the entry-visa

2) Electric charge is expensive. (without exchanging a meter, knowing it is out of order, they charge the maximum amount of charge, even if electricity is not used actually because of a long vacation.)

3) Import duty on household goods brought in India (including a personal computer, word-processor and other electric appli-

ances,) still keeping high rates.

- 4) The scope of deemed taxation is large. (Ex: rental charges for company residence and fixtures are taxable.)
- 5) Installation of a telephone takes a long time.
- 6) Visa problems:
 - a) It took about one and half month to obtain a visa issued.
 - b) Issuance of a visa takes a month. In case of substitution of Japanese staff, it is very easy to obtain the visa, but for the increase of Japanese staff, there might be some troubles.
 - c) We had the bitterly experience that the income tax office asked for the personal incomes in Japan (assets in Japan, total incomes in Japan etc.) at the occasion applied for visa, and to cope with this requirement, we hired a tax accountant with time and costs.
 - d) Because of visa acquisition, the substitution of Japanese staff took roughly 5 months, with long time for duties continuations
 - e) When a Japanese staff returns home temporarily, he has to file an application for re-entry with the municipal police each time to have a re-entry visa issued. It takes 2 or 3 days for getting the re-entry visa depositing the passport to the police station. Unexpected business trip abroad or emergency is quite impossible. While, in Delhi, there's no problem to obtain a multiple-visa, for which we wish to be arranged in district offices too.
- 7) Usually, a pay raise is made in April for Japanese staff, but we planned to make it in February. And, it was pointed out, as it was unusual, that it might stimulate the authority concerned. As extra precautions were needed, we felt it very uncomfortable.
- 8) There is an upper limit to the number of staff sent from Japan. Because of this, there was a case in which a sufficient allocation of such personnel could not be achieved.
- 9) In connection with the dispatch of engineers in accordance with the technology transfer agreement, we are requested to

apply with detailed living expenses in India. When this expenses exceeded than the estimation, the government didn't agree the full payments.

10) Transfer of the title of passenger car to another: When the title of passenger car is transferred from a staff to his successor, much time and labor is required for registration procedures at the competent agency.

11) When an engineer is sent to India, these expenses are allowed to pay in accordance with the contract as the technical guidance fee. But, there is a case recently that the engineer from Japan to third country (other than India) is requested to be sent for the Indian interest, and payment against this expenses is not approved.

12) Acquisition of an exit permit and reporting of re-entry are sometimes inconvenient. A staff entered in India on April 3, 1991, and took delivery of his property (including office equipment) from Japan subsequently in two installments, in April and July. During customs clearance, he was told that his property consisting chiefly of electric appliances (a word-processor, refrigerator, etc.) could not be put to resale for a period of one year and a bank guaranty therefore was necessary. Based on the bank guaranty, he was required to obtain an exit permit from the customs office at airport each time he left India. For calculation of one year, the restricted period, one calendar year from the date of customs clearance is not used but 365 days from the date of entry is applied. He was required to submit a re-entry report each time he returned to India by showing up in the customs office at airport within a week of the arrival. In the process of fulfilling this obligation, he had to wait quite long several times even during office hours because of absence of the officer in charge. Be it the acquisition of an exit permit or a report of re-entry, he had to allow at least half a day to one full day. He couldn't help but implementing accordingly. It is impossible to leave India in a hurry to make an urgent business trip abroad or in an emergency such as a sudden ill-

ness.

When he visited the office to apply for an exit permit in July 1992, he was told that the permit was no longer necessary as the calculation method was revised to be based not on the actual length of stay but simply on one calendar year from the date of customs clearance. This is an improvement in itself but the restriction for one calendar year is still considered effective and newcomers will suffer inconveniences during the meantime. As a bank guaranty has been offered in advance, it is theoretically possible to seize it if a need arises. In short, the necessity of exit permit itself should be eliminated.

13) Rationalization of procedures at airport/sea port. (Improvement of exit/entry formalities and simplification of customs clearance procedures.)

a) Delayed customs clearance

This is the case that one of our staff who was intending to depart from India for the vacation, met at the customs clearance on Delhi Airport. There is a tax-free import system specially for the foreigner who is scheduled to stay in India for a certain duration that some of the household goods may be brought without paying any import duty. And, when this system applied, it is requested to register in his passport the name and amount of the items imported on tax-free. To cover one year from the date of entry, he is required to submit a letter of guaranty from the bank in every occasion of his temporal departure for the purpose of the certification of his continued utilization of the commodities after his re-entry too. In August, 1991, this system was partially amended to replace the bank guaranty with his own written declaration. When our staff wanted to leave India after this amendment, he was required to submit a bank guaranty by a customs officer who had none of knowledge about this amendment, and was almost missing his scheduled flight. The same trouble, we heard, happened to

another foreigner lived in Delhi.

This type of trouble might appear frequently. It is therefore desirable that, these official amendments are to be well instructed to the officers in charge, as well as the public notifications to the foreigners.

In addition, there are many cases that the business papers, stationery, foods, etc. sent with parcel post or ordinary mail are lost en route. It is predicted that they were stolen somewhere after entry in India.

- b) When a staff is reassigned from Japan to New Delhi, the delivery of his property via sea cargo takes about 3 months, causing inconveniences for living. And, the transportation between Bombay and New Delhi usually takes more than one month.

7. Problems with Local Employees.

The Labor Law would be revised adopting the balanced policies for the benefits of both labor and management.

- 1) Before employing new staffs, the number required has to be applied to Employment Exchange Office preliminarily.
- 2) The restriction of 90 days limitation for temporary employment would be abolished.
- 3) Restrictions related dismissal are too many and complicated.
- 4) Improvement of conversion system into money from labors privileged holidays.

- 5) Employment guidance from RBI, (in case of bank operation)

At present, our bank is instructed to employ as a regular staff, for the security guardian, sweepers and office boys avoiding the utilization of the services from the manpower agencies. This should be made freehandedly according to the business volume and scale of bank.

- 6) When employment is planned, a notification has to be made to the competent government agency (Employment Exchange Office) in advance. In some cases, the Office sends in candidates.

Though the company is a private sector, the system is so structured that we are not allowed to hire employees so freely.

- 7) As for the wage up problem, a trouble has been happened since 5 years ago. And as a result, five local staff were dismissed by us. The matter is now in progress in the court but an amicable settlement has not given yet owing one of the dependence of interference with the outside supporting groups.

8. Office-Related Problems

- 1) A word-processor brought in India with the entry of a staff, were registered in the passport of individual, and has to be brought out with the passport holders at every occasions of business trip to abroad irrespective the needs of it.
- 2) Some of the calendars sent from Tokyo for distribution to our customers were lost en route, as well as injectors. It is said that office machines, video cassette recorders, and house hold appliances etc. should not be sent from Japan. This kind recommendation itself is a proof of the problems.
- 3) According to the RBI regulations, we cannot utilize the funds as the floating account of the office when this account is earned by the sale of the commodities, unless approved specially from RBI. For example, when the cancellation refund was made by the house-owner of a part of advance payments, the money cannot be utilized for the office current needs unless getting the approval from RBI.
- 4) Easing of the restriction on the limits of imported cars registered with the company, is desired.
The limitation of holding the corporation cars were eased to three from only one on June, 1992. And, from the fourth, each car has to be imported in the name of a individual staff. At present, we cannot but register all cars beyond the limit in the names of individuals, commercial vans, especially is not radical in obtaining by individuals.
- 5) It is desirable that import procedures for company cars are

to be made more quickly. (It took nearly a year!)

Example:

- a) After the office was opened in early April 1991, a complete set of documents needed by application for the import permit of a company car was prepared by our agency in Delhi, and submitted on May 2 to the office of Chief Controller, Import and Export, in Delhi.
- b) In the letter dated June 10, the office of CCIE inquired us about one point contained in the set of documents (if we have ever imported a company car or not) and we sent a reply dated June 12.
- c) In July, the office asked us to submit a document in which we should appoint this agency as our import agent, and we did.
- e) On July 23, we were notified of its import permit and we ordered it to Japan. Two to three months were required for production, we were told.
- f) In early October, the car arrived at the port of Bombay and we submitted a document designating a customs clearance agent in Bombay.
- g) During the agent was proceeding with customs clearance procedures, we obtained a bank guaranty in respect of the car import.
- h) In early December, import duty was paid to RBI in Bombay through the agent.
- i) At the same time, we submitted a complete set of necessary documents along with the bank guaranty to the office of Joint Controller of Export and Import in Delhi through our agent dealer in Delhi and waited for the issuance of Acceptance Letter.
- j) Because the attendance of the applicant himself was needed to get the Acceptance Letter, I myself visited the office on December 13, and told that the Power of Attorney verified by the head office in Japan to appoint myself as the companies' attorney.
- k) In the course of obtaining the Power of Attorney from the

head office, the Bombay Port Authority sent us a reminder urging us to take delivery of the same. It also threatening us that, if the car was not cleared within the time limit, it would be put to public auction. I had long day of distress.

- l) I visited Joint Controller's office again on January 7, 1992, with the Power of Attorney, and explained the background to a senior officer about my above experience, the document was finally accepted by the office, and received the Acceptance Letter in several days after.
- m) During the course of import proceedings, the exchange rate of rupee changed and a amendment of import value should be submitted to Bombay customs, and finally the application documents were completed on January 15.
- n) After all these processes, the company car were delivered to my agent in Delhi on middle of February.
- o) It took nearly one year from the starting the import procedure for the car to final possession in my hands.

6) Import duty on imported automobiles

The rate of import duty is as high as 250% and a drastic sharp deduction is desired.

7) Easing of the restriction for the resale of imported cars is desired.

When a staff who has an imported car registered on his name is going back to his home country, the very limited methods would be taken such that (1) the car is sold to State Trading Corporation, (2) the registration of the car is altered to a qualified foreign company or its staff, or (3) the car is taken home country. In addition, 3 to 4 months are required in each case to obtain an approval of CCIE. As a matter of fact, the resale of the company car imported with the high import duty, cannot be made freely in this country. With the certain remits such as, for example, used for several years, the regulation for the resale of the imported car would be

eased considerably including the resale to domestics.

7. Others

- 1) Increase of the allocation of tax-exempt imports of daily necessities (food in particular).
- 2) Improvements in basic infrastructure such as electricity and telecommunications. (including preferential allocation of budget to these sectors).

**APPENDIX-IV : LIST OF SUPPORT ORGANISATIONS AND
ASSOCIATIONS**

**SUPPORT ORGANISATIONS AND ASSOCIATIONS
(AFFILIATION BODIES)**

FICCI	FEDERATION OF INDIAN CHAMBER OF COMMERCE AND INDUSTRY
ASSOCHAM	ASSOCIATED CHAMBER OF COMMERCE
PHD CCI	PHD CHAMBER OF COMMERCE AND INDUSTRY
CII	CONFEDERATION OF INDIAN INDUSTRY
SRTEPC	THE SYNTHETIC AND RAYON TEXTILES EXPORT PROMOTION COUNCIL
IACC	INDO-AMERICAN CHAMBER OF COMMERCE
FIEO	FEDERATION OF INDIAN EXPORT ORGANIZATION
NISA	NORTHERN INDIA SHIPPERS ASSOCIATION
CEU	CONFEDERATION OF EXPORT UNITS
IPCCI	INDO-POLISH CHAMBER OF COMMERCE AND INDUSTRY
IFCCI	INDO-FRENCH CHAMBER OF COMMERCE AND INDUSTRY
IICCI	INDO-ITALIAN CHAMBER OF COMMERCE AND INDUSTRY
ATMA	AUTOMOTIVE TYRE MANUFACTURER ASSOCIATION
IMDA	INDIAN MAIZE DEVELOPEMENT ASSOCIATION
TCDA	TELECOM CABLES DEVELOPEMENT ASSOCIATION
CCMAI	CABLE AND CONDUCTOR MANUFACTURER'S ASSOCIATION OF INDIA
IGMA	INDIAN GRAPHITE MANUFACTURER ASSOCIATION
NITMA	NORTHERN INDIA TEXTILE MILLS ASSOCIATION
MAIT AND	MANUFACTURERS ASSOCIATION FOR INFORMATION TECHNOLOGY
CSI	COMPUTER SOCIETY OF INDIA
ECSEPC	ELECTRONICS AND COMPUTER SOFTWARE EXPORT PROMOTION COUNCIL
AICMA	ALL INDIA COMPUTER MANUFACTURERS ASSOCIATION

A Survey of Indian Industrial Support Organisations and Associations

Name	Category	Services	Domestic	Foreign	Affiliate	Member
1.SRTEPC	Machinery	Not available	Y	Y	TMI	2
2. IACC	Exports*	1,3,5,8		Y	AAA	3
3.FIEO	Exports*	1	Y	Y	FICCI, ASSOCHAM,PHDCCI, IMC	
4.NISA	Exports*	1,5,8	Y	Y	AISC.PHDCCI,FICCI	3
5.CEU	Exports*	1,3	Y	N	Not available	
6.IPCCI	Exports*	2,5,8	Y	N	Not available	3
7.IFCCI	Exports*	2,3,8	Y	Y	Not available	3
8.IICCI	Exports*	1,3,5	Y		Not available	3
9.ATMA	Chemical	1,8	Y	N	FICCI,ASSOCHAM,PH DCCI,CAPEXIL	1
10.IMDA	Chemical	1,3,5,8	Y	Y	STATEWISE	2
11.TCDA	Electrical	5,8	Y		Not available	3
12.CCMAI	Electrical	1,5,8	Y	N	IMMA	3
13.IGMA	Electrical	1,5,8	Y		Not available	3
14.NITMA	Textiles	1,3,8	Y		FICCI,PHDCCI	3
15.MAIT	Computer/ Software	7,8	Y	Y	CII,PHDCCI,FICCI,SIT O	3
16.CSI	Computer/ Software	1	Y	Y	Not available	2
17.ECSEPC	Computer/ Software	1,5,8	Y		Not available	3
18.AICMA	Computer/ Software	1,3,5	Y	Y	APCIJ	3
19.PHDCCI	Volunteer	1	Y	Y	ASSOCHAM	3
20.CII	Volunteer	99999	N	Y	Master Body	2

Note: names of organisations are listed in Appendix III. Categories are defined as follows: **CATEGORY:** EXPORTS* = TRANSPORTATION & EQUIPMENT. **AFFILIATION CATEGORY:** 1 MACHINERY; 2 METAL PRODUCTS; 3 EXPORTS; 4 CHEMICAL PRODUCTS; 5 ELECTRICAL; 6 OTHERS; 7 TEXTILES; 8 COMPUTER & SOFTWARE; 9 TO ALL; ABOVE INDUSTRY. **SERVICES:** 1 GUIDANCE; 2 MARKETING ASSISTANCE; 3 RESEARCH / DATABASE; 4 LICENCING; 5 BUSINESS NETWORKING; 6 MANPOWER; 7 FINANCIAL ASSISTANCE; 8 GOVERNMENT LIAISON; 9 OTHERS; 99999 ALL OF ABOVE. **MEMBERS LIST:** 1 MEMBERS ONLY; 2 PUBLIC; 3 INDUSTRY SPECIFIC; 4 SALES.

APPENDIX-V : QUESTIONNAIRE

INVESTMENT DEMAND SURVEY
FOR THE MASTER PLAN
ON INDUSTRIAL MODEL TOWN IN INDIA
(JAPANESE ENTERPRISE)

Company : _____
Address : _____
Respondent : _____ Title/Section : _____
Telephone Number : _____

1. Please describe a corporate profile of your company.

Capital stock : _____ Number of Employees : _____
(in million yen)
Type of Business : _____ Annual Turnover : _____
(in million yen)
Key Products : _____
Foreign Trade (Export/Import) : ☐ 1 YES ☐ 2 NO

2. Please describe overseas investment programs of your company.

- (1) Does your company have experiences in establishing factories, technology tie-ups, overseas investment?
Please mark your answer with a tick () : ☐ 1 YES ☐ 2 NO

If the answer is NO, Please skip to 3.
--

- (2) What approach was taken in case when you expanded overseas business activities. Please select approaches as listed below.

- ☐ 1 Joint venture with a local capital
☐ 2 Processing on commission basis
☐ 3 Technology tie-up
☐ 4 Other (Please specify: _____)

- (3) What was your target area(s) and objects for the investment. Please select the answers listed below.

Country Region	Object
_____	_____
_____	_____
_____	_____
_____	_____
1 NIEs in Asia (Korea, Hong Kong, Taiwan and Singapore)	1 Lower labor cost
2 ASEAN countries (Thai, Malaysia, Indonesia and Other)	2 Development of domestic market
3 Vietnam, Laos and Cambodia	3 Low cost of raw materials
4 China	4 Government concessions
5 South West Asia (India, Sri Lanka, Pakistan and Other)	5 Obtaining orders from overseas parents or sales agent companies.
6 Australia and New Zealand	6 Information center
7 North America (Canada and the U.S.A.)	7 Re-export to Japan
8 South and Central America	8 Export to other countries
9 Europe (excludes ex-W.Europe)	9 Avoidance of risk on foreign exchange
10 Ex-Western Europe and ex-USSR	10 Avoidance of friction of international trade
11 Middle East and Africa	11 Other
12 Other	

- (4) Does your company have experiences of withdrawal from overseas business activities?

1. Yes

Please give reason(s) if your overseas investment was withdrawn in the past.

- () 1 Difficulty of developing the market
- () 2 Insufficient supporting industries
- () 3 Problems on increasing labor cost, supplying labor, and managing labor
- () 4 Contraction with local partner
- () 5 Poor infrastructure
- () 6 Lack of manpower to send
- () 7 Difficulty of arranging finance
- () 8 Unstable politics and public order
- () 9 Change of investment environment of Japanese side
- () 10 Others (_____)

2. No.

3. Please describe overseas investment plan(s) of your company in the future.

(1) Please choose one appropriate perception from the below list as to your overseas investment plan.

- () 1 Have a concrete plan (describe concretely : _____)
- () 2 Under examination as definite plan is yet to be determined.
- () 3 Have an interest in making an overseas investment in the future
- () 4 Have no interest in making an overseas investment

If the answer is either one of the above 1, 2 and 3, please go to the question (2), and if the answer is 4, then please describe reason(s).

Reason(s)

If the answer is 4 to the above question (1) of the question 3, your questionnaire is completed.
Thank you for participating this study.

(2) When is your overseas investment planed?

Please choose one answer from the timetables listed below.

- () 1 Within one year
- () 2 Within one to two years time
- () 3 Within three to five years time
- () 4 Five years onward
- () 5 Not yet fixed as it is only at a planned stay

- (3) What is your target area(s) and objects for the investment? Please choose the geographic region(s) as listed below.

-
- | | | | |
|----|--|----|--|
| 1 | NIEs in Asia (Korea, Hong Kong, Taiwan and Singapore) | 1 | Lower labor cost |
| 2 | ASEAN countries (Thai, Malaysia, Indonesia and Other) | 2 | Development of domestic market |
| 3 | Vietnam, Laos and Cambodia | 3 | Low cost of raw materials |
| 4 | China | 4 | Government concessions |
| 5 | South West Asia (India, Sri Lanka, Pakistan and Other) | 5 | Obtaining orders from overseas parents or sales agent companies. |
| 6 | Australia and New Zealand | 6 | Information center |
| 7 | North America (Canada and the U.S.A.) | 7 | Re-export to Japan |
| 8 | South and Central America | 8 | Export to other countries |
| 9 | Europe (excludes ex-W.Europe) | 9 | Avoidance of risk on foreign exchange |
| 10 | Ex-Western Europe and ex-USSR | 10 | Avoidance of friction of international trade |
| 11 | Middle East and Africa | 11 | Other |
| 12 | Other | | |

- (4) Please select appropriate outline(s) of your overseas investment plan.

- () 1 Involved in production by either establishing a local company or through a joint venture
- () 2 Processing on commission basis
- () 3 Technology tie-up
- () 4 Other (please specify : _____)
- () 5 Yet to be determined

- (5) What approach is likely in case when you either establish a local company or enter into a joint venture. Please select an approach as listed below.

- () 1 Independent
- () 2 Joint venture with a local capital
- () 3 Joint investment with other Japanese companies
- () 4 Joint venture with other foreign enterprises
- () 5 Combination of 2, 3 or 4.
- () 6 Yet to be determined

Questionnaires on India as a potential investment target

Please answer each question by referring to the attached reference "Project for Establishing Industrial Town in India".

4. Please answer your perception on India as a target for your overseas investment.

(1) Factors determining decision to make an India and overseas investments.

	Your Evaluation of Following Items with Regard to India:			In General, Following Items are Considered To be:		
	Very Good VG	Fairly Good F	Bad B	Very Important VI	Fairly Important F	Not Important NI
(Political and Social situation)						
Political Stability	___ VG	___ F	___ B	___ VI	___ F	___ NI
Public Order and Safety	___ VG	___ F	___ B	___ VI	___ F	___ NI
Industrial Relation	___ VG	___ F	___ B	___ VI	___ F	___ NI
Economic Situation	___ VG	___ F	___ B	___ VI	___ F	___ NI
(Geographic Location)						
Climatic Conditions	___ VG	___ F	___ B	___ VI	___ F	___ NI
Distance from your Country	___ VG	___ F	___ B	___ VI	___ F	___ NI
Distance to Export Market	___ VG	___ F	___ B	___ VI	___ F	___ NI
(Market)						
Size of Local Market	___ VG	___ F	___ B	___ VI	___ F	___ NI
(Government Policy)						
Consistency in Policy Making	___ VG	___ F	___ B	___ VI	___ F	___ NI
Administrative Procedure	___ VG	___ F	___ B	___ VI	___ F	___ NI
Taxation System	___ VG	___ F	___ B	___ VI	___ F	___ NI
Tax Incentive Scheme	___ VG	___ F	___ B	___ VI	___ F	___ NI
(Indigenous Resources)						
Allied Industries	___ VG	___ F	___ B	___ VI	___ F	___ NI
Raw Materials	___ VG	___ F	___ B	___ VI	___ F	___ NI
Sub Components and parts	___ VG	___ F	___ B	___ VI	___ F	___ NI

Middle Management Staff	___ VG	___ F	___ B	___ VI	___ F	___ NI
Labor Cost	___ VG	___ F	___ B	___ VI	___ F	___ NI
Labor Quality	___ VG	___ F	___ B	___ VI	___ F	___ NI
Business Information	___ VG	___ F	___ B	___ VI	___ F	___ NI

(Infrastructure)

Electric Power	___ VG	___ F	___ B	___ VI	___ F	___ NI
Water	___ VG	___ F	___ B	___ VI	___ F	___ NI
Telecommunication	___ VG	___ F	___ B	___ VI	___ F	___ NI
Airport/Ocean Port	___ VG	___ F	___ B	___ VI	___ F	___ NI
Road	___ VG	___ F	___ B	___ VI	___ F	___ NI
Railway	___ VG	___ F	___ B	___ VI	___ F	___ NI
Satellite Link	___ VG	___ F	___ B	___ VI	___ F	___ NI

- (2) The Government of India has changed the economic and investment policy to promote investments from abroad since 1991. Does your organization know the change of policy?

() 1 Yes, Know very much
 () 2 Yes, but a little
 () 3 No

- (3) Have your organization planned or examined an investment to India before?

Is your organization interested in investment in India?

() 1 Have a plan
 () 2 Interest in without a plan
 () 3 No interest (Please specify _____)

If the answer is 3, your questionnaire is completed. Thank you for participating in this study.
--

- (4) If your answer to the previous question is 1 or 2, please select investment objective as stated below.

() 1 Production for Indian market
 () 2 Production for export to Japan
 () 3 Production for export other than Japan
 () 4 Other (_____)

5. Please answer each of the following questions on a joint venture operation and technology tie-up with companies in India.

(1) Is there any possibility that your organization will agree to a proposal for either a joint venture or a technology tie-up if proposed by India based countries ?

- ☐ 1 Possible to accept both joint venture and technology tie-up
- ☐ 2 Possibility only in joint venture
- ☐ 3 Possibility only in technology tie-up
- ☐ 4 Unlikely to consider both joint venture and technology tie-up
- ☐ 5 Other (_____)

If the answer is 4, please skip to the question (3).

(2) Please select appropriate condition as listed below in case when participating in joint venture or technology tie-up

- ☐ 1 Partner company
 - ☐ 1) Group in Zaibatsu-a;
 - ☐ 2) Non-group in Zaibatsu;
 - ☐ 3) Not particular, if reliable
- ☐ 2 Equity ratio in case of joint venture
 - ☐ 1) Over 51%;
 - ☐ 2) 49% less;
 - ☐ 3) Not particular
- ☐ 3 Compensation for technology licensing
 - ☐ 1) Important;
 - ☐ 2) Attach importance to merit other than compensation
- ☐ 4 Other (specify_____)

a- group or combine comprising a few wealthy families
that controls industry, business and finance

(3) Please describe perception of your organization as to joint venture and/or technology tie-up with an Indian company.

Questionnaire about Industry Model Town (IMT) in India

As profiled in the accompanying reference, Industrial Model Town (IMT) project has been under consideration to be built at either one of the two respective candidate locations in the suburbs of Delhi, the capital of India and in the suburbs of Bangalore. Please answer each question as to interest and/or intention of your organization to the IMT project.

6. Does your organization have interest in IMT project in India ?

- () 1 With interest
() 2 Beyond consideration

If the answer is 1, please skip to question 7.

If the answer is 2, please describe reason(s).

Reason(s)

If the answer is 2, your questionnaire is completed.
Thank you for participating in this study.

7. Among the earlier indicated 4 candidate locations, please select one site most attractive to your organization (distinctive features of the respective locations are profiled at pages the attachment for reference.).

- () 1 A zone (Noida, Gurgaon)
() 2 B zone (Bidadli, Sathanur)
() 3 Other

Please describe prime reason(s)

Reason(s)

8. In case when your organization invests in the IMT project, please describe product lines likely to be manufactured, and trade ratio of export vs local market.

% Ratio of export and domestic Export _____ Domestic _____

9. This questionnaire is to ask conditions your organization pertaining to the IMT project.

- (1) Please select form(s) desirable when investment is made (more than one answer is accepted).

- ☐ 1 Independent with a 100 % equity
- ☐ 2 Joint venture with a local organization (Equity: more than 51%)
- ☐ 3 Joint venture with a local organization (Equity: 50%)
- ☐ 4 Joint venture with a local organization (Equity: less than 49%)
- ☐ 5 Technology licensing to a local organization in IMT project
- ☐ 6 Other (please specify: _____)

- (2) Please mark with a circle for an appropriate status of each the below items.

- ☐ 1 Factory site
 - ☐ 1) Purchase
 - ☐ 2) Lease
 - ☐ 3) Yet to decide

- ☐ 2 Building
 - ☐ 1) Own construction
 - ☐ 2) Lease
 - ☐ 3) Yet to decide

(3) Please describe a factory facility your organization considers necessary in case of participating in IMT project.

1. Required land area:

- 1) Upto 10,000 m² (1 ha)
- 2) 10,000 m² (1 ha) - 20,000 m² (2 ha)
- 3) 20,000 m² (2 ha) - 50,000 m² (5 ha)
- 4) Over 50,000 m² (5 ha) (m²)

2. Water construction:

- 1) Upto 100 m³/day
- 2) 100 m - 1,000 m³/day
- 3) 1,000 m - 5,000 m³/day
- 4) 5,000 m - 10,000 m³/day
- 5) More than 10,000 m³/day (m³)

3. Power requirement:

- 1) Upto 50 kW
- 2) 50 - 100 kW
- 3) 100 - 500 kW
- 4) Over 500 kW (kW)

4. Required number of employees:

- 1) Upto 50
- 2) 50 - 100
- 3) 100 - 200
- 4) 200 - 500
- 5) Over 500 ()

10. Please select and mark with a circle for appropriate conditions listed below for which your organization would take consideration when participating IMT project.

- () 1 Western standard living accommodation
- () 2 Western standard shopping facility within IMT
- () 3 Western standard medical care
- () 4 School for Japanese
- () 5 Recreational facilities
- () 6 Transportation
- () 7 Vocational training facility
- () 8 Trade information and business service facility
- () 9 Others

Thank you very much for participating in this survey. Please write opinions and/or suggestion, if any, how your organization sees Industrial Model Town project in India.

APPENDIX-VI: SOCIAL ENVIRONMENT: GURGAON

SOCIAL INFRASTRUCTURE - GURGAON

The existing social infrastructure in and around IMT site within 10 km radius and between 10 to 30 kms radius around proposed IMT site at Manesar near Gurgaon has been classified under major facilities like transportation, commercial educational, health care and family welfare, recreational, public services and utilities and housing facilities. The categories of facilities, types of facilities, level of facilities are duly listed in the Table-1.

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
1. TRANSPORTATION	a)ROADS & ACCESS	- National Highway	X	X	X		
		- State Highway	O	O	X		
		- Major District Rd.	O	X	X		
		- Secondary Roads	O	O	O		
		- Access Roads	X	X	X		
		- Pedestrian Walk Ways	X	O	O		
	b) Railways	- Broad Gauge Rly Stn	O	X	X		
		- Metre Gauge Rly Stn	O	X	X		
		- Commuter Facility	O	X	O		
		- Goods Terminal	O	X	X		
		- Cargo/Container Terminal	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
	c) Road Transport	- Public Mass Transit System.	O	O	O		
		- Bus Terminal	O	X	X		
		- Bus Stop/Stand	X	O	O		
		- Goods Transport Depot/Terminal	O	X	X		
	d) Airways	- Air Port : Domestic : International	O	O	X X		
		- Air Cargo/Container Terminal	O	^	X		
		- Heliport	O	O	X		
	e) Water Ways	- Seaport & Harbour	O	O	O		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE LOCAL	CF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Sea Cargo /Container Terminal	O	O	O		
2. Commercial	a) Shopping	- Regional/ Metropolitan/ Retail and Wholesale trade & Shopping Centre	O	O	X		
		- Town Shopping Centre	O	X	X		
		- Departmental Stores	O	O	X		
		- Local Shopping Stores	O	O	X		
	b) Business	- Central business Dist.	O	O	X		
		- International Business Centre	O	O	O		
		- City Centre	O	X	O		
		- Town Business Center	O	X	O		

Table-1. EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Industrial Business Promotion Centre	O	O	O		
		- Commercial Office Complex	O	O	O		
		- Commercial Bank					
		International	O	X	X		
		National	O	O	O		
		- Financing Agencies					
		International	O	X	X		
		National	O	O	O		
		-State Industrial Offices	O	X	X		
		- District industrial offices	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Insurance Agency					
		. International	O	O	O		
		. National	O	X	X		
		- International level Seminar and Convention Centre	O	O	X		
	c) Hotels	- Dormitories	O	O	X		
		- Restaurants (Class 1)	O	X	X		
		- Guesthouse	O	X	X		
		- Motels	O	X	X		
		- Resorts	X	X	X		
		- 3- Star Hotels	O	^	X		
		- 5- Star Hotels	O	^	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
	d) Consumer Support Service Centres	- Repair/ Maintenance workshops for Domestic Appliances Industrial Equipments	O	X	X		
3. Educational	a) University	- Arts, Science, Commerce Colleges Post Graduate Undergraduate	O	O	X		
	b) Colleges	- Engg. College	O	O	O		
		- R & D Institutes	O	O	O		
	c) Scientific /Industrial R&D	Business Management Institute	O	O	O		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
	d) Technical Institute	- Industrial Training Institute	O	O	O		
		- Polytechnic	O	O	O		
	e) Vocational Training Centre	- Technical / Commercial/secretarial Training Institute	O	O	X		
	f) School	- International school	O	O	O		
		- Integrated Resident School	O	O	O		
		- Higher Secondary School	O	X	X		
		- Secondary School	O	X	X		
		- Middle School	O	X	X		
		- Primary School	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
	g) Library	- National Level library	O	O	O		
		- State Level library	O	O	O		
		- Dist/Town Level library	O	X	O		
4. Health Care & Family Welfare	a) Hospitals	- Reginal Hospital					
		. International	O	O	X		
		. National	O	O	X		
		- General Hospitals	O	X	X		
		- Specialised / Referral Hospital	O	X	X		
		- Community Health Centre (CHC)	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Primary Health Centre(PHC)	O	X	X		
		- Nursing Home/Clinics	O	X	X		
		- Clinical Test Laboratories	O	X	X		
		- Sub Health Centre(SHC)	O	O	O		
		- Family Planning Centre	O	X	X		
5. Recreational Facilities	a) Sports	Play grounds/Sports complex	O	X	X		
		- Golf course	O	X	X		
		- Tennis courts	O	X	X		
		- Football field	O	X	X		
		- Cricket Feild	O	X	X		
		- Swimming pool	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Other Games Arena	O	X	X		
		- Sports club	O	X	X		
		- Health club/resort	X	X	X		
		- Yoga/Meditation centre	O	O	X		
		- Amusement park	O	O	O		
	b) Open space	- Reginal park	O	O	X		
		- Forest	O	O	X		
		- Town park	O	O	X		
		- Green Belt	O	X	X		
		- Picnic spot	O	X	X		
	c) Amenities	- Museum	O	O	O		
		- Theatres/Auditorium	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Socio/Cultural & Welfare information Centre	O	O	X		
		- Exhibition/Art gallery	O	O	X		
6. Public services utilities	a) Religious	- Temple	O	X	X		
		- Gurdwara	O	O	X		
		- Mosque	O	X	X		
		- Church	O	O	X		
		- Monastery	O	O	O		
		- Others	O	O	O		
	b) Administration	- Regional/District Police H.Q	O	O	X		
		- Police station	O	X	X		
		- Police post	O	X	X		
		- Internal Security post / Barracks	O	O	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- District offices	O	X	X		
		- Municipal/Administration offices	O	O	X		
	c) Services & Communication	- Cemetery	O	O	X		
		- Burial ground	O	X	X		
		- Cremation ground	O	X	X		
		- General Post & Telegraph office	O	O	X		
		- Post office	O	X	X		
		- Telephone exchange	O	X	X		
		- Satellite telecom stn.	O	O			
	d) Utilities	- LPG gas supply depot	O	X	X		
		- Piped gas supply	O	O	X		
		- Petrol stn.	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
		- Fire stn.	O	O	X		
		- Piped drinking water supply	O	X	X		
		- Drainage system	O	O	X		
		- Sewerage system	O	O	X		
		- Power supply network system	X	X	X		
		- Solid waste management system	O	O	X		
7. Housing	a) Class A 1	Executive	O	O	X		
	b) Class A	Managers/Engineers	O	O	X		
	c) Class B	Technician & skilled workers	O	X	X		
	d) Class C	Semi skilled worker	O	X	X		

Table-1 EXISTING SOCIAL INFRASTRUCTURE IN AND AROUND IMT SITE NEAR GURGAON (MANESAR)

(Within 30 to 40 Kms radius)

(Continued)

MAJOR FACILITIES	CATEGORY OF FACILITIES	TYPE OF FACILITIES	LEVEL WITHIN IMT SITE/LOCAL	OF AROUND IMT WITHIN 10 KMS CITY/ZONAL	FACILITIES OUTSIDE IMT WITHIN 30 TO 40 KMS STATE/DIST.	CAPACITY AND STANDARD OF FACILITY	REMARKS
	e) Class D	Unskilled workers . Permanent . Temporary	O O	X X	X X		

Note : X - Facilities available

O - Facilities not existing

Sources : State government of HSIDC,HUDA & District Town Planner of Gurgaon , Chief Coordinator Planner (NCR) HR , Industrial Assistance Group Govt of Haryana.

1. Transportation

The details of transportation, telecommunication, and other utilities services like water supply, drainage, sewerage system, power supply system, and solid waste management collected during the first field survey are already included in the interim report.

2. Commercial

There is no organised shopping facility available within 10 km of IMT. However between 10 to 30 kms radius from IMT site, there are couple of good shopping centres available at Guirgaon covering population of about 5 lacs residents in and around Gurgaon city. The existing shopping complexes at present are:

- (i) Aapna Bazar
- (ii) Aapka Bazar
- (iii) Bhargav Place
- (iv) Yasmini Bazar
- (v) Saraswati Place

Besides this, there are four good departmental stores and four organised local shopping centre in various sectors of Gurgaon city.

(1) Business

There is one business centre which is existing at sector 14 of Gurgaon city.

There is one nationalised and one Gramin Bank existing at Manesar village. There are 18 branches of nationalised banks operating in Gurgaon.

There is one branch of State Financial Corporation, one branch of Haryana Stgate Industrial Development Corporation, one District Industries Centre of Indujstry Department, three branches of National Insurance Agencies all located at Gurgaon city only.

(2) Hotels

There are 6 good air conditioned restaurants existing in and around Gurgaon city. Only one Topursit resort is operating at Sultanpur lake within 10 km radius from IMT site and there are two other resorts functioning between 10 to 30 km from IMT site.

The site for construction for one three star motels and one five star resort nearby IMT site on the North-east abutting National Highway No.8 has already been cleared for execution.

(3) Consumers support service

There are a number of service workshops for repair and maintenance of domestic appliances and other consumed items of daily use functioning at present within the 10 km radius of IMT site. However, for industrial equipment and specialised domestic appliances one has to depend on the Gurgaon city or New Delhi.

3. Education

The existing social infrastructure for educational facilities available at present around 10 km radius of IMT and between 10 to 30 km from the proposed IMT site are listed separately.

(1) University

There is no university in the whole district of Gurgaon. There is one at Rohtak district 90 kms from IMT.

(2) College

There are five colleges between 10 to 30 km radius from IMT site, out of which (two Post Graduate Colleges and three Under Graduate colleges offering arts, science and commerce courses). There is one women college for Bachelor of Education course for teacher training programme. There are three industrial training institutes (ITI) within 10 to 30 km radius from IMT site. ITIs provides diplomas in secretarial practice, draftsmanship, welding,

turner, electricals, electronics and instrumentations, tailoring and cuttings, embroidery etc. There is one polytechnique within 10 to 30 kms radius from IMT which provikdes dipplomas in civil engineering, mechanical engineering, electrical and telecommunication engineering, automobiles, air-conditioning, industrial production etc.

(3) School

According to the district education officer Gurgaon, every village in the state is having atleast one primaryh school situated within 3 kms of walking distance from any settlement.

The locational distribution of education facilities around IMT within 30 km radius with its location, participation of numbver of students, student teacher ratio, tyipe and class of institution is listed in separate for primary, middle, high and higher secondary schools.

Table-2 Distribution of schools around IMT upto 30 kms

Type of school	Schools within 10 km radius from IMT	Schools within 10 to 30 km radius from IMT
1. Primary	49	363
2. Middle	6	48
3. High/secondary	8	60
4. Senior secondary	1	9

(4) Library

There is only one district level library at Gurgaon.

4. Health Care & Family Welfare

Basic Medical facilities in all the Districts of the states are forovided through goverment run general Hospitals (GH), Community health centre (CHC), Primary Health Centres (PHC), Sule Health Centres (SHC) and general aurvedic dispensaries (GAD). Besides,

above units, medical facilities are also available to the people through private nursing homes or hospitals in and around the city of Gurgaon .

The district level referral hospital situated at Gurgaon with 120 beds offers:

(a) Medical, surgical, paediatric, orthopaedic, anaesthetic, ophthalmologic and dental care.

(b) Operation theatre, clinical test laboratory, x-ray and blood transfusion facilities.

(c) Casualty and ambulance services round the clock.

According to the District Health Department and Civil Surgeon of Gurgaon General Hospital, a number of medical facilities are available at present around the IMT site at Manesar. There is only one community health centre, one primary health centre, fifteen sub-health centres and four general ayurvedic dispensaries are available for about 101 thousand population residing in about 60 villages within ten km radius of the proposed IMT site at Manesar in Gurgaon (refer to Table-3). But there are four general hospitals, four community health centres, eleven primary health centres, approximately seventy sub-health centres and more than twenty general ayurvedic dispensaries are available at present to about 0.5 million people residing in 140 villages lying between 10 to 30 kms radius around the proposed IMT site (refer to Table-3).

Table-3 Existing Medical Facilities Summary : I.M.T Site

Type of Medical Units	Within 10 Km	10-30 km	Health Services Manned by	Type of Services Given	Remarks
1. General Hospital		4	Doctors of all disciplines & para medical men	Medical, Surgical, Gynaecologist, Child Specialist, Eye surgeon, orthopaedic & Dental care	Provides referral medical facility and medicine, operation theatre, clinical test laboratory, X-ray, blood transfusion, consultancy/ambulance service are available in Gurgaon only.
2. Community Health Centre (CHC)	1	4	Doctors & Paramedical Staff	Referral medical Services X-ray & laboratory	Specialised health services & medicines are available.
3. Primary Health Centre (PHC)	1	11	2 Medical officer & paramedical staff	Preventive Curative Promotive	Primary medical care & medicines are available.
4. P.H.C Sub Centre	15	70	One multipurpose Worker (Female) & one multipurpose worker (male)	-	Preliminary medical care.
5. G.A.D	4	20	Doctor & assistants	Dispensing Services	
6. Area Population Served	101,000	500,000			
7. Villages Served	60	140			

Total population in Gurgaon District -----> 1,128,905

Total population around IMT within 10 Kms -----> 101,023

Total population around IMT within 30 TO 40 Kms -----> 600,000

Over and above these above mentioned facilities, there are eleven private nursing homes/hospitals functioning in the city of Gurgaon (refer to Table-4) which offers 188 indoor beds and medical facilities like

- (a) Consultation of specialist and super specialists (on appointment).
- (b) Modern diagnostic equipment and operation theatres.
- (c) Private air conditioned rooms and amenities.

In private sector ultra sound and outpatient facilities are available in Gurgaon. Plan for CATSCAN cardiac laboratory establishment is in the process. More nursing homes and private hospitals are to be built up in the near future in private residential colonies developed by M/s DLF, Ansal and UNITECT enterprises. HUDA has undertaken establishment of two hospitals one in sector 23 and the other in sector 9-A and proposed one more in the new area under development.

Table-4 LIST OF PRIVATE NURSING HOMES IN GURGAON

Sr. No.	Name of the Hospital/Address	Beds	Number of pvt. rooms
1.	Pushpanjali Hospital , John Hall Road,Gurgaon.	40	5 (4 Airconditioned)
2.	Saraswati Hospital , Old Delhi Road , Gurgaon.	20	4 Airconditioned
3.	Prem Nath Hospital , Old Delhi Road , Gurgaon.	10	2
4.	Aryan Nursing Home , Old railway Road , Gurgaon.Near New Colony.	30	4
5.	Diwakar Nursing Home , Sector -4, Gurgaon.	8	2
6.	East and West Hospital, Sector-14, Gurgaon.	20	1 Airconditioned
7.	City Hospital, DLF Colony, Gurgaon.	15	---
8.	Jain Hospital, Sector-14, Gurgaon.	10	---
9.	Pasricha Nursing Home, Basai Road, Near Bhuteshwar Mandir , Gurgaon.	10	---
10.	Rama Hospital, Khandsa Road, Near Bhuteshwar Mandir, Gurgaon .	10	---
11.	Lal Nursing Home, New Railway Road, Gurgaon.	15	5

Being very close to Delhi people of this area depend on All India Institute of Medical Science, Safdarjung Hospital, Batra Hospital and Sir Ganga Ram Hospital all at New Delhi situated at Delhi, within 50 kms from the proposed IMT site.

But Gurgaon is proposed to be developed for a population of 0.7 million by 2001 AD. According to the prevailing norms of medical care facilities, hospital beds to be made available @ 100 bed per 0.1 million population. Therefore, for the Gurgaon city alone 400 more hospital beds would be required by 2001 AD only. For the area in and around IMT, the assessment of future requirements need further field study in detail.

**Table-5 Medical Facilities around IMT site at Manesar
(within 10 km radius)**

Name of Village	Pop. (1991)	Gen Hospital	Comm Health Centre	Primary Health Centre	Health sub-centre	Gen Aurvedic Dispensary
1. Manesar	5,649	-	-	-	1	-
2. Lakhnola	2,349	-	-	-	-	-
3. Naharpur Kasan	1,440	-	-	-	-	-
4. Nawada Fatehpur	1,735	-	-	-	-	-
5. Bhang Rola	2,592	-	1	-	1	-
6. Kankrola	2,235	-	-	-	1	-
7. Kasan	4,588	-	-	1	1	1
8. Khoh	1,260	-	-	-	-	-
9. Kotakhandeol	2,872	-	-	-	-	-
10. Bissar Akbarpur	2,138	-	-	-	-	-
11. Kherki	1,292					
12. Bhaganki	2,455	-	-	-	-	-
13. Dadu	459	-	-	-	-	-
14. Bamrauli	0	-	-	-	-	-

15. Tatarpur	937	-	-	-	-	-
16. Jamalpur	2,857	-	-	-	1	-
17. Khawaspur	1,719	-	-	-	-	-
18. Patli Hazipur	2,731	-	-	-	1	-
19. Basai	3,387					
20. Fazilpur Jharsa	1,532	-	-	-	-	-
21. Begampur Khatola	1,416	-	-	-	-	-
22. Narsingpur	1,448	-	-	-	-	-
23. Khandsa	4,634					
24. Kadipur	3,310					
25. Garauli Khurd	1,482	-	-	-	1	-
26. Harsaru	2,091	-	-	-	-	-
27. Sihi	497	-	-	-	1	-
28. Sikanderpur Budha	1,984	-	-	-	1	-
29. Badha	1,369	-	-	-	-	-
30. Hayatpur	2,024	-	-	-	1	-
31. Wazirpur	1,680	-	-	-	1	1
32. Hamirpur	127	-	-	-	-	-
33. Khetawas	807					
34. Dhanawas	2,384	-	-	-	-	-
35. Dhorka	1,121	-	--	-	-	-
36. Meoka	310	-	-	-	-	-
37. Jhund Sarai 2	447	-	-	-	-	-

38. Jhund Sarai I	893	-	-	-	-	-
39. Dhana	803	-	-	-	-	-
40. Baslambi	2,288	-	-	-	1	-
41. Mokalwas	2,540	-	-	-	-	-
42. Langra	844	-	-	-	-	-
43. Bilaspur	2,340	-	-	-	-	-
44. Chandladung	1,421	-	-	-	-	-
45. Gwalior	962	-	-	-	-	-
46. Kukrola	1,422	-	-	-	-	-
47. Sehrawan	833	-	-	-	-	-
48. Nainwal	620	-	-	-	-	-
49. Bar Gujjar	885	--	-	-	-	-
50., Naurangpur	1,256	-	-	-	-	-
51 Gairat pur Bas	1061	-	-	-	-	-
52 sakatpur	779	-	-	-	-	-
53 shikohpur	4044	-	-	-	1	1
54 Darbari pur	926	-	-	-	-	-
*55 Hasanpur	866	-	-	-	1	1
56 Tikli	4842	-	-	-	1	-
57 Rampur	40	-	-	-	1	-
TOTAL	101023	0	1	1	15	4

5. Recreational Facilities

The existing recreational facilities around IMT side are described below

(1) Sports

- (a) One stadium capacity of fifty thousands/one multipurpose hall like Badminton, Volley ball etc. One Gymnastic hall, one large swimming pool.

Coaching of all discipline are provided as under

- (1) Football
- (2) Hockey
- (3) Valley ball
- (4) Basket ball
- (5) Athletics
- (6) Boxing
- (7) Judo
- (8) Yoga
- (9) Wrestling
- (10) Kabaddi
- (11) Archery
- (12) Fencing
- (13) Swimming
- (14) Gymnastic
- (15) Tennis
- (16) Cricket
- (17) Badminton
- (18) Chess
- (19) Kho-kho

There is no organised sports facility within 10 km radius around IMT site at Manesar. But there are a number of facilities available at present between 10 to 30 km radius around proposed IMT site as listed below:

Table-6 Sports Facilities between 10 to 30 km around IMT site

Facilities	Details of facilities	No. of Units	Location
1. Main stadium	1. 400 mts Alth track	01	
	2. Volleyball courts	02	
	3. Basketball court	01	
	4. Hoickey play field	01	Nehru Stadium
	5. Gymmestic court small size	01	Gurgaon
	6. Swimming pools 25 mtrs.	01	
	7. Khno-kho play field	01	
	8. Yoga in open space	01	Kamla Nehru park
	9. Wrestling open space	01	Gurgaon
2. Play fields	Lawn Tennis courts	05	4 in HUDA Sec.15 -I one in John Hall
	Golf courts	01	HUDA sec.15 -I All in Gurgaon
	Foot ball ground	04	Police Line G S S Boys D G C S I T I All at Gurgaon
		01	Hally mandi at Pataudi
		01	G.B.H.S. at Halli Mandi
		01	G D H S Sonha
3. Health Club		01	Sector 4
		01	Sector 17
		01	Sector 14
			All at Gurgaon

b) Open Spaces & Green Belts

According to the prevalent practice open spaces/Green belts are to be provided by local body in Municipal areas and by Haryana Urban Development Authority in urban estates developed by them. Department of Tourism develops recreational sports including parks bird sanctuaries and Motels as well as Hotels. There are two big parks developed by HUDA in Gurgaon Town one by the Municipal Authority and several small Tot-lots and garden by both the agencies. Number of Green belts along the Highway passing through Gurgaon are being developed by HUDA.

c) Amenities

Among the amenities, there is only four cinema halls at Gurgaon .. op

6. Public Service Utilities

a) Religious

Every settlement has Temples and Mosques depending upon the religious faith of the inhabitants. Within 10 km radius of IMT, there is one Main Hindu Temple at Village Kasan. However, between 10 to 30 kms radius there are about nine main Temples, three big Mosques, Two Gurudawaras and one Church.

Table 6.1

Religious Facilities	Number	Location
Temple	9	Gurgaon City-4, Kasan-1, Sohna-2, Farukh Nagar-2
Mosques	3	Gurgaon-1, Sohna-1, Patudi-1
Gurudawaras	2	Gurgaon-1, Sohna-1
Church	1	Gurgaon-1
Monastary	-	Nil
Others	-	Nil

b) Administration

According to State Police Administration system, there are 4 police ranges. For the Gurgaon Division, comprising 4 Distt. of Gurgaon, Rewari, Mohindergarh and Faridabad. There is one Deputy Inspector General of Police whose Head Quarters are located at Gurgaon. Each District of Division is headed by a Senior Superintendent of Police. Gurgaon District is further divided into 3 Sub Divisions i.e. Gurgaon, Nuh and Ferozepur Zirka which are headed by Deputy Superintendent of Police. There are number of Police Stations in the Sub Divisions which are further headed by S.H.O. (Inspector of Police) within 10 kms of IMT, there are no Sub Divisional HQs but police station is existing at Manesar. Gurgaon town has got one city police station for the urban area and one for the rural area.

All the District Administrative Headquarters for Gurgaon are located at Gurgaon city only. However, 3 sub divisions offices are headed by Sub-Divisional Officers (Civil). There is only one Municipal committee which is also located at Gurgaon city only. The villages located beyond the Municipal Committee are being maintained by Block Development and Panchyat officers, in a block of Distt. Gurgaon. IMT site falls within Gurgaon block whose offices are located at Gurgaon.

c) Services & Communications

Cremation grounds and Burial Grounds are existing in nearby all villages around IMT site. However there is no electric crematorium within 30 kms radius of IMT. There is only one cemetery existing at Gurgaon only.

General Post Office

There is only one General Post Office and Telegraphic office existing at Gurgaon city. But almost every village has a post office of its own. Manesar village near IMT site has a mini telephone exchange with micro wave communication facilities at present. But within 10 to 30 kms radius there is a Telephone Exchange at Gurgaon. All the major settlement around IMT are connected with STD/ISD facilities. Gurgaon City has Facsimile Telex facilities. The Udyog Vihar at Gurgaon is linked with satellite communication facilities.

Utilities

There is a pipe Gas supply line existing upto Udyog Vihar laid by Gas Authority of India. There are Four LPG, distribution button depots available at Gurgaon only. There are five petrol filling stations functioning within 10 to 30 kms radius only from site of IMT. Two Fire Stations are available within 10 kms of IMT site. However, 3 Fire Stations are also functioning in Gurgaon City.

Every village around IMT site has got pipe drinking water supply and moderate drainage system. However there is no sewerage system and solid waste management system within 30 kms radius of IMT except at Gurgaon city only.

7. Housing

Housing to the people are being provided through various Government agencies and Private Enterprises. Among the State Government agency, the Haryana Housing Board is the main agency to provide built up accommodation to the public on self financing and long term basis. Similarly, private colonisers such as M/s. Ansals, DLF, Unitech etc. are also actively engaged in constructing all types of Low, Middle and Higher cost dwelling units-both in corporate and plotted development. Haryana Urban Development Authority also provides developed plots to individually and to the Co-op Group Housing Societies of different Income Group. Details of Houses under construction in Housing Board Colonies in sector 31-32 Gurgaon are given as under:

Table 7.1 Houses Under Construction

Category of House	Accommodation	Plinth area	Plot area	Cost (Rs.)
High Income Group	3-bedrooms, 1-kitchen, 2-toilets	66 m ²	113 m ²	350,000
Middle Income Group	2-bedrooms, 1-kitchen, 1-toilet	50 m ²	90 m ²	250,000
Lower Income Group	1-bedroom, 1-kitchen, 1-toilet	39 m ²	70 m ²	200,000
Economically Weaker Section Houses	1-room with one toilet only (Incremental housing)	16.72 m ²	16.72 m ²	50,000

The position of developed plots and constructed houses in respect of areas developed by different agencies is given as under:

Table 7.2 Available Housing Stock in Gurgaon

Sl. No.	Name of agency	No. of developed plots	Number of houses constructed at site
1.	Naryana Urban Development Authority	23,360	13,000
2.	Private Developers/Approved Colonizers	24,133	3,500

Amongst the built up houses there are about 4,500 dwelling units of high and middle income groups and 1,500 dwelling units for low income groups and 500 dwelling units for Economically Weaker Section (EWS) houses are lying unoccupied both in Government and private sector for rental purpose.