

SUBJECT NO. 31

Sub : VUDA – Visakhapatnam – Allotment of vacant site in RS.No.3 of Chinawaltair (V), abutting to Beach road opposite to Appughar in Sector -9 of MVP layout for installation of petrol bunk – Finalization of allotment to BPCL or IOCL - Submission before the Hon'ble VUDA Board – For taking decision - Reg.

AGENDA NOTE :-

The vacant plots and flats available in the VUDA developed layouts are identified by cross verifying the DCB with Layout plans and identified nearly 328 plots being vacant in the VUDA developed layouts. A committee is constituted with a mandate to physically verify these plots, plant the stones, paint them for easy identification by the prospective buyers and give the comments on the status of their vacancy so that final number of plots that can be put up for allotment can be arrived at . Accordingly, the committee's report is consolidated and given by the CUP on 21.06.2013. In the said verification, an Odd Bit of 1550 Sq.Yards is found to have been vacant and is available for auction in RS.No.3 of Chinawaltair (V), abutting to Beach road opposite to Appughar in Sector -9.

In the VUDA Board meeting of 15-12-2013, the subject of allotment of the site has been submitted at Subject No.120 for taking decision. The subject was as follows

The Territory Manager (Retail) Visakha Territory, Bharat Petroleum Corporation Ltd. Visakhapatnam has stated that their Petroleum Corporation has issued a letter of intent to one M/s Maddi Padmavathi - a widow, for setting up a petroleum Retail Outlet that as per the directions of Ministry of Petroleum & Natural Gas, Oil Companies will extend financial assistance to widows with an intention to up bring them economically and in that direction, BPCL will take a suitable site on long lease in the vicinity of Visakhapatnam for the above purpose; that the dealer select M/s Maddi

Padmavathi has made sincere efforts for identifying a suitable site at Vepagunta area but her efforts proved futile; that the dealer select has also made a representation to VUDA with a copy to BPCL for allotment of suitable site size 1500 Sq.Yards in the vicinity of Visakhapatnam; and finally requested VUDA to kindly arrange to allot 1500 Sq.Yards of site in Visakhapatnam City on long lease to BPCL.

The Indian oil corporation Ltd., also proposed for establishing a petrol bunk through one Sri. K.Ashok Kumar.

In this regard, VUDA offered a site situated in S.No.3/2 of Chinawaltair (V) with an extent of 1009.80 Sq.Yards after excluding road widening area of 534.47 Sq.Yards opposite to Appughar in Sector -9 MVP Layout to the said two companies. The said two companies have given their consent to take the site and requesting for allotment. In this regard, this file was referred to planning wing for remarks and they have given their remarks as follows:

"As per recent CRZ notification dt.06.01.2011, facilities for receipt and storage of petroleum products and liquefied natural gas are permitted in CRZ-II category.

As per zoning regulations issued in GO.MS.No.345 MA dated.30.06.2006, petrol filling stations and services stations with installation not exceeding 5 HP are permitted in the residential use zone with the special sanction of VUDA authority".

The basic value for the above site was ascertained from the Registrar Office vide their Market Value Certificate dt. 23.12.2011 is Rs.12000/- per Sq.Yard. Further, the Special Deputy Tahsildar (L.A), VUDA vide her letter dt.09.02.2012 informed that the local market value for the above site is ranging from Rs.35,000/- to Rs.40,000/- per Sq.Yard.

Further, it was requested the said two companies to give their consent for the payment of maximum rent to VUDA on lease basis for the said site vide this office letter dt.16.04.2012.

In response to our letter dt.16.04.2012, the Indian Oil Corporation Ltd., has requested the VUDA to let them know the terms of offer per Square feet of land which is to be offered by VUDA on lease to I.O.C.L vide their letter dt.08.05.2012. They have not offered any lease amount to VUDA for the above said site.

In response to the above, the Bharat Petroleum Corporation Ltd., has offered an amount of rent Rs.49,700/- per month for a period of 16 years and requested to convey them the rental demand for the site offered by VUDA vide their letter dt.12.05.2012.

Further, the Bharat Petroleum Corporation Ltd has informed in their letter dt.16.08.2012 as follows:

1. "LOI was issued to one Mrs. Maddi Padmavathi on 28.06.2010 for awarding Retail Outlet Dealership. The LOI holder is war widow. She has sought the help of the Corporation in establishing the RO under Corpus Fund Scheme, wherein BPCL will have to put up the required facilities to operate the Retail Outlet on the land taken for a long lease (not less than 30 years)
2. They requested to indicate the monthly rentals for the property offered to them in S.No.3/2 of China Waltair (V), Opposite Appughar in Beach Road, so as to facilitate them for taking necessary action at their end.
3. The land taken on lease is purely for establishing Retail Outlet and its allied business".

The Government has given guide lines in GO.s. No 227 MA & UD (H2) Department dt. 22.05.2002 in case of Kartheekavanam entrustment for development and running resort by the VUDA for 33 years with a lease rent equal to 5% of Market value with an annual escalation in rental value of 5% each year. The proposed lease rent tentatively is worked out for proposed site as per prevailing open Market value and total cost comes to Rs.4,03,92,000/- for an extent of 1009.80 Sq.Yards @ Rs.40,000/- per Sq.Yard and if 5% of the total land cost considered for fixation of rent for one year, it comes to Rs.20,19,600/- per annum and Rs.1,68,300/- per month as

per above G.O. If basic value as per Sub- Registrar is taken into consideration then @ Rs. 50450 per month.

But in this connection, it is submitted that the proposed site falls under CRZ-II category and can be utilized for restricted purposes only. It is also not very much suitable for Residential purpose because of the S.T.P Opp. to the site.

In view of the above, the matter was placed before VUDA Board for taking decision on the following.

- A) Whether to allot the said site by conducting bidding between both the companies i.e., BPCL & IOCL by fixing upset price, subject to enhancement of 5% lease rent every year on the existing rent.
- B) Whether the request of BPCL is to be considered as the retail outlet dealer (a war widow) is already selected duly allotting the said site by offering monthly lease rent of Rs.1,68,300/- per Month @ 5% on local market value of Rs.40,000/- per Sq.Yard with an escalation in rental value of 5% each year on the existing rent, duly enquiring their readiness and willingness to operate the retail outlet or at such a % as fixed by Board in view of the location of the site .

After deliberating the subject the Chairman directed to put up the details of previous allotments in the next Board meeting to take a decision and the Board deferred the subject vide Resolution No. 120 dated: 15-12-2012.

When the matter stood thus Mr.K.Ashok Kumar vide his letter dated:24.04.2013 addressed to the Vice Chairman, VUDA has stated that VUDA vide C.No.162/2011/1-3 dated:07.12.2011 had tentatively allotted an extent of 1544 Sq.Yards of land including 534 Sq.Y road widening area in Survey No.3/2 of China Waltair, Sector-9, MVP Colony, Opp.to STP in his favour for establishing a petrol retail outlet subject to fulfilment of all necessary

statutory requirements; that on the basis of this letter he applied to Indian Oil Corporation Limited for license for setting up a Petroleum Retail Outlet; they in turn surveyed the said land and advised to obtain the layout plan of the site with clear dimensions and also with boundaries from VUDA for further action.

He also stated that he approached IOCL with a request to correspond with VUDA for allotment of land in favour of the company. Accordingly IOCL addressed a letter dated:8-5-2012 to VUDA. An official of IOCL visited VUDA office and met the then Vice Chairman, VUDA. Later IOCL officials were verbally informed that the land would be allotted on a monthly rental of Rs.1,60,000 approx and lease would be for period of 33 years on renewal basis. Later IOCL also addressed letter dated.13-12-2012 requesting VUDA expressing their interest (IOCL) to take the land on lease and to issue a letter of confirmation.

When the matter stood thus, the team that is constituted for field verification of the vacant plots in the VUDA developed layouts had identified the Odd Bit of 1550 Sq.Yards as vacant and proposed for disposal through auctioning. Secretary, VUDA is instructed to ascertain whether the area is permitted for petrol outlet as per CRZ norms, and to put up for auction to arrive at the probable rate, this bit will fetch. The rate thus arrived by auction will help us to negotiate with oil companies if it is decided to be allotted to an oil Company directly on lease basis.

In view of the above, the matter is placed before the VUDA board for kind perusal and for approval of the action proposed.

Sl No	Subject No	Subject	RESOLUTIONS
30	30	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.	DUE TO MODEL CODE OF CONDUCT DUE TO 4TH ORDINARY ELECTIONS TO THE GRAM PANCHAYATS, THE ITEM IS POSTPONED FOR THE NEXT MEETING.
31	31	VUDA – Visakhapatnam – Allotment of vacant site in RS.No.3 of Chinawaltair (V), abutting to Beach road opposite to Appughar in Sector -9 of MVP layout for installation of petrol bunk – Finalization of allotment to BPCL or IOCL - Submission before the Hon'ble VUDA Board – For taking decision - Reg.	It is directed to dispose the plot by auction duly mentioning the purposes for which the plot can be permitted / allowed to be utilized under existing CRZ provisions.
32	32	Allotment – VUDA – Visakhapatnam – Allotment of sites in Kurmannapalem Phase-I Town Centre Layout – Amendment to the sale deed conditions exclusively for the allotment made in Kurmanapalem Town Centre layout – Proposals – Submitted – Reg.	DUE TO MODEL CODE OF CONDUCT DUE TO 4TH ORDINARY ELECTIONS TO THE GRAM PANCHAYATS, THE ITEM IS POSTPONED FOR THE NEXT MEETING.

CHAIRMAN, VUDA

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2017/10/13