

Wadhvani/Nathan Breakthrough Index: Industrial Land Policy

State	Score
Andhra Pradesh	19.24
Telangana	18.01
Haryana	15.91
Odisha	14.46
Maharashtra	14.22
Karnataka	13.95
Gujarat	13.63
Uttar Pradesh	11.65
Punjab	10.27
Tamil Nadu	10.12
Jharkhand	7.32
West Bengal	5.37
Arunachal Pradesh	5.00
Jammu & Kashmir	4.84
Goa	4.20
Rajasthan	4.03
Madhya Pradesh	3.91
Kerala	3.51
Bihar	3.28
Chhattisgarh	3.22
Manipur	3.00
Sikkim	3.00
Uttarakhand	2.41
Mizoram	2.37
Tripura	2.13
Assam	1.55
Meghalaya	1.45
Himachal Pradesh	0.70
Nagaland	0.31

This issue: **Andhra Pradesh** wins our first-ever State Breakthrough award for an industrial land policy that combines a large land bank, a long standard lease, and an openness to selling state land to private-sector buyers. **Telangana** and **Haryana** rank second and third.

Why it matters: The difficulty of acquiring land for large-scale industrial development remains one of the main obstacles stalling planned projects and deterring new investment. Many states have responded by promising to develop government-owned land banks that will be made available to private-sector investors, but execution has lagged.

How the Index works: We ranked state industrial policies according to two main factors: the size of the state's land bank, including Industrial Estates, and the standard lease term for government-owned land. States that were willing to sell land got a bonus point, and states that make selling, rather than leasing, the default mode of allotment got an additional bonus point. The maximum score was 21.

Our data: Nathan Associates and the CSIS Wadhvani Chair gathered data primarily from official government publications, occasionally supplemented by reliable media sources. We valued official government sources, even if slightly out-of-date, over more recent media reports. If we could not find information after an exhaustive search, that data point was coded as zero. This decision reflects our judgment that making information easily available to foreign investors is itself an important part of any industrial land policy.

Scores for Land Banks were computed based on the amount of government land available divided by the size of the state. States were graded on a curve ($f(x)=\sqrt{x}$) that boosted the scores of the lowest performers. Scores for lease terms were computed by dividing the lease term by 10 and rounding down; states that sell land as the default method of allotment received a score of 10 in this category.

Raw data and sources are available on request. Please contact SWatson@csis.org.

Highlights from the Data

- Andhra Pradesh had the largest land bank, at 338,000 acres, including current Industrial Estates. Maharashtra (207,000 acres), Telangana (139,000 acres), Karnataka (116,000 acres), and Gujarat (103,000 acres) rounded out the top five.
- Andhra Pradesh, Haryana, Odisha, Punjab, and Telangana are the only states that clearly lay out the terms under which they will sell government land to private buyers. Telangana and Haryana are the only states where sale is the default mode of land transfer.
- Five states (Andhra Pradesh, Gujarat, Karnataka, Punjab, and Tamil Nadu) offer a standard 99-year lease. Maharashtra, Odisha, and Uttar Pradesh all get honorable mentions for standard leases between 90 and 95 years.

