

**SUBJECT NO. 32**

**Sub: 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.**

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**Agenda Note :**

It is to submit that 14 large chunk of plots have been proposed for Auction on 27.01.2011 in Kurmannapalem Phase-I Town Centre Layout with certain terms and conditions. Out of which, 9 Plots have been sold in the Auction on the same day itself with the terms and conditions signed by the respective prospective bidders.

<b>Sl. No.</b>	<b>Plot No.</b>	<b>Name of the Allottee</b>	<b>Extent in Sq.yds</b>	<b>Registered/ Unregistered</b>
1	1	C.SURESH BABU& OTHERS	1,524.75	Registered
2	2	SANKA NAGA VENKATA SUBRAMANYAM & OTHERS	1,397.17	Registered
3	3	MALLA RAMANA	1,422.60	Registered
4	4	School Site		<b>Vacant</b>
5	5			<b>Vacant</b>
6	6			<b>Vacant &amp; Court dispute</b>
7	7	R.M.V.NARASINGA RAO	924.44	Un-Registered <b>and Court dispute</b>
8	8		924.44	<b>Vacant and court dispute</b>
9	9	A.V.RAGHU RAMA RAJU & OTHERS	924.44	Registered
10	10	M/S PAVANI ESTATES REP GOTTUMUKKALA PANDURANGA RAJU	808.89	Registered
11	11	M/S PAVANI ESTATES REP GOTTUMUKKALA PANDURANGA RAJU	1,016.89	Registered
12	12	K.USHA KIRAN & OTHERS	746.08	Registered
13	13	K. MURALI KRISHNA	747.92	Un-Registered
14	14		712.24	<b>Vacant</b>

It is to submit that the VUDA is executing conditional sale deeds in favour of the respective prospective bidders with the approved terms and conditions with the aim and objective of the better development of the area. Hence, conditions like commencing construction of building within from 6 months and completing the same within 2 years are insisted.

*Apart from this, it was also stipulated that in the event of failing to construct a building within a period 2 years or violating any of the terms and conditions of the allotment or of the sale deed conditions, the allotment stands cancelled automatically and the sale deed already got executed in their favour shall get cancelled by executing a unilateral cancellation deed and after adjusting the cancellation charges for executing the cancellation deed and after forfeiting the entire deposit amount paid by the allottee at the time of the registration of application for allotment of plot and 50% of the amount paid thereon towards site cost, the balance sale price shall be paid back to the allottees without any interest as per the terms and conditions of the allotment approved by VUDA and agreed upon by the allottee.*

While the matter stood thus, it is to submit that the VUDA Board in it's Resolution No.168, dt.28.04.2007 read with Resolution No.133, dt.31.05.2006 has resolved to ratify the action in having incorporated the changes in the sale deed forms and allotment conditions as indicated in the Agenda note and also approved the proposals of increasing Sale Permission Charges as proposed in the agenda note.

S.No.	Description	Existing Rate per Sq.Yard	Proposed Increase per Sq.Yard
1	Sale Permission charges per Sq.Yard in GVMC area layouts	70/-	200/-
2	Sale Permission charges per Sq.Yard outside GVMC limits	20/-	75/-
3	Gift Permission charges (with family members)	20/-	100/-
4	Revocation / Regularization charges for cancelled of Plot	--	200/-

Relying upon the VUDA Resolution No.168, dt.28.04.2007, VUDA is collecting Rs.200/- in GVMC area layouts per Sq.Yard; Rs. 75/- per Sq.Yard outside the GVMC limits towards sale permission charges in the event of allottees proposing to sell the plot within 5 years from the date of completion of construction of the building.

It is to submit that in the notification for the auction of the plots in Kurmannapalem Town Centre Layout, it has been mentioned as commercial plot and the allottees have purchased the plots for construction of Offices/Apartments as it is a commercial plot. The purchasers represented stating that in the sale deed, a condition has been laid that the vendee shall not sell the property for a period of 5 years from the date of completion of the building and the vendee shall be entitled to sell the property after obtaining the prior consent of the vendor. With that condition, nobody is coming forward to buy Offices/Apartments and even the financial institutions are not ready to extend loans for the buyers with this condition and requested to accord sale permission for selling the offices/apartments individually and requested to look into the matter and pass favorable orders.

As the matter stood thus, the allottees of Kurmannapalem Phase-I Town Centre Layout are requesting to remove the lock in period condition in the sale deed to obtain prior permission from VUDA within 5 years from the date of completion of construction of the building. Since, the Plots in Kurmannapalem Phase-I Town Centre Layout purchased by them are large chunk of extents compared to the other plots in other layouts they expressed that unless the condition that " prior permission from VUDA is needed, if the plot is sold within 5 years from the date of completion of construction of the building that is stipulated in the sale deed" is removed, they would be put to financial constrains and hardship.

But as per the conditions of the sale deed at Page No.5, para No.3 and 4 it is mentioned as

*"The Vendee doth hereby declare and covenant with vendor that the vendees shall not sell the property hereby sold for a period of 5 years from the date of completion of construction of the building on the site. Violation of this condition results in automatic cancellation of the allotment. If however, the Vendees intends to sell the property within the aforesaid stipulated period , the property shall be offered for sale in the first instance to the vendor herein and in such event, the vendor shall have the right to purchase the property at sale price for which it was sold to the vendees and also the buildings.*

*If any constructed thereon at such price as will represent the market value of such buildings at the relevant time, and if the vendor does not exercise the right to purchase, the vendees shall be entitled to sell the property after obtaining the prior written consent of the vendor"*

*It is also mentioned in the sale deed at pageNo.6 para No.4 " The vendees doth hereby declare and covenant with the vendor that the property hereby sold and the building to be constructed thereon shall not be put to any use except for the residential purpose/commercial".*

It is also submitted that in the Auction application form also it was mentioned as "Kurmannapalem, Phase-I Town Center Layout Shopping/Office Complexes/Commercial/Residential".

In view of the above, the matter is placed before the VUDA Board for taking an appropriate decision on the request of the allottees of the Kurmannapalem Phase-I Town Centre Layout, to accord sale permission for selling the offices/apartments **INDIVIDUALLY** allotted to them by removing the lock in period condition to obtain prior permission from VUDA if the plot is to be sold within 5 years from the date of completion of the construction of building.

Sl No	Subj ect 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.	<b>DUE TO MODEL CODE OF CONDUCT DUE TO 4<sup>TH</sup> ORDINARY ELECTIONS TO THE GRAM PANCHAYATS, THE ITEM IS POSTPONED FOR THE NEXT MEETING.</b>
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.	<b>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.</b>
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.	<b>DUE TO MODEL CODE OF CONDUCT DUE TO 4<sup>TH</sup> ORDINARY ELECTIONS TO THE GRAM PANCHAYATS, THE ITEM IS POSTPONED FOR THE NEXT MEETING.</b>



CHAIRMAN, VUDA

