

Developing Urban Infrastructure on PPP Model

Presentation by
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RAJASTHAN FACTFILE



Area	342,000 sq km Largest state in India
Population	68.62 million (2011)
Capital	Jaipur
Districts	33
Urban Population	24.89% 17.08 million
Cities and Towns	297 (census towns) 190 (Municipal towns)
Population Density	201 persons per Square km (2011 census)

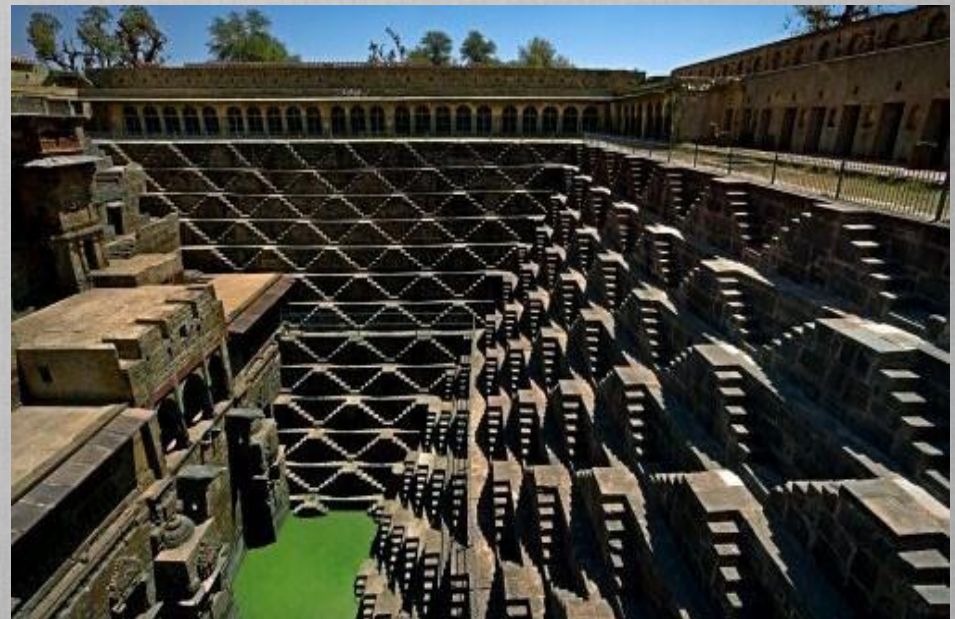
Major Cities

Jaipur, Jodhpur, Udaipur, Kota, Ajmer, Bikaner, Bhilwara, Alwar, Bharatpur

HISTORY OF DEVELOPMENT ON PPP MODEL

RAJASTHAN HAS TRADITIONALLY DEVELOPED MANY FACILITIES WITH PUBLIC PARTICIPATION

BAORIS (WATER BODIES), SCHOOLS, HOSPITALS, COMMUNITY HALLS, TEMPLES, ETC. WERE CONSTRUCTED BY BUSINESS HOUSES (MAINLY AS CHARITY)



- ❖ **Private sector can play a prominent role in infrastructure development.**
- ❖ **PPP route can leverage private capital and induct private sector.**
- ❖ **Public and private partnerships support sustainable development, reduce poverty, and foster greater prosperity.**
- ❖ **Huge demand in urban sector for Affordable housing, Drinking water, Waste water treatment, Sanitation, Public parking, Mass transportation, etc.**
- ❖ **PPP is being encouraged by Rajasthan Government for both building infrastructure and for O&M**

3-TIER INSTITUTIONAL MECHANISM

Empowered Committee on Infrastructure Development (ECID) –
Headed by Chief Secretary, will approve projects for PPP format. State Cabinet will give the final nod.

PPP Cell –
PPP cell in the Planning department acts as the Nodal agency to coordinate and monitor the PPP projects. Secretary Planning is the State PPP Nodal Officer.
This cell also serves as secretariat of ECID.

Implementing Agencies –
Respective administrative departments/agencies to identify, develop, execute PPP projects.

Classified in 5 major categories

- ❖ **Toll Based**
 - Ghat Ki Guni Tunnel, Jaipur
 - Ring Road Project, Jaipur

- ❖ **Based on Revenue Sharing Model**
 - Exhibition and Convention Centre Sitapura, Jaipur
 - Multi Level Public Parking Projects

- ❖ **Outsourcing of O&M Model**
 - Common Bio Medical Waste Treatment Facility
 - Solid Waste Management (various cities)
 - Drinking Water and Waste Water recycling (being undertaken)

- ❖ **Incentive Based Model**
 - Affordable Housing Projects
 - Mega low cost Housing Project

- ❖ **Mixed Model**
 - Metro Rail Project, Jaipur

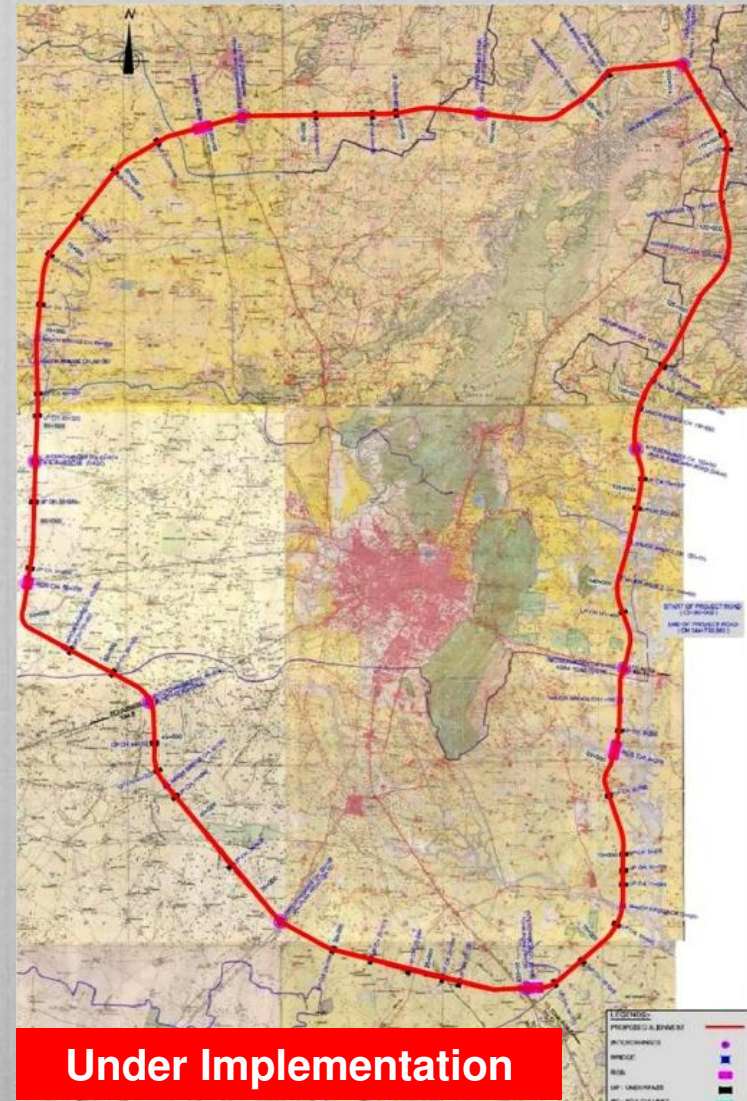
Ghat Ki Guni Tunnel (4-lane)

- ❖ **Design-Build-Finance-Operate-Transfer (DBFOT) PPP format**
- ❖ **Total project cost INR 180 crore, operationalised in Jan, 13**
- ❖ **Total road length is 2.80km with 860m of parallel twin tunnel**
- ❖ **Concession period = 13 years**
- ❖ **Toll on heavy commercial vehicles only (sensitivity of urban pop.)**
- ❖ **Bestowed “Vishwakarma Award” by Govt. of India**



Ring Road Project Jaipur

- ❖ Total length about 96 km
- ❖ Phase 1 – Southern Corridor of 47 km, DBFOT format of PPP.
- ❖ Concession Period – 28 years, Concessionnaire to pay INR 23.99 cr a year to JDA (10% increase every 3rd year)
- ❖ 6-lane roads with 3m median, 3 interchanges, 2 ROBs, 3 bridges, 25 under passes, and electrification/horticulture works.
- ❖ Total Cost = INR 890 crore



Exhibition and Convention Center Jaipur

- ❖ **Implemented by RIICO through PPP on a Design-Finance-Construct-Operate-Transfer basis**
- ❖ **Located at Sitapura Industrial Area in Jaipur**
- ❖ **Project is approved and construction started**
- ❖ **Concession period = 60 years, payment of annual lease charges**
- ❖ **Estimated project cost = INR 215 crores**

Common Bio-Medical Waste Treatment Facility

- ❖ Created on PPP mode to cover 25 cities

Jaipur	Jhalawara	Baran	Kota	Jodhpur
Bundi	Dausa	Nawan	Kuchaman	Ajmer
Bhilwara	Parbatsar	Makrana	Pali	Merta City
Hanumangarh	Bikaner	Nagaur	Ladnun	Sawaimadhopur
Sriganganager	Tonk	Karoli	Bharatpur	Alwar

- ❖ Completed: 10 projects @ INR 70 lakhs each
- ❖ Under Construction: 3 projects @ INR 70 lakhs each

Metro Rail Project Jaipur

- ❖ Phase I (A)= 9.25 km (State funded)
Mansarovar – Chandpole
Estimated Cost Rs 1900 crs, Completion
= Sept. 2013,
- ❖ Phase 1(B)-2.5 kms-underground-
Chandpole to Bari Choupar, ADB
funded-Rs1000 crs
- ❖ Phase II = 23.5 km(PPP)
Ambabari – Sitapura (elevated and
underground)
PPP format proposed
Estimated cost = INR 7000.00 crores
- ❖ PPP Project consultancy under India
Infrastructure Project Development
Fund (IIPDF)
- ❖ O&M of Phase I to be transferred to PPP
concessionaire .



OTHER PPP PROJECTS

PROJECT	STATUS
Multilevel Parking at C-Scheme, Jaipur	Under Progress
Foot Over Bridges and Bus Shelters, Jaipur	Completed (With Advertisement Rights)
Power generation from Sewerage Treatment Plant, Jaipur	Completed 0.5 mw power being generated
600 Public Restrooms Various locations in state	Completed
Waste Water Treatment Plant, Bhilwara/Udaipur	Under Progress
Rope Way, Udaipur	Under Progress

AFFORDABLE HOUSING Under PPP

- ❖ Incentive based PPP model
- ❖ Shortage of housing in EWS, LIG, and MIG categories
- ❖ Incentive based model where Private sector provides land, construction, and internal infrastructure facilities
- ❖ Govt buybacks houses at low predetermined rates and allottee pays for it
- ❖ 60,000 houses and flats constructed/under construction by private developers



SAHBHAGITA AWAS YOJANA

Flagship program to promote EWS/LIG housing

- ❖ Initial target for 125,000 EWS, LIG, and MIG houses
- ❖ Target revised upwards of 500,000 after overwhelming response from private developers.



Five Models of PPP in Affordable Housing

Model 1: **Mandatory Provisions**

- **Private developers to reserve 15% of units in each of their Townships/Group Housing schemes**

Model 2: Private developers on private land

- **Min. 40% of land set apart for EWS/LIG housing**
- **12% of land for MIG-A category (G+3 flats)**
- **Free to use remaining land for HIG housing**
- **Several incentives like TDR Facility, waiver of EDC and other charges**

Model 3: Private developers on acquired land

- **Developers offered land under acquisition on payment of compensation for EWS/LIG flats.**
- **Incentives same as Model 2**

Model 4: Private developers on government land

- **Free government land for developers offering maximum number of free EWS/LIG flats (at least 50%)**
- **Open bidding process for developer selection**
- **Free to use remaining land with 10% for commercial**

Model 5: Slum Housing

- **Slum housing and redevelopment on a PPP model(policy in place, to be implemented)**

Incentives for Developers

- ❖ FAR – Double of the permissible FAR, facility of TDR
- ❖ Complete waiver of –
 - External development charges
 - Building plan approval fees
 - Conversion charges
- ❖ 10% plot area for commercial
- ❖ 30-day project approval time period
- ❖ Cost = EWS (Rs 2.40 lacs), LIG (Rs 3.75 lacs), MIG-A (Rs 7.00 lacs)
- ❖ Flats buy back by State Nodal Agency (pre determined prices Rs 750/sq. ft. for EWS/LIG; Rs 1000/sq. ft. for MIG-A)



STATUS OF POLICY IMPLEMENTATION

❖ **Model 1 – Mandatory Provision**

- **More than 30,000 flats/plots reserved in Urban Local Bodies' and private townships**

❖ **Model 2 – Private developers on private land**

- **Phase I: 14 projects with >14,000 houses started in 8 towns**
- **Phase II: 24 projects approved in 13 towns, registration received for >21,000 houses**
- **Phase III: Expression of interest from 18 developers in 18 towns**

❖ **Model 4 – Private developers on government land**

- **Work on more than 5,000 houses by Jodhpur Development Authority and UIT Kota**

PPP MEGA HOUSING PROJECT

- ❖ **Spans 50 cities and towns**
- ❖ **Large scale low-cost housing for EWS & LIG on govt. lands**
- ❖ **Target of more than 100,000 houses, 20% reserved for State Govt. employees**
- ❖ **75% of total project land for EWS/LIG/MIG-A housing**
- ❖ **25% of project land allotted to developer for free**
- ❖ **Bidding for per sq. ft. rate with max ceiling at Rs 1000/sq. ft.**
- ❖ **10% land for commercial**
- ❖ **Building plan approval fees waived**

- ❖ **Neemrana to Bhiwadi Link Road(six lane -60 kms) – DMIC Investment region in Rajasthan**
- ❖ **Convention Centre, Udaipur – Building structure complete, O&M through PPP**
- ❖ **O&M of Low Floor buses in Jaipur, Ajmer, Jodhpur & Kota – First package for 120 buses completed**
- ❖ **LED Street Lighting Project Jaipur – Bid document prepared, IFC knowledge partner**
- ❖ **Solid Waste Management project in various cities of state**
- ❖ **Waste Water Treatment and Recycling Plant in major cities**

POLICIES HAVING A BEARING ON PPP

- ❖ **Affordable Housing Policy 2009 (PPP Model) – Housing for urban poor**
- ❖ **Township Policy 2010 – Private sector township development**
- ❖ **Policy for Residential, Group Housing, and Other Schemes in Private Sector 2010**
- ❖ **Slum Development Policy (PPP Model) – Slum rehabilitation with private sector participation**
- ❖ **Policy for Transferable Development Rights (TDR) – Creation of facilities without land acquisition**
- ❖ **Building Bye Laws 2010 – Redevelopment of old schemes and unplanned areas with private participation**

Some Challenges

- ❖ Availability of Policy Framework
- ❖ Support from the top political leadership
- ❖ Land Issues-lease period-30/60/99yrs
- ❖ Public/media perception
- ❖ Financing challenges –resistance to pay user charges
- ❖ Limited capacity of Urban local bodies-role of elected reps-Strong support required from State Govt
- ❖ Environmental issues

Some Steps taken.....

- ❖ Creation of two funds-RUDF(Raj Urban Development Fund) and RTIDF(Raj Transport Infrastructure Dev Fund)- to meet financing requirements in a limited manner
- ❖ Two SPVs created for taking up PPPs- RAVIL(Raj Awas Vikas and Infrastructure Ltd) and RUIFDCO(Raj Urban Infrastructure Financing and Development Corp.)

Affordable Housing Policy



**M/s Siddha Infra Project
Jaipur
400 units**



Affordable Housing Policy



M/s Sintex Industries Jaipur – 432 units

Affordable Housing Policy



Vinkas Estates Jaipur – 512 units

Affordable Housing Policy



M/s Sidhi Vinayak Affordable Homes Pvt. Ltd.
Jaipur
1072 units

Affordable Housing Policy



Majestic Realmart Pvt. Ltd.
Jaipur – 960 units

Regency Buildhome Pvt. Ltd.
Jaipur – 1120 units

Affordable Housing Policy



**Arihant Builders Jodhpur
1300 units**



Affordable Housing Policy



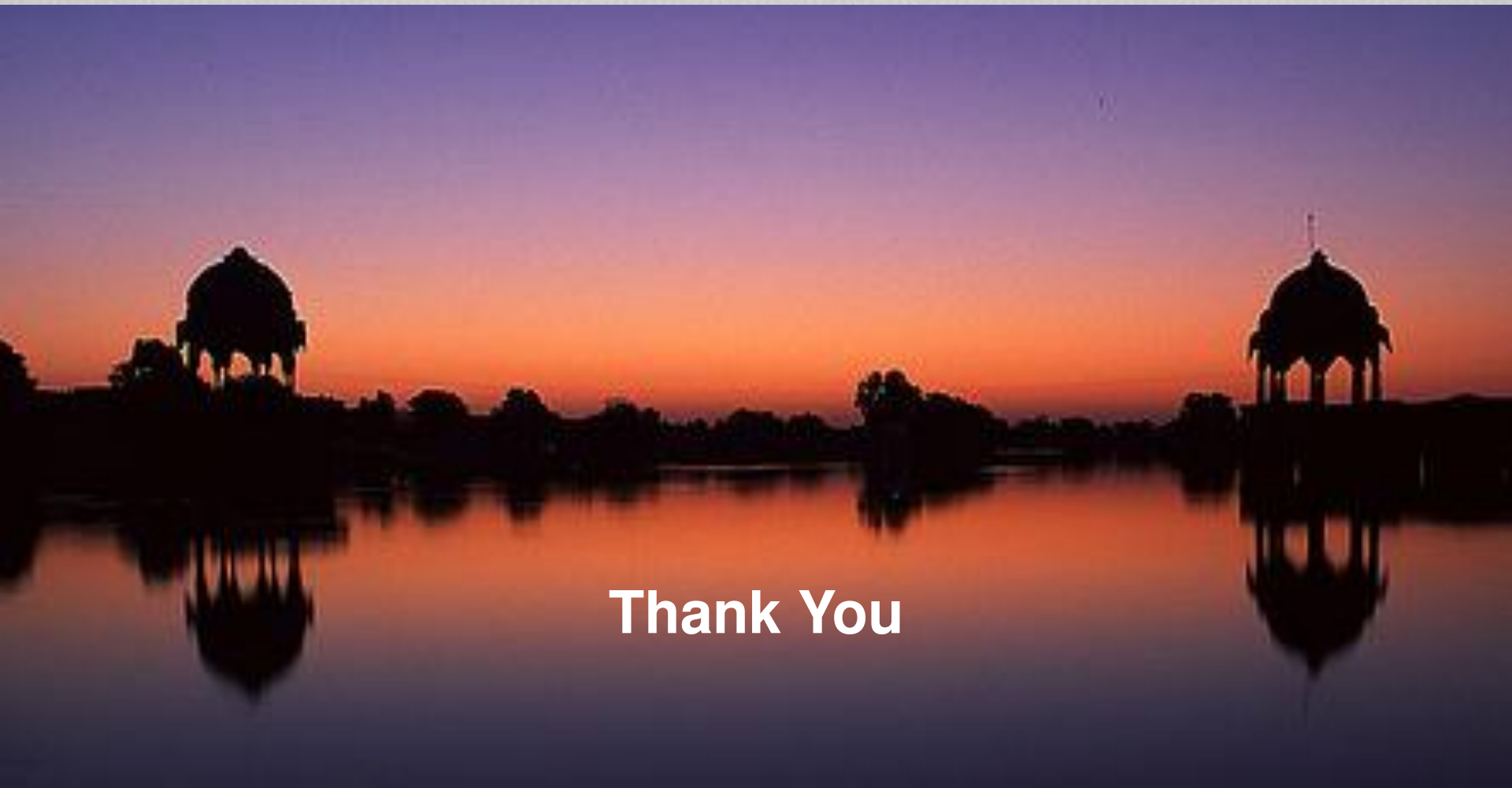
Bakliwal Builders Kota – EWS Flats 1216 units

Affordable Housing Policy



**Bakliwal Builders Kota
LIG Flats
512 units**





Thank You

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