

**SUBJECT NO.47**

**Sub:- VUDA - PPP Projects – Status of PPP Projects in VUDA – for Perusal of the Board –Reg.**

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**Agenda Note: -**

As per the instructions of the Board, the status of all PPP Projects of VUDA are to be submitted before the Board for perusal at least once in 3 months.

The details of the PPP Projects in VUDA are at different stages and they are categorized into following categories;

- (i) Those grounded and working or completed
- (ii) Those will be completed shortly.
- (iii) Those continuing based on Court directions / Board decision in the leased out properties
- (iv) Those yet to be grounded
- (v) Those Projects being closed as they are unfeasible
- (vi) Those Projects pending with PPP Cell of government for government approval
- (vii) Those Projects being processed / Planned at VUDA level.

**1. PPP projects which are grounded and working or completed.**

<b>S.No.</b>	<b>Name of the Project</b>	<b>Remarks on issues involved</b>
1	Rope way in Kailasagiri	The monthly dues are being paid more or less regularly.
2	Toy train in Kailasagiri	There are around 20 lakhs due to be paid by the private partner and notices issued in this regard.
3	HSBC	The Government is requested for the permission to dispose the shares
4	SUNNI ISLES	The Committee of HoDs are constituted to examine all the liabilities of the scheme as the project is completed in all fronts. With reference to SUNNI ISLES, recently, the allotment and sale of Club House by then VUDA officials are being contested & the issue is being examined on legal aspects. Meanwhile an appeal is being filed before the Debt Recovery Tribunal, VIZAG.
5	BAY Mount	
6	Multiplex in Vizianagaram	All dues except the interest on developmental charges were paid by the developer and the Occupancy Certificate is

		issued by VUDA. Now, the interest due is to be paid by the developer as per the Board's decision on 14.12.2013.
7	Global Entropolis or Shriram Properties Limited.	<p>The Committee of HoDs are constituted to examine all the liabilities of the scheme as the land is sold under Bulk Land project and the amount derived is deposited with the Government towards resource mobilization and accordingly, the role of VUDA is completed on land.</p> <p>On plan approval, the documents as per the High Rise Building committee's recommendations are submitted by Developer recently &amp; will be put up to the committee again. The request of the developer towards the waiver of Impact Fee is not considered and the same is informed to them. On repeated request &amp; in the changed circumstances of receipt of 'V &amp; E' report in this regard, the request is being examined to take a final decision.</p>
8.	JV Layout with Chilukuri Housing Projects Pvt Ltd	In Kapuluppada village of Bheemli Mandal in a total extent of 67.86 acres - VUDA's land @ 11.86 acres is involved – out of 76 plots of VUDA's share, 6 are yet to be disposed and notified in the recent auction notification.
9.	JV Layout with Godavari Townships	In Gandigundam village of Anandapuram Mandal in a total extent of 14.79 acres – VUDA's land @ 5.40 acres is involved – out of 56 plots of VUDA's share, one plot is yet to be disposed
10.	JV Layout with Viswa Yagna Estates	In Cheepurupalli village of Parawada Mandal in three phases for utilizing VUDA's brand name without the involvement of VUDA'S land / government land vide resolution no. 68 dated 16.12.2005 and so far, out of 26 plots, 25 have been sold and one plot no. 37 is in court dispute.

## **2. PPP Projects – that will be completed shortly**

Sl.No.	Name of the project	Remarks on issues involved
1.	JV Layout with Padmavathi Real Estate	In Nerellavalasa of Bheemli village in a total extent of 10.37.50 acres – VUDA's land @ 1.78 acres is involved – Final LP is yet to be released – 16 plots is VUDA's share @ 2100 sq. yards per acre of VUDA's land – can be

		disposed after LP is released. The developer has asked for time to develop the infra structure and three months have been granted.
2.	JV Layout with Godavari Townships	In Narava village of Pendurthi Mandal in a total extent of 11.39 acres – VUDA's land @2.61 acres is involved – Final LP is yet to be released – 23 plots is VUDA's share @ 2100 sq. yards per acre of VUDA's land – can be disposed off after LP release.
3.	JV Layout with Development of infra structures in VUDA's Layout at Dakamarri*	<p>It is the model of PPP wherein VUDA's land will be developed by the Developer for which, he will be given share of developed plots. It is a JV with Vensor Meadows limited – total land is VUDA's @ 98.64 acres- Development by the developer and his share is 18.96%. Peg marking is done and LP is given and work is being started to complete the infra structure works before the end of this Year. The share of plots of developer and VUDA are being worked out as per the decision of the Board dated 14.12.2013.</p> <p><u>Present status as on 19.4.2014;</u></p> <ul style="list-style-type: none"> <li>• A meeting is held in this regard on 10.1.2014.</li> <li>• The Government is requested to accord permission to dispose the plots in this layout on lottery basis.</li> <li>• Separate agenda is being placed before the Board for decision on the request of the Developer.</li> </ul>

### **3. PPP Projects continuing based on the Court Directions / Board Decision on the leased out properties**

<b>S.No.</b>	<b>Name of the Project</b>	<b>Remarks on issues involved</b>
1.	Visakhi Jala Vudayanavanam	Revised Agreement for 3 years extension has to be entered with the Developer subsequent to the decision of the Board in this regard on 14.12.2013.
2.	Boat Club in VUDA's Park	<p>Land is given on lease basis to run the Boat club and the Lease term is over by September 2012 but continuing on the strength of the injunction order.</p> <p>It is requested to grant another 9 years time period to run the club during the meeting on 22.6.2013, and on 25.6.2013, the letter requesting to extend for 9 more years with increase in the rent to 10% was submitted. The same is referred to committee of HoDs. The report is due from the Committee to be convened by Secretary for the last 10 months.</p> <p><u>Present Status as on 19.4.2014:</u> The premises</p>

		are under the control of lessess with conducting the business and paying the due based on the above injunction order.
3.	Fusion foods in the land opposite to VUDA's office	<p>Land is given on lease basis to run the Hotel and the Lease term is over by September 2012 but continuing on the strength of the injunction order.</p> <p>After the High court order received recently directing the lower court to dispose the stay vacation petition, the matter is revived in the lower court and being pursued. Meanwhile, taking the suggestion of the Honourable District Judge, the legal actions are being taken.</p> <p><u>Present Status as on 19.4.2014:</u> The premises are under the control of lessee with conducting the business. Recently, order in favour of VUDA is received and action is being taken to get the possession.</p>

#### **4. PPP Projects yet to be grounded**

<b>Sl.No.</b>	<b>Name of the project</b>	<b>Remarks on issues involved</b>
1.	Development of Housing schemes by L&T Vision Ventures	<p>The revised land as allotted by the government in the year 2008 is not handed over and the developer after paying initial payment has approached the Honourable High Court and got appointed an Arbitrator for the settlement of arbitration and meanwhile, approached APHB for exchange of land.</p> <p>Field visit to the site with all the stake holders was held and the available land for all the parties as per the GOs of 2007 and 2008 were arrived.</p> <p>As per the latest decision of the Board, the request for land exchange with APHB lands available are not agreed and the same is communicated vide letter dated 6.1.2014 to the developer as well as APHB and also, the efforts are being made to hand over the available lands to the developer.</p> <p><u>Present Status as on 19.4.2014:</u> The developer on the above communication has given request in principle to get the lands available under 5 items &amp; the same are being examined.</p>
2.	Vaibhav IT park	As per the Original Agreement dated 1.12.2007, the Building should be constructed and completed within three years including the consolidation period. But the

		<p>developer has not completed the building and there is a lapse of more than 2 ½ years.</p> <p>The Environmental Clearance for this building is also cleared and the initial building plan approval for immediate structures is also given.</p> <p>The demise of board chairman and restructuring of the board members are cited as the reasons for the delay and they are paying the rent and ADP regularly.</p> <p>Recently, the matter is placed before Board with the recommendations of the Sub Committee dated 5.10.2013 to take the action plan from the developer at the earliest for carrying forward the Scheme and the board has resolved that anything contrary to the Original MOU entered with the developer cannot be agreed upon and the same is communicated to the developer on 6.1.2014 to give the necessary action plan with mile stones for carrying forward the scheme. Again the sub committee has met on 8<sup>th</sup> March' 2014 &amp; requested to get the following matters examined.</p> <p>The Sub Committee constituted as per the decision of the Board, met on 18.3.2014 by 11.00 am with following members. The other two members from the Hyderabad – DTCP and Additional Secretary to Finance Department have not attended due to preoccupation.</p> <ol style="list-style-type: none"> <li>1. Chairman of the Sub Committee – District Collector.</li> <li>2. GVMC Commissioner – member</li> <li>3. VC, VUDA – member with following HODs <ol style="list-style-type: none"> <li>a) Secretary</li> <li>b) CE</li> <li>c) CUP</li> <li>d) CAO</li> </ol> </li> </ol> <p>In the meeting , after detailed discussions, following clarifications are sought by the Members of the Sub Committee</p> <ol style="list-style-type: none"> <li>1. As per the MoU, there are certain mile stones, such as completion of civil structures by the developer at certain time period, payment of fees like lease rent and ADP, etc.</li> </ol>
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		<p>a. Whether these miles stones are achieved by the developer regularly or defaulting is there</p> <p>b. If defaulting is there, on what are the mile stones</p> <p>c. Whether the developer has given representation detailing the defaults</p> <p>d. What is the action taken by VUDA on such defaulting</p> <p>e. What is the decision taken and communicated on the representation given by the developer to VUDA on defaulting.</p> <p>2. What are the legal provisions available in the agreement entered to examine and consider the request of the developer regarding</p> <p>a. The change of the concept including newer items like INOX / IMAX</p> <p>3. Provisions available in the agreement to examine the request on re-scheduling the payment of ADP and adjustment of rents paid.</p> <p>The file is referred to the Standing Counsel Mr. Rajasekhar and the same is awaited.</p> <p><u>Present Status as on 26.1.2014:</u> The remarks on the above are awaited from Standing Counsel.</p>
3.	PPP project with Radiant Limited.	<p>The issue of share of revenue to VUDA could not be resolved as VUDA desired to increase it from the agreed 7.5% as on the date of MoU to the present day norms and the VUDA has sent proposal to government for cancellation of the MoU. On this, the developer has approached the government requesting for appointment of arbitrator. The Board during its meeting on 14.12.2013 has suggested for approaching the Additional Solicitor General of Supreme Court of India for taking the opinion, if the process of taking the opinion of AG from Honourable High Court is going to take some more time. Accordingly, opinion is taken and submitted to Government.</p> <p><u>Present Status as on 19.4.2014:</u> The Government being on the opinion of AG has submitted a panel of Arbitrators &amp; further process is initiated.</p>
4.	LED display in	<p>Notice for termination is due for the past 2 ½ years and served recently after taking the legal opinion. The</p>

	Tenneti Park	<p>developer has replied to the notice and being examined. His main request is to allot the alternate land for the LED display as assured by the previous vice chairman and the records are being verified in this regard.</p> <p><u>Present Status as on 19.4.2014:</u> The premises are under the control of VUDA and landscaping and plantation are done and the premises are opened for public use.</p>
5	Telugu Cultural and Heritage Museum at Kailasagiri	Civil Works from VUDA are almost completed except few works which are being undertaken and WTF is undertaking artistic works. A separate agenda is being produced before the Board.

#### **5. PPP Projects being closed as they are unfeasible**

<b>Sl.No.</b>	<b>Name of the project</b>	<b>Remarks on issues involved</b>
1.	High Rise Apartments on PPP mode by M/s Vinayagar Promoters and Developers Limited	<p>Pursuant to the Agreement entered in the year 2008, land is not handed over to the developer after realizing almost full payment due to VUDA. On the request for withdrawal from the agreement requesting for paying back the amount, the same is placed before the Sub Committee on 5.10.2013 and since land could not be handed over in near future, the Sub Committee has recommended for closure of the Scheme and the Board has agreed the recommendation of the Sub Committee and accordingly, actions are being taken.</p> <p><u>Present status as on 19.4.2014:</u> As per the Board's decision, the clearly worded affidavits and cancellation deed are prepared with the help of Standing Counsel of VUDA Sri Rajasekhar and the remaining process will be completed soon.</p>
2.	Development of Miniature Model Project in Kailasagiri by M/S Siri Creators on BOT basis	<p>The Project was awarded vide RC No.10747/2008/PMU dated 6.4.2011 and it is recorded that the developer is not interested in the project. Necessary notice is issued.</p> <p>The matter is placed before the Sub Committee on 5.10.2013 and since the developer is not interested, the Sub Committee has recommended for closure of the Scheme and the Board has agreed the recommendation of the Sub Committee on 14.12.13 and accordingly, actions are being taken.</p> <p><u>Present status as on 19.4.2014:</u> As per the Board's decision, the clearly worded affidavits and cancellation deed are prepared with the help of Standing Counsel of VUDA Sri Rajasekhar and the</p>

		remaining process will be completed soon.
3.	Construction of Hill Top Resort, Revolving Restaurant and Party Zone on BOT basis by M/s Vinayagar Promoters and Developers Limited	<p>The project could not be started as the activity is not covered under the permitted activities in the hills by the Department of Environment and Forest, GoAP. Hence, the developer wants to withdraw from the agreement and to this effect, a letter is given</p> <p>The matter is placed before the Sub Committee on 5.10.2013 and since the developer is not interested, the Sub Committee has recommended for closure of the Scheme and the Board has agreed the recommendation of the Sub Committee on 14.12.13 and accordingly, actions are being taken.</p> <p><u>Present status as on 19.4.2014:</u> As per the Board's decision, the clearly worded affidavits and cancellation deed are prepared with the help of Standing Counsel of VUDA Sri Rajasekhar and the remaining process will be completed soon.</p> <p>Meanwhile, as per the directions of the Board to put these available structures into utilization, following actions are being taken up</p> <ul style="list-style-type: none"> <li>• To utilize the half-constructed cottages as Bonsai Park, Sales points of Lepakshi, APCO, for showing Art Gallery, for sale point of VUDA Nursery Saplings, etc</li> <li>• To call for EOI to put the structure of revolving restaurant as Kids Zone for innovative ideas.</li> <li>• To lease the Party Zone area as developed by VUDA for Kitty parties and other public gatherings.</li> </ul>

#### **6. PPP Projects pending with PPP Cell of government for government approval**

<b>S.No.</b>	<b>Name of the Project</b>	<b>Remarks on issues involved</b>
1.	Innovative and Unique Entertainment and Amusement Arena in VUDA Park on the lines of LONDON EYE and SINGAPORE FLIER (previous MGM area)	Necessary Checklist with detailed prefeasibility studies done by APITCO along with the remarks on land use pattern have been submitted to the Government for necessary approval
2.	Shopping Complex in KL Rao Nagar, Gajuwaka	As requested by PPP cell, the prefeasibility study is completed by APITCO and the same along with the necessary checklist and the remarks on the land use pattern have been submitted to the Government for necessary approval.



### **7. PPP Projects being processed / Planned at VUDA level**

<b>S.No.</b>	<b>Name of the Project</b>	<b>Remarks on issues involved</b>
1.	Bheemli Guest House	Decided to deal with APTDC for leasing out the facility on revenue sharing basis. Initial discussion with the Spl Chief Secretary, Tourism is completed and in-principle consent is given and modalities are being worked out.
2.	Gogarting facility in VUDA Park	Pre-feasibility studies by APITCO is under process
3.	Development of JV Layout with Aiswarya Developers in Vizianagaram	Remarks from District Collectors of Vizianagaram and Visakhapatnam are awaited on the lands involved and the consent of revenue department to part with the lands to process further in this matter.

The necessary milestones for the running projects are being arrived by the respective HoD under whom, the project file is being handled and the decision of the Board on the projects are also being communicated to the concerned private partners from time to time.

Thus, the status of all the PPP Projects in VUDA – totally 29 projects – are submitted for kind perusal and as ordered by the Government, the projects are being reviewed regularly to see that certain pending projects are also commissioned at the earliest.

Hence, the subject matter is placed before the VUDA Board for kind perusal.

Sl. No.	Subject No.	Subject	Resolutions
46	45	VUDA-Establishment – Visakhapatnam – Verification of works taken up by Visakhapatnam Urban Development Authority (VUDA) – Construction of Mega Housing Project at Madhurawada – Vigilance Report – Recommendations – Explanation of HoDs submitted – Reg.	<b>Agreed to recommend to the Government as VC, VUDA has proposed.</b>
47	46	VUDA- VSP - Establishment – Representation of Sri.S.Kesava Rao for Re- employment as Legal Officer in VUDA on contract basis – Reg.	<b>Deferred.</b>
48	47	VUDA –PPP Projects – Status of PPP Projects in VUDA – For perusal of the Board – Reg	<b>Categorization of PPP Projects of VUDA under seven types are perused. Board records following remarks.</b> <ul style="list-style-type: none"> <li>• Necessary action taken on the issue of Club House in Sunny Isles Project is to be brought to next board meeting</li> <li>• VC is directed to take necessary action in getting over the possession of the lands in Fusion Foods, where VUDA got favourable order from the Court in Stay Vacation Petition</li> <li>• Try to complete the actions pending towards implementing the directions of unfeasible projects</li> </ul>

Sl. No.	Subject No.	Subject	Resolutions
			<ul style="list-style-type: none"> <li>• Try to ground the feasible PPP Projects at the earliest</li> <li>• Pursue with PPP Cell of the Government to get the permission for two projects sent for approval</li> <li>• Sort out the issues pending with JV layouts of VUDA.</li> <li>• Complete the processes involved in the PPP Projects pending at the planning stage at VUDA.</li> </ul>
49	48	VUDA -VSP- Establishment - Regularization of services of 48 NMRs and one Contingent employee working in VUDA - Proposal Sent to the Government -Govt. Rejected- Request for review the proposals - Reg.	<p><b>It is resolved, as below, for the two categories of NMRs in VUDA.</b></p> <ul style="list-style-type: none"> <li>• W.r.t 17 NMRs eligible for regularization, send the proposal again to Government with the request to sanction LGS</li> <li>• W.r.t 30+1 NMRs, the proposal can be sent again towards sanctioning Minimum Time Scale.</li> </ul>

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