

Procs. No. \_\_\_\_\_

Dt. \_\_\_\_\_.

To  
M/s. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sir,

Sub: APIIC – Zonal Office, \_\_\_\_\_ - Industrial Park, \_\_\_\_\_ – Allotment of Plot No. \_\_\_\_\_ to M/s. \_\_\_\_\_ - measuring \_\_\_\_\_ Sq. Mts. Sy.No. \_\_\_\_\_, \_\_\_\_\_ (V), \_\_\_\_\_ (M) - Provisional Allotment released on Lease Basis – Orders issued – Reg.

Ref: 1. Your online Application dt.: \_\_\_\_\_ and the Detailed Project Report/Project report.

2. Minutes of DIPC/SLAC meeting held on \_\_\_\_\_.

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It is to state, that basing on your application 1<sup>st</sup> cited and relying on your assurance to implement the project / industry as per the Detailed Project Report / Project Report submitted by you, you are provisionally allotted Plot / land No. \_\_\_\_\_ in Industrial Park, \_\_\_\_\_ situated in Survey Nos. \_\_\_\_\_ of \_\_\_\_\_ village, with the \_\_\_\_\_ Revenue Mandal, \_\_\_\_\_ District (AP), admeasuring about \_\_\_\_\_ Acres / \_\_\_\_\_ Sq. Mtrs / \_\_\_\_\_ Sq. Yds for setting up of “\_\_\_\_\_” with an investment of Rs. \_\_\_\_\_ Lakhs and employment generation of \_\_\_\_\_ numbers as per your online application / DPR, on LEASE BASIS subject to the following terms and conditions:

1. The Plot / Land No. \_\_\_\_\_ is allotted on LEASE for a period of 33 years, for which an amount @ Rs \_\_\_\_\_ Per Sq. Mtr. is payable by you to APIIC towards allotment price. The allotment price of the plot works out Rs. \_\_\_\_\_. As your plot/land is facing to the NH/SH/District PWD roads/ZP road, in addition to the price of plot / land, you have to pay frontage charges @ \_\_\_\_\_% amounting to Rs. \_\_\_\_\_. The total allotment price of the plot / land including Frontage charges payable by you, for grant of allotment on Lease, works out to Rs. \_\_\_\_\_.
2. The eligible Entrepreneurs from Micro and Small enterprises belongs SC/ST including women, and the eligible BC/Minorities women Entrepreneurs from Micro and Small enterprises can claim the 50 % rebate on land cost through GM, DIC concern in terms of AP IDP 2020-23 **before entering into lease Deed.**

3 . Payments:

A) That the ALLOTTEE shall pay the \_\_\_\_\_ % (either 100%, 75%, 50%, 25%) out of the allotment price of Rs. \_\_\_\_\_ for the plot/land, as advance land cost, which is totalling to Rs. \_\_\_\_\_ (Rs. \_\_\_\_\_) and the balance land cost (payable as below), for the allotment of land on LEASE basis, for a period of 33 years commencing from the date of execution of the LEASE deed and on the terms and conditions herein stipulated and in the Lease deed.

a. **For Land upto 1 acre :**

The balance land cost i.e **50%** totaling to Rs. \_\_\_\_\_ along-with **9% interest per annum** on the balance amount from the date of handing over of the possession of land, shall be paid by ALLOTTEE to the CORPORATION, after the Date of Commercial Production (DCP) or the stipulated time line for implementation of project, whichever is earlier.

b. **For Land above 1 acre :**

The balance land cost i.e **50% or 25%** totaling to Rs. \_\_\_\_\_ shall be paid by the ALLOTTEE to the CORPORATION over a period of **4/6 years** at the rate of \_\_\_\_\_ % of allotment price per year, after the Date of Commercial Production (DCP) or the stipulated time line for implementation of project whichever is earlier.

c. That in both the above cases of allotment of Land, where the allottee belongs to SC/ST, the balance land cost i.e **75%** totaling to Rs \_\_\_\_\_ shall be paid by the ALLOTTEE to the CORPORATION in 8 equal annual installments along with **8% interest per annum** after the Date of Commercial Production (DCP) or the stipulated time line for implementation of project whichever is earlier.

d. ***It is expressly stated that*** the date and time is the essence of this allotment.

B) In addition to the above, for the developed plots you have to pay additional process fee @ 0.2 % on allotment price subject to a minimum of Rs.5,000/- per allotment.

**(or)**

In case of allotment made as undeveloped land, the Additional process fee @ Rs.15,000/- per acre or part thereof, shall be paid in addition to the process fee already paid at the time of filing application within 30 days from the date of receipt of provisional allotment order.

C). You should pay the annual lease rentals of Rs.1,000/- per acre or part thereof and upto a maximum of Rs.10,000/- per unit along-with applicable taxes at the beginning of every year, the first year commencing from the date of handover of possession / execution of lease deed of the plot/land. The first year Annual lease rental amounting to Rs.\_\_\_\_\_ shall be paid by you along with the advance land cost or latest before or at the time of execution of Lease Deed.

E). You should also pay the Annual Maintenance Charges @ Rs.1/- psm per Annum. This amount is to be paid at the commencement of each succeeding year not later than 31<sup>st</sup> March of such.

4. You should pay the process fee, allotment price percent as stated in Clause 3 and lease rentals, maintainance charges as stipulated and such payments and other payments under this allotment, shall be paid through RTGS/ NEFT / Online.
5. If the basic condition of payment as stipulated in condition 3 (A) and (B) above is not made within the time stipulated, this allotment shall stand cancelled automatically, and the EMD paid shall remain forfeited as applicability in terms of APIIC Allotment Regulations.
6. The allotment will be confirmed in your favor through a final allotment letter after payment of the price of plot/land as stipulated herein above subject to stipulated terms and conditions applicable and you will be bound by the terms and conditions set forth herein even after the final allotment letter and this letter will read as part of the lease deed.
7. You should execute the Lease Deed with appropriate stamp duty and registration charges as applicable, at your own expenses within one month from the date of receipt of final allotment orders. The Lease Deed shall be registered within (21) days from the date of execution of the said document. The GST applicable shall be borne by the Allottee.

It is expressly stated that the allotment on LEASE of the industrial plot/land shall at no point create any ownership rights in favor of the Allottee and the ownership of the land shall remain with the Corporation, except for considering the buy-out in accordance with the terms and conditions prescribed herein.

8. You should commence construction of factory building (s), duly obtaining building approval plans from the competent authorities within 6 months of being put in possession and you shall go into regular commercial production, duly erecting plant and machinery and obtaining regular power supply connection and utilizing the land as per the DPR, within 2 / 3 years of being put in possession of the leased plot / land.

9. You shall implement the project in full in the allotted premises as per the DPR submitted, for the purpose for which it is Leased, within 2 /3 years of taking possession and go into regular commercial production. After implementation of the project the Allottee has to submit Date of Commercial Production (DCP) certificate issued by the concerned General Manager, DIC as per Regulation 27 of the Allotment Regulations 2020. That subject to complying the conditions stipulated in Clause No.8 above and on continuous successful operation/running of the unit for 10 years from the date of DCP the Allottee can exercise the options as follows: .
- i. The Allottee can opt for buyout on payment of 20 % of the allotted price of plot/land towards buyout premium (or)
  - ii. The Allottee also can opt to seek extension of the lease period from 33 years to 99 years without payment of any additional amount.

Provided in case of allotment of land made as Land Acquisition for others/ as undeveloped land, sale deed on buyout or extension of LEASE period shall be executed only subject to settlement of claims filed by Pattadars in courts for enhancement of compensation under Land Acquisition Act and after complying with conditions like payment of entire LEASE consideration along with other dues if any. These cases arise, where the Corporation acquires and allots the land for large projects/developers and/or on the directions of the government.

Provided further that any charges towards registration of the deed/document and the applicable taxes shall be borne by the Allottee only.

10. If within 2/3 years from the date of taking possession of the plot/land the project is not implemented as per the Allotment application and Detailed Project Report/Project Report submitted by you at the time of filing of online application, the allotment made shall remain cancelled and the Lease Deed shall stand terminated and the Corporation shall have a right to resume possession of the subject plot/land and you shall not object the same. In such an event the rights created in your favor by allotment and lease shall cease to exist.
11. You may mortgage the leased hold rights in the schedule property only after obtaining **No Objection Certificate** from APIIC to avail loan, only for construction of factory building for establishment of plant and machinery for the purpose of the project implementation, from the reputed financial institutions / scheduled banks and as per Regulation no. \_\_\_ of the Allotment Regulations 2020. The conditions of the NOC shall be binding on the Allottee and the financing agency at all times.
12. You should bear the cost of sewer lines passing through the area and pay property tax also as and when demanded and also furnish an undertaking to that effect on Rs. 100/- Non Judicial Stamp paper.
13. You shall be responsible for getting power supply to your unit and shall not claim any rebate/ reduction in the cost from the APIIC Limited for any delay in getting power supply from the APTRANSCO or for any other purpose.

14. The Leased land/plot shall not be transferred or conveyed to any person(s) without the prior written permission of the Corporation. Any change in the constitution/business entity/shareholding of the Allottee, shall also be made only with prior necessary approval from the Corporation. The Corporation reserves the right to approve or refuse the transfer/change etc. and subject to any conditions that it may prescribe.
15. You shall not be entitled to transfer, sub-let, lease or assign any interest in the business or unit or assign/sub-let or encumber the land/plot in any manner whatsoever either in whole or part without prior written approval of the APIIC Ltd. Such permission may be considered or refused subject to any conditions that may be prescribed by APIIC.
16. You should pay property tax to the concerned local authority/local body or maintenance charges to the Corporation as prescribed from time to time. You shall be responsible to pay and clear the property tax, other taxes, cess, charges, levies to the competent authority from the date of taking possession.
17. You should install water meter at your own cost including other incidental charges.
18. You should pay water charges that will be charged separately for which you have to enter into an agreement with APIIC Limited.
19. This allotment and occupancy of the plot/land is subject to adherence to the directives issued by the State Board for Prevention and Control of Water and Air Pollution. You should undertake for the treatment and disposal of effluents as prescribed by the AP Pollution Control Board. An undertaking to this effect should be given in the proforma prescribed on Rs. 100/- non-judicial stamp paper.
20. Possession of the plot/land has been taken under the provisions of the Land Acquisition Act by the APIIC Limited and as such the land acquisition cost has not been finalized. In the event of Civil Courts ordering enhanced compensation at the instance of the persons affected in the land acquisition at a later date, enhanced compensation will be apportioned to all the Allottees in respect of the plots/land Leased to them and the said proportionate cost shall be paid by you. You should furnish an undertaking to this effect on Rs.100/- Non-judicial stamp paper in the prescribed format enclosed to make the payments.
21. Registration of the Lease deed will be made in your favour only after payment of the amounts specified in Clause 3 (A) and (B). Further the balance land price amount under Clause 3 and the annual lease rentals and maintenance charges as stated hereinabove, shall be paid from time to time as specified. The applicable GST shall be borne by you only.
22. The Corporation reserves the right to appropriate the money paid by you or standing to your credit towards any out-standing dues payable by you on any account whatsoever. Payments made by you shall be adjusted first towards (penal) interest and balance, if any towards principal outstanding on any account.
23. The Corporation is not responsible for payment of electricity charges or other dues, if any payable to APSEB in respect of the Plots Leased/resumed by the Corporation.

24. The Allottee shall obtain Consent for Establishment (CFE), Consent for Operation (CFO), from Andhra Pradesh Pollution Control Board (APPCB) under the /Air (Prevention and Control Pollution) Act 1981 as well as Water (Prevention & Control of pollution) Act, 1974.
25. You should comply all the time with applicable environmental standards stipulated by statutory authorities and shall aware of any new modifications in the standards/notifications etc. In case of non-compliances, APIIC shall have the right to close the operations of the industries. Allottee shall document all environmental activities with proper attestation all the time.
26. You should keep copies of all the environmental regulations, EIA report, EC Clearance, MOEF/PCB investigation reports and all other relevant Environmental documents in place all the time for inspection by APIIC at anytime.
27. You should abide by the country fly ash utilization regulations Possibilities of utilization of fly ash for bricks and other uses during the construction stages shall be explored. Ready mixed concrete must be used in the building construction.
28. You should provide copies of environmental compliance reports submitted to APPCB and/or MOEF to the APIIC as well.
29. The ground water shall not be drawn at any stage in the Industrial Parks/ IDP/ Special Economic Zones (SEZs), without prior written consent of the competent authorities and the APIIC.
30. You should adopt water reuse and water recycling methods for water conservation. Fixtures for showers, toilet flushing and drinking should be of low flow either by use of aerators or pressure reducing devices of sensor based control.
31. For storm water collection, the Allottee shall provide drainage system within their premises. It is mandatory for industries to provide rainwater harvesting pits within the industry premises for harvesting rain water. Before reaching the roof/surface run off to the pit, pre-treatment must be done to remove the suspended matter, oil and grease. The excess storm water should be discharged into the common storm water drainage of the Industrial Park/Special Economic Zone(SEZ).
32. You should minimize waste generation by adopting suitable techniques and the details of such measures are to be provided to the APIIC from time to time.
33. You should adopt energy conservation measures and use renewable energy in all possible ways and such application of techniques shall be provided to the APIIC from time to time.
34. Allottee should make all arrangements for proper disposal of garbage/waste at regular intervals and keep the premises inside and outside of the unit as clean and hygienic.
35. You should provide proper fire, safety and hazard management facility within their premises. A first-aid room shall be provided in the project both during construction and operation of the project.
36. Construction spoils including bituminous material and other hazardous materials must not be allowed to contaminate watercourses and the dump sites for such material must be secured so that they should not leach into the groundwater.
37. You should have arrangements for effective hazardous and non hazardous waste collection, segregation, storage and management system. The Allottee

shall have temporary storage facility for 30 days detention and hazardous wastes shall be periodically disposed off to nearby approved treatment, storage and disposal facility (TSDF). Industries having hazardous waste shall obtain necessary authorization from A.P. Pollution Control Board (APPCB) for handling/ storage/ treatment/disposal.

38. APIIC authorities have the right to enter into unit premises for checking and inspection of unit at any time. The Allottee shall not withhold any information pertaining to Environmental Management of their units. In case of non compliance or not submitting the desired information to APIIC, necessary action for cancellation of allotments or closure of unit, as deemed fit, would be initiated.
39. You should not take up any activities, due to which the property of APIIC such as roads, green belt, drainages, street lights etc., may be damaged. In case of non compliance, APIIC may revoke the allotment orders or collect the fine from the Allottee as deemed fit.
40. You should adhere to the provisions for Water (Prevention and Control of Pollution), Act 1974 the Air (Prevention and Control of Pollution) Act 1981, the Environment (Protection) Act 1986, the Public Liability (Insurance) Act 1991 and EIA notification 2006 including the amendments and rules made thereafter.
41. You should provide on-site parking for trucks within their premises. No trucks shall be parked on the internal roads of Industrial Park / Special Economic Zone(SEZs).
42. You should monitor the emissions, effluents, wastes, stack emissions and their ambient air quality and water quality within their premises periodically after commissioning of project.
43. The Allottee has to provide sufficient budget for environmental protection measures as directed by the Pollution Control Board.
44. All top soil excavated during construction activities should be stored for use in horticulture/landscape development within the project site.
45. Use of glass should not be more than 40% of building envelope to reduce the electricity consumption and load on air conditioning. If necessary, use high quality double glass with special reflective coating in window.
46. Roof should meet perspective requirement as per Energy Conservation Building Code by using appropriate thermal insulation to fulfill requirement.
47. The green belt design along the periphery of the plot shall achieve attenuation factor conforming to the day and night noise standards prescribed for residential land use. The open space inside the plot should be suitably landscaped and covered with vegetation of indigenous variety.
48. The D.G. sets shall be provided within adequate stack height as per norms.
49. The Allottee has to spend funds for Corporate Social Responsibility (CSR) as per Companies Act and rules there-under.
50. The Allottee has to provide employment to the land ousters / locals to the maximum extent based on their qualification/ skills subject to minimum 50% of total requirement.
51. Allottee has to establish their own Effluent Treatment Plant (ETP) in their premises to treat the effluent of their units and the discharge standards strictly as per the guidelines of APPCB, in case the CETP is not established by APIIC.

Guard pond with five compartments for 5 days storage capacity shall be constructed by the Allottee so as to test the treated waste water before utilizing the same for flushing, washing, gardening etc. Quality of treated effluent reaching the guard pond shall be continuously monitored and in case the treatment is not adequate there shall be arrangement to recycle the effluent from the guard pond through the CETP. In case the CETP is established at Park level by APIIC/co-developer, pre-treatment has to be done by the Allottee himself to meet the inlet standards of CETP.

52. Allottee has to make their own arrangements to manage / treat the domestic sewage by constructing septic tank or sewage treatment plant (STP) in their premises as per norms, the quantity of sewage, in case no sewage disposal system is provided by APIIC at Park level. No waste water shall be discharged outside the premises.
53. There will be no recharge of ground water by industrial effluents.
54. APIIC shall also have the right to cancel the allotment and terminate the Lease Deed and to resume the land in case :

- a) the balance amounts towards the allotment price and the interest thereon is not paid as stipulated.
- b) the leased land either in part or in whole is kept un-utilized for the purpose to which it was allotted for a continuous period of 6 months except as per Regulation No. \_\_\_ of the APIIC Allotment Regulations i.e due to Act. of God eg. riots or natural calamities etc. which are beyond the control of the Allottee.
- c) if it is found that the land leased to the Allottee is in excess of its requirement or maximum portion of the land remains un-utilized.
- c) if you commit breach of any terms and conditions of Provisional allotment letter and /or the Lease deed executed.
- d) if the allotted plot/land is not utilized for the purpose for which it is allotted within the specified period, as per the provisional allotment letter / Lease Deed, DPR and online application etc.

In case of such cancellation, you will be treated as an encroacher and trespasser who will have no right on the land. Further in case of cancellation of allotment or expiry of the lease period, which ever is earlier, the Allottee shall have no rights over the schedule property and any such rights/claims shall cease forthwith.

55. The Allottee should furnish an undertaking of Rs.100/- NJS paper stating that he is willing to surrender the land to APIIC whenever it is not utilized for industrial purpose or whenever such notices are issued to the party by APIIC.

56. Please note that the terms and conditions in this letter are binding on you and that this Provisional allotment will stand automatically cancelled and the Corporation forfeits all amounts paid by the Allottee, if any of the terms and conditions stipulated in the allotment letter are not complied by you.

57. You shall be bound by the Allotment Regulations 2020 and any other terms and conditions that may be prescribed by the Corporation.
58. That in case of any doubt with regard to the allotment or this indenture / letter the decision of the VC& MD of the Corporation shall be final and binding.

Yours faithfully,

Zonal Manager.

Copy submitted to the Vice Chairman & Managing Director, APIIC, Mangalagiri for favour of information.