

**SUBJECT NO.62**

**Sub :- VUDA – VSP – Revenue – Allotment of shops certain proposals  
submitted to the Board - Approval – Reg.**

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**AGENDA NOTE:**

The VUDA Board in its Resolution No.122, dt. 15-12-2013 has resolved to approve the proposal to authorize the Vice – Chairman, VUDA to issue Vacation Notices to all the 182 shops Licensees where in the Licence Periods expired, duly taking all precautions like filing of caveat petitions in the concerned courts so as to avoid further litigations from the existing tenants. Accordingly, the VUDA has issued Vacation Notices to all the 182 Licensees in the Month of May,2013.

In response to the Vacation Notices, most of the Licensees have requested to renew the licence period.

It is to submit that VUDA Board vide resolutions as mentioned below has been making policies concerning with rent enhancement, renewals, benami regularizations etc.

**A) Resolution No. 91 dated 31.05.2006**

The issue as resolved in Board Agenda items vide No.91 dt. 31.05.2006 stresses to implement the earlier VUDA Board Resolution No.560 dated 11.07.2000 and No. 140 dated 28.09.2003 with reference to completion of years period of license and in enhancement of monthly license fee.

**i) Resolution No.560 dated 11.07.2000**

1. To collect the amount arrived for the current terms of three years as if the license period is renewed for every three years with prospective effect i.e. to enhance the rent for every three years terms after nine years @ 33.13% rent existing at the expiry of nine years and to enter into fresh license deed with effect from 01.04.2000 for a periods of three years.
2. In case of benami, the license deed may eb executed in favour of present tenant with effect from 1.4.2000 for a period of three years by arriving rent as specified for the original allottees as above.
3. Further to take disciplinary action against the staff responsible for not takine any action on the shops and stalls whose license period exceeded 9 years.

ii) **Resolution 140 dt. 28-09-2003**

Proposal of allotment of shops of VUDA

Commercial purpose	30%
Service population	15%
Educated Unemployed	50%
Others at the discretion of Chairman & Vice - Chairman	5%

Percentage of enhance of rent for commercial purpose is 7 % and for others, 5%every year and the Vice – Chairman is authorized to frame guidelines for compliance.

**B) Resolution No.90 dated 31.05.2006**

Resolved to adopt the analogy as adopted by GVMC in respect of the shopping complexes duly observing the decision taken vide resolution no. 140 dated 28.09.2003

- I. On identifying and unauthorized occupant, at the first instance, the license shall be cancelled and the entire SD to be forfeited and if necessary, suitable condition to that effect shall be incorporated in the license
- II. As is being followed in GVMC, 18 months adjusting license fee shall be collected as attine and also 6 months license fee as deposit from the benami persons for a particular shop
- III. If in the discretion of VUDA, it was felt to regularize the unauthorized occupancy, the same may be regularized on such terms and conditions as deemed suitable depending on case to case.

**C) Resolution No. 122 dt. 15.12.2012**

The Board resolved to

1. Issue Vacation Notices to 182 shops where license periods are expired.
2. To file Caveats in the Courts.
3. To conduct auctions frequently duly fixing the average rental value of the Private shops in the concerned areas as the upset price.
4. To revise the existing rates.

The categories of the licensees of shops and establishments of VUDA are as below.

1. Government Departments
2. Government organizations / Institutions like corporations, NIOs, Banks, etc
3. Private individuals
  - a) Continuing on original license deeds
  - b) Continuing after regularization of benami
  - c) Continuing without authorization and does not belong to 'a and b' above
4. Shops got repaired and requesting for repairs and it is not running and vacant at present
5. Allotted on special category basis like SCs, STs, PHCs, etc

A statement showing licence particulars of the Shops/ Office spaces in VUDA complexes has been prepared and submitted in the Annexure.

As per the information submitted in the Annexure the following are the abstracts.

Name of the Shopping Complex / Park	No of shops / stalls available	No of shops / Stalls vacant as one today	No of shops being continued beyond expiry date	No of shops within the expiry period	Out of Col.No.(4), No of Shops being continued with the order of the Secretary for more years	Total of (3) + (4) + (5)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SEETHAMMA DHARA JANATHA SHOPPING COMPLEX	15	One (Sl.No.13 - 1 to 19)	14	0	0	15	THE NO OF SHOPS ARE NOT CLEAR AS SL. NOS ARE NOT IN ORDER
SEETHAMMA DHARA NORTH EXTENSION	7 OR 9	2 (No.2 and No.6 shops)	6	1	1 (for three years)	7 or 9	
SAGAR NAGAR SHOPS	7	0	4	3	3 (for three years)	7	One is community hall for the welfare association
MVP Bunks	10 Bunks and 1 in open space = 11	3 (Nos 6, 8 &9)	8	0	0	11	
MVP Sector III	7	0	7	0	0	7	Doubtful about the no of shops
MVP Sector XII (12)	10	0	9	1	1 (for three years)	10	
MADHURAWADA SHOPS	6 (5 + ONE IN OPEN SPACE)	0	5	1	1 (FOR THREE YEARS)	6	
LAWSON'S BAY COMPLEX	7 OR 9	2 (Nos. 5 &6)	7	0	0	7 or 9	
SIMHAPURI SHOPPING COMPLEX	1	0	1	0	0	1	
MADHAVA DHARA SHOPPING COMPLEX	1	0	1	0	0	1	
MARRIPALEM SHOPPING COMPLEX	3	0	3	0	0	3	
KURMANNAPALEM SHOPPING COMPLEX	5 OR 6	3 OR 4 (Nos 2, 3, 5 & 6)	2	0	0	5 or 6	
THATICHTLA PALEM	3	0	1	2	2 (FOR	3	

					THREE YEARS)		
PEDAGANTYADA PHASE-I	23 (CONVERTED INTO A SCHOOL)	1 OR 2	22	0	0	23	To be clear on vacancies
PEDAGANTYADA PHASE-II	2	0	2	0	0	2	
PEDAGANTYADA PHASE-III	3	0	3	0	0	3	
UB COMPLEX	55+1 small room (under IOB) - 9 sold to SC Corpn (21, 28, 30 to 33, 45, 47 and 49)	10 SHOPS (Nos. 5, 17, 18, 22, 26, 29, 34, 50, 51A and 54)	32+1 small room under IOB + 9 OF SC CORPN	4	4 (for three years)	55+1	No detail on Shops 39 (under IOB0 and shop 41 (Emp Coop Society)
UB COMPLEX 'A' BLOCK	22 + 3 (PS) + 3 (OPEN SPACE) + 1 ATM	0	22+3 (PS) + 1 (OS) + 1 ATM	2 (OS)	2 (OS) (FOR THREE YEARS)	29	
RYTHU BAZAAR, VENKOJI PALEM (INDIVIDUAL)	26 + 2 (OPEN SPACE GARAGE)	2 (Nos 12 and 19)	17 + 2 (OSG)	7	7 (for three years)	28	
SEETHAMMA DHARA NEW	3	2	1	0	0	3	
<b>STALLS IN PARKS</b>							
KAILASAGIRI PARK	28	0	20	8	ONE (3 years), TWO (6 years), TWO (7 years), TWO (10 years) and ONE (11 years)	28	The recent allotments of 2013 are not available; there are 3 local court cases in three food courts
VUDA PARK PHASE I AND II	15	0	11	4	One (5 years), one (8 years) and two (11 years)	19	
<b>Eligible for PPP projects</b>							
BOAT CLUB IN VUDA PARK	1	0	1	0	0	1	Local civil court case pending
FUSION FOODS, OPP TO VUDA OFFICE	1	0	1	0	0	1	Court cases both in local courts and High Courts
Vysakhi Vudhyavanam	1	0	1	0	0	1	PPP Project
<b>Community Halls</b>							
Marripalem RWA Community Hall	1	0	1	0	0	1	
Madhavadhara RWA Community Hall	1	0	1	0	0	1	
MVP Kalyana Mandapam	1	0	1	0	0	1	

Others							
Garage at ???	1	0	0	1	1 (for five years)	1	
HSBC Car Parking	1	0	1	0	0	1	
Shop at Bheemli Guest House	1	0	1	0	0	1	
BUNK AT SUBMARINE	1	0	1	0	0	1	
Grand Total	280	28	215	34	34	271	

PRIVATE OFFICES			
Sl. No.	Shops details like name, category and shop particulars		Allotted first time when
	Name of the Allottee	Shop No.	
1	2	3	4
<b>UB COMPLEX PVT. OFFICE</b>			
1	M/S SADANA FOODS	SFT-1493	6.12.00 6.12.03
2	S.V.ENGINEERING CONSTRUCTIONS INDIA(P) LTD	SFT-1698	1.02.00 1.2.07 1.2.08 1.2.09 1.2.10 1.2.11
3	S.V.ENGINEERING CONSTRUCTIONS INDIA(P) LTD	SFT-553	26.03.2009
4	C.PARAMASIVA RAJU	SFT-540	27.10.01 27.10.04 25.10.05 27.10.06
<b>M.V.P SECTOR-III</b>			
5	C.SWAPNA	SFT-1100	16.12.08
<b>Online Allotment of SC,ST Particulars:</b>			
1	K.Pentayya (SC)	Shop No.12 Venkojipalem	SC
2	T.SasiKala (SC)	Open Space-1 MVP Sector-III	SC
3	B. Murali (ST)	Food Court-1 Kaiasa hill	ST

**The following are observations on the issue.**

1. As seen most of the lessees of the shops/stalls are continuing without any order of extension for the last 2-10 years or more in few cases.
2. The Revenue wing is only collecting the rent and not bothered about the extension order.
3. The Agreement is not available in majority (more than 98% of cases) and being continued only on the proceedings orders of the VC/Secretary.
4. In some case, the Secretary has given extension order varying from 3 to 11 years
5. The rent is due in majority of the cases.
6. The payment is being tallied manually
7. The stringent measures to collect the dues duly issuing a notice in this regard and cutting the power supply is not resorted in majority of the cases.
8. The Weak linkage seems to be availability of the database
9. But it is one of the main income source for the organization and there is high necessity to improve the efficiency.

**Hence, following are ordered by the Vice Chairman, VUDA.**

1. As per the recent board resolution all the above 200 odd shops(other than those in Parks and other PPP projects and garages) can be entered fresh agreement
  - a. Till 31-12-1014
  - b. On the rate as per the recent board resolution of December 2012(with those who are consenting for the same)
  - c. From the last date of renewal
  - d. Duly levying a penalty equivalent to some % of the arrears due from them till now+ renewed rents to be applied from December 2012 as per the board resolution.
  - e. If the agreement is not entered, the continuation will be seen as illegal and no action from our side.
  - f. Agreement gives us the strength to vacate the premises after the expiry of the due date.

2. The shops have to be put up for auction/Tenders – which has to be completed by October 2014 and the online bidding process will be arranged.
  - a. The present incumbent will be allowed to participate and
  - b. If he is not the highest bidder, he will be asked to vacate by the end November 2014.
  - c. This will be one of the conditions of the agreement to be entered now.
3. All agreements in future will be for three years with the extendable period of another two years depending on the satisfactory performance of the lessee and the promptness of the payment of the due rent
4. The sub-lessees have to be regularized in the above process.
  - a. duly levying penalty of 10% towards regularization and
  - b. Those lessees who were given orders originally will be barred from participating in the bids for next two times (both in 2014 and 2019) they and their family members like sons, daughters, husbands, wife's, parents, etc.
  - c. this is one of the qualification condition during the bidding process
5. While developing database, biometrics will be collected to ensure the checking at random.
6. The service tax and other statutory payment have to be properly entered into the agreement portion.
7. Those not agreeing to enter above agreement can be given notice and can be vacated within a month and Secretary is personally responsible.
8. The tallying has to be done by the Accounts wing so as to arrive at the exact due and which will be useful for developing the database in this regard.
9. A database with online monitoring has to be created within 20 days to monitor the above decisions.

A team of CAO, Secretary and EE Bhavani Shankar is formed to finalize the above directions and give report to Vice – Chairman within 45 days failing which, action against all three can be taken by the Vice – Chairman.

With respect to others like stalls in Parks, Community Halls and Garages, the committee constituted will give the recommendations.

The Secretary is instructed to monitor in person the Court Cases for speedy disposal.

The matter is placed before the Board for kind perusal of the subject matter and approval of the action plan proposed.



Sl. No.	Subject No.	Subject	Resolutions
11	62	Allotment of shops certain proposals submitted to the Board - Approval – Reg.	<p><b>Action plan proposed is agreed subject to the conditions that</b></p> <ul style="list-style-type: none"> <li><b>i. Follow the guidelines given to the Municipality / Corporations towards levying the rents or charges for the commercial shops</b></li> <li><b>ii. For the government purposes, strictly follow the rent as prescribed by R&amp;B department</b></li> <li><b>iii. For the government owned corporations and banks, there is no need to relax the rent as fixed in the 15.12.2012 resolution</b></li> <li><b>iv. Tenure the agreement can be 3 years for commercial shops without renewal clause and not more than 5 years in case of other purposes</b></li> <li><b>v. The Registers in this regard are to be maintained perfectly and HoD should be made responsible for the same.</b></li> </ul>

  
