

SUBJECT NO. 31

Sub:- VUDA – PLG – Visakhapatnam - Electrification of layouts approved by VUDA – Power connection to the individuals by APEPDCL – Payment of Electrification charges – Regarding.

- Ref:- 1) Representation of Sri K. Prasan, dt: 17-6-2013
2) This office letter addressed to C&MD, APEPDCL, Visakhapatnam dt: 26-06-2013
3) Lr No: SE/O/VSP/DE/T/AE/T3/F12,D.No: 4471/13, dt: 29-06-2013 of SE, APEPDCL.
4) Lr No: CGM/O&CS/EPDCL/VSP/GM-02/M-1687/D.No. 2713/13, Dt: 22-07-2013 of CGM/O&CS/APEPDCL, Visakhapatnam
5) DO Letter addressed to C&MD, APEPDCL vide Rc.No: VC/Peshi/ Note-19/2013, DT: 29-07-2013 by the Vice Chairman, VUDA, Visakhapatnam
6) LR.No: CMD/EPDCL/DIR/O/CGM/O&CS/VSP/GM-02/D.No. 300/13, dt: 14-08-2013 of C&MD, APEPDCL, Visakhapatnam

Agenda Note :

VUDA is doing the statutory duty of development of layout as part of planned development of the area under its jurisdiction and as a regulatory authority, approves the layout plans being brought by the developer. In this regard, the procedure being followed is such that initially after satisfying for the statutory compliance and norms, a LP number will be given duly allowing the developer to develop the layout as per the approved plan given and as an assurance, 15% developed plots will be taken as mortgage towards development of infrastructures, the main infrastructures being roads, drains, electricity and greenery.

After the development of the infrastructures, the developer approaches the VUDA for the release of mortgaged plots with the information that he has developed all main infrastructures and the Quality Control Cell (QCC) of VUDA'S Engineering and Urban Forestry Division visit and gives remarks on the satisfactionness of the development of infrastructures viz, roads, drains and greenery. With reference to electricity, the certificate from the respective ADE, APEPDCL that the layout electrification is

completed in all respects is insisted and accordingly, mortgaged plots are being released so far.

The mortgage system came into function in the year 2004. Prior to this there was Block Layout Plan (BLP) system. Under this system, VUDA used to collect security deposit from the developers which was very nominal and not sufficient for utilization of the amount for developing the balance infrastructure facilities left by the developers for release of Final L.P.

Recently, one Sri K. Prasan Resident of Rajayyapeta Village has approached VUDA office and submit the representation dated: 17-06-2013 duly requesting that to intervene into the matter since APEPDCL has denied to give power connection to the individual stating THAT the layout developer of LP.No: 6/2000 M/s GPR Housing Pvt Ltd has not paid the amount to the APEPDCL towards electrification charges. In this regard, VUDA has addressed vide this office letter addressed to C&MD, APEPDCL, Visakhapatnam dt: 26-06-2013 requesting to issue power connection to the individual as recorded in the layout proceeding that the electrification charges were paid by the developer hence final proceedings were released APEPDCL vide their letter No.SE/O/VSP/DE/T/AE/T3/F.12/ D.No.4471/13 dated 29-6-2013, has requested that bank scrolls in connection with the payment of the developer for the layout **LP.No.6/2000** are not available and hence, the due payment of around 22 Lakhs was insisted to be paid upon by the developer through the VUDA's intervention.

In reply to that VUDA informed EPDCL vide letter Rc.No.VC/Peshi/Note 19/2013 dated 20-7-2013 that

1. The liability of the developer has to be more objectively institutionalized than the existing system which is being followed hitherto in VUDA. Hence, EPDCL was requested to communicate the details of all such defaulters as like of the developer of LP.No.6/2000 and VUDA will be able to address the issue in totality.

2. Similarly, there occurs a time lag between the construction of the houses by the purchasers of the plots in any approved layout and the approval of the layout by the regulatory authority. Hence, it is told that in the layout developer by VUDA, around 25% of estimate charge is insisted as security in this sort of layout which adds to the cost of the project and if an amicable and viable solution is found, it will reduce the burden of the allottees which are allotted either by lottery or through auction.

In reply to that CGM/O&CS, APEPDCL vide letter No.CGM/C&CS/EPDCL/VSP/GM-02/M-1687/D.No.27/3/13 dated 22-7-2013 has stated that as per the APEPDCL guidelines, supply cannot be released in piecemeal and requested to arrange the Estimated cost towards electrification of layout and to release supply to single individual.

Further VUDA has requested to supply the list of layouts, where the electricity charges are pending by the developers so as to take a policy decision. APEPDCL has communicated non-relevant information vide LR.No: CMD/EPDCL/DIR/O/CGM/ O&CS/VSP/GM-02/D.No. 300/13, dated.14-08-2013 of C&MD, APEPDCL, Visakhapatnam pertains to either other zones or about the recent layouts which are under development.

In the above scenario, the following issues are involved.

In old layouts, developers were used to deposit amounts and obtain NOC from the officials of APEPDCL and submit the NOC for release of final layouts. VUDA did not reconfirm the NOC authentication and layouts were released, Plots were sold by the Developers. Now, the individual plots owners who are intending to construct houses are approaching APEPDCL for power supply. At this stage, APEPDCL is verifying its records and refusing the cases where No information is available with them. VUDA is also not in a position to trace the details of developers who have developed the layouts 25-35 years back. Ultimately individual plot holders are depriving. Hence it need to arrive a decision which benefits the end user by both APEPDCL & VUDA.

It is also a fact that the plot holders who are not part of approved layout are able to get power supply easily without all these hurdles duly paying the charges applicable from the existing power lines. Whereas the individual who have purchased the plot in approved layout is facing problems for no fault of his/her.

Accordingly, a meeting is organized with the CMD, APEPDCL & his staff along with the staff of VUDA on 5-12-2013, wherein following decision are taken on this issue.

- i) Collection of 25% of Total Estimate charge towards security deposit will be received.
- ii) Exploring the possibility of issuing power connection to the individual plot holder duly collecting necessary charges.

In view of the above, it is to be decided as a policy decision whether in old layouts prior to mortgage system electrification charges to be paid by VUDA duly collecting them proportionately from the individual at the time of building approvals or to pay the electrification charges as raised by the APEPDCL for this particular layout and collect the charges from the individuals at the time of obtaining building permissions.

Hence the subject is placed before Board for perusal and for a suitable decision.

| Sl. No. | Subject No. | Subject | Resolutions |
|---------|-------------|--|---|
| 30 | 29 | VUDA-Planning- development of layout in S.No.563/1 (carved out from S.No.348) of Dakamarri on Joint Venture basis with M/s. Vensar Constructions Company Ltd - Finalisation of share of developed plots to both VUDA and developer -Regarding. | <ol style="list-style-type: none"> 1. It is decided to arrive at the share of the VUDA and Developer based on the available net marketable real estate units 2. Zero date and completion date as requested are agreed based on LP release. 3. Request of demarcating 25,000 sq.yds for the purpose of mortgaging is agreed subject to the availability of provisions in the Agreement. |
| 31 | 30 | LRS - PLG - VUDA - The Andhra Pradesh Regulation of unapproved & Illegal Layout Rules-2007 - Layout Regularization Scheme (LRS) - Regulation of plots in unapproved layouts which are having existing approach roads through Government lands - Decision of Board - requested - Reg. | Decided to send the proposals to Government for extending the validity beyond the allowable period of December 2013. |
| 32 | 31 | VUDA - PLG - Visakhapatnam - Electrification of layouts approved by VUDA - Power connection to the individuals by APEPDCL - Payment of Electrification charges - Regarding. | As the layout is approved by VUDA, the Board resolved to recommend to the Board of APEPDCL to provide electrification to the plot purchasers in this sort of layouts, by collecting the proportionate pending due from the individuals at the time of applications for electricity or building plan approvals. |

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