

SUBJECT NO: 63

**Sub:- VUDA-Allotment-Lease of space-auditoriums-status report-
submission-Reg.**

AGENDA NOTE:

As per the available information, the following are the details of lease agreement entered by VUDA with various stake holders. The lease entered are with the freedom to utilize the building by constructing the structures for which, statutory permissions are to be obtained. All of them are being given on lease for longer years ie above 9 years or in most cases, more than 20 years, the monitoring and realization of revenue regularly seems to be not happening and few of them are given on the grounds of religious purposes.

Sl.No.	Name of Property	Area	Year awarded on	Period of lease	Date when the lease is over
1	Gandhi place (VUDA office compound)	Total floor area estimated for the above Project facility is 1,40,000 sqft.	Lease Agreement 30 th May 2009	33 years	29-05-2042
2	HSBC Call centre (VUDA office compound)	Ac.2.00	17-7-2003	20 years	16-7-2023
The above two are claiming eligibility of being PPP projects and accordingly, can be processed by respective wings and can be examined by the committees constituted for this purpose.					
3	All saints Convent, Nehrunagar	396 Sq.Yds	07.12.1983	30 years	6-12-2013 #
4	Seethammadhara land in N.E layout	1244 Sq.Yds	17.08.1994	30 years	16-8-2024
#5	Faith Home Church, MV Palem Sector-I	715 Sq.Yds	09.04.1985	9 years	8-4-1994 #
#6	Papa Home/ Lions Charitable Trust/Tamil Kala Mandir	1065 Sq.Yds	01.06.1986	9 years	31-5-1995 #
7	Secretary Lions Club East.	488 Sq.Yds	21.04.1986	30 years	20-4-2016
8	VIIth Day Adventist School, Sector 5, MVP	4891 Sq.Yds	07.06.1986	30 years	6-6-2016
9	Lions District Cancer Hospital	1168 sq.yds	04.06.1986	30 years	3-6-2016
10	MVP Temple Committee – Sector VI	1004 Sq.Yds	7-1-1995	30 years	6-1-2025

11	Ramalingaswara Swamy Charitable Trust	1000	22.12.1994	30 years	21-12-2024
12	Sunni Muslim Jamat Committee Lawson's Bay layout	535	21.04.1987	30 years	20-4-2017
13	Christain Prayer Fellowship Centre, MVP	400 Sq.Yds	07.01.1986	36 years	6-1-2016
14	Christain Sunny Muslim Zamat Committee	535 Sq.Yds	04.01.1986	30 years	3-1-2016
15	Tamil Kalai Mandapam	313.79	June, 2004	30 years	30-5-2034
# to be auctioned as lease period completed					

Sl. No.	Name of the Address of lease holder	Details of leased property with extent	Purpose of lease/ License	Period of lease/ License	Year of allotment	Lease conditions	Lease amount/License fee
1	2	3	4	5	6	7	8
1	M/s. Fusion foods, Represented by its Sole Proprietor, Sri. T. Harsha Vardhana Prasad, D. NO.9-17-27/1, CBM Compound	Drive-in-Restaurant 1) Old Restaurant area (Below the Gurajada VIP Gallery area:992.83 Sq.Mts., 2)Present Restaurant area:1942.40 Sq.Mtrs. 3) Passage area: 305.64 Sq.Mts., Total area: 3241.00 Sq.Mts., in T.S. No.108 of Waltair Ward	Restaurant	9 years (11-7-03 to 10-7-12)	11-7-03	Drive in Restaurant was allotted in favour of M/s. Fusion food for 9 and it is being rund by them subject to enhancement of license fee @ 10% over and above the existing license fee every year. As the license period completes by 10-7-12, vacation notice is issued on 1.5.12	Court case pending. Standing counsel Sri. L. Satyanarayana opined to file caveat in High Court after the lower court deliver the judgment.

- In the meantime M/s. Fusion Foods has requested the government for lease period of 33 years.
- The Government in their letter dt.14.2.2012 has deferred the proposals of M/s. Fusion Foods and advised VUDA not to extend the lease and use this prime land for the purpose, which could help Visakhapatnam Urban Development Authority to realize more resources, vacation notice is issued to the license on 01.05.2012.
- The licensee has approached Local Court and High Court.
- OS.No.182/2012, IA No.446/2012 filed by M/s. Fusion Foods on the file on VI Additional District Judge, Visakhapatnam.
- The matter is pending in the Court.

2	Boat Club, M/s. Nirmitha Projects (P) Limited, Nirmitha House Plot NO.59, Dasapalla Layout	Nirmitha Projects Pvt. Ltd. Extent 3500 sft. and driving 6000 sft	Boat Club at	9 years (11.7.03 to 10.7.12)	11.7.03	Boat Club allotted in favour of M/s. Nirmitha Projects Private Limited for development with an investment of 40.00 lakhs and to maintain boating for 9 years period. Present license fee per month is Rs.20,898/-	The matter was referred to the committee of HoDs for giving its recommendations.
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- The licensee period expires by 10-7-2012.
- The vacation notice was issued to the licensee.
- OS. No.980/2012, IA No. 662/2012 filed by M/s. Nirmitha Projects (P) Limited (Boat Club) – against VUDA –filing of court 1st Additional Senior Judge, Visakhapatnam.
- The matter is pending in the court.

3	Visakhi Jala Udyanavanam M/s. Sai Raghavendera Engineers & Contractors (P) Ltd., Visakhapatnam Represented by its Managing Director, Sri. Ch. Subba Rao, MIG-I-B98, Sector-6, MVP Colony	Ac.3.48 Cts., TS. No.144 of VSP		Investment of 50.77 lakhs to develop as a park with amusement recreation, functions and restaurant facilities.		Allotted for 9 years from 1-2-2004 to 31-1-2013 and the license expires by 31-1-2013 and recently, Sub Committee on PPP Projects has examined the request and gave its recommendations and being placed before the Board as a separate agenda.	
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4	Madhurawada stores M/s. Visakha Traders, 43-9-184, Subbalakshmi Nagar	Store Ac.1.15 Cts., S.No.147/P of Madhurawada Village 2) 5000 Sft., Ac. Roofing store	Godown/ Store.	For 9 years from 22-4-04 and the license expires by 21-4-2013	Rs. 14775/- per month. 1-5-2013 onwards per month Rs. 15,514/-	An extent of Ac. 1.15 cts., open space and 5000 Sft., AC sheet roofing shed allotted to M/s. Visakha Traders @ 10000/- per month subject to enhancement of rent @ 5% every year for storing heavy Machinery and marine and safety equipment of ships. Recently he gave representation for further extension.	
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5	Madhavadhara Community Hall, Madhavadhara VUDA Colony, Residents Welfare Association, VSp	1950 Sq.yards in S.No.11 of Madhavadhara (V)		For conducting functions	3 years (12-7-10 to 11-7-13) period expired	Community hall land belongs to VUDA and constructed community hall by them with MPLAD funds and Association funds. The land lease amount fixed @ Rs.6000/- per year. Further enhanced to Rs. 7260/- per year	7260/- per year
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6	Adarsh Educational Society, Vinayaka nagar, Pedagantyada Phase-I, Visakhapatnam-44	22 shops & open space of 0.61 Acs (Total Extent of Ac 1.22 Cts) in S.No.6 of Pedagantya da (V)	30 years from 1-5-95 to 30-4-2025	1995 lease expire on 30-4-2025	22 shops & 0.61 Acs open space (Total area Acs 1.22 Cts allotted in favour of M/s.Adarsh Educational Society for running public School in the year 1994 @ Rs.9,460/- per month presently they are being paid Rs.24,715/- per Month.	24,715/- per month
<ul style="list-style-type: none"> • The land is identified as suitable place for construction of sports facility under CSR by the HPCL through the GVMC and local people wanted to get the management of the school vacate the premises citing the structural weakness of the building and upon which, the management is said to have improved the strength of the structure. • Meanwhile, the school is said to be ready to shift to other place despite the lease period is in force but there are no such representations received on this line. 						
7	Community Hall at Mrippalem, Mrippalem VUDA layout welfare Association, Mrippalem	Extent : 786 sq.yds S.No.107 of Mrippalem	For Conditioning functions	9 years (1-5-01 to 30-4-10) and enhanced another 1 more year from 1-5-10 to 30-4-11	Community hall allotted to VUDA Layout Welfare Association @ Rs.2400/- per year subject to enhancement 12% every year on the existing rent, presently they are being paid @ 8,429/- per year.	8,429/- Per year
8	Anada Gajapathi Auditorium Mansas Trust, Vizianagaram		For conditioning functions	9 years (31-1-04 to 30-1-13 and the period is expired	Anada Gajapathi Auditorium was allotted in favour of MANSAS Trust, Vizianagaram managed by the Endowments Department, for a period of 9 years @ Rs.1000/ per year and 25% of gross Revenue realized (prodgs. Rc.No.5085/03/PM/AP O/1-3 dt.3-1-04 of the VC, VUDA) Nominal annual license fee of Rs.1000/- per year for a period of 9 years subject to 25% of gross Revenue to be shared on regular basis with VUDA towards capital Revenue on certain conditions as mentioned in the proceedings dated 3-1-04.	8,429/- per year The auditorium is under repair and not in use

As explained in the agenda of the shops and establishments, the records are not proper and the lease agreements, if any, have to be scrutinized and the Vice Chairman, VUDA has to be directed to develop a strong software so as to monitor the same on real time basis. It is also unable to be

told in categorical terms, whether there are only 15+8-23 leased properties or the categorization and date has to be collated and improved further.

As observed, the main resources of the VUDA on perpetual basis are the revenues from the shops, establishments and leased / PPP project lands and care has to be taken to see that the revenue due to the organization is accruing to it without further delay and wherever or whenever the lease period expires, the organization should be in a position to properly observe and plan in advance.

In today's ever increasing land values, the possibilities of the having enough security while going for the lease has to be followed.

The matter is placed before the VUDA Board for perusal and for necessary decision .

Sl. No.	Subject No.	Subject	Resolutions
12	63	Allotment-Lease of lands by VUDA – Available information – Status report – Submission – Reg.	<ul style="list-style-type: none"> • NO automatic renewal for any lease of lands except the same is put under the Religious purpose. • No new lease of lands for religious purposes • No consideration of request for alienating the leased lands • The lands of expired leases should immediately be taken possession and be tendered for better prices for allotting on lease basis • Protect all valuable lease lands under compound wall protection • The Registers in this regard are to be maintained perfectly and • HoD concerned should be made responsible for the same.
13	64	Status of Joint Venture layouts and pending requests of JV layout and JV marketing – For the perusal of the Board and decision- Reg.	<ul style="list-style-type: none"> • JV layout can be considered on par with previous five layouts developed previously based on the approval of the Collectors for


