

SUBJECT NO:133

Sub: VUDA-Status of PPP Project of VUDA-M/s L&T Vision Ventures Ltd-Request for alternate land in Kommadi(V)- status of their request on the allotment of alternate land-Regarding.

Ref: VUDA Board Resolution No:37 dated:20-7-2013.

AGENDA NOTE:

Brief History of the Project

- The land in S.No.1 of Vepagunta Village of Pendurthi Mandal admeasuring an extent of Ac.55.15 Cts was handed over by the Mandal Revenue Officer Pendurthi vide Delivery Receipt of MRO, Pendurthi in Rc.No.411/2000/Spl RI, dated:13-9-2000.
- VUDA proposed to develop the said site with Housing Project on PPP mode. Hence a notification was issued on 11.12.2005 calling for EOI from the prospective and reputed developers registered in the country or multinational companies having consortium with Indian Companies to Design, Build, Finance and Market independent dwelling units/ bungalows .
- The highest financial bid was quoted by M/s Larson & Toubro Ltd., Hyderabad and has passed the evaluations of Technical, Business and Commercial Proposals and emerged as highest successful bidder along with M/s Vision Ventures Pvt. Ltd as member consortium for the development of Housing project at Vepagunta admeasuring an extent of Ac.55.15 Cts in S.No.1 of Vepagunta Village on Joint Venture Basis under PPP Model.
- Basing on the above, the Visakhapatnam Urban Development Authority has entered an agreement with M/s L&T Vision Ventures Limited, Chennai for development of Housing Project.
- The firm has paid 10% Minimum Guaranteed Amount(MGA) of Rs.6,24,00,000/- on 04.04.2007 besides one time project development fee (Non-Refundable) of Rs.43,12,000/- on 04.04.2007 towards site for Sy.No.1 of Vepagunta measuring Ac.55.15 Cts.
- The Development Agreement and Power of Attorney has been executed in favor of the developer on 31-3-2007.

- Later M/s L&T Vision Ventures Ltd, Chennai has proposed for soil testing on the above land, the VUDA officials have approached the site for formation of road, the Forest Department raised objections on the ownership of the land as they have stated that this land was included in Reserve Forest Block.
- Letters were addressed to forest Department and Government for exemption of the land from the provisions of the Forest Department but the same has not been deleted.

First identification of alternate lands

- When the matter stands thus, the Vice Chairman, V.U.D.A. was informed by the Developer firm M/s L&T Vision Ventures Ltd., that if the land in Sy.No.1 of Vepagunta Village is in dispute, an alternative suitable land may be considered for allotment before March, 2008 by VUDA.
- The Vice Chairman, V.U.D.A. therefore requested the Government for consideration for allotment of following alternative land measuring Ac.49.33 Cts. in Kommadi Village @ Rs.1.53 crores per acre on out right sale basis in favour of M/s L&T Vision Ventures Limited, Chennai for construction of Housing units in lieu of land allotted in Sy.No.1 of Vepagunta village:-

Sl.No.	Survey No. & Village	Extent
1.	Sy.No.7 of Kommadi	Ac.33.38 Cts.
2.	Sy.No.67/p of Kommadi	Ac.8.84 Cts.
3.	Sy.No.164/p of Kommadi	Ac.7.11 Cts.
	Total	Ac.49.33 Cts.

The Government after careful examination of the matter permitted the Vice Chairman, V.U.D.A. to allot the alternative land measuring Ac.49.33 Cts. in Kommadi Village @ Rs.1.53 crores per acre **on outright sale basis** in favour of M/s L&T Vision Ventures Limited, Chennai in lieu of land in Sy.No.1 of Vepagunta village for construction of Housing units, with other conditions as stipulated in the Development Agreement and the Government have issued G.O.Ms.No. 729, Dated:24-10-2008 in this regard

Discrepancies in Survey Numbers and Joint Survey

- The Deccan Infrastructure Ltd., vide Lr. No. DILL/Lands/15/2010, dt:09.04.2010, requested the Vice Chairman, VUDA for Joint Inspection as the lands belonging to the A.P. Housing Board (DIL Ltd.), Hyderabad, measuring an extent of Ac.42.64 Cts in S.Nos. 164/2,164/3, 165 (carved out numbers of Sy.No.

7 of Kommadi village of Visakhapatnam (Rural) Mandal, was found to be partly overlapping with the land in Sy No.1/P of Paradesipalem village which belongs to VUDA.

The allotment made by the Government to the A.P., State Housing Board is as follows:-

Lands of AP Housing Board by the Revenue Department GO		
S.No.	Village	Ac.Cts.
164/2(carved out of Sy.No.7)	Kommadi	21.27
164/3(carved out of Sy.No.7)	Kommadi	7.11
165 (carved out of Sy.No.7)	Kommadi	7.52
	TOTAL	42.64

- Sy.No.1/2 of Paradesipalem village lies adjacent and is continuous to Sy.No.7 of Kommadi village of Visakhapatnam (Rural Mandal). An extent of Ac.27.64 cts in Sy.No.1/2 of Paradesipalem was handed over to VUDA by the Tahsildar, Visakhapatnam (Rural) vide Delivery Receipt No.1/2005/Spl.R.I., dt:26.10.2007. Out of the extent of Ac.27.64 Cts, VUDA has allotted an extent of Ac.25.60 Cts covered by S.No.1/2 of Paradesipalem Village to M/s.Maytas through Bulk land auction.
- Subsequently, the VUDA authorities and Housing (M/s Deccan Infrastructure & Land Holdings Ltd., Hyderabad) have conducted a Joint Inspection on their respective allotted lands.
- It was found during the Joint Inspection that there is discrepancy in fixation of village boundary between Kommadi Survey No.7 and adjoining Sy.No. 1/2 of Paradesipalem village.
- As a result of such discrepancy, an extent of Ac.23.89 Cts was found to be overlapping in both the Survey Nos. i.e., Sy.No.7 of Kommadi and Sy.No.1/2 of Paradesipalem.
- The Survey Officials had decided that the said extent of Ac.23.89 Cts is actually part of Sy.No.1/2 of Paradesipalem.
 - Hence, the said extent of Ac.23.89 Cts has to be deleted from Sy.No.7 of Kommadi village.
 - Out of the revised extent of Ac.62.26 Cts, an extent of Ac. 9.73 Cts is being claimed by the Forest Department and as such, the Forest Dept has erected boundary pillars in the said extent.

- Out of the balance extent of Ac.52.53 Cts, VUDA has formed Master Plan roads covered in an extent of Ac.3.90 Cts.
- Out of the remaining balance of Ac 48.63 Cts, the AP Housing Board is found to be in the possession of Ac.25.92 Cts.
- The Housing Board is in the possession of Ac.25.92 Cts against the original allotment of Ac.42.64 Cts.
- The balance extent of Ac.22.71 Cts only is available with VUDA to be given to M/s. L&T Vision Ventures Ltd., as alternate land against the Government allotment of Ac 49.33 Cts, as per G.O.Ms No.729 MA & UD Dept, dated: 24.10.2008.
- Vide Lr.Rc.No.9464/05/PMU dated: 26/11/2012 from the Vice Chairman, VUDA it is brought to the kind notice of the Government that the total extent of Ac.86-15 Cts in Sy.No.7 included the carved out Sy.Nos. of 163, 164 and 165 of Kommadi village, Visakhapatnam (Rural) Mandal was handed over to VUDA by the Tahsildar, Visakhapatnam (Rural) vide Delivery Receipt No.1/2005/ Spl.R.I., dt:07 01.2005 as per the orders issued by the District Collector, Visakhapatnam vide Proceedings Rc.No.5938/2004/E2, dt:9-12-2004.
- Out of the total extent of Ac.86.15 Cts in Sy.No.7 including the carved out Sy Nos., the Government has allotted an extent of Ac 42.64 Cts to the A.P Housing Board vide G.O.Ms.No 1551, dt.19.12.2007 @ Rs.1.00 Crore per acre; and in turn the A.P. Housing Board has given the land to Deccan Infrastructure Ltd., (DIL), Hyderabad for development.
- Vide Lr.Rc.No.9464/05/PMU dated: 26/11/2012, the Government is requested to issue suitable instructions in this regard.

LEGAL ACTION BY THE DEVELOPER

- While the matter stood thus, L&T Vision Ventures Limited had issued legal notices to VUDA claiming damages of Rs 176,00,00,000/- (Rupees One hundred and Seventy Six Crores only) along with the damages/ compensation since the land has not been handed over to them so far.
- They informed that they have nominated / appointed Mr. M.N. Aditya, Advocate and former Government Pleader for Visakhapatnam District to Act as their Arbitrator, in accordance with Article 22 under the Arbitration & Conciliation Act, 1996.

- They called upon VUDA to nominate / appoint an Arbitrator from VUDA's end within 30 days from the date of the notice, so as to enable the Arbitrators to nominate / appoint the Presiding Arbitrator, for commencing the Arbitration proceedings in terms of the Development Agreement dated. 31-03-2007.

MEETING BY CS ON THIS ISSUE

- Vide letter No. 26754/ H2/2012, dt. 30-11-2012 from the Principal Secretary to Government, MA&UD Department to the Vice Chairman, VUDA it is informed that the Chief Secretary desires to hold a meeting at 10.30 A.M on 11-12-2012 with the Vice Chairman, VUDA to discuss on the issue related to allotment of unencumbered land to M/s L & T Vision Ventures Limited by VUDA, Visakhapatnam and requested the Vice Chairman to attend the meeting.
- The minutes of the meeting on the decision taken or directions given are not communicated to VUDA.

RECENT REQUEST FROM THE DEVELOPER

- Meanwhile vide letter dated 07-06-2013 from L&T Vision Ventures Limited to the Vice Chairman, VUDA L&T Vision Ventures Limited with a request to allot an unencumbered land (i.e. Fifty Acres) in survey No. 07.
- For that they requested the Government to allot the entire land of Ac. 49.33 in a single parcel of land, as it was allotted to L & T Vision Ventures in bits and they are ready to pay Rs. 1.53 Crores as fixed by VUDA & Government of Andhra Pradesh and withdraw all claims against VUDA.
- They requested the Vice Chairman, VUDA to forward the requisition to the Housing Board / DHIL with the fact is that the said extent of the land doesn't belong to VUDA at this moment.

VUDA has addressed a letter to the Government vide Rc.No.9646/05/PMU dated. 13.06.2013 marking a copy to the VC & HC, Andhra Pradesh Housing Board for taking a decision on the request of the L & T Vision Ventures.

The VC & MC. APHB vide Rc.INo.9464/05/PMU dated:21/06/2013 addressed to Vice Chairman, VUDA informing that DILL Board has resolved as follows:

“The Board of Directors after examining the initial and revised site plans placed before them has accorded consent for the rearrangement of land parcel of DILL at Kommadi village into a contiguous block along with the proposed 80 ft road along the souther boundary of land parcel’.

In the instant case, a glance at the project reveals that the DILL/APHB land is not in proper shape and with that piece of land no major development is possible and in the present status it would be neither useful to DILL nor to VUDA.’’

In view of the facts and circumstances stated above, in principle APHB/DILL may not have any objection for handing over 25.92 Ac.cts in Sy.No. 164/2,164/3.165 & 166 of Kommadi village belonging to DILL/APHB to VUDA in exchange of an alternative contiguous land of equal value to DILL/APHB.

MATTER PLACED VUDA BOARD

- In view of the above, the matter was placed before the VUDA Board in its meeting dated 20-7-2013 for taking an appropriate decision on the request of L & T Vision Ventures duly taking into account the contents in the letter of the VC&HC, APHB addressed to VUDA dated 21-6-2013.
- The VUDA board in its Resolution No.37 dated:20-7-2013 directed Vice Chairman to examine the request and come up with the necessary proposal in the next board meeting.

REQUEST TO COLLECTOR FOR JOINT SURVEY

Vide letter dated 16.08.2013 in Rc.No.9464/2005/PMU, the District Collector, Visakhapatnam is addressed a letter by VUDA stating that the developer has given the notice to VUDA invoking the arbitration clause under the agreement and meanwhile, recently, few days before, orders have been received from the Honourable High Court that Justice Tamada Gopala Krishna retired judge of Hon’ble High Court was appointed as sole Arbitrator to adjudicate the disputes between the parties as mentioned in the petition or which might be place before the learned Arbitrator, by the respondent. Hence, it is becoming imperative to sort out the issue at the earliest. It was informed to the Collector that there are overlapping of two survey numbers of neighbouring village i.e S.No.1 of Paradesipalem village and S.No.7of Kommadi Village and accordingly, on the request of the VUDA, the team under the AD, SSLR, Visakhapatnam has done the survey in the month of October 2012 and send the necessary proposal to the Tahsildar concerned for notification in this regard.

- An extent of 23.89 acres of land is found overlapping between S.No.1 of Paradesipalem Village and S.No.7 of Kommadi Village.
- The rectification survey done above has not given the details of above survey number carved out with the extent for sub division numbers and it has plainly given the details of the extent under five categories in S.No.7 viz
 - lands forest department has encroached (9.73 acres),
 - lands gone into Sy.No.1 of Paradesipalem village (23.89 acres),
 - lands of VUDA (22.71 ACRES),
 - LANDS OF APHB (25.92 acres) and
 - lands under Master Plan road (3.90 acres).
- The report of AD, SSLR, Visakhapatnam has not given the extent of land with each sub divisions of Sy.No. 164, Sy.Nos. 165,166 and 7 so that the exact area available can be arrived at.
- Moreover, as mentioned above, the area of 9.73 acres is indicated as area under forest encroachment.
- Actually, forest lands will be clearly notified under Section 4 and 15 of Forest Act. The Department has not verified with the records of Forest Department whether the Sy.No.7 or any of its new survey numbers are incorporated in the forest land notification and in the absence of the same, just because the forest department has constructed the compound wall, it cannot become forest lands.
- Under this juncture, personal visit was done to the site along with the Secretary, CE, CUP and Estate Officer of VUDA, AP Housing Board Official and the representative from M/s L&T Vision Ventures on 16.8.2013 to the site.
- After perusing the records available with all the stakeholders, it is decided that Joint Survey is urgently required to sort out the issue.

Hence, it became highly imperative to conduct the Joint Survey of the said survey number 7 of Kommadi village by the AD, SSLR, Visakhapatnam in the presence of officials from Forest Department, AP Housing Department, and VUDA in the presence of RDO concerned and DFO concerned to arrive at the extent of lands with each sub divisions of Sy.No.164, Sy.Nos. 165,166 and 7 and their proportional extent for various stakeholders like VUDA, APHB, GVMC (for master plan road purpose) and Forest Department (if the said survey is notified under the Forest Act Provisions).

In the circumstances of Honourable High Court appointing one Justice as Arbitrator in the matter, it becomes urgent to complete the exercise at the earliest. Therefore, the District Collector was requested to pass on necessary instructions to the AD, SSLR, Visakhapatnam and RDO, Visakhapatnam to conduct the said Joint Survey at the earliest – within 10 days – duly informing all the above concerned officials in this regard.

SECOND TIME JOINT SURVEY AND ITS REPORT

Vide Rc.No.A3/1484/2013 dated:06.11.2013 the Assistant Director, District Survey and Land Records, Visakhapatnam in his Joint report stated that on ground verification, it is found that certain extent of land covered by Sy.No.7 of Kommadi was allotted by the Government to the AP Housing Board which in turn has given to M/s. Deccan Infrastructure and Land Holding Limited (DIL), Hyderabad for development.

Further, as these lands are presently held by M/s. Deccan Infrastructure and Land Holding Limited, Hyderabad and some of their lands are overlapped with VUDA lands, the VUDA authorities found in a joint inspection with Revenue/Survey Departments along with VUDA.

Accordingly, a detailed joint filed inspection has been conducted by the Dy. Inspector of Survey, Revenue Divisional Office, Visakhapatnam, Dy. Inspector of Survey, Task Force of this office, ETS Deputy Surveyor, VUDA Surveyor, Inspector of Survey-I, Visakhapatnam. The Asst. Director, Survey inspected the land on 7.12.2012.

During this joint inspection, the following points have been noted.

1. Sy.No7 of Kommadi is overlapping on the Sy.No.1 of Paradesipalem.
2. After plotting of sy.No.7 of Kommadi as per Traverse data, the area comes to Ac.62.26 cents. But as per the plotting of E.F data, the area comes to Ac.86.15 cents. There is Ac.23.89 cents is difference in between the sketch plotted as per traverse data and ske4tch plotted as per E.F data.
3. After plotting of sy.No.1 of Paradesipalem as per traverse data, the area comes to Ac.27.64 cents. As per the EF data also, there is no difference.
4. Traverse data of Sy.No.7 of Kommadi and Sy.No.1 of Paradesipalem are closed.
5. After verification of the Village maps of Kommadi and Paradesipalem Villages, it is noted that the Sy.No.7 of Kommadi and Sy.No.1 of Paradesipalem are adjacent survey numbers and the Survey No.1 is the Eastern side of the Sy.No.7 of Kommadi in the side, the offset point is wrongly plotted outside part instead of inside part. Therefore, the boundary of Kommadi Village is to be corrected.
6. As per the traverse plotting Sy.No.1 of Paradesipalem, area comes to Ac.27.64 cents and also tallied on ground. As per the traverse plotting of Sy.No.7 of Kommadi, the area comes to Ac.62.26 cents and basing on the rock mark, one by-junction stone, 2 junction stones available on ground, the survey team fixed the boundaries of sy.No.7 of Kommadi.
7. Earlier, as per EF sketch, (Ac.86.15 cents), the survey number 7 of Kommadi has been split and new survey numbers 164, 165, 166 and 7 formed and alienation sub-division work done for Housing Board Ac.42.64 cents, VUDA Ac.43.51 cts.,

8. Now these newly formed survey numbers were combinedly plotted and inserted in the sketch plotted with traverse data. But, these sketches are not adjusted and there is difference.
9. Hence, as per the sketch of traverse data. Ac.3.90cents for roads, Ac.25.92 cents for Housing Board, Ac.22.71 Cents for VUDA and forest encroachment Ac.9.73 Cents, thus total extent is Ac.62.26 Cents.
10. Therefore, the earlier sub-division of splitting survey numbers 164, 165, 166 and 7 of Kommadi **have to be cancelled** and again sub-division work has to be done as per the traverse data sketch.
11. In the EF sketch, the northern side measurement of Sy.No.7 of Kommadi is 2327 links. As per the traverse data and basing on the old stones available on the ground, the 'F' measurement of southern side of Sy.No.149 which is adjacent to Sy.No.7 (Northern side) is 1506 links on ground. Therefore, the 'F' measurement has to be corrected as 1506 links instead of 2327 links.

In the Joint report the AD, Survey stated that the area of Sy.No.7 of Kommadi village have to be altered as Ac.62.26 cents instead of Ac.86.15 cents and the village boundary of Kommadi have to be corrected.

Recently, the survey team along with VUDA, AP Housing Board, Forest Department officials conducted ETS survey and confirmed the above points. The Secretary, VUDA, Executive Engineer, Housing Board, Divisional Range Officer, Forest Department also attended for this inspection.

In the above circumstances, earlier, proposals for alternation of Village boundary of Kommadi so as to incorporate in revenue records as per provisions laid down in BSO 34-B were submitted to the Commissioner of Survey, Settlements and land records, AP, Hyderabad duly approved by the Joint Collector, Visakhapatnam and orders are awaited.

As per the recent survey, the available lands with VUDA as per G.O.Ms No.729 MA & UD Dept, dated: 24.10.2008 are as follows.

Sl. No.	Survey No. & Village	Extent as per GO	After the survey, the available, extent	Remarks
1.	Sy.No.7 of Kommadi	Ac.33.38 Cts.	22.71 acres	ANOTHER 9.73 acres under forest dept
2.	Sy.No.164/p of Kommadi	Ac.7.11 Cts.		
3.	Sy.No.67/p of Kommadi	Ac.8.84 Cts.	8.84 acres	
	Total	Ac.49.33 Cts.	31.55 acres	

- Thus, there is a deficit of $49.33 - 31.55 = \underline{17.78 \text{ acres}}$ as per the allotment of land by government as per G.O.Ms No.729 MA & UD Dept, dated: 24.10.2008.
- If we clear the forest department encroachment and that comes clean, then there will be a deficit of 8.05 acres to be handed over to the developer as per G.O.Ms No.729 MA & UD Dept, dated: 24.10.2008

RECENT REQUEST OF THE DEVELOPER

When the matter stood thus, vide letter dated 25.11.2013, L&T Vision Ventures requested that since the latest joint survey conducted by all the respected departments under the supervision of Asst. Director, SSLR Visakhapatnam on 29-10-2013 found that the available land for APHB/DIL is only 25.92 Acres out of 42.64 Acres and 22.70 Acres of L & T Vision Limited out of 49.33 Acres i.e., 48.62 Acres (25.92 + 22.70) the Government may allot the entire land of Ac. 48.62 to L & T Vision Ventures Ltd; that due to delay in handing over the above said land by VUDA, not only delayed project but also it has affected marketability, basing on which they have submitted losses of Rs. 194.48 Cr to the Hon'ble Minister and VUDA and filed a petition in the High Court for the appointment of Sole Arbitrator for adjudicating the disputes between VUDA and SPV Company (L&T Vision Ventures Ld) . The developer firm has request the Chief Secretary, Government of Andhra Pradesh to instruct Vice

Chairman, VUDA to take over the available land of 25.92 acres by alienating from DIL and to amend GO MS No. 729/24.10.2008 with a modification of 48.62 Acres instead of 19.33 acres in Survey No.7 of Kommadi Village. After getting allotted with the Land the SPV Company (L&T Vision Ventures Ltd) would withdraw all its claims.

In view of the above, the matter is placed before the VUDA Board for taking an appropriate decision on the request of L & T Vision Ventures.

Sl. No.	Subject No.	Subject	Resolutions
82	133	VUDA-Status of PPP Project of VUDA-M/s L&T Vision Ventures Ltd-Request for alternate land in Kommadi(V)-status of their request on the allotment of alternate land-Regarding.	<ul style="list-style-type: none"> • The available lands as per the GO issued in the year 2008 have to be handed over to the Developer at the earliest. • The land exchange proposals of VUDA and APHB as requested are not agreed upon. • At the most, the payment received from the developer can be given to APHB if their lands are to be involved
83	134	VUDA - PPP Projects – Status of PPP Projects in VUDA – placed for perusal of the VUDA Board meeting on 20-07-2013- Vaibhav IT Park- VUDA Board Resolution No.36 dated: 20-07-2013-placed before the Collector’s committee-Reg.	Already resolved in agenda item 76.
84	135	VUDA –Establishment- Request for release of funds for construction of Additional Accommodation (Women’s wing, Childers’s wing etc.) for Zilla Grandhalayam Samstha, Vizianagaram-Reg	Examine the proposal further with the cost involved and come up for next board meeting
85	136	Engg – VUDA – Establishment of Zonal Offices at Srikakulam, Vizianagaram & Tuni (extended limits of VUDA) – Type design and Estimate for construction of Zonal Office Building at the above places – Proposal submitted - Draft subject placed before VUDA Board for perusal and approval – Reg	<ul style="list-style-type: none"> • Agreed the type design. • Start the work in Vizianagaram in the available place • Try to identify the lands in other districts