

Largest Foreign Moolah for NRI City

Royal Indian Raj will be one of India's largest foreign direct investment projects and Asia's largest new city development to date. And it could change the face and image of Bangalore.



Manoj Benjamin

We are talking about Jagdish Tytler's NRI City. Or, as its promoters call it, Royal Garden City. As per the plans of the US-based promoters Royal Indian Raj International corporation (RIRIC), the city will be built at a cost of \$2.95 billion (approx. Rs 13,800 crore) and have a retail value of \$8.9 billion (approx. Rs 41,400 crore). Construction of the city -- situated approximately 20 km from Bangalore in the direction of the proposed Devanahalli international airport -- is scheduled to commence in early 2005 and is expected to be completed in phases by 2015. According to a RIRIC release announcing the appointment of Jones Lang LaSalle (JLL) as the real estate adviser for the project, the Bangalore project will have 35,000 residential units, a central business district, industrial district, entertainment district, parks, restaurants, shopping, educational facilities, and civic amenities. An estimated 3,00,000 to 5,00,000 people are expected to live, work and play daily within the 3,000-acre city.

It is expected to be a modern "smart city", including being completely Web-enabled and built with the latest technologies. JLL is expected to use its global capital markets capability to introduce investors, occupiers and joint venture partners to "this unprecedented investment opportunity". RIRIC officials were not available for comment, but the company's website says RIRIC already holds over 10,000 acres of clear titled land in Bangalore and New Delhi. sources indicated that the company has spoken to the local panchayat in the area and that the latter has no objection to further land acquisitions. RIRIC is also believed to have tied up some of the funding.



*Mr Collins Benjamin
with Dr Man Mohan Singh*

The UK-based private investment group, GEM (Global Emerging Markets) Global Yield Fund, is expected to offer a £300 million equity line of credit. RIRIC officials, including its chairman Manoj Benjamin, a Canadian of Indian origin, are currently camping in Delhi and are in discussions with Tytler, the Union minister for NRIs. Benjamin and Tytler are expected to come down to Bangalore shortly to meet Karnataka chief minister Dharam Singh to discuss issues, including the provision of single-window clearance for all facilities related to the project. Three other similar development projects by RIRIC are slated for 2006/2007 in Mumbai, Delhi and Kolkata. RIRIC, incorporated in Nevada, US, in March 1999, calls itself a conduit that brings leading edge infrastructure technologies into India's key infrastructure areas.