



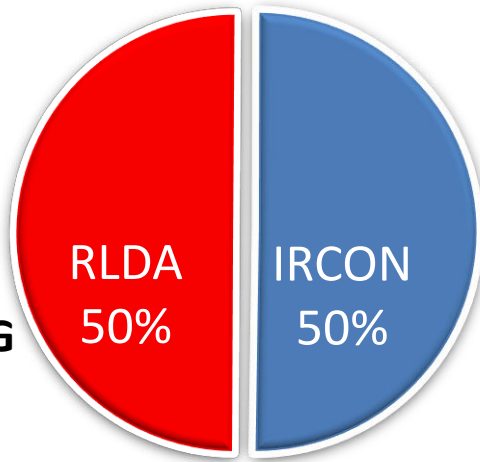
# LAND VALUE CAPTURE FOR RAILWAY STATION DEVELOPMENT

Changing perception of Railways



# ABOUT IRSDC

## SHAREHOLDING STRUCTURE



Earlier, a subsidiary of IRCON  
Since Sep 2017, a 50:50 JV of IRCON and RLDA

## BOARD OF DIRECTORS

Chairman (Member Engg/ Rly Board)  
w.e.f Sep'2017

Director  
(2-RLDA)

Director  
(2-IRCON)

MD  
& CEO

Director  
(IRSDC)

Director  
(IRSDC)

Non Functional

Functional

## CAPITAL STRUCTURE

	(in INR Million)
Authorised Capital	1000
Subscribed Capital	400
Paid-up Capital	400

## CALENDAR

Budget  
Announcement

14 March 2012

ROC Registration

12 April 2012

Commencement of  
Business

9 May 2012

# HON'BLE PM ON RAILWAY STATION REDEV.

INAUGURAL OF THE RAIL LINK TO MEGHALAYA IN GUWAHATI  
30 NOVEMBER 2014

“Railway facilities are the **same** as they were **100 years back** ... **Privatize** and **modernize** the **railway stations** ... Stations should be **better than airports** ...

We can easily have trains running below and  
commercial properties above”

# Station redevelopment program--Objectives

1

Improvement in passenger amenities, facilities and station infrastructure

2

Positive customer experience

3

Development of iconic station inline with the character of the city

4

Commercial utilization of surplus Railway land. Increase Railway Earning

# Indian Railways On A Mega Transformation Journey To Create World Class Railway Stations

Focus on improving passenger amenities at stations...

...by leveraging real estate available with railways to fund the development



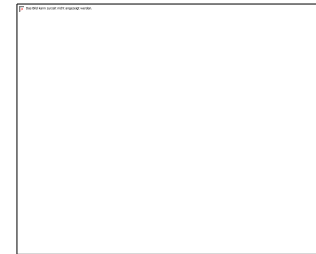
~16 M passenger footfalls per day



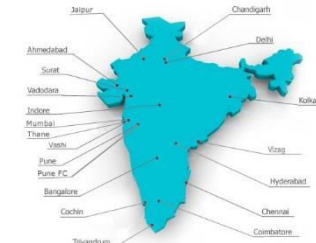
~70% footfalls in top 100 cities



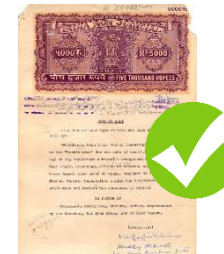
~7% annual growth in footfalls



~2,700 acres of prime real estate land on lease (45 years)



Across ~100 largest cities in India




Encroachment free land

~400 stations chosen for modernisation

# Envisaged Plan For Stations Redevelopment

Modernization of existing railway station



Surplus to fund station modernization



Commercial development on Vacant Railway Land



Revenue Streams from Station

# ~Rs1 Lakh Crore Of Investment To Develop 400 Stations And Commercial Establishments Around It

Number of stations	Total land (acres)	Commercial development (cr)	Station development (cr)	Total development (cr)
400	2,700	68,000	28,000	96,000

# Process Initiated – PPP / EPC Mode By IRSDC

## PHASE I

1	Habibganj <sup>1</sup>
2	Bijwasan (Green Field)
3	Anand Vihar
4	Surat <sup>#</sup>
5	Gandhinagar Capital <sup>2#</sup>

## PHASE II

6	Chandigarh
7	Gandhinagar (Jaipur)
8	Shivaji Nagar (Pune)
9	Amritsar
10	Nagpur
11	Gwalior
12	Baiyyappanahalli (Banglore)

1. Station already awarded on PPP mode and appointed date achieved on 1.3.17  
2. Station awarded on EPC on 3.1.17 & foundation stone laid by Hon'ble PM on 9.1.17  
# JVs with State Govt



# Financing Model For Redeveloped Stations



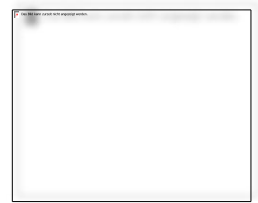
**SELF-FINANCING  
MECHANISM**

Capital and Running cost of the Project is financed through The Project Revenues and Station Facility Revenues.



**PROJECT  
REVENUES**

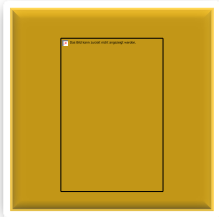
Revenue from Commercial Development on Sparable Land & Air Space.



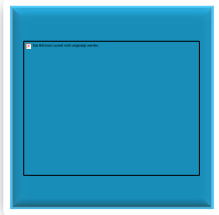
**STATION FACILITY  
REVENUES**

Revenue from Station Development component – Except train tickets, platform tickets and Rail Display Network

# Main Features



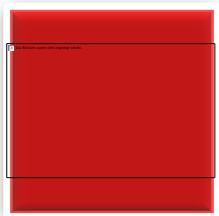
Iconic Structure



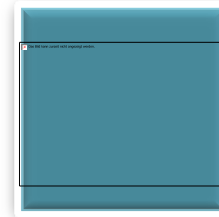
Segregation: Arrival/  
Departure



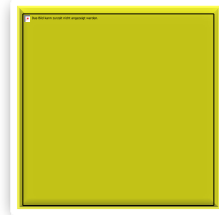
Planning for next 40 years



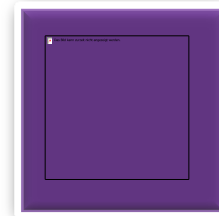
Multi modal transit hub



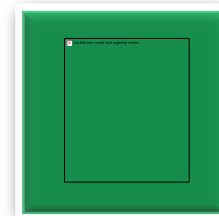
Integrating both sides of the city



Enhancing passengers' delight

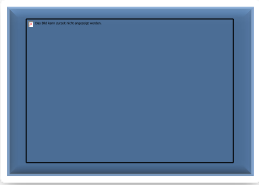


Energy efficient

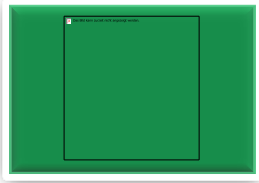


Disabled friendly

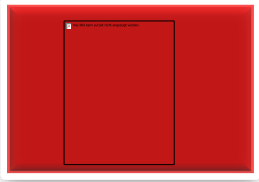
# World's Largest TOD Program



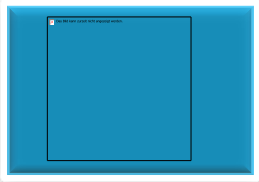
TOD projects - the central station complex becomes more multifunctional



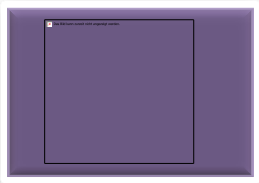
The linkage system is more thematic to satisfy a diversity of needs



Station areas as places for exchange of ideas and promotion of lifestyle and culture



A physical framework that incorporates innovations in urban design and interaction design

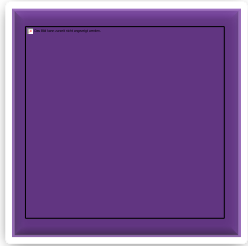


The railway stations becoming nerve centres for 'Smart Cities'

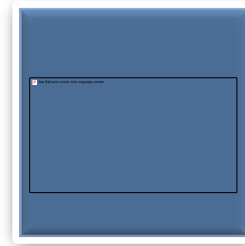


The transportation function plays a supportive role and no longer a central role.

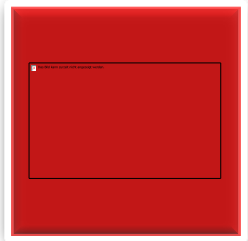
# Terms Of Real Estate Development



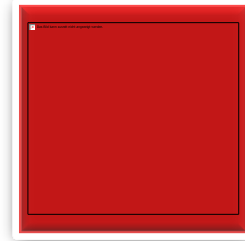
Vacant land and air rights for Commercial Development



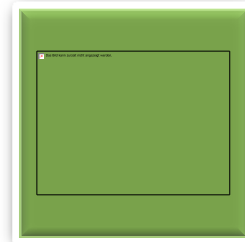
Land cannot be mortgaged: ownership always vests with Railways



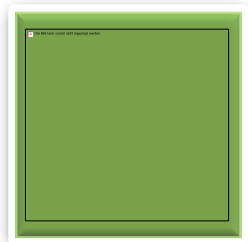
Model Development Agreement (available on [www.irsdc.com](http://www.irsdc.com))



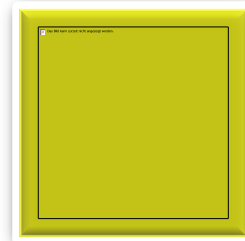
Commissioning of Commercial Development: after commissioning of Station Development



Advance Marketing: permitted through Escrow mechanism



SPV to be formed for Station Development

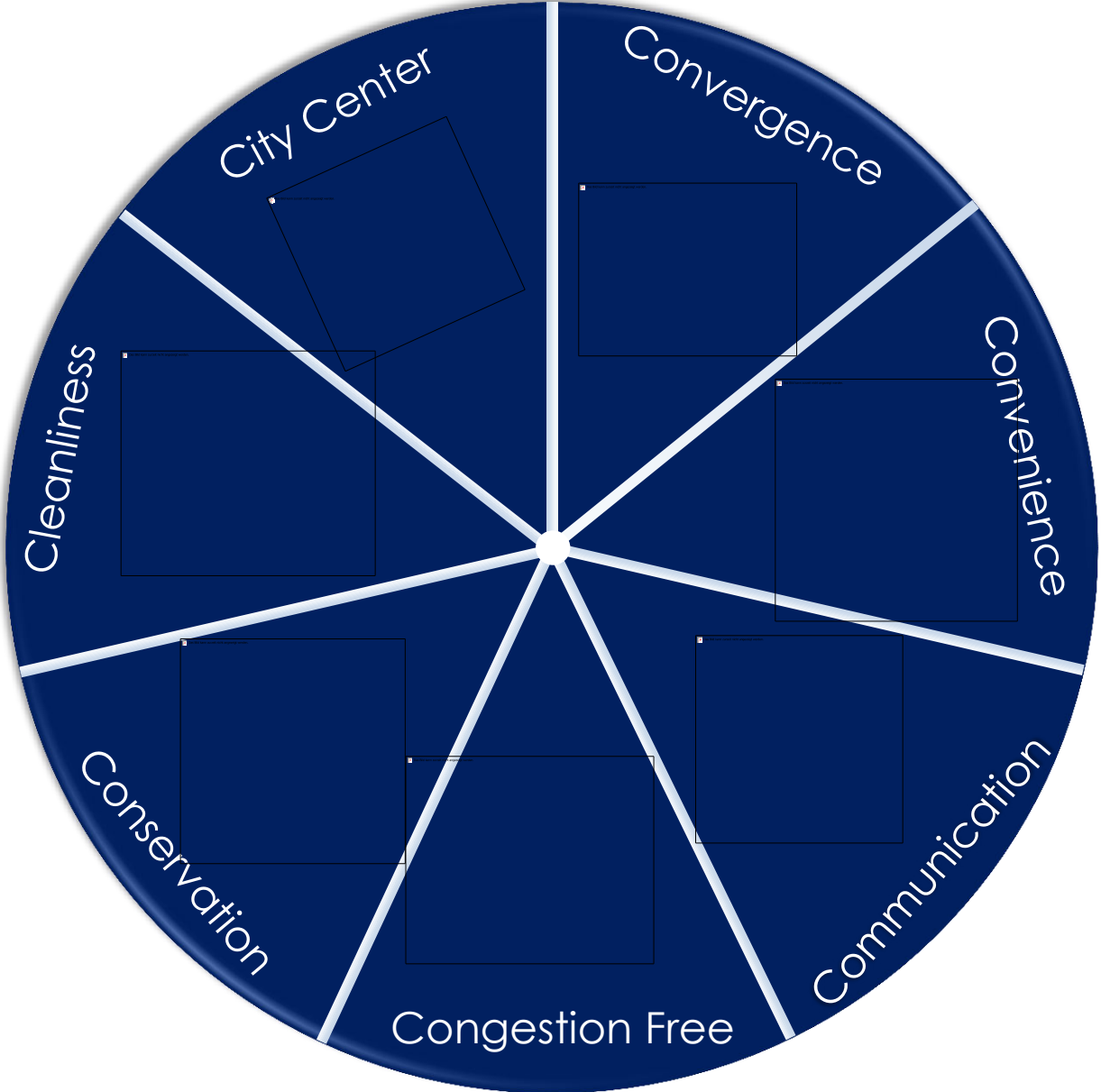


Upto 20% residential development permitted

# OUR FOCUS POINTS AT STATIONS: SEVEN 'C's

## GUIDING PRINCIPLE

The design concept of station development



# De-risking Project: Pre Construction Approvals



Railways – Divisions,  
Zonal HQs



Urban Planning  
Department



Municipal  
Corporation



Traffic Police



Public Works  
Department



Public Health  
Department



Dept. of Environment  
& Forest



Wildlife Board



Pollution Control  
Board



Electricity  
Department



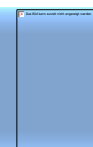
Airport Authority of  
India



Heritage Clearance  
Committee



National Monument  
Authority



State Archaeology  
Department

List Indicative, Depends  
On Location, Other  
Factors

# Redevelopment of Habibganj Station

Proposed Layout after Redevelopment

Commercial development - 350 Cr.

Station redevelopment - 100 Cr.

Work awarded on 10.03.2016.

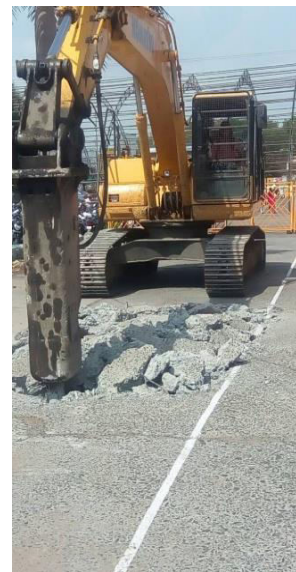
Station Handed over - 01.03.2017

Lease Term 45 yrs,

Station Maintenance 3+5 yrs

Work Started.

**Target DOC -By December 2018**



# Redevelopment of Gandhi Nagar Station

**Commercial development - Rs 444Cr.**

**Station redevelopment -Rs 112Cr.**

**Total cost of the project Rs 556 Cr.**

**Bhoomi poojan By Hon'ble PM -  
09.1.2017**

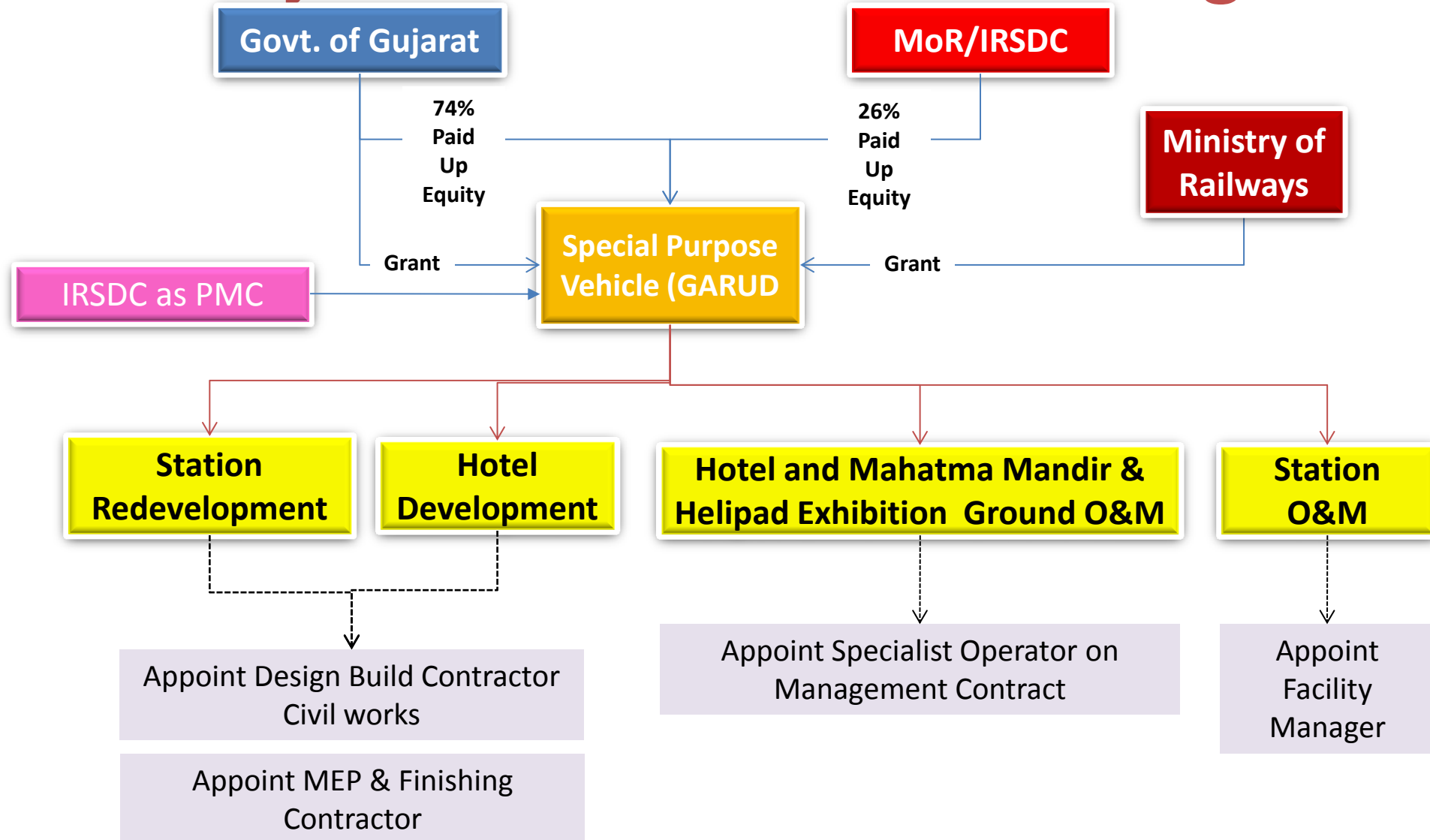
**Station with 300 room 5\* hotel in 3  
towers. Work Started.**

**Target DOC -By January 2019**





# Project Execution - Gandhinagar

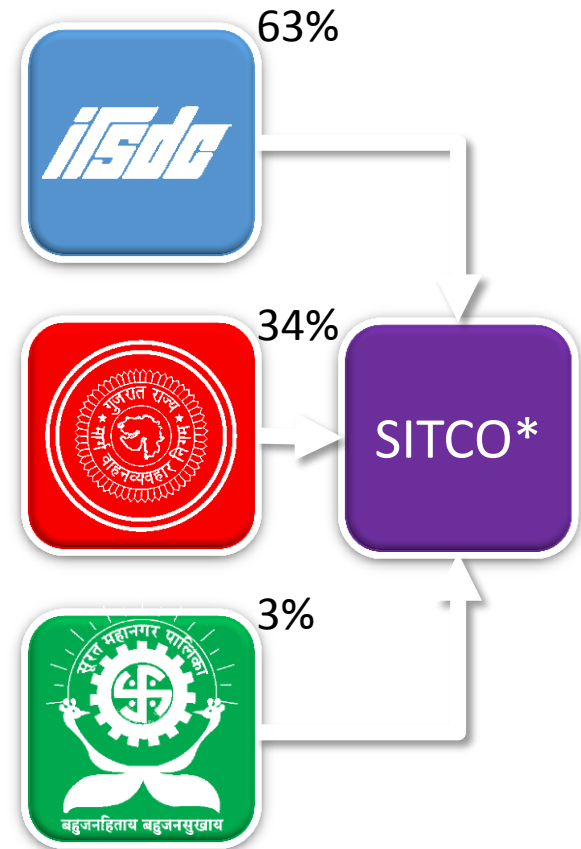


# Surat Planned Development - Aerial View



C P KUKREJA ARCHITECTS

# SURAT MMTH = IRSDC + GSRTC + SMC



<b>UNIQUE</b>	First of its kind attempted in India, bringing together three levels of government: CENTRAL, STATE AND MUNICIPAL GOVERNMENT
<b>PURPOSE</b>	Purpose: Development of Multi Modal Transport Hub at the Surat Railway Station: Bus Terminal, Train, LDB, Metro, Auto, BRT, City Bus Service etc.
<b>IRSDC</b>	Station redevelopment, funded by commercial development on leasehold rights for the <b>lease period of 90 years</b> on the vacant railway land and air space.
<b>GSRTC</b>	Central Bus Terminal (GSRTC funded by commercial development on leasehold rights for the lease period of 90 years on the vacant GSRTC land and air space.
<b>SMC</b>	Provides utility infrastructure support and policy/land support.
<b>OWNERSHIP</b>	To lie vested in the promoters. Only developmental rights transferred to JVC.

\*Surat Integrated Transport Corporation Ltd.

# Fast Track – Station Redevelopment

**Based upon experience so far and feedbacks from various stakeholders**

## **DECISIONS**

- SINGLE AGENCY TO REDEVELOP THE STATIONS – IRSDC (INDIAN RAILWAYS STATION DEVELOPMENT CORPORATION)
- LEASE TERM OF LAND IS TO BE ENHANCED
- FINANCE MINISTRY HAS APPROVED STATION REDEVELOPMENT TO BE INFRASTRUCTURE PROJECT

# Fast Track – Station Redevelopment

## DECISIONS

- PERMITTED MULTIPLE SUB-LEASE
- PERMITTED RESIDENTIAL DEVELOPMENT
- COMPREHENSIVE DEVELOPMENT HAVING OFFICES, MALLS, MARKETS, RESIDENTIAL FACILITIES
- CREATING HUB FOR LOCAL PRODUCTS
- TIMELINES FOR APPROVALS FROM RAILWAYS

# Fast Track – Station Redevelopment

## WAY FORWARD

- ENGAGE DEVELOPER AFTER DERISKING THE PROJECT FROM CLEARANCES
- REVISE METHOD OF REDEVELOPMENT – NO SWISS CHALLENGE
- ALL NON FARE REVENUE STREAM TO GO TO DEVELOPER
- REORGANIZE IRSDC AND RLDA

**Thank You!**

**Indian Railway Stations Development Corporation Limited**

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