

SUBJECT NO 25

Sub:- VUDA - Visakhapatnam - PMU Wing - Allotment of site for setting up of an Innovative MINIATURE MODEL PARK Project at KAILASAGIRI on Joint Venture (JV) Model on Built, Operate and Transfer (BOT) Basis - Permission accorded - Report furnished to Government for Acceptance of the bid - Ratification.

Agenda Note:

In response to this office letter dated 1.7.2008, the Government MA&UD Department in their GO Ms No.648, MA dated 18.9.2008 have agreed the proposal in Principal and permitted the Vice-Chairman, VUDA to take-up the establishment of Innovative Miniature Model Park in an extent of 3,200 Sq.Yds on Kailasa Hill, Visakhapatnam duly following the bid process for selection of Project proponent. Accordingly, M/s APITCO Ltd., Hyderabad has been appointed as bid process management consultants for the above Project.

The EOI notification was released on 22.02.2009 and in response three applications were received along with a D.D of Rs.10,000/- each as detailed below:

1. M/s Srijai Enterprises, Hyderabad
2. M/s Sri G.V. Satyanarayana Murty, Proprietor, Laxmi Residency, Visakhapatnam.
3. M/s Siri Creators, Visakhapatnam.

The above three applications were shortlisted by M/s APITCO Ltd., Hyderabad. Among the three applications, RFP Documents were purchased by M/s Srijai Enterprises and M/s Siri Creators on payment of non-refundable bid-processing fee of Rs. 10,000/-each and at the time of Cover-I stage (Technical proposals) M/s Siri Creators, Visakhapatnam have only qualified to proceed for the cover-II stage. Accordingly, the Cover-II proposals for Techno-Business Proposals of M/s Siri Creators, Visakhapatnam were opened before the Panel of Jury on 20.01.2010 & re-evaluated on 26.02.2010 by the same Jury and also opened the financial bid i.e., Cover-III on the same day and M/s Siri Creators, Visakhapatnam has passed in the Cover-I, II & III stages and emerged as successful single bidder for the Project of Miniature Model Park on Kailasagiri.

The brief details of Evaluation Report on Cover-III Financial proposals furnished by M/s APITCO Limited are as detailed below;

1. **License Amounts payable by the Bidder:**

- a) Land earmarked for the proposed Project is 3,200 Sq.Yds.
- b) License Amount Rs. 3.00 Lakhs per Annum @ Rs. 25,000/- per month with 15% Escalation for every three years payable for 25 years is Rs 1,32,71,845/-.
- c) License Amounts computed for 25 years @ 15% escalation for every 3 years including holiday period of 2 years is Rs. 40,44,871/-.

2. **Recommendations of APITCO**

The Bidder, M/s. SIRI CREATORS has passed the Evaluations of Cover-I, II & III and emerged as successful single successful Bidder to Build, Operate & Transfer of 'Miniature Model Park' on Kailasagiri Hills, Visakhapatnam.

Even though the Bid received by the Bidding Consortium of M/s SIRI CREATORS is single, they submitted their bid expecting severe competition, since Three (3) prospective bidders purchased RFP Documents and Two (2) prospective Bidders submitted their Bids out of which one of them was not qualified as per Technical Pre-qualification Criteria.

Taking into consideration, the poor response at Bid submission stage for the proposed development on Kailasagiri Hills, Visakhapatnam, the APITCO suggested that VUDA may go ahead with the Successful Single Bidder, since the proposed Miniature Model Park on Kailasagiri is going to be a major Tourist Destination of Visakhapatnam City and the proposal for setting-up of Project is recommended by the Government.

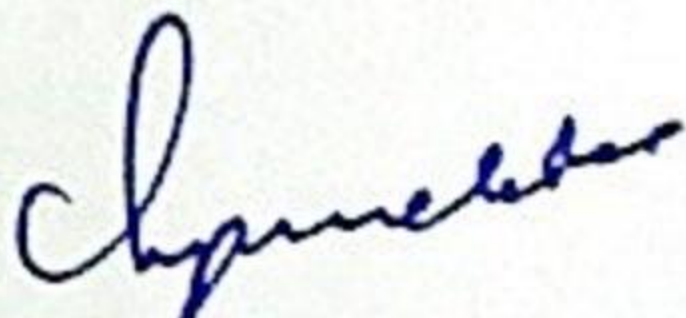
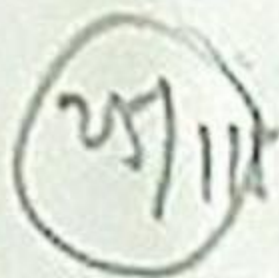
VUDA is advised to initiate the process of issue of 'Letter of Award' (LoA) to the Bidding Consortium of M/s SIRI CREATORS and proceed further for the execution of Agreements with the Selected Bidding Consortium of M/s SIRI CREATORS, for the implementation of the proposed Project.

In view of the above, and keeping in view of the single bidder evaluation at Cover-II & Cover-III stages, the above proposals furnished by M/s APITCO Ltd., for awarding the Project of Miniature Model Park on Kailasagiri in S.No. 150 of Chinagadili(V) on the land measuring an extent of 3200 Sq.Yds to M/s Siri Creators, Visakhapatnam on BOT basis with fixed license fee, Additional Development Premium (ADP) and one time Project Development Fee amounting to total revenues to the tune of Rs.1,75,16,716/- over a period of 25 years has been referred to Government for approval and the matter is pending with the Government.

In view of the above, the matter is placed before the VUDA Board for ratification.

VUDA Resolution No. 25, dated. 30-7-2010

Ratified

A handwritten signature in blue ink, written in a cursive style. The signature appears to be 'Chinnappa'.

Collector & Chairman
VUDA