

**SUBJECT NO : 107**

**Sub: Engg. – Works – Establishment of "Hi-Tech Exhibition Centre" in the Government land covered by Survey No.386/p of Madhurawada in an extent of Ac.17.00 Cts.– Draft subject placed before VUDA Board for Approval - Reg.**

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**AGENDA NOTE:**

VUDA intends to develop a world class Exhibition / Convention centre in Visakhapatnam, the City of Destiny which has good connectivity to other cities in India and across the globe, to create a platform for the local industry to 'CONVERGE AND CONNECT' with their global counterparts. The centre would be equipped with world class infrastructure and the state of the art exhibition venues that serve as a one stop resource for conduct of exhibitions, trade shows, conference facilities and corporate events.

It is proposed to establish the said Exhibition Grounds / Convention centre in the vacant land measuring an extent of Acs.17.00 Cts in Sy.No 386/p of Madhurawada available with VUDA (previously Government land handed over by Revenue Department) being the ideal location considering the ITSEZs developed on Hill No.2 & 3 of Rushikonda in the proximity and other upcoming development activities in the surroundings of Madhurawada. Earlier the proposal of establishment of Hi-tech Exhibition Centre has approved by VUDA board vide its resolution No.70 dated 08-05-2012 and directed to work out the details for the establishment of the said centre and to put up the detailed remarks to the next board meeting.

In accordance with the above, VUDA has entrusted the planning and designing of the proposed Hi-tech Exhibition Centre to M/s. Padgro Consultants Pvt. Ltd., Chennai, one of the empanelled architects of VUDA. In response M/s. Padgro Consultants Pvt. Ltd., Chennai have furnished the conceptual designs and drawings for the said project and the tentative project cost has been arrived to Rs.30.00 Crores (approx.).

The following are the salient features:

- Extent of site slopes (Plain area - 4.76 Lakh Sft) : 17.00 Acs including hill
- Open Exhibition area : 1.46 Lakh Sft
- 2 Nos of Exhibition halls : 41,350 Sft each
- Administrative block : 37,350 Sft
- Parking Area : 58,000 Sft

(To accommodate 155 cars & 225 Two wheelers)

Later on VUDA Authorities felt that it is desirable to study the modalities adopted for establishment and operation of HITEX already existing at Hyderabad. Accordingly, one Executive Engineer and Assistant Planning Officer were sent to HITEX at Hyderabad to inspect the premises and to study the procedures followed in establishment of the same.

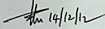
After inspection of the premises and studies made it is reported that the following are the modalities and procedures adopted in Establishment of HITEX at Hyderabad.

- ❖ National Academy of Construction (NAC) a subsidiary of Go AP had invited for Expression Of Interest to establish a self financed exhibition centre in the land owned by it from the interested agencies.
- ❖ An expert committee constituted by the Government had short listed the agencies by evaluating their technical expertise and finally chose to lease out the land for 66 years to L&T for establishment of international Exhibition Trade Centre.
- ❖ Later NAC has been transformed into a society delinking from Go AP with Hon'ble Chief Minister as its Chairman, Hon'ble Minister of R&B as Vice Chairman, Principle Secretaries of Govt., Departments as its directors and L&T NCC as its members.
- ❖ HITEX Ltd., has been established with L&T (> 50 % stake), NAC, MCH, HUDA and Tourism dept., (other stake holders) and the and the exhibition centre in the name of HITEX was developed in 53 Acres of land with the expenditure shared accordingly as per their stake.

- ❖ The facility is being maintained by a body of the HITEX Ltd., with 4 directors from L&T, 3 Directors from Govt., departments headed by a CEO from L&T.
- ❖ HITEX Ltd., has to pay an annual lease rent to NAC (the land owner) as per the agreed terms of 1% of land value in the beginning years to 8% of the land value by the ending years of the leased period besides paying dividends to the investors at their share. Now the lease rent is at 4% of present land value @ Rs 53 Lakhs per acre is on the anvil.

With regard to modalities and involvement of stake holders for the development and operation of the facility jointly with other Government agencies such as APIIC, GVMC, Tourism Department., etc., are to be worked out and a Detailed Project Report (DPR) has to be prepared accordingly.

Hence, the subject matter is placed before VUDA Board for perusal and consideration.

  
VICE CHAIRMAN

  
CHAIRMAN

## **VUDA RESOLUTION NO. 107, DT. 15-12-2012**

The Board discussed the matter and deferred the proposal with a direction to study the working of Hitex at Hyderabad and put up more details in the next Board Meeting.



**CHAIRMAN**