

MARG Swarnabhoomi

## The Complete City

spread over 600 acres, **MARG Swarnabhoomi** aspires to be a futuristic city complete with a Special Economic Zone (SEZ) that caters to the engineering industries as well as multi-services sectors. Located amidst scenic backwaters and away from the hustle and bustle of the today's cities, it aims to be the perfect place to live and work, a fully functional residential complex, shopping malls, recreation centres, sports facilities, knowledge centres such as schools, colleges and universities, business centres, a golf course and a theme park as well. Strategically located off East Coast Road connecting Chennai and Pudukkottai, **MARG Swarnabhoomi** brings inclusivity, interconnectedness, hope and the promise of the future. The city is developed based on the principles of new urbanism, such as, Walkability, Connectivity, Mixed Housing, Quality Architecture & Urban Design, Traditional Neighbourhood Structure, Smart Transportation, Sustainability and Quality of Life. **Oscar Braganca** – Executive Director – Real Estate & Industrial Clusters, **MARG Group**, in conversation with **Industrial Products Finder**:

## How did Swarnabhoomi evolve?

About 200 years ago, 5% people lived in urban settings. Today, 50% of the world is urban. Urbanisation is inevitable and is associated with the economic growth of nations. In 2000, only 28% of the Indian population (203 million) lived in urban settings. By 2030, 40% of the projected 1.3 billion Indians (600 million) will live in urban areas. But where will the additional 300 million people live?

Some will shift to the existing congested cities, where the quality of life will be severely compromised given the current state of the infrastructure. Infrastructure in the Cities will improve, but the process will be slow and painful, and will call for a tremendous will in implementation. This improvement alone will not cater to the needs of the huge migration, which is taking place from rural to urban centres.

In order to cater to this migration, which some experts estimate at an additional 40 million by the year 2020, what the country needs is a large number of sustainable cities with population of 100-200 thousand each, which will act as magnets to attract the migrating population.

**MARG Swarnabhoomi** is one such example aimed at creating a holistic, eco-friendly, and future ready city.

## What is the investment that has gone into the project?

The total investment in the project is envisaged at approximately ₹4500 crore. We have already invested over ₹600-crore in the project in creating the basic infrastructure for the city, which is expected to trigger the economic activity in the region. The industries setting up their base at Swarnabhoomi are expected to invest the balance. We expect that this investment will an economy of ₹3300-crore at **MARG Swarnabhoomi** by 2015.

## What are the unique features of Swarnabhoomi?

For companies seeking to set up a manufacturing base at **MARG Swarnabhoomi**, multiple options are available:

**Lease/Rental Model:** ready to occupy and operate incubator factory space of international standards and quality are available for the clients who need to be operational fast.

**Land Purchase:** **MARG Swarnabhoomi** has abundant,



well developed plots for setting up of factories and offices.

We have a dedicated experienced EPC teams on site, which will be able to execute the construction of built-to-suit factories from concept to operations in an accelerated time frame of 4-6 months using pre-fab building technologies. These factories can then be leased or purchased from us. In parallel our experienced customer support team guides the unit through the modalities of the approvals required to commence operations in an accelerated timeframe.

The availability of ready-to-move-in factory space and ease of setting up an industrial unit (akin to a plug & play model for IT/BPO-companies) is unique to **MARG Swarnabhoomi** and is of immense value to MNC clients and others who wish to focus on their core operation without the peripheral hassles.

## What are the benefits to customers?

The various stakeholders of **MARG Swarnabhoomi** would benefit in different ways. For industries setting up their manufacturing and services base at **MARG Swarnabhoomi**, they would be able to establish spacious facilities in a city with world class infrastructure at significantly lower costs while continuing to enjoy the benefits of the low cost employee base in India.

The facility of Single Window clearance for Central and State level approvals is available for industrial units setting up a unit at **MARG Swarnabhoomi**. Units set up in a SEZ also



enjoy tax benefits like income tax holiday, sales tax and VAT exemption, exemption from customs and excise duties and flexibility in external commercial borrowings.

There is ample availability of skilled manpower in the catchment area. Of the 70000 students who pass out each year from Kanchipuram district, about 16% are from the primary catchment area of Marg Swarnabhoomi. 11000 engineering graduates and the 6500 diploma holders pass out every year in the district and can meet the demand for skilled and semi skilled professionals and workers for industrial units.

The employees working at Marg Swarnabhoomi would be able to enjoy a quality of life impossible to attain in the current crowded cities. Their children would live and play in a pollution free environment with access to the best of academic institutions. Various initiatives have been launched which ensure that the benefits of the new growth in their region percolates down to the grassroots level, significantly enhancing their quality of life.

**How is Swarnabhoomi different from the other infrastructure projects in the country?**

Most infrastructure projects in the country focus only on one aspect of development. It may be a port, an airport, a power plant, an industrial park, a financial city, and an express road, etc.

For developing new sustainable cities, a developer must study a region and understand its DNA – its history, roots, culture, values, resources, inherent strengths and development potential in the planning phase itself. The major growth drivers that can trigger economic activity in the region must be identified to create the growth engine.

At Marg Swarnabhoomi, we have understood that infrastructure cannot be executed in isolation. Thus the focus on integrated development targeted at the entire range of stakeholders right from the villagers in the surrounding villages to the industrialist and everybody in between.

**What type of companies are you aiming at?**

The following industries would make the Engineering SIGZ at MARG Swarnabhoomi live:

Auto components, Precision instruments, Medical and surgical equipment, Marine, power and offshore equipments, Steel pipes and tubes, Industrial gears, Antifriction roller bearings, Steel forgings and ferrous castings, Sewing machines and bicycles, Machine tools, Solar panels, Wind power components, etc.

**With Chennai becoming a hub for global auto manufacturers, are you looking at tier suppliers also to move in?**

Yes, auto ancillaries are an important target segment for us. The automobile industry seems to be on the growth track



once again. There is a lot of interest from the tier suppliers to set up their manufacturing facilities at Marg Swarnabhoomi. Our proximity to the major automobile hubs at Oragaddevar Sripurambudur combined with the ease of commencing operations is attracting a lot of enquiries.

**How has the response been to the project? Can you name a few clients who would be operating from here?**

The market has been very positive in the last 4-6 months. With the revival in manufacturing and expansion in capacity of many industrial majors, we are seeing renewed interest for the industrial real estate required to house the new factories.

Virgo Engineering (leading manufacturer of ball valves for energy and industrial markets), Cinteclab (Italy-based valves and auto components manufacturer) and PH Hydraulics and Pneumatics (world class manufacturer of hydraulic, thermoplastic, PTFE and industrial hoses and tubings) are expected to be operational by the year end. Vansquall (involved in designing and manufacturing of cooling equipments) and Grundfos (one of the world's leading pump manufacturer) have taken the pioneering steps, and their facilities are ready. We are in advanced stage of talks with other industrial firms who are soon to follow suit.

**At a time when even governments themselves are facing resistance to lands being given away for industrial projects, how does MARG manage the situation?**

Land acquisition for Marg Swarnabhoomi has been fully completed way back in 2007-08, directly from the landowners. The land was non-agricultural, sparsely populated land, strategically located along the arterial road between Chennai and Poducherry. Our preference is to create areas for regional growth, in a model where low land cost will offer the possibilities of affordable living with high appreciation for consumers, and competitive conditions for business, which must necessarily go hand-in-hand in order to create long term sustainability. The economic benefits of this growth are expected to spill over to the entire region thus benefiting all the residents of the area, both existing as well as the migrants.

**What are the other divisions and projects of MARG?**

MARG has built up a huge wealth of exceptional experience in a number of areas ranging from Residential, Commercial, Ports, IT Parks, Roads, Power etc.. We now wish to leverage these individual skills and competencies, that have been built over the years, and bring them to bear on to a focused area, so as to provide a higher standard of basic infrastructure, which will accelerate the creation of high levels of GDP in these areas. We call it "Models for Accelerated Regional Growth" (MARG).

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