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BBMP rejig causes roadblock for realty projects

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PLAYING SPOILSPORT. Consolidation of Bengaluru into five zonal entities is progressing slowly than anticipated, resulting in temporary disruptions to project approvals

Real estate project approvals for mid-stage and new launches in Bengaluru are reportedly facing delays following the restructuring of the Bruhat Bengaluru Mahanagara Palike (BBMP) into the proposed Greater Bengaluru civic body.

Sources indicate that the consolidation into five zonal entities is progressing slowly than anticipated, resulting in temporary disruptions to building plan clearances and project approvals.

This is not only impacting the real estate industry, but is also having a cascading effect on employment generation, housing supply and related sectors such as cement, steel and logistics.

Sources close to the development, on the condition of anonymity, told *businessline* that although the corporations had been formally split, the newly carved out entities are yet to become fully operational. As a result, the BBMP has stopped processing several project-related approvals, having been relieved of many responsibilities under the decentralisation plan.

CONFUSED STAFF

This transition has created confusion over the assignment of work and officer deputation, with responsibilities caught in an administrative limbo between the BBMP and the newly formed five entities. Further, the caste census has also delayed the integration.

Adding to this is the long-pending e-khata, which is affecting several stakeholders, including the government of Karnataka.

Murali Malayappan, Chairman and Managing Director, Shriram Properties Ltd, shared that there had certainly been a perceptible slowdown in project approvals and building plan clearances, commencement certificates and occupancy certificates across Bengaluru since the restructuring process of the BBMP began.

The procedural clarity that existed earlier had become somewhat diffused, resulting in extended response times and bottlenecks, especially within the planning and engineering departments.

Santhosh Kumar, Vice Chairman, Anarock Group, said the initial 6-12 months must be seen as a necessary transition period wherein the new systems are being established and the processes fine-tuned.

Sunil Pareek, Executive Director, Assetz, said: "For a large urban ecosystem like Bengaluru, we are in that transition phase now and the industry had anticipated this; the effect has been largely localised to areas directly under BBMP's restructuring, while regions governed by other planning authorities have continued to function with normal approval cycles."