

Sub: Works - Engg. - VUDA - Construction of Satellite Township at Cherlopakandam, Anakapalli in an extent of Acs 23.57-Draft subject placed before VUDA Board for perusal and Approval - Reg.

AGENDA NOTE :

The Visakhapatnam Urban Development Authority (VUDA) as part of its development activities, acquired an extent of Ac.23.57 Cts covered by TS Nos.1567,1568 and 1669 and 1570 of Cherlopallikhandam of Anakapalle under Integrated Development of Small & Medium Towns (IDSMT) and Sites and Services Scheme vide award Nos.4/92 dated 11-11-1992 @ Rs.71,000/- per acre for an extent of Ac.12.92 Cts (total amount: Rs.9,19,980.20p) and 15/94 dated 25-10-1994 @ Rs.1,12,424.88 Cts per acre for an extent of Ac.10.64 Cts (total amount :Rs.11,96,200.85 ps) = Total Award amount Rs.21,16,181.05 for Ac 23.56 Cts. The Award compensation was deposited in Civil Court u/s 30 and 31(2) of L.A. Act to determine ownership over the land due to non-appearance of Awardees to Award enquiry.

Though the above land acquired during the year 1992-1994, VUDA could not take up any development activity till 2006 due to stiff resistance from the ryots who agitated against the Land Acquisition and also because of Court litigations.

During the year 2006, the then Hon'ble Minister for Commercial Taxes, involved into the issue and held meeting with land- losers of acquired lands (farmers), District Collector & the then Chairman, VUDA and Vice chairman, VUDA. During the meeting, the farmers have agreed to handover the physical possession of the acquired land to VUDA; and to withdraw the cases against VUDA challenging the acquisition proceedings of the subject land ;and they will withdraw the deposited compensation amount before the Court as part of the compromise, VUDA to allot 1080 sqyds of the plotted area for every one acre to the farmers on payment of nominal

market value fixed by VUDA. Accordingly the then Vice Chairman VUDA in his Letter Rc. No.624/80/LA/RI-II, dated 30-1-2009 has addressed the Government to accord permission to allot 40% of net platted compensation area i.e., Ac 5.18 Cts (out of a total acquired land of Ac 23.57 Cts, the platted area would come to Ac.12.95 Cts only) on payment of nominal market value as fixed by VUDA from out of the land being derived under the Land Polling Scheme which is adjacent to the acquired land.

Meanwhile, the Managing Director, AP Rajiv Swagruha Corporation Ltd (APRSCL), Hyderabad has requested the Vice Chairman, VUDA in Letter Rc.No.6933/ESP/08/AKP, dated 27-11-2008 to allot the land in TS.No.1567/p, 1568 to 1570 to an extent of Ac.23.57 Cts to APRSCL for taking up affordable housing for moderate income group. In response to the request of the MD,APRSCL, the then Vice Chairman, VUDA recommended to Government to allot the VUDA acquired land of an extent of Ac 23.57 cs in favour of APRSCL. The Government vide its GO Rt No.316 M.A. & UD Dept dated 26-2-2009 accorded permission to the Vice Chairman, VUDA to allot the land in TS Nos. 1567/p, 1568 to 1570 of Anakapalle Town at Chelopallikandam measuring Ac 23.56 cts acquired by VUDA under Award No. 4/92 dated 11-11-1992 & 15/94 dated 25-10-1994 at the rate of Rs. 89.32 lakhs per acre to the APRSCL. Later, the Vice Chairman VUDA in his letter Rc.No. 624/80/LA/RI-II, dated 30-1-2009 addressed the Government stating that an extent of Ac 23.57 cts was acquired in two Awards i.e., 4/92 and 15/94 ; that the physical possession could not take place from the 68 ryots who are mostly small and marginal farmers; that no development activities has been taken place in the acquired lands of Ac 23.57 cts for all these years; negotiated with the land-holders to share the development benefits in the acquired lands and finally came to an agreement in the presence of the then Hon'ble Minister for Commercial Taxes, District Collector and other public representatives.

Thereafter, the Government vide GO Ms No.1153 M.A., dated 17-8-2009 has accorded permission to the Vice Chairman, VUDA to allot 40% net plotted compensation area i.e., Ac 5.18 cts (out of the total extent of Ac 23.57 cts), the plotted area comes to Ac 12.95 cents only on payment of nominal market value fixed by VUDA from out of the land being derived from the Land Pooling which is adjacent to said site scheme for allotment to the ryots and also issued orders reducing the land value already fixed i.e., Rs 89.32 lakhs per acre to Rs 55.00 lakhs per acre for allotment of land to AP Rajiv Swagruha Corporation Ltd (APRSCL), Hyderabad to an extent of Ac 23.57 cts.

In this context, VUDA has addressed detailed Letter to the Government vide Letter Rc.No.15990/08/AKP/F-1 dt. 8-1-2012 stating that as the allotted land to AP Rajiv Swagruha Corporation Ltd (APRSCL), Hyderabad is an acquired land by VUDA and is not in the financial interest of VUDA, the government was requested to reconsider the issue of allotment of VUDA acquired land i.e., Ac.23.57 Cts to (APRSCL) and cancelled the government orders to protect the interests of VUDA. Accordingly, the Government has issued GO RT No.958 MA dt.12-7-2012, duly cancelling the orders issued in GO RT No.316 MA dt.26-2-2009 and GO RT No.1153 MA dt.17-8-2009; and requested the Vice Chairman, VUDA to take further necessary action in the matter.

LAND POOLING IN THE ABUTTING REGION:

During the year 2007, the VUDA has decided to procure the land to an extent of Ac 62.37 cts under Land Pooling Scheme which is abutting to the acquired land of Ac 23.57 cts to develop a huge layout keeping in view the demand from the public. The land owners have also agreed to part their lands with VUDA under Land Pooling and it is under process. Out of the total extent of Ac 62.37 cts, so far an extent of Ac 30.00 cts (approx), has been taken over by VUDA from the ryots through the registered "Agreement coupled with GPA" (the remaining extent of Ac 32.37 cts is yet to be taken over by VUDA) with the following conditions.

1. The landlooser would get 1800 sq yards for every one acre of agricultural land transferred to VUDA under the Land Pooling scheme.
2. VUDA would develop the layout including all amenities as per norms with its own funds.
3. The balance number of sq yards per acre after settling the share of the land looser would vest with VUDA which can be auctioned to raise resources.

Since the balance ryots have not yet come forward to be part of the proposed Land Pooling Scheme, it is not possible to develop a comprehensive layout in the entire extent of Ac 67.37 cts. As such the already registered extent of Ac 30 cts is not a compact chunk.

In view of the above VUDA proposes to develop a multistoried affordable residential facility for MIG/LIG and EWS categories in the Ac 23.57 cts which has already been acquired. The following is the details of the proposal.

HOUSING COMPOSITION: Extent - Acs.14.14 Cts. (60% of Ac.23.57 Cts.)

Sl. No.	Type	Plinth Area of Each unit (Sft.)	No. of Units
1	EWS (Still+G+2 Floors)	424	168
2	LIG (Still+G+4 Floors)	715	100
3	MIG (Still+G+4 Floors)	880	420
TOTAL No. of Units.			688

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

COST TO VUDA**I. Layout Development Cost**

Infrastructure facilities- Roads, Drains, Water Supply arrangements, Layout electrification, arboriculture, greenery open space development, civic amenities including construction of protection works for Ac.23.57 @ Rs.25.00 Lakhs per acre	Rs 589.00 Lakhs
<u>Community facilities for VUDA's share of Ac. 15.00;</u> Hospital - 9000 sft Shopping - 5000 Sft. Community Centre - 9000 Sft. 23000 Sft. XRs. 1,000/ Sft. =Rs 2,30,00,000/-	Rs 230.00 Lakhs
Sub Total	Rs 819.00 Lakhs
Statutory provisions @ 27%	Rs 221.00 Lakhs
Contingencies, Advertisement and other miscellaneous	Rs 60.00 Lakhs
TOTAL:	Rs 1100.00 Lakhs

II. Construction of Housing

Extent: Acs.15 00 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	168	677.00
2	LIG	715	1100	7.87	100	787.00
3	MIG	880	1100	9.68	480	4066.00
					688	
				SUB- TOTAL:		5530.00
						1493.00
						138.00
						9.00
				TOTAL:		7170.00

Rs.7170.00 Lakhs

PROJECT COST:

I. Layout Development cost (for Ac.23.57)	-	Rs.1100.00 Lakhs
II. Housing development Cost (for Ac.14.14)	-	Rs.7170.00 Lakhs
Total Project Cost	-	Rs.8270.00 Lakhs
		Say 82.70 Crores

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	-	Rs 66.00 Lakhs / Acre (as per records)	
Cost of land	-	Rs.66.00 X 23.57	= Rs.1556.00 Lakhs
Development cost for Acs.23.57 Cts			= Rs.1100.00 Lakhs
Total:			Rs.2656.00 Lakhs

Details of Built-up area

Category	Plinth Area of each unit	No. of units	Total Plinth Area (Sft.)
EWS	424	168	71232
LIG	715	100	71500
MIG	880	420	369600
Total:		688	512332

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 66.00 Lakhs / Acre
Cost of land (Rs.23.57 X 66.00)	-	Rs.1556.00 Lakhs
Development cost of total layout	-	Rs.1100.00 Lakhs
Construction cost of Housing share	-	Rs. 8270.00 Lakhs
Total Cost	-	Rs. 10926.00 Lakhs Say 109.26 Crores
Total Built-up area	-	5,12,332 Sft.
Rate per Sft	-	Rs. 2,133/-
Add: 10% profit margin	-	Rs. 213/-
Add Interest component @ 12% p.a for half of the project period of 9 months		
On construction cost(90.00Cr)	-	Rs. 145/-
Rate per Sft.	-	Rs. 2491/-
		Say Rs.2500/-

Details of Built up area

Category	Plinth Area of each unit	No. of units	Total Plinth Area (Sft.)
EWS	424	168	71232
LIG	715	100	71500
MIG	880	420	369600
		Total:	512332

Cost of Buildings

Total construction cost of all units - Rs 8270.00 Lakhs
(including Civic amenities)

Sale price proposed

Category	Plinth Area of each unit Sft.	Plinth Area rate Rs.	Sale price arrived Rs.	Sale price proposed Rs. Lakhs
EWS	424	2300	915200/-	9.75
LIG	715	2500	1787500/-	17.90
MIG	880	2500	2200000/-	22.00

Amount that would be realized on sale of dwelling units:

Category	No. of units	Sale price	Total amount Rs. Lakhs
EWS	168	9.75	1638.00
LIG	100	17.90	1790.00
MIG	420	22.00	9240.00
		Total:	12668.00

Say Rs 126.68 Crores.

As per the above the amount realized towards housing project proposed in an extent of Acs.23.57 Cts. would be Rs.126.68 Crores against the total expenditure involved for construction and development of Rs.109.26 Crores and the net profit is about Rs.17.42 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 finalize the modalities for allotment of developed plots to the in respect of the land acquired from farmers / parties duly protecting the interest of VUDA as per norms.
- To permit to take up the project duly working out the project details as per norms.

As per the above the amount realized towards housing project proposed in an extent of Acs.23.57 Cts. would be Rs. 126.68 Crores total expenditure involved for construction and development of Rs. 109.26 Crores and the net profit is about Rs.17.42 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:

A. In view of cancellation of GO RI No.1153 M.A., dated 17-8-2009 through GO RI No.958 M.A.,dt. 12-7-2012 regarding allotment of 40% of the net plotted compensation area i.e. Ac.5.18 Cts. it has to be decided.

1. Whether 40% developed land can be given to the landlooser over and above the LA compensation paid.
2. If so, the nominal rate that has to be adopted for allotment of such plots to the land losers.

B. Decision may also be taken whether to takeover balance lands by VUDA from the land holders covered under Land Pooling Scheme, through "Agreement coupled with G.P.A." in order to initiate process of Land Pooling from the balance land-holders under Land Pooling Scheme at Cherlopallikhandam of Anakapalli.


VICE CHAIRMAN


CHAIRMAN

VUDA RESOLUTION NO. 109, DT. 15-12-2012

The Board discussed the matter and resolved to approve the development of Satellite Township in principle and directed to work out details and put up in the next Board Meeting for approval. As regards the proposal for allotment of 40% developed area to the land losers over and above the land acquisition compensation, the Board directed to work out further details and present in the next Board Meeting.


CHAIRMAN