



Visakhapatnam Urban Development Authority

Invites

Reputed Developers

to build state of the art IT City with plug & play IT Offices, Residential, Commercial, Recreational, Hospitality & Social Infrastructure in Madhurawada, Visakhapatnam

MADHURAWADA IT CITY – PROJECT DETAILS

Project Background

- Andhra Pradesh (“AP” or “the State”) is the eighth largest and one of the fastest growing States in India, with consistent double-digit economic growth @ 11.20% in FY 2017-18
- The Government of Andhra Pradesh (“GoAP”) has accorded top priority to sustaining this double-digit economic growth by focusing on development of self-sustaining IT City in Visakhapatnam
- GoAP has provided various incentives for both IT companies and IT park developers as per the APIT Policy (2014-2020) (*detailed later*)
- There is a strong demand by IT/ITeS companies to set up their offices in Visakhapatnam which was highlighted during the recently concluded CII summit in Visakhapatnam on 24-26 February 2018
- The Information Technology, Electronics and Communication (ITEC) Department, in line with the vision of GoAP, shared the vision of transforming Visakhapatnam in to a major IT/ITeS hub and has requested VUDA to develop an IT City/Park in Madhurawada region of Visakhapatnam
- MoU has been signed between VUDA and GoAP during the Andhra Pradesh Investors Meet on 26 February 2018 for the development of the IT City

A Brief on Visakhapatnam



- Largest city of AP and state’s Financial capital
- Major hub of Industries, Public Sector Enterprises, Tourism and a budding IT industry
- Major node of Visakhapatnam Chennai Industrial Corridor (VCIC)
- Well connected to major urban centres through road, rail, air and water

Most Populous in the State
1,728,128 (Census 2011)

9th Most Populous Metropolitan in India
5,340,000 (GoAP)

9th Largest in India by GDP contribution
~USD 43 Bn (Yahoo Finance)

Per Capita Income
Rs 1,40,628 (GoAP)

Information Technology Scenario

INDIA

- The global IT &ITeS market (excluding hardware) reached USD 1.3 Tn in 2016-17 (4.3% growth), while the global sourcing market increased by 1.4 times to reach USD 185-190 Bn. (NASSCOM)
- Software & Services revenue crossed USD 150 Bn in FY 2017 and expected to grow at 8% YoY; Largest export sector (24%) for the country (NASSCOM)

VISAKHAPATNAM

- Significant push by the GoAP to make Visakhapatnam a hub for IT and ITeS industry
- Focus on skill enhancement and job creation for the youth of AP and attract global talent to the state
- Established international IT companies such as Wipro, IBM, HSBC, Mahindra Satyam, Cyient and more
- Established educational institutions such as IIM, GITAM and Andhra university provide for the required ecosystem to support the development of an IT hub
- The telugu diaspora is highly educated and skilled and are spread across India and globally and predominantly hail from the coastal belt of Andhra Pradesh. Through various formal and informal interactions this diaspora has evinced great interest in returning to their homelands

MADHURAWADA IT CITY – PROJECT DETAILS

Visakhapatnam Urban Development Authority (VUDA)

VUDA is the urban planning authority of Visakhapatnam and was formed in 1978

- It is the oldest and largest UDA in the state with a strong track record of transforming UDA
- Covers the area of 1721 sq.km including Greater Visakhapatnam Municipal Corporation and suburbs
- VUDA has taken the mandate to develop IT infrastructure on plug & play model in Madhurawada, Vizag to attract IT/ITeS companies to the city to enable economic growth

Project Overview

- VUDA IT City is proposed to be developed in Madhurawada which is an upcoming IT hub and located ~20 Km from Visakhapatnam city centre
- The aim of the project is to boost social and economic activities in the region, and bring about planned development of the Madhurawada region
- The plan is to develop self-sustaining IT City/eco-system with IT offices, residential complexes, commercial, recreational, hospitality & social infrastructure

Location & Connectivity

Madhurawada is well placed to be the IT Hub

- 3-4 km from NH 5
- 5-6 km from Rushikonda Beach
- 17-18 km to RK Beach
- 15-20 km to Bheemli Town
- 19-21 km to Vizag Railway Station
- 26-28 km to Vizag Airport



MADHURAWADA IT CITY – PROJECT DETAILS

Project Components

MADHURAWADA IT CITY

Total Land 22.19 Acres
Built-up area ~ 2,200,000 sft



IT Space ~ 1,200,000 sft

- Iconic IT Tower
- IT office spaces
- GoAP incentives as per APIT Policy 2014-2020



Commercial & Social Space
~ 7,00,000sft*

- Malls, Club Houses, Hotels, Theatres, Shopping centres etc



Residential Space
~ 3,00,000sft*

- Apartment complexes
- Premium villas

Concept Master Plan



* This is tentative plan and subject to change based on final assessment by developer

Development Plan

- The land for development of IT City is situated in Sy.no. 394, 395, 396 & 397 of Madhurawada Village in VUDA
- The land extent of 22.19 acres is owned by VUDA
- The project is envisaged to be developed under the Joint Development model or the Public Private Partnership ("PPP") model with appropriate sharing mechanisms
- VUDA in the process of setting up a Special Purpose Vehicle under the Company's Act 2013 to oversee the development of the project, liaison with developers, investors and customers
- Concept master plan has been prepared. Demand assessment has been initiated and expected to complete by 31st July 2018

MADHURAWADA IT CITY – PROJECT DETAILS

Timelines

- The project components are planned to be implemented over a period of 3-5 years based on market demand
- All the components are expected to be started together with focus on development of IT Space and creating the commercial, social and residential spaces to bring vibrancy to the region and ensure its continued growth

GoAP boost to develop IT infrastructure & Development

For IT Companies

For 3 years post commencement of operations

- Subsidy of 50% on lease rentals subject to a maximum of Rs 10,00,000 p.a
- Subsidy of 25% on internet bills subject to a maximum of Rs 15,00,000 p.a

For 5 years post commencement of operations

- 100% exemption on Electricity Duty and Industrial Tariffs
- Subsidy of Re 1 per unit of power consumed

For IT Infrastructure providers/developers

- 50% reimbursement for a period of 3 years post operations commencement
 - Property Tax, Insurance Premium
 - Facility Maintenance Charges (max. of Rs 5,00,000 p.a)
 - Common Infrastructure like conference halls, cafeteria etc. (max. of Rs 10,00,000 p.a)
- 10% reimbursement of interest paid on loans from financial institutions for IT infrastructure development
- Reimbursement of PF of up to Rs 2,000 p.m per employee for newly created positions for a period of 2 years
- Rental guarantee of 50% of lease rate on up to 70% of IT Space up to a maximum period of 3 years

Expression of Interest

It is with this background, Vishakhapatnam Urban development authority is inviting reputed developers across the India & globally to develop one or more or all components of the IT City in Madhurawada, Vishakhapatnam under Public Private Partnership (PPP) mode. The components of the IT City are:

- ❖ IT space with Iconic Tower
- ❖ Commercial & hospitality spaces
- ❖ Social & recreational spaces
- ❖ Residential spaces

The interested developers are requested to submit the Expression of Interest in confidence by providing the details as enclosed.

For further details, interested developers are requested to contact:

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Disclaimer

This presentation has been prepared by AP Urban Infrastructure Asset Management Limited ("APUIAML") on behalf of Vishakhapatnam Urban Development Authority ("VUDA") exclusively for the benefit and internal use of potential developers and is for discussion purposes only. Neither APUIAML nor VUDA assumes any responsibility for the accuracy of the data presented here.

Details to be Submitted as Part of Expression of Interest

1. Name of the Company:
2. Date of Registration:
3. Register Address:
4. Type of the Company:
5. Contact Person and Details:
6. Address for Communication:
7. Nature of the Business:
8. Company Profile:
9. Networth of the Company:
10. Turnover of the Company in last 5 years:
11. Components of the Project Company intends to Develop:
12. Details of the Projects Developed by the Company that best illustrates the capability of the Company: