

HRS.

ke red  
, says  
reena

PAGE 01

# DNA

DAILY NEWS & ANALYSIS

PUBLISHED FROM BANGALORE, MUMBAI, PUNE, AHMEDABAD, SURAT & JAIPUR

## Bangalore will have a sibling in Devanahalli

### coming up

**ITIR:** This mega initiative aims at setting up a mini-city totally focussed on information technology and software industries. A total of about Rs one lakh crore is expected to come in

**Aero SEZ:** The SEZ for civil-military aviation is planned in Devanahalli with an investment target of Rs12,366-cr. This will see major foreign companies setting up base here

**Bangalore Turf Club:** The BTC with an investment of Rs350-cr will shift to Chikkajala in Devanahalli taluk by March 2010. This is expected to be a major attraction with several companies setting up base in Devanahalli

**Premium residential complexes:** Multiple premium residential complexes coming up in and around Devanahalli are expected to bring in a total investment of about Rs1,500-cr

A total investment of about Rs1.15 lakh crores is set to be pumped into Devanahalli, making this once-sleepy village a sister city to Bangalore. The multi-billion dollar information technology investment region (ITIR) set to come up here will be the 'mother of all investments'

Praveena Sharma & PK Surendran

BANGALORE

A sleepy village not so long ago, Devanahalli is all set to be a sister city to Bangalore with major investments pouring in for development.

A cumulative of close to Rs1,15,000 crore worth of investment will see this once sedate location booming with activity to compete with Bangalore in terms of business and social life. And this is apart from the investments coming in from the hospitality industry and the entertainment sector, that is expected to prop up this place as an ideal social location in addition to an industrial hub.

As part of the endeavour to see Devanahalli rise to rub shoulders with Bangalore, IT&BT minister Katta Subramanya Naidu on Wednesday laid down an ambitious deadline of mid-2010 for the information technology investment region (ITIR), a major IT hub, to be functional.

This project alone is expected to draw a whopping Rs1,00,000 crore in investment. The state government has identified the area in Devanahalli taluk where about 10,000 acres of land would be acquired to set up the ITIR, Naidu said on the sidelines of the ITBiz. The Centre has already cleared the ITIR early last year.

The ITIR, with its huge expected investment, is already being considered as the 'mother of all developments' in Devanahalli.

With the ambitious ITIR deadline being announced by Naidu, the contours of 'New Bangalore' on the lines of



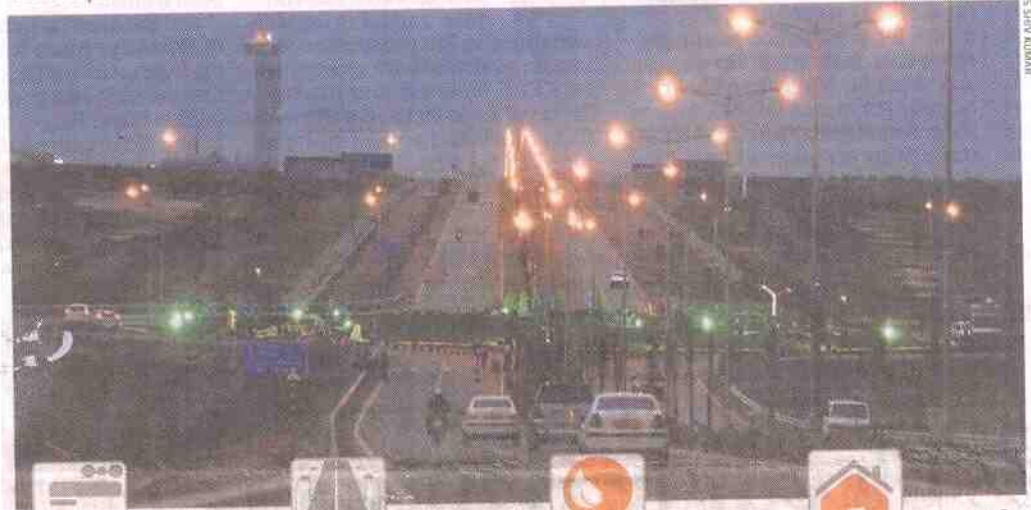
**TECH MEET:** Wipro chairman Azim Premji and Cisco chief technology officer Padmasree Warrior, on Wednesday, visited the Bangalore IT.biz 2009, which has kept a low profile this year following the floods in north Karnataka

Also among the major projects reported to have received the Udyog Mitra clearance for the Aero SEZ (special economic zone), an aviation hub in Devanahalli, is expected to see major US civil and military aviation companies as well as the European Aeronautics

up to Rs11,700 crore as investment. The Indian initiatives at the SEZ would see Rs666 crore of investment from Sobha Nadathur Aerospace Pvt Ltd (Rs200 crore) and Dynamatic Technologies, manufacturers of hydraulic equipment (Rs466 crore).

# Devanahalli will solve city's woes

**Realtors, experts** are optimistic that Devanahalli will help decongest Bangalore as it develops into an alternate hub complete with all basic infrastructure and necessities



**water**

Water will not be a problem at Devanahalli as the Rs1,500 crore Japan-aided water pipeline project, and water treatment plants, will meet the needs of the new developing areas of Bangalore north



**road**

The national and state highways, passing through Devanahalli, are both superior to the roads within Bangalore, and the connectivity to BIA is excellent. It provides the perfect basic infrastructure for easy movement to people



**power**

If the government pushes ahead with the gas pipeline project and the gas-based power stations, the present power problems in Devanahalli would be taken care of. Presently, it remains the Achilles' heel



**property**

Land around the BIA has become hot property. It is witnessing unprecedented development and land prices have multiplied in Devanahalli. Several premium housing complexes are coming up in the area

**PK Surendran.** BANGALORE

Within a few years, peak hour morning traffic will head towards Devanahalli, bringing relief to a congested Bangalore. For years, urban development experts have been haunted by one question — how and where to develop a parallel city, as an alternate hub of life close by, to decongest Bangalore?

Devanahalli appears to be the answer to that question, and optimism abounds over developing this place into a sister city to Bangalore.

It may seem strange, but the infrastructure development in Devanahalli taluk and adjoining areas is running parallel to the investment commitments there; generally, the trend is infrastructure development as a precursor to investment flow. Such is the attraction that Devanahalli has mustered up among investors.

The Rs1.15 lakh crore of investment that is set to be pumped in to raise Devanahalli as a city, is expected to initially attract at least eight lakh people, which is set to kickstart the growth of this place to a full-

blown city status. This, however, would require massive infrastructure in housing, water, roads and power.

"Some 48 infrastructure projects have been notified by the infrastructure development department, which should take care of the needs of this region," says commerce and industries department commissioner Rajpal Khatri. "I foresee no hurdles to the development of Bangalore north (which includes Devanahalli)," he says.

➤ BANGALORE MARCHES NORTHWARDS | P18

# City marches northward

Despite water and power problems, Devanahalli is most promising

CONTINUED FROM PAGE ONE

A major hurdle generally foreseen in the development of Devanahalli is the scarcity of water. But officials of Bangalore Water Supply and Sewerage Board (BWSSB) say the Japan-aided water pipeline project would be able to take care of eight agglomerations of municipalities merged with Bangalore, and this would include Devanahalli too.

"Water won't be a problem," insists Syed Ajaz Ahamed, chief administrative officer, BWSSB. "The Rs1,500 crore Japan-aided water pipeline project will meet the water needs of the new developing areas of Bangalore north, including Devanahalli."

But realty developers base their optimism on the excellent water-table in and around Doddaballapur. Anyway, they argue, the industries and institutions coming up in Bangalore north are tech units which are not water-intensive like the textile or processing units.

"We have surveyed 45 properties in Doddaballapur and surrounding areas before zeroing in on two for Monsanto and Pioneer (Du Pont)," says Sudeep Chandran, proprietor of Terra Firma, a leading property management firm. "We've found abundant water and the water-table is quite high. I'll say for sure Bangalore north will outshine the rest of Bangalore."

"Industrial clusters coming up on a massive scale should set up captive treatment plants like what the Textile Park in Doddaballapur did," says Raj Kulkarni, industrial consultant in Peenya.

Congress MLA Krishna Byregowda has no doubt North Bangalore is the right candidate for the next leg of development. "Water scarcity is true today and Cauvery pipeline is a mirage. If the government is honest in solving water problem, the North has all other facilities like land, roads and connectivity with airport which make its future bright."

FKCCI secretary, A Ramakrishna, says: "Drinking water shortage is a reality today, but treatment plants coming up there would solve industrial water needs. For energy, if the government pushes ahead the gas pipeline project and the gas-based power stations, there would be no major problem."

Terra Firma proprietor Chandran says, both the national highway and state highway are many times better than roads within Bangalore.

"Connectivity with airport is excellent. This, together with good water-table would solve two major infrastructure problems. Power would remain our Achilles' heel, but then it would also get solved eventually," Chandran hopes.



# Devanahalli will only get pricier

Business Park, Put On Hold Due To Recession, Will Be Revived Soon

Deepa Bhashti | TNN

Bangalore: Real estate around Bengaluru International Airport (BIA) is getting pricier by the day. Now, a project conceived last year could take off soon, making the area more valuable. The Devanahalli Business Park is pending government approval for the spadework to begin.

The project was proposed under the PPP model in October last year. But just then, recession hit and there were no takers to bid for it. Principal secretary (infrastructure) V Madhu told The Times of India that there is a



proposal to revive the project. "We are waiting for government approval before tenders are called," he said.

IT-BT minister Katta Subramanya Naidu said developers had not come forward to bid owing to the global economic slowdown. He said they would wait for developers

to approach the government and if not, they would go ahead with the project. He refused to say what this waiting period would be and said they would consult the infrastructure department and decide soon.

## WHAT'S THE PROJECT?

Devanahalli Business Park was proposed on 413.65 acres, and the suggested land use plan was approved by the government in May last year. Of this, some part would be retained by government agencies, some would have a power sub-station and a social forest.

A total of 309 acres would be for development, both commercial and for roads and utilities. This land is to be leased by the Karnataka State Industrial Investment and Development Corporation (KSIIDC) to the developer for 30 years, with automatic renewal for another 30 years.

Dedicated access road options from NH-7 and BIA were also part of the proposal. Hotels, business establishments,

and several other utilities will be recommended to bidders. "But companies will be free to change what they want, within the legal framework. We can only recommend," said Madhu. It is estimated to cost Rs 9,000 crore.

Government approval is now pending before tenders open. That the Devanahalli Business Park, will start soon, either way, is clear.

## GROUND FACTS

- Total land needed: **413.65 acres**
- Retained for govt agencies: **83.24 acres**
- Power sub-station, social forest: **21.34 acres**
- For development under PPP: **309.07 acres** (of this, 217 acres for commercial development, 92.07 acres for roads and utilities)
- Total cost estimate: **Rs 9,000 crore**

S E Z