



[Gujarat Integrated Township Policy]

Draft Policy Document

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DRAFT



1. Executive Summary

1.1. The Rationale

Government of Gujarat recognizes that knowledge based activities will be the economic drivers in the future. This includes IT and IT Enabled services such as Knowledge Process Outsourcing and Business Process Outsourcing. It also includes emerging technology areas such as Biotech, energy related research, financial services, contract research and host of such other activities.

Most of these businesses are driven by global capital and therefore locational decisions are taken by comparing the advantages of cities across the world. This means that for Gujarat to attract investments in these sectors, its cities have to compete with similar city destinations across the world. The location of these businesses will be governed largely by the availability of high quality real estate and services. Government intends to proactively facilitate the creation of such destinations in the state in order to attract high end investments and create jobs and business opportunities for the youth of Gujarat.

1.2. Needs of the knowledge based economy

Knowledge based industries require high end commercial and residential real estate along with high quality infrastructure. Since these sectors are manned by the younger population, availability of good quality health services, educational institutions and modern entertainment facilities will drive such development. Increasingly it is becoming clearer that these industries are looking for sustainable integrated townships of an economic size capable of supporting businesses and homes, with adequate physical and social infrastructure. Yet, these should be compact enough to enable high quality living environments where it is possible to walk-to-work, walk-to-school and take public transport for other activities.

In the regional context, these townships must be well connected to other urban centers through regional transport infrastructure such as airports, railways, and highways. The townships must also have access to trunk infrastructure such as high-quality drinking water and reliable power supply.

1.3. Strategic response

To attract investments in knowledge based economic activities in a manner that directly benefits the state, there are several initiatives required. Gujarat should take the lead in promoting the development of integrated townships with high quality real estate property. Along with this it is necessary for the government to ensure that the townships so developed have access to reliable trunk infrastructure. It is also important to attract high grade developers with long term commitment through systems for rating their performance and to set adequately high standards for them in terms of infrastructure provision and service delivery. In order that such townships don't become future liabilities for the state, the infrastructure should be designed such that they are zero impact in terms of waste management and adequately self sufficient in terms of facilities for education, health and other aspects of social welfare. To make the infrastructure sustainable and to ensure their continued operation and maintenance, new service sectors such as Facilities Management and Integrated Waste Management need to be promoted. The state also has a responsibility to ensure that these townships are inclusive for the urban poor through norms for provision of Economically Weaker Section housing and integration of informal service providers. It is now acknowledged that urban centres are unsustainable without such informal service providers.

1.4. Gujarat's approach to developing townships

Consistent with the overall approach of the Gujarat Government to be a facilitator rather than be a provider, it is proposed that the development of integrated townships be done through private, real estate market initiatives. The Government's role will be to support and facilitate the real estate market operations and regulating it only to the extent required to realise public policy objectives.

1.5. Needs of the real estate industry

Government recognizes that only a mature real estate industry, well supported by government can respond effectively to the demand for high quality real estate that is emerging from knowledge based industries. The real estate industry needs government support on several counts. The first and most important support is the provision of reliable trunk infrastructure (road, water and power) at reasonable cost in a predictable and reasonable timeframe up to the

threshold of the township. The proposed 'Township Policy' aims to provide a framework for ensuring that this happens in an efficient manner in predefined areas for township development.

It is equally important to ensure fast clearances for a variety of regulatory regimes ranging from land related clearances and building/ development permissions to environmental clearances. The 'Township Policy', thus responds to this by creating a **Green Channel** for fast clearances through third party verifications and/or self certification by high-rated developers.

While most developers would be willing to pay market price for the land, they would need some government support for purchasing bulk land. Domestic real estate developers would be able to do most of the land purchase themselves, but would need support to purchase the parcels that are left out at the end of the process of putting together a stretch of land big enough to support an integrated township. Foreign investors on the other hand, may be averse to undertake retail purchase of land and may look to the government or to local partners for providing ready-to-build large plots.

There are many specific sectors of the economy such as education, health and tourism, which are of strategic importance in supporting knowledge based economic activities. However, these need higher levels of support to get established. This higher order support includes additional private land being procured or sale of additional Government land as well as incentives such as exclusivity to offset entrepreneurial risk in the case of tourism ventures. All these forms of support are envisaged in the proposed 'Township Policy'.

1.6. Public policy objectives to be achieved

Government's regulatory role will be limited to the realization of public objectives. To illustrate, to fulfill the objective of employment generation, norms for minimum allocation of built-up area for economic activity area are required. The quality of the living environment needs to be ensured by adopting town planning norms providing for adequate open space, road network, density norms, and quality of building construction.


To ensure that the residents and businesses are adequately served and the townships are 'zero-impact', re-cycling norms are required that necessitate high quality capital infrastructure and performance criteria for continued delivery of the required level of services. To protect the interests of the consumers buying property in the townships and to enable monitoring by the authorities, a high level of transparency needs to be established in property transactions, specifications for town planning and building construction and levels of infrastructure service delivery. This can be accomplished by setting norms for compulsory disclosure of such information by the developers. All the above is realistically achievable by ensuring that developers with good track record and quality management systems are encouraged to participate in township development through this policy. This strategic objective is sought to be accomplished by a rating system for developers and their projects, the long term effect being an ongoing process of streamlining the real estate industry.

1.7. Strategy for promoting township development

Access to airports/ railways/ highways availability of reliable water, power, institutions of higher learning, specialty hospitals and such other facilities being the prime pre-requisites for township development, it is imperative that township development be encouraged in areas where such facilities are available or can easily be established. This will enable provision of trunk infrastructure at optimal cost and optimal utilization of available infrastructure; the two sides of the same coin. Therefore the proposed strategy for township development in Gujarat is to promote it along the already fast growing urban corridors from Vapi to Ahmedabad and from Ahmedabad to Rajkot with their extensions. There are many growth nodes as well, emerging around various industrial clusters and regional infrastructure facilities such as ports. The periphery of existing urban centres is another category of suitable locations for township development. The Township Policy will apply in a prioritized and phased manner to these areas, along with concomitant development of trunk infrastructure. The specific locations to be included in each phase will be announced by the Government through appropriate notifications.

1.8. Proposed government support through the Township Policy

In response to the perceived needs of the real estate industry and the imperatives of public policy, the government proposes to provide primarily five (5) types of support activities. The (1) first form of support is the provision of trunk infrastructure in the areas where the policy will apply in a phased manner. This will be undertaken through para-statal bodies and companies of the government such as Gujarat Urban Development Company, the Gujarat State Road Development Corporation, the Gujarat Water Infrastructure Limited, and the Power Distribution Companies for various regions. The provision of infrastructure will be on a cost-plus basis with long term contracts and minimum consumption criteria.



The (2) second form of support will be in the procurement of land. Government support will be provided for procurement of parcels that are left out at the end of the process of putting together a stretch of land big enough to support an integrated township. The maximum extent of this facilitation will be determined on the basis of public policy objectives and the rating of the developer. In the case of townships for education and health infrastructure, a higher degree of facilitation will be extended. The specific details as contained in the Gujarat SEZ Policy, and in the Gujarat Industrial Policy 2003 will be incorporated here!

The (3) third form of support will be the establishment of a Green Channel for statutory clearances related to land, development permissions, environmental clearances and such others. This will be accomplished through simplified regulations and procedures, third party verification and self certification methods. The level of Green Channel support will be linked to the rating of developers.

The (4) fourth form of support is in terms of special benefits under the policy. This includes giving exclusivity to tourism projects to offset entrepreneurial risk through a buffer zone for green-field projects and higher land procurement support for education and health infrastructure townships. Another special benefit is a provision to allow clusters of townships of similar nature. These clusters can then comply with infrastructure norms as a cluster rather than independently.

The (5) fifth form of support is a system for rating of developers and projects to be mandated by the government. Initially the CRISIL-NAREDCO rating will be used, which examines the developer's track record, organizational risk and financial risk. The rating of a developer will determine the level of support and degree of flexibility offered to a developer in the township development process.

The Government proposes to provide an "Early Bird Advantage" in terms of higher degree of facilitation be provided to the first few developers who come forward with unique township concepts and high level of investment.

The Government will prepare also prepare and implement Master Plans for the areas to be covered by the Township Policy to ensure that while integrated township development happens in these locations, the surrounding areas are regulated to ensure that haphazard development does not happen. The periphery of Township Policy applicable areas will be kept under strict 'Green Zone' controls.

Finally the government will establish a mechanism for monitoring the township development process to ensure compliance with all the norms under the policy.

2. Objectives

The main objectives of the Township Policy are listed below. They are further elaborated thereafter.

1. To promote economic development
2. To facilitate the creation of efficient, equitable, sustainable urban settlements
3. To facilitate public private partnerships in urban development
4. To facilitate capacity building in the private sector and in Government for urban development

2.1. To promote economic development

1. To facilitate the emergence of consolidated, economically & environmentally sustainable urban corridors.
2. To enable the real estate sector to meet the infrastructure needs of new sectors of economy such as IT, ITES, Biotech, R & D Institutions and similar such outsourced economic activities.
3. To facilitate creation of new livelihood and employment opportunities.
4. To promote growth of tourism, medical & educational infrastructure
5. To achieve habitats which are globally competitive and catalyze the overall development of the state economy.

2.2. To facilitate the creation of efficient, equitable, sustainable urban settlements

6. To facilitate the emergence of poly nucleated urban agglomerations by encouraging creation of free standing towns, satellite towns etc.
7. To encourage the densification of the urban built areas for achieving optimal utilization of resources & physical infrastructure and to discourage unsustainable sprawl development.

8. To ensure creation of sustainable urban development by a strict adherence to a high degree of risk mitigation measures
9. To promote socially integrated and heterogeneous communities that are sensitive to the needs of the Economically Weaker Section and Informal sector.
10. To achieve as far as practicable, a “Zero Impact” position in terms of its environmental impact, by ensuring that the new townships have access to requisite off site physical and social Infrastructure, and have adequate on site physical and social Infrastructure along with appropriate Operation and Maintenance mechanism.
11. To achieve a “Zero Impact” in terms of the loads generated on the regional level physical infrastructure, by seeking to achieve self-reliant infrastructure in the emerging townships
12. To promote the emergence and growth of self sustaining pedestrian communities that thrive in a walk to work, walk to school, walk to play environment.

2.3. To facilitate public private partnerships in urban development

13. To promote and accelerate private sector participation in various categories of infrastructure that supports the urban development in the State.
14. To facilitate the emergence of newer service sectors such as Integrated Waste Management services (IWMS), Facility Management Services (FMS) etc.
15. To facilitate the participation of the State government bodies that own substantial assets in the form of urbanizable land and properties in Public Private Partnership projects.

2.4. To facilitate capacity building in the private sector and in government for urban development

16. To enable the Real Estate market to get properly articulated and segmented into various sectors such as Residential, Institutional, Commercial, Heritage etc.
17. To ensure high quality of safety standards and hazard preparedness in strict compliance with the relevant IS codes.
18. To ensure professional monitoring of quality and compliance by peer review and third party supervision.
19. To provide differential levels of facilitation and self certification on the basis of such professional rating.
20. To strengthen the capacity of the government agencies to ensure able supervision of the compliance with the policy.
21. To create a single point agency of the State Government to implement this policy.

3. Key elements of the Township Policy

The key elements of the Township Policy are presented here in summary and detailed out in subsequent sections.


3.1. Government’s role and support

Government will primarily play the role of facilitator in implementing the Township Policy. The Government’s role is detailed out in the policy under the following six heads:

1. External Infrastructure - Power/Roads/Water
2. Land Purchase Support
3. Green Channel procedures
4. Special benefits
5. Rating of developers & projects
6. Monitoring Mechanisms
7. Macro level planning and regulation of development

3.2. Developers’ role and obligations

The developer plays a central role in the realization of the objectives of the Township Policy. While the policy facilitates the township development process and simplifies procedures, it also provides a framework of norms to



ensure that public policy objectives are met and high quality townships are created. The developer's role is detailed out in the policy under the following six heads:

1. Town planning norms
2. Mitigation of vulnerability
3. On-site physical and social infrastructure norms
4. Disclosure Norms
5. Performance standards for operation and maintenance
6. Provision for informal service providers

3.3. The implementation framework

The framework for implementation of the Township Policy is designed for simplicity of operation while geared for achieving public policy objectives as well as enabling high quality township development. The implementation framework is detailed out in the policy under the following nine heads:

1. Applicable area
2. Eligibility Criteria
3. Classification of Townships by use
4. Classification of Townships by scale
5. Performance Standards
6. Disclosure norms
7. Procedures
8. Mechanism to ensure compliance
9. Institutional framework

4. Government's role and support

4.1. External Infrastructure - Power/Roads/Water

The Government of Gujarat recognizes that the provision of trunk infrastructure such as access from nearest major road and bulk supply of drinking water and power are essential for the facilitating township development. Under this policy, the Government will establish mechanisms to provide trunk infrastructure in the areas to be designated in a phased manner for township development. This will be undertaken through para-statal bodies and companies of the government such as Gujarat Urban Development Company, Gujarat State Road Development Corporation, Gujarat Water Infrastructure Limited, and the Power Distribution Companies for various regions. The provision of infrastructure will be on a cost-plus basis with long term contracts and minimum consumption criteria. The charges such levied will be known as "External Development Charge" (EDC). The maximum period within which the trunk infrastructure is to be extended, will be determined on the basis of the Developers' rating system to be established under this Policy – the higher the rating of the Developer, the shorter the period.

4.1.1. Access road

The Government will provide an access road of adequate width and construction specifications based on the use and scale of the Township. The feasibility of the same will be determined as part of the Preliminary Project Approval process and the detailed proposal for the same will form part of the Detailed Project Report to be submitted by the Developer. The cost of land acquisition and construction will be borne by the Developer in part or full on the basis of the sharing of benefits between the Developer and other users of the road.

4.1.2. Bulk water supply

The Government will provide untreated drinking water of acceptable quality and in adequate quantity based on the use and scale of the Township. The feasibility of the same will be determined as part of the Preliminary Project Approval process and the detailed proposal for the same will form part of the Detailed Project Report to be submitted by the Developer. The cost of a dedicated trunk line from the nearest source/ tapping point to the Township will be borne by the Developer. The water supplied will be charged (EDC) on the basis of actual consumption at cost-plus rates. The agreement for supply will have provisions for minimum and maximum off-take.

4.1.3. Bulk power – electricity and gas

The Government will provide reliable supply of electricity with adequate capacity for load based on the use and scale of the Township. The feasibility of the same will be determined as part of the Preliminary Project Approval process and the detailed proposal for the same will form part of the Detailed Project Report to be submitted by the Developer. The cost of the dedicated electricity mains from the nearest electricity source to the Township will be borne by the Developer. The electricity supplied will be charged (EDC) on the basis of actual consumption at cost-plus rates. The agreement for supply will have provisions for minimum and maximum off-take.

The supply of gas will be based on location and availability of a gas main in the vicinity of the Township. The arrangements will be similar to that of electricity supply mentioned above.

4.2. Land Procurement Support

The primary responsibility for procurement of land in adequate quantities corresponding to the proposed use and scale of the Township is that of the Developer. However, the Government recognizes that often there remain residual patches of land and offers its support in procuring these. These may include both private land and government land.

If in the residual land, some Government land is present, the same will be sold at market rates provided such lands form pockets within the project area, and not contiguous pieces. In the case of Private Lands such residual land will be assembled through compulsory acquisition, or consent award or by way of negotiated purchase. (The framework for negotiation will be set on the basis of prevailing legislation and norms)

The maximum extent of government support in procurement of land including purchase of private land and sale of government land to the Developer will be determined on a case to case basis on the basis of the importance of the Township from the point of view of the Government's public policy objectives as well as the rating of the Developer.

4.2.1. Specific Facilitation for Education based and Medical Townships:

Considering that the development of facilities for health care and education are a high priority policy objective, the Government will offer higher priority and higher extent of facilitation to such Townships. The maximum extent of facilitation will be determined on a case to case basis.

4.3. Green Channel procedures

The Government recognizes that normal procedures for various statutory clearances are time consuming and constitute a substantial cost overhead for Developers. Under the Township Policy, the Government will establish a Green Channel for ensuring fast clearances. At present the following initiatives are proposed in the Green Channel:

4.3.1. Simplification of Revenue procedures:

All Townships approved under this Policy will qualify for support, and permission under 63 G of Gujarat Tenancy Act and payment of different Land Revenue Premia will be eased considerably.

4.3.2. Simplification of procedures and time-bound issue of clearances related to town planning and infrastructure provision

A separate set of norms for town planning and infrastructure provision will be issued under this policy. Conformity to these norms will have to be established by the Developer in the Detailed Project Report to be submitted for approval. Once the DPR is approved, there will be no separate procedure for development permissions. In the case of Townships within the jurisdiction of sanctioned Development Plans of cities, the norms prescribed by the respective Development Plans will apply.

The scrutiny and approval of DPRs will be carried out in a time-bound manner by the implementing agency.

4.3.3. Self certification for procedures under this policy

At various stages such as application, scrutiny, approval, monitoring of implementation, certificate of completion and operation of the Township, the Developers are expected to follow certain procedures including securing various certificates to prove compliance with norms. Based on the rating of the Developer

by the rating agency under the rating system to be developed under this Policy, varying degrees of privilege/benefit will be accorded to the Developers by means of self certification.

4.3.4. Market Based Supervision/Verification

Government will establish a market friendly and market based system for operationalizing the procedures under this policy including scrutiny and approval of DPRs as well as monitoring and supervision during implementation and operation of the Township. For this purpose, third party verification/ supervision by competent professional agencies will be the principal method.

4.3.5. Single point nodal agency for 'Environmental Clearance'

Government will facilitate statutory environmental clearances through a single point nodal agency, to be notified separately

4.4. Special benefits

To encourage Township projects that are in line with the development priorities of the state, the Government proposes to offer the following special benefits under this policy:

4.4.1. Buffer Zone for tourism projects

The Government recognizes that tourism projects in green field situations encounter considerable entrepreneurial risk. Under this policy, the benefit of a Buffer Zone is offered to such projects. On the request of the Developer of such a Township, a band of pre-specified width remains in existence for 2 years from approval of the Township wherein no other Township of similar nature would be permitted for the duration to allow exclusivity to the Township. The norms for this advantage will vary depending on the location in the preferred area and will be amended from time to time.

4.4.2. Cluster Development

Through this benefit the policy allows a certain numbers of Townships of similar and complimentary nature to be located within a certain maximum radius to empower them through consolidation, common branding, marketing and common infrastructure & facilities. The norms for on site physical and social infrastructure for an individual Township will be applicable to the cluster as a whole. The norms for this benefit will vary depending on the location in the preferred area and will be amended from time to time.

4.4.3. Higher Land Purchase support for Educational/ Health Townships

As mentioned in the section on support for land purchase, a higher level of support will be offered to Townships for education and health infrastructure.

4.5. Rating of Developers & projects

All Developers applying for registration under this Policy will be required to get themselves rated by agencies recognized under this policy. It is proposed to adopt the CRISIL-NAREDCO format or its equivalent. The rating process will consider the following parameters:

Developer's track record

- Legal track record
- Construction track record
- Market track record

Organizational risk

- Organizational systems
- Organizational structure
- Strategy

Financial risk

- Existing financial profile

- Financial flexibility

The rating of Developers and their projects will be a compulsory and ongoing process through the implementation of the project and the operation of the Township. Various benefits under the policy will be linked to the rating of the Developers and projects as mentioned in the respective sections. The higher the rating, the higher will be the benefits. This is expected to eventually result in streamlining and improving the quality of real estate development in the state.

4.6. Monitoring Mechanisms

In order to ensure realization of the public policy objectives of the Township Policy and to ensure the creation of high quality township development, the Government will establish systems for concurrent evaluation by third parties including the rating mechanism mentioned in the previous section. In addition, random evaluation by authorities of the Government of Gujarat will also be carried out.

4.7. Macro level planning and regulation of development

The Government of Gujarat will prepare and implement Master Plans for the areas in which township development will be encouraged under this policy. This is with a view to ensure that while integrated townships are being developed in the area, the surrounding areas also develop in a planned and systematic manner and such that the viability of the townships themselves are not undermined. The government will augment the existing legal and institutional framework as required, to achieve the same.

5. Developers' role and obligations

5.1. Implement town planning norms

A separate and specific set of town planning norms will be issued as part of this Township Policy. Conformity to these norms will have to be established by the Developer in the Detailed Project Report to be submitted for approval. Once the DPR is approved, there will be no separate procedure for development permissions. In the case of Townships within the jurisdiction of sanctioned Development Plans of cities, the norms prescribed by the respective Development Plans will apply.

Town planning norms will cover the following issues:

5.1.1. Land use mix

The basic land use mix is related to the classification of Townships by use and to the minimum criteria for eligibility, wherein a minimum proportion of built-up area is to be allocated to the proposed economic activity. In addition to this, land use norms will cover compatibility of adjacent uses, integration with transportation network, distribution of service facilities and provisions to ensure social inclusiveness.

5.1.2. Density, height and bulk

To ensure predictable infrastructure requirements, the overall density of the Township will be specified, both in terms of residential population density and in terms of the density of Built-Up-Area (expressed in FSI).

To ensure harmonious built form the developer will be required to submit an Urban Design Plan specifying the characteristics of the building envelope such as height, ground coverage, margins, etc for all the buildings proposed in the Township.

5.1.3. Open spaces, parks and gardens

The town planning norms will include requirements for a hierarchy of open spaces from neighborhood to Township level.

5.1.4. Provision for EWS housing

To ensure that the lowest income groups including informal services providers have access to formal housing, there will be specific norms for providing a minimum number of dwelling units for the EWS in proportion to the total estimated population and the nature of economic activity proposed in the Township. Compensatory built up area will be allotted to the Developer for provision of EWS housing. The delivery mechanism for these houses will be established by the Government.

5.2. Mitigate Vulnerability

In the following locations, it shall be incumbent upon the Developer to determine norms that need to be followed in order to ensure safety and sustainability as prescribed by the appropriate authorities to mitigate vulnerability:

1. Water scarce regions classified as “Over exploited” & “Dark Zones” by the Government (primary criterion)
2. Specific Hazard Prone Locations
3. All areas where development is restricted by legislation, regulations or notification by the Government of India or Government of Gujarat.

5.2.1. Preconditions for safety and sustainability

The permitted Townships in this area must comply with the relevant ISI codes / National Building Codes.

The permitted Townships in this area must also comply with pre and post natural hazard mitigation measures as prescribed by the Disaster Management Plans of Gujarat State Disaster Management Authority that may include first aid centres, hospitals, group of doctors and trained personnel, captive emergency vehicles, first rate communication system with direct connection to Fire brigade, Police Station, Hospital etc.

In the case of water scarce regions classified as “Over exploited” & “Dark Zones” by the Government, sustainable alternate sources of surface water have to be secured by the Developer.

In the case of areas where development is restricted by legislation, regulations or notification by the Government of India or Government of Gujarat, the norms specified by the respective laws, regulations and notifications have to be complied with.

A detailed feasibility study as well as Social and Environmental Impact Assessment will be required to be carried out for undertaking such projects. Plans for infrastructure augmentation, mitigation of environmental and social impact as well as detailed financial management plans will also be required.

5.3. Provide On-site Physical and Social Infrastructure

A separate and specific set of norms for provision of physical and social infrastructure will be issued as part of this Township Policy. Conformity to these norms will have to be established by the Developer in the Detailed Project Report to be submitted for approval. Once the DPR is approved, there will be no separate procedure for development permissions. In the case of Townships within the jurisdiction of sanctioned Development Plans of cities, the norms prescribed by the respective Development Plans will apply.

5.3.1. On-site Physical Infrastructure

The norms for provision of physical infrastructure will cover the following:

Road network and transportation

The road network must be provided in a well defined hierarchy from arterial to collector streets to access streets as per norms specified. Adequate provision shall be made for public transport. Both the road network and transport facilities should be coordinated well with the land use distribution. The norms will also specify provisions for pedestrian and bicycle tracks.

Water supply

The Developer must establish a system for the distribution of drinking water as per prescribed norms with adequate provision for treatment, storage and distribution network. The capacities of these facilities are to be determined considering the resident population, workforce in the economic activities, as well as firefighting requirements. Provision should be made for using recycled water for requirements such as landscaping.

Integrated waste management

The key requirement for the waste management system is that the Township should have ‘zero externality’. Therefore it is expected that all Developers make suitable arrangements for Integrated Waste Management, combining Sewerage and Solid Waste Management. The IWM systems should recycle as much water and nutrients as possible. The possibility of harnessing energy from waste may also be considered.

Power distribution

The developer shall ensure reliable power distribution within the Township area. The developer may draw the power from existing supply system or may go in for captive power generation.

5.3.2. On-site Social Infrastructure

The norms for provision of social infrastructure will cover the following:

Educational facilities

Adequate number of primary and secondary schools should be provided as per norms, based on the resident population.

Health facilities

Adequate number of primary health facilities and nursing homes/ polyclinics should be provided as per norms, based on the resident and floating population.

5.4. Provide O&M services adhering to performance standards

The Developer is expected to operate and maintain the infrastructure to a set of performance standards to be specified in this policy. Detailed norms will be issued for this purpose. It is expected that this will pave the way for the emergence of organizations in the private sector for Facilities Management and Integrated Waste Management.

5.5. Provision for informal service providers

It is now well accepted that no urban area, particularly in the Indian context, can function effectively without the services of a variety of informal service providers from household help to street vendors and providers of small scale repairs and maintenance services. The Developer will be required to comply with norms to be issued under this policy for integrating informal service providers into the Township.

5.6. Implement Disclosure Norms

As described in the section on Implementation Framework, the Developer will be required to comply with a specific set of norms to be issued under this policy for compulsory disclosure of information related to the following:

1. Town planning
2. Provision of physical and social infrastructure
3. Design and construction specifications of all buildings in the Township
4. Level of service of water supply, waste management and other services to be provided by the Developer

6. The implementation framework

6.1. Applicable area

Based on the objectives of the Township Policy, a broad range of areas has been identified, where the Policy will be applicable. These areas will be opened up for the operation of the Policy in a phased out manner along with concomitant development of arrangements for provision of trunk infrastructure as committed in the policy.

6.1.1. Principles for delineation of applicable areas

The Government of Gujarat considered the following as the key principles for the identification and broad delineation of areas where the Township Policy will be made applicable.

- Development potential generated by proximity to industrial clusters, regional infrastructure such as highways and ports
- Favorable conditions to support development such as existing urban areas, availability of water and power as well as availability of skilled manpower
- Unique locational advantages
- Constraining factors such ecological sensitivity or scarcity of water and other natural resources

6.1.2. Method of notification of applicable areas

The Government of Gujarat will issue notifications from time to time under the Township Policy announcing new areas to be covered under the Township Policy, along with Master Plans for these areas.

6.2. Eligibility Criteria

The following minimum criteria are mandatory for any Township proposal to register under this Policy and be eligible to benefit from its provisions. The definition of use categories is given in the next section.

UC No.	Use Category Name	Minimum land area (Acres)	Minimum Investment (Rs. Crores)	Minimum Assured Employment Generation By Completion (No. of jobs)
1	Technology Parks	100	80	7000
2	Education Based Townships	200	160	2800
3	Medical/ Health Care Townships	150	120	2100
4	Tourism Related Infrastructure	25	20	350
5	Logistics Parks	200	160	2800
6	Residential	100	80	NA

Note: Assumptions for employment generation estimate:

Total Built Up Area is estimated @ 0.25 gross FSI on total land area

Total BUA devoted to employment generating activity is based on the minimum proportion specified in Table 5-1: List of Use Categories

The number of jobs has been estimated at the average rate of 1 job per 10 sq.m of BUA for Non polluting industries and 1 job per 50 sq.m for Tourism Related Infrastructure, Education Based Townships, Medical/ Health care Townships and Logistics Parks

6.3. Classification of Townships by use

The Use Categories, their general description and measurable parameters with values are given in the table below. The eligibility criteria for all categories have been provided for in the previous section.

UC No.	Use Category Name	Description	Measurable Parameter	Value
1	Technology Parks	Such as parks of IT, ITES, Biotechnology, Apparel, Gems & Jewelry and other R & D Institutions with Ancillary Housing	Proportion of total Built Up Area used for Economic Activity	70 % or more
2	Education Based Townships	Such as complexes of schools/ colleges/ universities/ research centers with Hostels and Ancillary Housing		60 % or more
3	Medical/ Health care Townships	Such as complexes of hospitals/ health resorts/ medical colleges/ medical research facilities with Hostels and Ancillary Housing	Proportion of total Built Up Area used for health care facilities	60 % or more
4	Tourism Related Infrastructure	Includes all Tourism related activities with Ancillary Housing	Proportion of total Built Up Area used for Economic Activity	70 % or more
5	Logistics Parks	Includes all large scale logistics (freight handling) and trading activities (wholesale or retail), with ancillary activities such as office complexes, entertainment complexes and Ancillary	Proportion of total Built Up Area used for commercial activity	70% or more



Housing				
6	Residential	Where Housing is developed as serviced plots or constructed Dwelling Units and is contiguous to an accessible economic activity.	Proportion of total Built Up Area used for Dwelling Units	80% or more

6.4. Classification of Townships by scale

The categorization of Townships by scale has been done on the basis of the following parameters:

- Perceived Importance
- Land area
- Investment
- Completion period

SC No.	Scale Name	Category	Description	Measurable Parameter	Value (as amended from time to time)
1	Flagship Township		A development of the highest order and with higher contribution to the <u>state's</u> socio economic development	Total land area covered	1500 acres (600 hectares) or more
				Total estimated investment	Rs. 1200 crores or more
				Completion period after approval of project	Not more than 10 years
2	Township		Others	Total land area covered	25 acres (100 hectares) to 1500 acres (600 hectares)
				Total estimated investment	Rs. 20 crores to Rs. 1200 crores
				Completion period after approval of project	Not more than 5 years

Note: Assumptions for investment estimate:

- Total investment excluding land cost is estimated as land & infrastructure cost plus cost of construction of buildings
- Total land and infrastructure development cost is estimated @ Rs. 450 per sq.m of gross land area
- Total Built Up Area is estimated @ 0.25 gross FSI on total land area
- Total construction cost is estimated @ Rs. 6000 per sq.m of Built Up Area
- The total investment figure has been rounded off


6.5. Performance Standards

The developer must provide adequate Operation & Maintenance mechanism for on site physical and social infrastructure for a minimum of 15 years.

6.5.1. Integrated Waste Management Services (IWMS)

IWMS by the developer or by a contractor appointed by the developer will be mandatory for a Township if the sewage generation in the Township exceeds 0.1 MLD and solid waste generation exceeds 0.5 tons / day.

Operation & Maintenance (O & M) will be provided by the IWMS provider for a predetermined period. Predetermined rates will be charged by the IWMS provider for the O & M services and will be enforced by a contract between the IWMS provider and the developer.



The IWMS provider must be ISO 14001 rated agency. If the developer directly undertakes the IWMS, then ISO 14001 certification will be also be applicable to the developer as well. The details of the proposed Operation & Maintenance mechanism must be included in the project report to be submitted to the competent authority.

6.5.2. Employment generation

It is expected that the employment generation estimated according to the use and scale category criteria should happen within the implementation period of the project.

6.6. Disclosure norms for transparency

Through the provisions of this policy the Government seeks to introduce measures to ensure transparency in the real estate development industry. The Developer will be required to comply with a specific set of norms to be issued under this policy for compulsory disclosure of information related to the following:

1. Compliance to town planning norms
2. Compliance to norms for provision of physical and social infrastructure
3. Design and construction specifications of all buildings in the Township
4. Commitment on level of service of water supply, waste management and other services to be provided by the Developer
5. Sharing of information on the Contracts entered into with various other agencies providing services within the Township, and impacting the welfare of the residents

It is expected that the disclosure of this information will enable the residents, property owners and other stakeholders to carry out their own concurrent evaluation of the performance of the developers, reduce scope for malpractice and eventually help the emergence of a healthy real estate market.

6.7. Procedures

The procedures for the approval and monitoring process for Township development envisaged under this policy have been organized under the following five stages:

6.7.1. Stage 1: Preliminary Project Approval

The Developer will be required to submit a Preliminary Project Report after securing agreements for purchase of land. The Preliminary project Report will present information on location, type of Township, use mix, techno-economic feasibility, marketing strategy, facilitation required, etc. The authority will scrutinize the report and give preliminary approval with or without conditions. The Government will set in motion processes as required for support for land procurement, statutory clearances, etc.

6.7.2. Stage 2: Final Project Approval


The Developer will be required to submit a Detailed Project Report. All details to establish conformity with the letter and intent of all provisions of the Township Policy will have to be presented in the report. The rating agency will issue rating certificates for the Developer and the project on the basis of the DPR and other documents to be furnished by the Developer. The Authority will scrutinize the report and give final approval with or without conditions. The Government will complete processes as required for support for land procurement, statutory clearances, etc.

6.7.3. Stage 3: Monitoring of implementation

The Developer will be required to submit Progress Reports and Compliance Reports. All details to establish conformity with the letter and intent of all provisions of the Township Policy will be presented in these reports. The Authority will scrutinize reports and carry out verification directly or through third party. The Authority will issue Compliance Certificates or Notices as required. The rating agency will periodically review the rating of the Developer and the project.

6.7.4. Stage 4: Completion of capital works

The Developer will be required to submit a Project Completion Report and Compliance Reports. All details to establish conformity with the letter and intent of all provisions of the Township Policy will be presented in these



reports. The Authority will scrutinize the reports and carry out verification directly or through third party. The Authority will then issue Completion and Compliance Certificates or Notices as required

6.7.5. Stage 5: Continued compliance to norms for service provision and other relevant norms

The Developer will be required to submit Compliance Reports on a periodic basis. All details to establish conformity with the letter and intent of all provisions of the Township Policy will be presented in these reports. The Authority will scrutinize reports and carry out verification directly or through third party. The Authority will then issue Compliance Certificates or Notices as required. The rating agency will periodically review the rating of the Developer and the project.

6.8. Mechanism to ensure compliance

The Government will formulate a mechanism to ensure compliance by Developer to all the norms under the policy. This may include 10% land/property to be mortgaged as security for enforcing compliance. The release of land/property may be carried out in proportion to progress of compliance. Other options for securitization may be explored, such as Bank Guarantee or a Charge Entry (bhojo) into VF 7/12.

6.9. Institutional framework

It is envisaged that the Gujarat Urban Development Company (GUDC) will be the nodal agency at the state level for the implementation of the Township Policy. The functions of the nodal agency will include:

- Periodic review of the Policy
- Building institutional capacity
- Marketing the Policy to investors
- Implementing procedures from registration to completion and operation
- Facilitating clearances, land purchase and extension of trunk infrastructure
- Enforcement of compliance

For the implementation of specific task related to the support, facilitation and monitoring role of the Government, appropriate implementing bodies will be designated/ created.

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7. Annexures

7.1. Abbreviations


ADA	Area Development Authority
BUA	Built Up Area
BZ	Buffer Zone
CD	Cluster Development
CEPT	Centre For Environmental Planning & Technology
CETP	Central Effluent Treatment Plant
CTP	Chief Town Planner
DP	Development Plan
DU	Dwelling Unit
DUDA	District Urban Development Authority
ECS	Equivalent Car Space
EDC	External Development Charge
EWS	Economically Weaker Section
FSI	Floor Space Index
GDCR	General Development Control Regulation
GIDC	Gujarat Industrial Development Corporation
GPCB	Gujarat Pollution Control Board
GSDMA	Gujarat State Disaster Management Authority
GUDC	Gujarat Urban Development Company
ICRA	India Credit Rating Agency
ISI	Indian Standards Institute
IT	Information Technology
ITES	Information Technology Enabled Service
LPCD	Litres Per Capita per Day
MLD	Million Litres per Day
NAREDCO	National Real Estate Developer's Council
NH	National Highway
O& M	Operation & Maintenance
R & D	Research & Development
SC	Scale Category
STP	Sewage Treatment Plant
UC	Use Category
UDA	Urban Development Authority
UD& HD	Urban Development & Housing Department (Gujarat)

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7.2. Definitions

All terms having definite meaning in the Policy are listed here in alphabetical order. These terms, wherever they appear in the Policy document with the definite meaning given below, have been represented in Title Case.

1. "On-site Physical Infrastructure" means all the on site services such as roads including approach Roads, Street lights, Water supply system, Sewerage system, Storm water drainage system, Electrical Network, Communication Network, Sewage Treatment Plants, Percolation Wells, Solid Waste Disposal system, Common Effluent Treatment Plants (CETP), spaces for Informal Services etc. as provided for in Schedule
2. "On-site Social Infrastructure" means all the on site amenities supportive to the resident population as per the prevailing norms such as Nursery, Crèche, Primary school, Composite School, Dispensary, Polyclinic, Community Hall, Library, Convenience Shopping, Playfields, Parks, Police station, Public parking, Bus station, Fire station, Post office etc, EWS Housing for the informal service providers of the Township, all the components necessary to facilitate barrier free accessibility for the Senior citizens and Physically challenged persons as prescribed by the concerned GDCRs and land reservations for social infrastructure requisite on the macro scale to be handed over to the local Authority as may be prescribed by the Authority.
3. "Township" means an integrated development of a contiguous land parcel which contains within itself requisite physical and social infrastructure, with access to off site physical and social infrastructure and fulfils all conditions laid down under this policy.
4. "Off site physical Infrastructure" means existing or proposed major roads such as National Highway, State Highway, Major District Road , Other District Road or a Development Plan Road, Electric Substation and Network, source of surface water, source of ground water, water trunk line, mass transport network and drop off points, Common Effluent Treatment Plants (CETP), sewage treatment plant (STP), solid waste disposal system and receptacles and communication network and connection hubs as provided for in Schedule "Off site social Infrastructure" means existing or proposed higher level amenities as defined by the concerned General Development Control Regulations (GDCR) such as sectoral shopping, market, office buildings, cinema, small hospital, play grounds, town hall, open air theatre, civic and cultural facilities, library, higher secondary school, parking plots, utility buildings such as post office, fire station, police station and religious buildings as provided for in Schedule.
6. "Ancillary Housing" means housing developed principally to support the workforce of an economic activity developed within the Township.
7. "Economic Activity" means any economic activity that results in the minimum no of jobs prescribed under this policy, for that 'Use Category'.
8. "Built Up Area (BUA)" means the gross permissible built up area of a Township.
9. "Development Plan" means a sanctioned Development Plan established under sections 13 to 19 of The Gujarat Town Planning and Urban Development Act, 1976.
10. "Dwelling Unit (DU)" means a residential unit which supports a household.
11. "Scale Category (SC)" means Township categories based on the scale of land area, BUA and investment as defined in the Policy.
12. "Use Category (UC)" means Township categories based on the predominant activity as defined in the Policy.
13. "Preferred Area" means the area where the development of all types of Townships identified hereafter will be encouraged as provided for in Schedule
14. "Compulsory Levy" means that amount of BUA that a developer has to transfer on a pre-defined subsidized or nominal rate for specified categories such as EWS housing or as provided for in Schedule.
15. "Compensatory BUA" means the extra BUA allowable to the developer within the same project site equivalent to the compulsory levy as provided for in Schedule and subject to the provision of adequate enhanced infrastructure.
16. "Vulnerable Area" means areas where development of Townships will be subject to compliance to norms for mitigation of potential hazards and their impacts.
17. "Dark Zone" means those areas of the state where the ground water exploitation is extremely high and are notified for protection by the State Government from time to time as provided for in Schedule.
18. "External Development Charge" (*referred to as EDC hereafter*) means the charges leviable for the extension of off site physical infrastructure to the Township by the competent authority as provided for in Schedule

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19. “Developer” means a Company, a Government Corporation, a group of Companies in Joint Venture, an entity of Government of Gujarat or India , a statutory body, a registered society etc. undertaking the development of the Township.
 20. “Facility Management Services” means the services offered by a private sector, public sector, joint sector or consortium for the Operation & Maintenance of all on site physical and social infrastructure.
 21. “Integrated Waste Management services” (*referred to as IWM hereafter*) means the services offered by private sector, public sector, joint sector or consortium for the management and recycling of the solid waste and sewage generated by the Township on Build, Own, Operate, Maintain basis or any such basis as may be mutually agreed with the developer and in compliance with the norms prescribed hereafter.
 22. “Buffer Zone” means a pre specified width of land surrounding pre identified Townships for a pre specified time as identified in the Policy.
 23. “Cluster Development” means a similar or complimentary development of Townships having a pre specified minimum mass within a pre specified radius as identified in the Policy
 24. “Assured Employment Generation ” means the pre specified level of employment potential to be achieved by the developer within a Townships within a specified time as provided for in Schedule
 25. “Third Party Supervision” means the professional supervision to achieve compliance with quality, procedure, disclosure norms that may be discharged on behalf of the competent authority as provided for in Schedule.

7.3. Detailed Norms for Provision of External Infrastructure

To Be Appended

7.4. Detailed Norms for Land Procurement Support

To Be Appended

7.5. Detailed Norms for Green Channel Procedures

To Be Appended

7.6. Detailed Norms for Rating of Developers and Projects

To Be Appended

7.7. Detailed Norms for Town Planning

To Be Appended

7.8. Detailed Norms for Provision of Physical and Social Infrastructure

To Be Appended

7.9. Detailed Norms and Performance Standards for Provision of O & M Services

To Be Appended

7.10. Detailed Norms for Informal Service Providers

To Be Appended

7.11. Detailed Norms for Compulsory Disclosure of Information by Developers

To Be Appended

7.12. Detailed List of Areas where the Township Policy Applies (Phase-wise) with Master Plans for the Respective Areas



To Be Appended

7.13. Detailed Description of Procedures for Application, Scrutiny, Approval and Monitoring of Implementation and Operation

To Be Appended

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