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Government must classify Smart Cities as infra projects: S. Narayan, Lavasa CEO

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*Lavasa, often touted as India's first smart city, began spreading its wings when the term smart city was almost unheard of. Today, with smart cities being the buzzword across industries, **ET** talks to S. Narayan, Lavasa's President and CEO about what it takes to run a smart city. Narayan tells us about technology innovations in Lavasa and his plans to evolve it into a fully sustainable city.*

What, in your view, defines a city as smart?

My definition of a smart city is fairly simple. We tend to equate smart city with technology. What I believe, is that technology is only an enabler. Smart city is about smart planning, smart execution, and smart maintenance- especially if you are talking about a Greenfield project. If you are talking about a brown-field smart city then you also add a component of smart diagnostics. And that encompasses everything in a smart city right from master planning to environmental issues to sustainability- economic, cultural and even spiritual. And then come the pieces you need to smarten up like utilities, infrastructure and services. All these make the foundation of a smart city. It begins well at the whiteboard stage. And at every stage technology becomes an enabler.

'Smart city is about smart planning, smart execution, and smart maintenance- especially if you are talking about a Greenfield project,' says Narayan.

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What are the key requirements for converting existing cities into smart ones?

In such cases we need to do two things- we first need to estimate what is the carrying capacity of this city. There are various parameters available to determine this capacity. What it means is determining that given the existing infrastructure and availability of resources, what kind

of population the city can support. For a smart city you need to ensure that the carrying capacity of a city is always ahead of the actual demand. But the real index one needs to measure for smart cities is the quality of life index and that is what in my opinion is a big challenge for existing cities that we want to convert. We need to have a roadmap of several decades ahead and then you start to think what is required to support that city in various capacities.

What are some of the challenges, especially in the Indian context, in developing smart cities?

In India, there is one fundamental issue. Unfortunately, today in our country the laws do not recognize the development of a smart city as an infrastructural process that needs to be supported. If you look at it, all the major components in the city- the roads, utilities, waste management and healthcare, housing etc. everything individually is looked at as an infrastructure project and supported financially but not the entire city. So if a city developer takes the plunge and sews all these pieces together, just because there is a component of real estate involved it is not counted as an infra project. You don't get long term finance and you don't get the kind of support.

Government needs to give support to smart cities under the legal and financial framework and classify them as infra projects. The issue that is arising is that every township developer is beginning to label itself a smart city. Even a 100 acre development is being touted as a smart city. That becomes a stumbling block but nothing stops the government from arriving at a set definition of smart cities according to various preset parameters. Industry has been trying to talk to the government on these lines but I'm not sure where the government thinking on this is.

What are your expectations on the smart city front from the upcoming Union Budget?

My personal expectation would be that in this budget the government says that subject to these parameters a city qualifies as a smart city-keeping all stakeholders in loop. And give smart city developers entitlement to infrastructure project benefits from a financing and taxation perspective. I think that will be a major breakthrough.

Elaborate on Lavasa's expansion plans in the near future?

We have approvals of 5000 acres of land and that is what we have been focusing on. We have done enough to develop Lavasa as a destination. Our footfalls have been going up year-on-year. We recorded 8 lakh footfalls last year. We are also established as a city developer. Everyone who talks about a smart city today, right from PM Modi who visited us 2 years back to development authorities, comes to Lavasa. We are the only ones who have developed and are maintaining a smart city. Our challenge is now to populate and take it beyond a tourism destination. We are forging some interesting partnerships in this area and you will see some major developments taking place in the next couple of years. We are bringing in large corporate players as partners. Our aim is to make Lavasa a self sustained economy of its own.

According to you, what are some lessons that India can learn from smart cities in the west?

Developed countries look at building infrastructure ahead of its need. That's a fundamental lessen we need to learn. Development needs to happen around the infrastructure. Government has to recognize that networking and providing access to new cities is equally important because that's beyond the realm of city developers. The most challenging aspect for India is that urbanization per say does not lead to urban behaviour. So for us, it is very important to integrate smart city projects to other programs like Swachh Bharat Abhiyan or Sarva Shiksha Abhiyan etc.