

SUBJECT NO.132

Sub : VUDA-Allotment, Management and Sale of plots in VUDA-G.O.Ms.No.113, M.A & UD Dept dated 24.2.1984-Small analysis of practice over the years - Proposing allotment through lottery as regulations-Regarding.

AGENDA NOTE :-

Visakhapatnam Urban Development Authority came into existence in 1978 under AP Urban Areas (Dev) Act, 1975. Since then VUDA has developed nearly 50 layouts and 39 Housing Schemes and allotted nearly 14,031 plots and 9403 flats respectively. The Government of Andhra Pradesh vide G.O.Ms.No.113, M.A dated 24.2.1984 made regulations that shall be followed by VUDA with regard to Allotment, Management and Sale of Plots in the name and style of "Visakhapatnam Urban Development Authority (Allotment, Management and Sale of Plots) Regulations, 1984". They shall apply to the allotment of developed plots by the VUDA to the categories namely - High Income Group (HIG), Middle Income Group (MIG), Low Income Group (LIG) and Economically Weaker Sections (EWS), to the allotment of developed plots by the VUDA for the exclusive benefit of the members of a Co-Operative Society, or a group of employees of the Government or Institutions or any other organizations and any other scheme entrusted to the Authority and approved for the purpose of these regulations by the Government.

Visakhapatnam Urban Development Authority (Allotment, Management and Sale of Plots) Regulations, 1984, Section -10 stipulates the principles that shall be observed while making **ALLOTMENT OF SITES BY DRAWL OF LOTS** among the eligible applicants. Under Section 11 (3), soon after the announcement of the results of "drawal of lots" the earnest money collected from the applicants shall be returned to those who could not secure a plot or kept in the priority list, on applying for refund

of the same along with an advance stamped receipt and their applications shall be cancelled in the records of the Authority. Section 13(1)(a), dealing with the fixation of the price, indicates that for the plots allotted, price will be charged. The price will be fixed by the authority in its discretion taking into consideration, the cost of the acquisition of land of which the plot forms a part through the process of land acquisition or by private negotiation, the amount spent or to be spent for its development and providing amenities, further incidental chares incurred by the Authority, administrative charges and also interest payable by the Authority to the State Government and other financing agencies on the amount borrowed and spent or to be spent for a particular land etc.,

VUDA has developed the layouts as detailed below

Sl. No.	Name of the Layout Allotted by Town Planning Trust	Sy. No./ Village/ Mandal	L.P No.	Total Plotted area (in Ac.)	Total No. of Plots	Allotment made by allotment section
1	2	3	4	6	7	8
1	Kiralam pudi Layout	T.S.No.971-974,981-985 Waltair Visakhapatnam (Urban)	-	20.55	116	116
2	VZM Layout		-	2.20	20	20
3	Pandurangapuram Layout	Visakhapatnam (Urban)	T.P No.24/78	6.90	68	68
4	Gangapur Layout	T.S.No.1027 Waltair ward Visakhapatnam (Urban)	-	1.6	17	17
5	Pitapuram Colony Layout	T.S.No.4344 Waltair ward Visakhapatnam (Urban)	-	14.39	169	169
6	Daspalla Layout	T.S.No.1197P Waltair ward Visakhapatnam (Urban)	-	11.16	100	100
7	East Point colony Layout	T.S.No.378,379, 380/2, 382,385, 386/1,2,432 Waltair ward Visakhapatnam (Urban)	-	11.15	135	135
8	Lawsons Bay Colony Layout	Waltair ward Visakhapatnam (Urban)			353	353
	North } South }		-	24.31		
			-	12.33		
9	Chinawaltair Layout	Waltair ward Visakhapatnam (Urban)	-	11.06	141	141
10	Seethammadhara Layout	Sy.No.6 Resapuvanipalem Visakhapatnam (Urban)		37.09	1101	1101

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	North		-			
	Central					
	South					
11	Maddilapalem (A)Ambedkar Layout (B)MMTC layout	Sy.No.1p &12p Maddilapalem Visakhapatnam (Urban)	-	8.69	35	35
12	Anakapalli Layout	Tummapala Anakapalli	20/93	62	59	59
13	Bheemili Layout				13	12
14	Chittivalasa Layout	Sy.No.57/2,50,10b Chittivalasa Bheemili	24/90	2.14	20	18
15	Akkireddi Palem Layout		1/05	7.90	46	19
16	K.L.Rao Nagar Layout	Visakhapatnam (urban)		6.7	91	89
17	Kanapaka Ayyannapeta Layout	Sy.No.188,191p, 192, 193p,195p, 196p of K.A.Peta & 2p, 130 of Duppada Kanapaka Ayyannapeta & Duppada Vizianagaram			286	275
	Phase -I			2.66		
	Phase -II			7.91		
	Phase -III			20.54		
	Phase -IV			11.59		
18	Baba Metta Layout	T.S. No.309,310,311,315,316, 317,318 Babametta Vizianagaram			505	500
	Phase -I					
	Phase -II					
19	Raavada Layout	T.S.No.478/5-12,479/2-9,480/6-11, Rawada Parawada	3/06	7.50	26	26
20	Gandigundam	Gandigundam Anandapuram	46/06	8.85	56	56
21	Kapuluppada Layout (Old)	Kapulauppada Bheemili	102/89	124.03	1128	1128
22	Chinamushidiwada Layout	Sy.No.164,198,199,200 Chinamushidiwada Pendurti	16/03	20.25	247	246
23	Simhapuri Layout	Sy.No.164 Vepagunta Pendurty	39/91	7.63	199	199
24	Marripalem Layout	Sy.No.106p,107p,,112, 113p Marripalem Visakhapatnam (urban)	--	27.70	233	233
25	Madhavadhara Layout	Sy.No.3/2,4,6/1,7/1,8/1,8/2, 11 Madhavadhara Visakhapatnam (Rural)	--	37.13	687	687

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26	Town Center Layout Kurmannapalem	Sy.No.15p,16p,20p Kurmannapalem Gajuwaka	25/10	15526.03 Sq.Yards	14	9
27	E-Bonangi Layout	E-Bonangi Parawada			302	302
28	Lake View Layout	Sy.No.148p, 174p Madhurawada Visakhapatnam (Rural)	--	12.80	227	227
29	Chilukuri Joint Venture Layout (Kapulauppada)	Sy.No.134p,135p,136,137p, 138p, 146,147p,149,150,151,152,1 53,154p,155p Kapulauppada Bheemili	14/10	39.13	76	70
30	Madhurawda Layout (Mithilapuri)	Sy.No.147,257,262p,266, 268- 271,273p,274p,275,276p,28 0,285,286p,287- 293,295,296p Madhurawada Visakhapatnam (Rural)	23/90	53.15	1071	1071
31	Gopalapatnam Layout	Gopalapatnam Visakhapatnam (rural)			90	90
32	Kummaripalem Layout	Sy.No.50p, 87 of Kummaripalem and 73p & Kottavalasa Bheemili	16/2006	7.47	129	124
33	Sontyam Layout	Sy.No.347p Sontyam Pendurty	45/07	16.56	123	123
34	Madhurawada Layout Govt. lands	Sy.No.108p, 110p, 111p Madhurawada Visakhapatnam (rural)	39/08		91	78
35	Jammu Narayanapuram	S.No.23,24,25p Jammunarayanapuram Vizianagaram	13/04	5.22	105	105
36	Kotha peta South Ward Layout	Kottapeta Vizianagaram	442p		11	11
37	Cattle shed Layout	Vizianagaram Vizianagaram			13	13
38	Ring Road Layout/ Dumping Yard	Sy.No.571,572,573p Maharajupeta Vizianagaram			46	46
39	Cantonment Layout	Vizianagaram Vizianagaram			23	23
40	Bodam Bunglow Layout	S.No.686/1 Vizianagaram Vizianagaram	43/04		10	10
41	R.D.O Office	Vizianagaram Vizianagaram			8	8
42	Ocean View Layout	T.S.No.1008/3A3 Waltair ward Visakhapatnam (Urban)	-	1.79	38	38
43	Allotted by VUDA MVP layout (All sectors)	Venkojipalem Chinawaltair & Pedawaltair Visakhapatnam (Urban)	-	167.08	2851 3	2849

Sl. No.	Name of the Layout Allotted by Town Planning Trust	Sy. No./ Village/ Mandal	L.P No.	Total Plotted area (in Ac.)	Total No. of Plots	Allotment made by allotment section
44	Rushikonda Layout	Sy.No.331p, 332, 333,334p,336p Madhurawada Visakhapatnam (Rural)		60.00	538 2	538
45	Adibatla Nagar Layout	Sy.No.105/p & 106p Yendada Visakhapatnam (Rural)	L.P.No.10 4/89		25 13	22
46	Pedagantyaada Layout (Phase -I to III) Chinagantyaada (V)	Sy.No.1p,2p,3p,4p,5-9,10p,16p, 17, 18p, 19-21,139p, 141p, 142-146,147,148,149, 11,12p, 38 & 39p Pedagantyaada Pedagantyaada		93.66	1060 2	1051
47	Kurmannapalem Layout Phase -I to VI	Sy.No.12p,13,14,15p,16,18,19p, 20,21,23p,52p,35p,37p,40,41,42 86p,87p,90,91,93,94,95,96p,97, 98,99,83p,84p,86p,87p,29/1b,3 0/b,2b,31/1b,33/2a,2b,2c&2d, 35/1,9p,68p,69p,44p,45,50,51 Kurmannapalem Gajuwaka		88.70	1091 6	1090
48	Cyber valley layout					
	Sector -I	Sy.No.129/p,348/2,352p, 353 Madhurawada Chinagadili	13/11	6.45	148 10	123
	Sector -II	Sy.No.355/2 Madhurawada Visakhapatnam (Rural)	24/10	2.86	51 5	41
49	Yendada Layout	Sy.No.1 of Yendada Visakhapatnam (rural)		10.04	110 24	97
50	Paradesipalem Layout (Ozone Valley)	103p,104p,106-109,118-130, 133,152p,154p,155p, 158p Paradesipalem Visakhapatnam (Rural)	1/11	45.80	117 Nos. received to Allotment section for auction out of 609 5	109
51	Joint Venture at Narava with Godavari Townships					23
Total					14031	

It is to submit that last time, allotment or auction of developed plots/flats happened in VUDA in the month of April 2011. A committee is constituted with a mandate to physically verify the vacant plots in above layouts, plant the stones, paint them for easy identification and give the comments on the status of their vacancy so that final number of plots that can be put up for disposal can be arrived at. Accordingly, the committee's report is consolidated and given on 21.06.2013 which was discussed among the HoDs. Auction for the said plots were conducted on 19th and 20th of October 2013 in which 64 plots were sold out through the Auction.

During the discussion on the Policy Decision of VUDA on the Sale of Developed Plots, it was told by the officials that initially, VUDA used to allot by lottery system after fixing a price by the price fixation Committee, which consist of HODS of VUDA and in the last one decade or prior to it, the procedure of auctioning is being following to gain more revenue to the organization.

When asked about the specific GO or the Board Resolution to this effect, it was told that mostly they are administrative decisions.

The pros and cons of auctioning are as below as available in Rc.No. 2426/04/F4 dated 03.04.2013.

Pros

- It actually gives more revenue to the organization by enabling to tap the fullest financial potential of the plots being auctioned.
- One of the most genuine unbiased methods of disposal

Cons

- The real purpose of planned development of the areas goes skewed as the auctioning price of VUDA is taken as bench mark by private developers to sell their plots – by which – the auctioning by VUDA gives inherent advantage to the private players to increase the price of their developed plots.
- The affordable alone can avail good plots
- The mandate of opening up of new areas by VUDA and the pursuant utilities of the process are being tapped only by the have-ones and have-nots are unable to afford in an auctioning mechanism.
- The private cartel/lobby can see that it hikes the price of an area to an unreachable level to the common man and making in turn the progress and development of the new areas delayed/deferred/masked till the private developers develop that area and fix a price of plot/flat for this new area.
- Multiple plots purchasers will turn out and they mar the chances of the marginally placed interested people for the plots lesser, by quoting slightly higher prices.
- In nut shell, the distribution of developed plots by VUDA becomes polarized towards have –ones and can be influenced towards larger extent.

Further realization of resources for State Government Budget, it was instructed by the government to go for auctioning of government lands and depositing of the realized money into the treasuries and in few cases of references in VUDA regarding disposal of bulk land to requesting government departments like.

- a. Air force Naval Housing Board Rc. No.10/2007/F2 & govt. MA & UD Ref.No.19292/H2/2010 (CF pages 377-387) and
- b. Auction of bulk land in Madhurawada area Rc No.549/07/P.No.15/MWD/F-1 @ Govt. MA & UD Ref.No.12272/H2/2008 (CF Pages 389-399).

The price fixation for the plots/flats developed by VUDA should include the profit petition of the VUDA duly taking into account the cost of infrastructures invested by VUDA, the land value to be paid to government towards alienation and the potential of the area to fetch more venue to the VUDA. If price fixed is proper, it will not make the organization suffer any loss and makes the organization realize the calculated amount of the developed plots and at the same time, makes the chances of all the participating people equal by way of lottery or drawl system wherein the applications can be received and lottery can be conducted on the fixed price of the plots among the contesting people.

- This process is more objectives and unbiased and equality is the essence of this process.
- The unhealthy practice of increasing the cost of plots for the sake of competition which will give the private developers huge advantage later is nullified in this process.

In view of the above, the matter was placed before the VUDA Board meeting on 20-07-2013 for taking a decision to adhere to "ALLOTMENT OF SITES BY DRAWL OF LOTS" of the proposed in the VUDA developed layouts hereafter as G.O.Ms.No.113, M.A dated 24.2.1984 and Visakhapatnam Urban Development Authority (Allotment, Management and Sale of Plots) Regulations, 1984 indicate the same. If agreed, same may be made as Regulation of the Authority under Section 59 of the A.P.U.D (Dev) Act, 1975 for notifying by the Government.

The Board vide resolution No.30 resolved to postpone the item for the next VUDA Board meeting in lieu of the Model Code of Conduct due to 4th ordinary elections to the Gram Panchayats.

Hence the matter is placed before the VUDA board for taking a decision in this regard.

Sl. No.	Subject No.	Subject	Resolutions
77	128	VUDA – PLG – VSP – Disposal of EWS plots reserved in VUDA approved Private layout in VMR – Constitution of Committee for evolving guidelines / modalities for disposal of EWS Plots – Reg.	The mode of Shelter charges for layouts can be examined further and a solid proposal can be brought for ensuing board to recommend to government duly taking the remarks of the Collector and Commissioner, GVMC
78	129	POLICY DECISION of issuance of 200% TDR to the lands covered under developmental activities of VUDA taken from the private land owners- Reg.	Agreed to process. Send proposals to government for approval as well.
79	130	VUDA-VSP- Establishment- Status of enquiry by various investigating Agencies - Reg.	Perused. Secretary should see that all the information are furnished in time.
80	131	VUDA – Visakhapatnam - Allotments – Allotment of land for an extent of 400 Sq.yards in Sy.No.336/p of Madhurawada in favour of Secretary of Indian Red Cross Society, Visakhapatnam Branch for Social Welfare Activities – Reg.	Agreed to club the bit with the Row Housing Layout duly specifying the usage purpose. The Indian Red Cross Society can be asked for their interest to maintain the Hospital building going to be constructed in Harita Premises
81	132	VUDA-Allotment, Management and Sale of plots in VUDA- G.O.Ms.No.113, M.A & UD Dept dated 24.2.1984-Small analysis of practice over the years – Proposing allotment through lottery as regulations-Regarding.	It is decided to continue the present system of disposal of plots by auction

