

SUBJECT NO. 42

Sub: - VUDA – Visakhapatnam – Revenue Section – Shop No-8 at MVP Sector- 12 -concession in licence fee – Request by Girijan Cooperative Corporation – Approval – Reg.

AGENDA NOTE

The Vice-Chairman & Managing Director, Girijan Co-operative Corporation Ltd., in his D.O.Letter dt.12-12-2011 has requested for allotment of Shop No.8 of MVP Sector-12 shopping complex on nominal rent for display cum retail sale of "Girijan branded products". As per the request of the Girijan Corporation Ltd, the shop No.8 at MVP Sector-12 was allotted to the above department as a special case by the vide proceeding Rc.No.8/MVP-12/I 2 dted:15-12-2011. The license fee is fixed at Rs.12522/- per month with an enhancement of 25% on the rent of Rs.10,018/- which was paid by the earlier tenant with other conditions being

1. The shop accommodation is being allotted as is where is condition basis.
2. The licensee shall pay Rs.1,50,264 towards 12 months licence fee deposit on or before 31-12-2011
3. The licensee shall pay Rs.5000/- towards electrical caution deposit on or before 32-12-2011
4. The licensee shall pay the monthly licence fee of Rs.12,522 per month
5. The licensee shall pay the service tax @10.30 on rentals and to modify the same as and when the Government of India revises
6. The period of licence is 3 years initially by enhancing licence fee of 10% every year.
7. The licensee shall pay the monthly licence fee for every month by 10th of succeeding month. In case of any delay, the late fee of Rs. 2/- per hundred per months is payable by them

8. All the taxes where it is applicable shall be paid by them.
9. All the terms and conditions of application and licence deed are holds good
10. No wine business shall be allowed
11. The licensee has to execute the licence deed immediately.

The Managing Director, Girijan Cooperative Corporation Ltd has stated in his letter Rc.No.871/2011/RMD dated:29-12-2011 that the licence fee of Rs.12,522 per month fixed by VUDA to be paid by GCC appears to be on a higher side when compared to the licence fee collected from the other shops in the complex. The MD, GCC has requested to revise the same and fix a nominal fee as GCC, in their marketing strategy, keep a low margin of profit on all the value added products as their motto is to give wider publicity for the forest produce collected by tribals by adding values to them, so that the tribal is benefitted by getting better purchase price.

In response to the letter of the MD,GCC dated 29-12-2011, the Vice Chairman, VUDA has informed vide Rc.Shop No.8/MVP Sector -12/I2 dated 07-01-2012 that "the Shop was allotted to Girijan Cooperative Corporation Ltd, Visakhapatnam directly as a special case since it is an Apex Co-operative Organisation. The licece fee was fixed as per procedure in vogue and prevailing market conditions. You are requested to pay the deposits on or before 20-01-2012 as per reference 2nd cited or intimate your acceptance to participate in open auction".

Again on 31-01-2012, the VC and MD, GCC vide Rc.No. 871/2011/RMD requested once again to kindly consider their plea and reduce the licence fee payable by GCC to the minimum and on hearing from VUDA, GCC will arrange payment to VUDA. Again, vide Rc.No. 871/2011/RMD dated: 23.10.2012 the VC & MD,GCC requested to consider their plea and reduce the license fee payable by GCC. VUDA vide Rc.Shop No.8/MVP Sector -12/I2 dated 18-12-2012 requested GCC to pay the deposits and the rents that are due on or before 25-12-2012.

Meanwhile, the VC&MD, Vide Rc.No. 871/2011/RMD dated: 24.12.2012 addressed a letter to VC, VUDA stating that GCC was pursuing VUDA for concession in monthly rentals and made protracted correspondence in this regard. The VC&MD, Vide Rc.No. 871/2011/RMD dated: 25.02.2013 informed that GCC has not taken the stall to its procession or started selling Girijan products even as on date in an anticipation to get some concessions in the License fee from VUDA which would only make GCC to run the stall with break when the rentals payable to VUDA are around Rs. 6,000 per month and requested for downward revision in proceedings.

Since the Girijan Cooperative Corporation is a government organisation working for the welfare of the tribals, it is submitted for reduction of rent from Rs.12,522 to Rs.6,000 vis-a-vis the amount of loss VUDA incurred for having not received the rent since 15-12-2011 be treated as expenditure towards Schedule Tribe Sub Plan expenditure.

The matter is placed before the Board to consider the request of Girijan Cooperative Corporation for reduction of rent from 12552/- to Rs.6000/- per month and for treating the loss incurred by VUDA in not having received the rent since 15-12-2011 as expenditure towards Schedule Tribe Sub Plan expenditure.

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Sl No	Subject No	Subject	RESOLUTIONS
		Submitted – Reg.	
41	41	Renewal of licence of National Institute of Open Schooling, Visakhapatnam for further period – Subject to Board – Reg.	Ratified.
42	42	VUDA – Visakhapatnam – Revenue Section – Shop No-8 at MVP Sector- 12 - concession in licence fee – Request by Girijan Cooperative Corporation – Approval – Reg	Agreed as proposed
43	43	VUDA - Estt – Sri B. Prabhakara Reddy working as Public Relation officer on contract basis- Request to consider for regularization of service and enhancement of remuneration - Reg.	It is decided to increase the contracting period for one more year duly fixing the remuneration @ Rs.30,000/- per month and the work outturn should commensurate with the requirement of the post and to be monitored by VC.
44	44	VUDA - Estt – Utilising the service of retired Government Employees in VUDA on Contract/ Outsourcing basis - Reg.	VC is directed to take required number of people with due justification for the requirement with the remuneration as per the prevalent procedure in government



CHAIRMAN, VUDA

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