

Sub: Works - Engg. - VUDA - Development of Sites and Services Scheme and Satellite Township at Gambhiram layout in an extent of Ac-30.00 -Draft subject placed before VUDA Board for perusal and Approval -Reg.

AGENDA NOTE :

It is to submit that, VUDA has a long tradition of developing plotted development schemes and housing colonies catering the needs of the people of all sectors in general and especially for the benefit of middle and Lower class segment.

As a part of development and to promote establishment of Satellite Townships in and around the Visakhapatnam Metropolitan Region (VMR) VUDA has developed several housing schemes / Residential Flats / Apartments / Gated Community Housing Schemes to a tune of 9,990 dwelling units in the past 3 decades. VUDA has established its credibility and appreciation from the public in respect of such Housing Schemes constructed

During the past couple of years, though the private sector is actively involved in the development of housing sector in and around Visakhapatnam, they have confined their operations in developing Villas and High value Apartments. In view of the commercial approach of the private developers, many people are finding it difficult to afford to own a shelter since they are from below middle class and Weaker Section segments.

In order to meet the housing requirement of needy sections of people especially weaker section and upper and below middle class activities, it is proposed to take up the construction of Housing and Sites and Services scheme in an extent of Acs.30.00 Cts in Gambheeram layout, Sy.Np.68/P in Gambheeram(V), Anandapuram(M), Visakhapatnam District.

Planning wing of VUDA has prepared a layout for Plotted Development and Residential Apartments. Out of total extent of Acs.30.00 Cts, Housing Scheme is proposed in an extent of Acs.10.50 Cts. only and the remaining extent is left for Plotted Development. Type designs were also prepared for Construction of EWS, LIG & MIG houses and following are the details:

A. Plotted Development:

Sl. No.	Plot size	Plot Area in Sq. Yds	No. of Plots
1	90'X120'	1200.00	9
2	40'X60'	266.66	14
3	30'X60'	200.00	34
4	18' X45'	90.00	72
TOTAL:			129

B. HOUSING:

Sl. No.	Type	Plinth Area of Each unit (Sft.)	No. of Units
1	MIG (Stilt+G+4 Floors)	880	560
2	LIG (Stilt+G+4 Floors)	715	280
3	EWS (Stilt+G+2 Floors)	424	156
TOTAL No. of Units.			996

In accordance with the above, Engineering estimates have been prepared for layout development and residential apartments and following are the abstract details:

COST TO VUDA

Development

Total Extent :Acs.30.00 Cts.

<u>Infrastructure facilities:</u> Roads, Drains, Water Supply arrangements, Layout electrification, arboriculture, greenery open space development, civic amenities including construction of retaining walls, protection works, rock cutting in view of the topography and variation in levels @ Rs.55.00 Lakhs per acre	Rs.1650.00 Lakhs
<u>Community facilities:</u> Hospital - 14225 sft Shopping - 7965 Sft. Community Centre - 15264 Sft. 37454 Sft. XRs. 1,100/ Sft. =Rs.4,11,99,400/-	Rs.412.00 Lakhs
Statutory provisions @ 27%	Rs.2062.00 Lakhs
Contingencies, Advertisement and other miscellaneous	Rs.556.74 Lakhs
TOTAL:	Rs.2650.00 Lakhs

Say Rs.26.50 Crores

Construction of Housing

Extent : Acs.10.50 Cts.

Sl. No.	Category	Plinth Area Sft.	Plinth area Rate / Sft.	Cost of each unit (Rs. Lakhs)	No. of units	Total Cost (Rs. Lakhs)	
1	EWS	424	950	4.03	156	628.68	
2	LIG	715	1100	7.87	280	2203.60	
3	MIG	880	1100	9.68	560	5420.80	
					Total No. of Units	996	
						SUB-TOTAL:	8253.08
Cost of internal development @ Rs 9.00 Lakhs per Acre						94.50	
						8347.58	
Statutory provisions@27%						2253.85	
Add for contingencies						48.57	
						TOTAL:	10650.00

Details of Built-up area

Category	Plinth Area of each unit	No. of units	Total Plinth Area Sft.
EWS	424	156	66144
LIG	715	280	200200
MIG	880	560	492800
	Total:	996	759144

Development cost (Acs.30.00 Cts.)	-	Rs. 2650.00 Lakhs
Construction cost of housing	-	Rs. 10650.00 Lakhs
Total Project Cost	-	Rs. 13300.00 Lakhs Say 133.00 Crores

PROJECT ECONOMICS:

Further cost economics is worked out for arriving sale price of each individual unit category wise and the details are as noted below.

Land cost (as per records)	-	Rs.30.00 Lakhs / Acre
Proportionate Development Cost For Housing area	-	Rs.2650 / 30 X 10.50 = Rs.927.50 Lakhs.
Cost of land	-	Rs.30.00 X 10.50 = Rs.315.00 Lakhs
Development cost for Housing area		Rs.1242.50 Lakhs

Land cost	-	Rs. 3.15 Crores
Development Cost	-	Rs. 9.30 Crores
Building construction cost	-	Rs. 106.50 Crores
Total Cost	-	Rs. 118.95 Crores
Total Built-up area	-	7,59,144 Sft.
Rate per Sft	-	Rs. 1,567/-
Add: 10% profit margin	-	Rs. 157/-
Add Interest component @ 12% p.a for half of the project period of 9 months		
On construction cost(106.50+9.30=115.80)	-	Rs. 137/-
Rate per Sft.	-	Rs. 1861/-
		Say Rs.1870/-

Cost of Buildings

Total Construction Cost of all units
Including civic amenities.

- Rs.10650.00 Lakhs

Sale price proposed

Category	Plinth Area of each unit	Plinth Area rate	Sale price arrived Rs.	Sale price proposed Rs Lakhs
EWS	424	1720	729280	7.30
LIG	715	1870	1337050	13.50
MIG	880	1870	1645600	16.50

Amount that would be realized on sale of dwelling units:

Category	No. of units	Sale price	Total amount Rs. Lakhs
EWS	156	7.30	1139.00
LIG	280	13.50	3780.00
MIG	560	16.50	9240.00
Total:			14159.00

Say Rs.141.00 Cr.

Economics of Plotted Development:

Extent of site - Acs 19.50 Cts.

Saleable area for 129 plots - 27,813 Sq. Yds.

Sl. No.	Plot size	Plot Area in Sq. Yds	No. of Plots	Total Plot area in Sq. Yds.
1	90'X120'	1200.00	9	10800
2	40'X60'	266.66	14	3733
3	30'X60'	200.00	34	6800
4	18' X45'	90.00	72	6480
TOTAL:			129	27,813

Expected rate - Rs.8,000/- Per Sq.Yd.

Amount that would be realized - Rs.22.25 Crs.

27,813 Sq. Yds @ Rs.8,000/- per Sq. Yd.

Total Project cost :

Plotted Development + Housing	- 26.50+106.50 = Rs.133.00 Crs.
Amount that would be realized Plotted Development + Housing	- 22.50 +141.00 = Rs.163.50 Crs.

Total Profit to VUDA – Rs.163.50 – Rs.133.00 Crs. = Rs.30.50 Crs.

As regards Plotted Development Scheme the amount that would be realized by way of sale of plots of area - 27813 Sq Yds @ Rs.8000/- per Sq. Yd comes to Rs.22.25 Crores.

In view of the above, the following issues are placed before VUDA Board for perusal and to accord permission to proceed further for taking up the project.

- To initiate alienation proposals by VUDA to Government for handing over of the land at Gambheeram layout.
- Master plan for Visakhapatnam Metropolitan Region was revised and approved vide G.O.Ms.No.345, MA Dt.30-6-2006. During the revision of Master plan all hills were marked as Hill/Forest without specifically confirming whether it is Hill or Forest Master plan is only an indicative document and does not establish the nature of the land as recorded in Revenue records. As such all Hills in Visakhapatnam Metropolitan Region area have been classified as Hill/Forest. But in reality all of them are not Forest and each case is decided as per the entries in the Revenue records. In the instant case also it was classified as "Konda" (S.No.18 / P of Gambheeram(V), Anandapuram as per 10(1) record which is being maintained by the Revenue authorities Further as per A.P. Urban Development Act, 1975 there is a provision to modify the land use keeping in view of development trends and Government policies from time to time. Within that provision only, the Visakhapatnam Urban Development Authority has intended to change the land use of Hill/Forest to cater to the housing needs of workers who are involved in the Industries existed in the surrounding areas.

In addition as per the instructions laid down in CCLA's letter Ref No.Spl./83/934/2012, Dt.7-9-2012 and the Judgment of the Hon'ble Supreme Court of India delivered in SLP No.IA No.1868/2007, Dt. 12-12-1996 will not apply to this instant case, since the land in reference is not forest land.

It is further to mention that during the course of inspection to site by officials of VUDA and Revenue department it is observed that the subject land is located in Dukkavanipalem Valasa (V) near Konda foot area but not within Kambalakonda Reserve forest. Moreover the subject site is surrounded by developed area industries and most of the industrial workers are residing there. In order to cater the housing needs of the work force it was felt appropriate to plan up for housing scheme.

- To permit to entrust the design of the project to one of the empanelled architects and to work out the project details as per norms.

Hence, the matter is placed before the VUDA Board for perusal and to consider to take up the "Construction of Housing Project in an extent of Ac-30.00 at Gambheeram" with a Project Cost of Rs.133.00 Crores.


VICE CHAIRMAN


CHAIRMAN

VUDA RESOLUTION NO. 108, DT. 15-12-2012

The Board discussed the matter and resolved to approve the subject in principle and directed to work out the details and put up in the next Board Meeting for approval.



CHAIRMAN'