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19/10/06

Proceedings of the Government of Karnataka

Sub: Development of New Integrated Townships in the Bangalore Metropolitan Region (BMR) - Reg.

Read.: 1. Letter No. BMRDA/ Sat. Town-01 /2005-06 dated 23.6.2006 of the Metropolitan Commissioner, BMRDA.

2. Proceedings of the meeting held under the chairmanship of Hon'ble Chief Minister on 23-9-2006.

Preamble

1. In order to preserve and improve the quality of life for the citizens within the Bangalore Metropolitan Area (BMA) and at the same time to cater to needs of the rapidly increasing population, it is felt necessary to take up development of new integrated urban settlements in Bangalore Metropolitan Region (BMR) that would relieve the pressure on BMA and facilitate balanced urban growth. In this context, the Bangalore Metropolitan Region Development Authority (BMRDA) has proposed the following set of major activities to solve these problems in a planned manner:-

   a. Development of a series of "integrated townships" focused on one or more economic activity, providing for complete work-home relationship;

   b. Development of Satellite Towns Ring Road (STRR), Intermediate Ring Road (IRR) and the Radial Roads; and

   c. Preparation of Interim Master Plans for the various urbanisable blocks in the Metropolitan Region.

2. For the development of the "new integrated townships", the BMRDA conducted an inter-departmental survey of the Bangalore Metropolitan Region involving the Departments of Revenue, Industries & Commerce, Ecology & Environment, PWD, Karnataka State Pollution Control Board and the concerned Local Planning Authorities. This led to identification of following five potential locations:-

[Approximate Area in Acres]

Sl. No.	Location of the Townships	Private Lands	Govt. Lands	Total
1	Nandagudi Hobli, Hosakote Taluk	13762	4745	18507
2	Kasaba Hobli, Ramanagaram Taluk	3621	392	4013
3	Bidadi Hobli, Ramanagaram Taluk,	6959	2725	9684
4	Solur Hobli, Magadi Taluk	9661	2864	12525
5	Sathanooru Hobli, Kanakapura Taluk	5891	10341	16232
	Total	39894	21067	60961

The locations and areas for the proposed townships were identified based on the following considerations:

a. Least displacement to human habitations.
b. Least disturbance to forests and water bodies.
c. Least acquisition of valuable agricultural lands.
d. Lower cost for lands.
e. Far from existing developed locations.
f. Good connectivity particularly in the wake of the proposed BMR-Satellite Towns Ring Road, BMR-Intermediate Ring Road and Radial Roads.

3. Highlights of the Proposed Townships Project

i. The proposed townships will be independent, self-contained and eco-friendly human settlements. They will be based on integrated land use concepts, centering around one or more specific economic activity with concomitant residential components aimed at promoting work-home relationship. Further, it is planned to have connectivity between the townships and the proposed BMR Ring Roads as also access to the National Highways, State Highways, Railway Stations and the new International Airport.

ii. The townships will be developed with proper infrastructure facilities and amenities based on modern technology and environmentally friendly concepts. The focus will be towards making them self contained for all activities.

iii. The townships are proposed in the limits of 85 villages having population of about 79,000. In the course of developing the township, it is proposed to integrate these villages in a manner that will ensure conservation of local heritage and also in a manner that is economically and socially viable for the inhabitants. The resource for this will be raised from the revenue generated from the township projects, in conjunction with the available funding from developmental programmes of the various Government and Non-Government agencies and institutions.

iv. Project Implementation Period is expected to be 2 years and realisation Period, 5 years.

4. The Executive Committee of BMRDA has deliberated upon the details of the Townships Project and has submitted proposal to take up development of the five township projects with the first township at Bidadi.

The above proposals have been examined and the following orders are issued.

Government Order No: UDD 97 BMR 2006, Bangalore Dated 18.10.2006

Government hereby approve the proposals for Development of five integrated townships in the Bangalore Metropolitan Region (BMR) by the BMRDA and permit the BMRDA to develop the first Township in Bidadi Hobli as a pilot project. The list of villages proposed for each township is indicated at Annexure-1.

Government also approve the following guidelines in this regard:

I. BMRDA Integrated Townships:

1. Land Acquisition

a. The Karnataka Industrial Areas Development Board (KIADB) shall undertake land acquisition for the BMRDA township projects for and on behalf of the BMRDA and shall levy a service charge of 3% [three percent only] for handling land acquisition.

b. The KIADB shall commence the land acquisition proceedings for the Bidadi Township project immediately with an initial advance deposit of Rs. 5 (five) crore from BMRDA towards land acquisition compensation. BMRDA shall extend additional deposit to KIADB soon after securing the bid amounts from the selected Private Developer. This Rs. 5 crore corpus with KIADB shall be replenished from time to time, depending upon the progress of land acquisition and actual payment of compensation to farmers.

c. Given the magnitude of the township projects and ring road projects, it appears desirable to bring in suitable amendments to the BMRDA Act, 1985 for enabling the BMRDA to acquire land for its projects. After such amendments come into place, the options of BMRDA undertaking direct land acquisition as well as acquisition through the KIADB under the provisions of Karnataka Industrial Areas Development Act, 1966 would be utilised, depending upon the time schedule and administrative convenience.

d. The Government lands in the designated township areas shall be transferred to the BMRDA on terms that are consistent with provisions of the Land Grant Rules applicable to such cases.

e. Land would be released to the Private Developer by BMRDA in installments, to ensure that the project objectives are achieved in the manner envisaged.

f. Transfer of lands to the Private Partner will be on Lease cum Sale basis, and the Lease will be converted into Sale for the parcels of lands that are adequately developed in terms of the approved Development Plan.

2. The Bidding Process

a. The Metropolitan Commissioner, BMRDA is permitted to invite Expression of Interest (EOI), Requests for Qualification (RFQ) and Requests for Project Proposals (RFP) through an open global tendering process for selection of the Private Partner. Selection would be based on technical-cum-financial bids. The Private Partner shall invest either on stand alone basis or through a consortium.

b. The selected Private Partner shall be permitted to deposit the bid amount with the BMRDA in stages/ installments as may be prescribed by the Authority.

c. The business model proposed is that the private sector developer deposits funds with BMRDA towards:

(i) Developed bulk land cost comprising:

(a) Land acquisition cost;

(b) External infrastructure cost; and

(ii) Regional Development Premium.

Items (i)a and (i)b shall be common for all bidders whereas item (ii) shall be the deciding factor among the technically qualified bidders.

d. Participation of foreign firms would be subject to the relevant norms/ regulations relating to Foreign Direct Investment (FDI).

3. Town Planning Regulations

a. The proposed townships shall be declared as "Local Planning Areas (LPAs)" and the BMRDA shall be the "Planning Authority" for these LPAs under the Karnataka Town & Country Planning Act, 1961. The LPAs would prescribe zonal planning guidelines and frame the required regulations keeping in view the broad guidelines indicated in Annexure-2. The Private Partner would prepare Draft Master Plan for the township in accordance with the Regulations and obtain approval from the LPA. Developments in the township would be regulated by the LPA in accordance with the approved Master Plan.

b. The Private Partner shall finance and develop the internal infrastructure as per the approved Master Plan / Zonal Regulations which will include water supply & sanitation, power supply, telecommunication including broadband and internal road network within the township. The standards for these would be as specified by the BMRDA. The Private Partner shall secure firm commitments from agencies such as BWSSB, KUWS & DB etc. Likewise, for power requirements, either a captive plant or arrangements to draw power from an existing supply system on the basis of a firm commitment is required of the developer.

c. The Private Partner shall also make detailed arrangements for solid and liquid waste management as also the sanitation arrangements for the proposed township. BMRDA shall, in consultation with the Karnataka Compost Development Corporation Ltd. and other competent agencies, provide assistance to the Private Partner for development of bulk solid waste management facility.

d. The Private Partner shall carve out parcels of land for different usage classifications and carry out further developments / construction either directly or through further sale / lease to downstream developers.

e. BMRDA would function as the umbrella organization to oversee implementation of the projects and also help create appropriate external infrastructure linkages such as the Intermediate Ring Roads [IRR], Satellite Town Ring Roads [STRR], Mass Rapid Transit [MRT] links, Bulk Power / Water supply / Drainage & Waste Management infrastructure etc.

4. Economic Integration of the Land Losers and Local Residents

An innovative and inclusive approach will be evolved to integrate the land losers / local residents into the mainstream of economic activities in the new townships. Apart from development of industrial estates that will facilitate investment by entrepreneurs for different types of industrial activities appropriate to the area, the private partner shall be required to incorporate a certain proportion of social housing for economically weaker sections and lower income groups at reasonable prices. No land loser would be forced to relocate beyond the township.

5. Regional Development

BMRDA shall utilise the receipts from the "Regional Development Premium" for the overall development of the Bangalore Metropolitan Region, including [illegible] integrated and comprehensive development of the towns and villages located on BMR Ring Roads and around the BMRDA Townships and for development of forestry, in conjunction with the resources available developmental programmes of the various Government and Non-Government agencies and institutions.

6. Project Approvals

a. A dedicated single window platform will be provided by BMRDA to the Private Partner for obtaining the approvals of the various regulatory authorities in respect of township infrastructure and development. All industrial units in the township will follow the normal clearance through the single window platform of the Commerce & Industries Department. Likewise, the local industrial activities for each township will be addressed by the C&I Department.

b. The development of the Townships shall be in accordance with the various statutory rules, regulations etc., including the KTCP Act, 1961, the environmental laws etc. However, specific guidelines would also be notified to ensure adherence to certain minimum standards of planning and regulations. The key components of such guidelines are placed at the Annexure-2. The Private Partner/ Developer/ SPV shall prepare detailed project report based on such rules, regulations and guidelines and submit to the BMRDA for approval.

c. The Private Partner/ Developer/ SPV shall enter into a Development Agreement with the BMRDA, which will give the details of the rights and liabilities of both parties as well the mechanism for resolution of disputes.

7. Subsequent Townships

For the remaining four townships at Ramanagaram, Sathanur, Solur and Nandagudi, BMRDA would have the options open on implementation through either the "Bid Route" as for Bidadi or by incorporating a "Special Purpose Vehicle (SPV)", depending upon the experience gained with the first pilot project at Bidadi. In the SPV Model, the BMRDA would hold appropriate

minority but controlling interest and a private sector partner would be selected through a transparent global competitive bidding process, to hold majority equity either on stand alone basis or through a consortium. In another alternative, the SPV could be formed with appropriate infrastructure development agencies, which in turn will structure the entire project including modalities of financing the infrastructure development with private sector participation. Other principles as mentioned for the first pilot township at Bidadi in the preceding paragraphs would be adopted for these townships also with suitable modifications, based on experience gained.

8. Project Co-ordination & Monitoring

a. The progress of implementation of the project by the Private Partner / SPV as the case may be would be monitored by BMRDA and other statutory agencies, to ensure compliance with the project objectives.

b. The Private Partner / SPV shall provide adequate bank guarantees to the BMRDA to ensure the implementation of various commitments.

c. BMRDA shall appoint a Special Officer for each of the townships for assisting the Private Partner / SPV in implementation of the project and for monitoring the project implementation.

9. Maintenance functions

Over a period of time, i.e. when the townships get fully developed, these would be treated as "Urban Area" under the provisions of the Karnataka Municipalities Act, 1964. However, in the initial stages of development and for a specified period, it is proposed to assign to the BMRDA and its officers adequate powers to perform the civic functions of the local bodies during the transition period up to the full development of the new townships. The required legislative amendments shall be examined separately.

By Order and in the name of
Governor of Karnataka

[H.Viswanath] 18/x/06.
Under Secretary to Government
Urban Development Department

Copy to:-

1.Compiler, Karnataka State Gazette, Bangalore, with a request to publish the G.O. in the Karnataka Gazette and provide 1000 copies.
2.Accountant General, Karnataka circul, Bangalore.
3.Chief Secretary to the Government of Karnataka, Bangalore.
4. All Additional Chief Secretaries to the Government of Karnataka.
5. Principal Secretary to the Chief Minister,Vidhana Soudha, Bangalore..
6. Principal Secretaries to the Government, Finance / Home / Infrastructure / Revenue / Public Works / Housing / Commerce & Industry / Forest, Ecology & Environment / Water Resources / Minor Irrigation / Energy / Rural Development & Panchayat Raj / IT & BT / Labour /Kannada Culture, Information & Tourism Departments.
7.Principal Secretary and Resident Commissioner, Karnataka Bhavan, New Delhi.
8.Secretaries to the Chief Minister.
9. Secretaries to the Government, Urban Development / Revenue / PWD / Forest Ecology & Environment Departments.
10.Metropolitan Commissioner, BMRDA.
11.Regional Commissioner, Bangalore Region, Bangalore.
12. Commissioner, Bangalore Development Authority.
13. Commissioner, Bangalore Maha Nagara Palike.
14. Chairman, Karnataka State Pollution Control Board.
15. Commissioner for Industrial Development & Director of Industries & Commerce.
16. Chairman, Bangalore Water Supply & Sewerage Board.
17. Managing Director, Karnataka Urban Water Supply & Drainage Board.
18. Managing Director, Karnataka Power Transmission Corporation Ltd.
19. Managing Director, Bangalore Electricity Supply Company Ltd.
20. Director General of Police, Karnataka, Bangalore.
21. Director, Town Planning Department, Karnataka, Bangalore.
22. Director, Municipal Administration Department, Karnataka, Bangalore.
23. Deputy Commissioner, Bangalore Rural District.
24. Deputy Commissioner, Bangalore [Urban] District.
25. Chief Executive Officer, Zilla Panchayath, Bangalore Rural District.
26. Chief Executive Officer, Zilla Panchayath, Bangalore [Urban] District.
28. Spare Copies / Guard File.

Annexure-1 to the Government Order No: UDD 97 BMR 2006, Bangalore Dated 18.10.2006

List of villages in the Proposed Integrated Townships in BMR

Sl No	Taluk	Hobli	Villages
Bidadi Township			
1	Ramanagaram	Bidadi	Byramangala
2			Bannigiri
3			Hosur
4			K G Gollarapalya
5			Kanchugaranahalli
6			Aralalasandra
7			Kempaiyyanapalya
8			Kanchugaranahalli Kaval
Sathanur Township			
1	Kanakapura	Sathanur	Sathanuru
2			Dalimba
3			Kachuvanahalli
4			Hosahalli
5			Kabbalu
6			Kamasagara
7			Aluru
8			Thailuru Forest
9			Maradevanahalli
10			Halasinamarada Halli
11			Naripura
12			Anamagamanahalli
Ramanagaram Township			
1	Ramanagaram	Kasaba	Mayaganahalli
2			Kempanahalli
3			Darapura
4			Kenjigarahalli
5			Madapura
6			Kethonalli

7			Basavanapura
8			Balaguli
Solur Township			
1	Magadi	Solur	Lakkenahalli
2			Beeravara
3			Koramangala
4			Parvathanapalya
5			Kannasandra
6			Hosahalli
7			Marikuppe
8			Gudemaranahalli
9			Kudulur
10			Chikkasolur
11			Solur
12			Thubarapalya
13			Kalyanapura
14			Somadevanahalli
15			Thattekere
16			Goruru
17			Lingenahalli
18			Ramonahalli
19			Uddandahalli
20			Byadaranahalli
Nandagudi Township			
1	Hosakote	Nandagudi	Nandagudi
2			Chokkasandra
3			Geddalahallipura
4			Ittasandra
5			Ramagovindapura
6			Hindiganala
7			Banahalli
8			Tarabahalli
9			Chikkondahalli

10			K Sathyavara
11			Karappanahalli
12			D Shettihalli
13			Shivanapura
14			Mothakadahalli
15			Gullenahalli
16			Meduru
17			Giddanahalli
18			Kondarahalli
19			Beerahalli
20			T Agrahara
21			Bhavapura
22			Nelavagilu
23			M Hosahalli
24			Hosavenkatapura
25			Bisanahali
26			Cheemasandra
27			Siddnahalli,
28			Hosadimbahalli
29			Srinivasapura (Be.)
30			Obalahalli
31			Sarakanuru
32			Muddanahalli
33			A Vaddahalli
34			Bhuvanahalli
35			S. Vaddahalli
36			Dimbahalli

Note:- BMRDA may add some more villages for acquisition in one or more of these townships, depending on the assessment of additional requirements.

[H.Viswanath] 18/x/06
Under Secretary to Government
Urban Development Department