

AGREEMENT FOR SALE OF LAND/SHED

AGREEMENT made on _____ day of _____ One thousand Nine hundred and _____ in Andhra Pradesh between ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION Limited, a Government Company registered under the Companies Act..1956, having its registered office at Parisrama Bhavanam, 6th floor, 5-9-58/B, Fateh Maidan Road, Hyderabad – 500 029 represented by its (which term shall include his successors in office and assigns hereinafter called the PARTY OF THE FIRST PART)

AND

M/s. _____ represented by its proprietor/Managing Partner/Partners/Managing Director as per partnership deed/resolution of the Board etc., Which expression shall unless context requires otherwise include his heirs executors, administrators and legal representatives hereinafter called the PARTY OF THE SECOND PART

Whereas upon the application of the party of the second part, the party of the first part has allotted the plot/shed No. _____ measuring _____ sq.yards/sq.mtrs/with a plinth area of _____ sq.ft. _____ constructed in a plot area of _____ sq.mtrs/sq.yards situated at _____ which is situated at _____ which is described in the schedule hereunder _____ as per letter No. _____ dt. _____

Whereas the vacant possession of the above mentioned land/shed is delivered to the party of the second part on

Now these presents witnesseth and it is hereby agreed as follows:

- 1.The party of the second part has, as a condition precedent to being placed in possession of the plot/land/shed allotted made the full payment of the cost of the plot/shed/land /land fixed at Rs. _____ at the rate of Rs. _____ per sq.yard.
- 2.The date and time are the essence of this contract.
- 3.Only on the party of the second part implementing the scheme in the allotted land/plot/shed the sale deep will be executed and registered.

IMPLEMENTATION MEANS:

The entrepreneur/allottee should have implemented the project in full as envisaged. Where for bonafide reasons, there is some delay in implementation, he shall have atleast completed it substantially

SUBSTANTIAL IMPLEMENTATION MEANS

The entrepreneurs shall have completed Civil works and completed erection of most of the plant and machinery (Atleast 80% of the project cost)

OR

in case of very large projects with gestation period- where civil works component is very large-the entrepreneur shall have invested on ground and completed civil works to an extent of atleast double the prevailing market land value of land allotted. Works like compound wall, fencing , filling up of the earth and other measures to protect the property shall be excluded while computing the value of works implemented.The prevailing market value in such cases will be price of the allotment of APIIC Ltd, in the industrial area at the time of verification/cancellation as the case may be.

The party of the second part agrees and assure that they will not request for execution of the sale deed until project is implemented as detailed above. The party of the second part expressly agree upon intimation of its eligibility for sale deed by the party of the first part, to take the sale deed and take steps for registration of the same within one month of such intimation of the party of the first part. The party of the second part expressly agree to pay penalties at 0.5% of the value of the land/plot/shed prevailing as on the date of intimation for the first six months of intimation and at 1% thereafter for every completed month, in case of failure to take the sale deed within one month of such intimation.

4. (a) On the request of the party of the second part in writing to the party of the first part, the Party of the First part agree to the Party of the Second part raising money on the scheduled property hereby agreed to be sold as well as buildings, plant and machinery that may be erected or installed therein or thereon notwithstanding anything to the contrary in this agreement by raising a loan form the approved financial institutions/scheduled Banks on the security of the scheduled property.

(b) That the party of the Second part undertakes to inform the Party of the First part the details of finance(s) raised on the security of the property herein mentioned in the schedule, from time to time till the loan(s) is/are repaid to the financial agencies.

(c) That the Financial agency which finances the party of the Second part on the Security of the property here in mentioned in the Schedule, shall inform to the party of the First part, the details of finance(s) from to time to time till the loan(s) is/are repaid by the party of the Second part.

5. The party of the Second part undertake and agree to pay the Party of the First part proportionate to the property allotted to the Party of the Second part and further amount in case the party of the First part is finally obliged to pay any higher sum towards development charges and enhanced compensation towards the costs of acquisition of the land/ enhancement in cost of the sheds. This will be without prejudice to the right of the financing agency approved by the Party of the First part as first mortgages.

6. The Party of the Second part expressly agree to execute a promissory note to cover any further amount when called for, to cover the extra sum determined towards development charges and enhanced compensation towards the cost of the acquisition of land/enhancement of cost of the shed within fifteen days from the date of receipt of such communication from the Party of the First part.

7. The Party of the Second Part shall pay the charges for various servicing and common facilities and also for up-keep and maintenance of roads, water supply, drainage, sewage disposal, street lighting and the like.

8. The Party of the Second part shall pay the charges/taxes for supply of water electricity and other services to the administration or some other agency as in the case may be and as determined later - within the stipulated time, failure in respect of which would entail the service being disconnected.

1. The Party of the Second Part shall bear - pay and discharge all existing and further amounts duties, imposing and outgoing of whatsoever, taxes imposed or charged upon the premises or upon the occupier in respect thereof from the date.

AND WHERE AS THE PARTY OF THE SECOND PART having agreed to hold the land allotted to them on the terms and conditions herein after mentioned.

- a) That the party of the second part shall use the shed and land/land for setting up of a factory for manufacture of _____. The party of the Second part agree that they shall not put up any structure or building other than the factory building or buildings without the prior permission in writing of the party of the first part.
- b) The party of the second part expressly agree and undertake that the said land/shed shall be utilised exclusively for the purpose set forth in the allotment proposal and that no change shall be made without the written sanction of the party of the first part.
- c) The party of the second part shall implement the project within two years of being out in possession of the said shed/land/plot as detailed at clause 3 above.
- d) That as and when the said shed/plot/land is no longer required by the party of the second part for the aforesaid purpose, the party of the second part shall forthwith relinquish and restore the land in favour of the party of the first part provided such surrender of the property by the party of the second part is made before cancellation of the allotment by the party of the first part for breach of any of the convenients of this agreement. In the event of surrender refund of the cost of land/shed/plot paid by him shall be made after making deductions as under.

1. FMD will be forfeited
2. Amounts paid towards process fee penalties and surcharges shall not be refunded.
3. Dues in respect of water charges will be deducted for the actual consumption as against the minimum rate as per the water agreement.
4. In case power supply was obtained by the party of the second part, no dues certificate and a certificate of dismantling_____ the service meter issued by the APSEB should be submitted by the party of the second part.
5. The party second part shall also clear the property taxes to the local bodies and a certificate to this effect should be furnished.

No interest will be paid to the party of the second part in this respect. If there are any buildings on the land other shed/land the party of the first part , may at its option, either refund the cost as assessed by it after the assessed cost is collected from the incoming party or otherwise direct the party of the second part to remove the buildings at their cost within such time as may be allowed by the party of the first part.

- e) To keep the buildings and all additions thereto and boundary walls thereof and the drains soil and other pipes and sanitary and water apparatus thereof in good condition.
- f) Not to make or permit any alterations or additions to the approved building including digging open wells/sinking bore wells or excavating subsoil for any other purpose without obtaining the previous consent in writing of the part of the First part or cause any injury to the walls and fittings thereof.
- g) Not to permit any sale by auction upon the premises or suffer the premises to be used in such a way as to cause nuisance, annoyance or inconvenience to the occupiers of the said area.
- h) To permit the party of the first or their agent or officers with or without workmen at all reasonable times to enter upon the premises to view the conditions thereof and upon notice given by the party of the first part to effect repairs in accordance with such notice at the cost of the party of the second part.
- i) Not to transfer or change the ownership/constitution of the business relating to the unit without obtaining specific permission in writing of the party of the first part . However such transfer/change in constitution/ownership will be approved by the party of the first part on the written application accompanied by the process fee equivalent to 2% of the current market value of the total land/shed allotted subject to minimum of Rs.1000/- and maximum of Rs.1,00,000/- if the request for the transfer is made within two years of allotment. If the application is made beyond two years the transfer / conveyance will be approved provided the project is implemented fully or substantially as defined above subject to payment of process fee equivalent to 2% of the prevailing cost of the land as on the date of such approval and also clearance of all the dues on any account to the party of the first part. In case of change in constitution within the family members/legal heirs, the change will be approved subject to payment of process fee only as stipulated by

the Corporation. The family members means father, mother, wife, husband , son , unmarried daughter, daughter-in-law, sister and brother,

- j) To allow the party of the first part to recover the amounts in any way recoverable by it from the purchaser as per law in force at the time without prejudice to the rights of the financing agency.
- k) That the party of the first part is competent to enforce the compliance with all the rules requisitions and the provisions of any other Act in force in respect of the working of the building as factory shed established and the company shall be responsible for complying at their costs with all instructions issued from time to time in this regard.
- l) That the party of the second part or the persons engaged by them will have reasonable access to all common services and common facilities provided in the industrial area and he/they shall make good any loss due to misuse or damage caused to the properties of the party of the first part and to such common services and facilities by the persons engaged directly or indirectly in running the unit as may be decided by the party of the first part.
- m) Till such time as the ownership of the property is transferred to the party of the second part in the manner mentioned above , the property shall continue to remain the property of the party of the First part without prejudice to the rights of the financing agency as under clause4(a).
- n) Sale deed will be issued by the party of the first part in favour of the party of the second part on payment of all dues to the party of the first with interest including penalties, maintenance charges, water charges, property taxes as stipulated from time to time by the party of the first part.
- o) That if the party of the Second Part commits breach of any of any of the covenants here in contained , the allotment stands cancelled and this agreement shall stand determined without any notice thereupon the party of the second part will be treated as an encroacher and a trespasser who will have no right whatsoever in the schedule property under these present and it shall be lawful for the party of the First part to re-enter upon the said land and resume possession there of and also of the buildings standing thereon, the transfer made in favour of the party of the Second part under these presents shall become null and void and all rights of the party of the Second Part in the schedule property under this agreement and any building therein shall at once cease and determine. Prior notice of the re-entry to the Financial Institutions if necessary will be given by the party of the First part. In such event of cancellation/resumption of the property allotted, the payment made by the party of the Second part shall remain forfeited towards use and occupation of the premises. However the party of the first part may at its option consider refund of the amounts paid by the party of the second part towards the cost of the property subject to the following deductions

1. FMD will be forfeited.
2. The amounts paid will be refunded depending on the period of occupation as per the following:

In case the amount paid by the allottee is less than the deductions to be made, no claim for further payment shall be made.

No interest will be paid to the party of the second part in this respect. If there are any buildings on the land other than shed/land the party of the first part, may at its option either refund the cost as assessed by it after the assessed cost is collected from the incoming party or otherwise direct the party of the second part to remove the buildings at their cost within such time as may be allowed by the party of the first part.

p) The party of the first part which is a local authority in respect of the notified industrial areas has been collecting property tax, advertisement tax, granting building permits, permissions for installation of plant and machinery etc. And that the party of the second part hereby undertakes to be a member of the service society formed by the rate-payer and better maintenance of the notified industrial areas by the party of the first part.

q) That the party of the Second Part shall abide by any other conditions as may be imposed in course of time by the party of the first part provided always and it is expressly agreed as follows:

11. All the costs and expenses of an incidental to the preparation and execution of this agreement shall be paid by the party of the Second Part.

12. In all the matters of doubts concerning and in respect of this indenture, the decision of the party of the First Part shall be final and binding on the Party of the Second Part and any default by the party of the Second Part thereof shall be deemed to be breach of terms of this indenture.

13. Notwithstanding anything contained herein the right of termination of this agreement by the party of the First part in certain contingencies stated above shall be without prejudice to the rights of the approved financial agencies/scheduled Banks as mortgagees under clause 4(a) above.

IN WITNESS WHERE OF the seal of _____ and APIIC Ltd... hereon to be affixed and indenture executed for and on behalf of _____ by _____ and _____ of Andhra Pradesh Industrial Infrastructure Corporation Limited, Hyderabad for and on behalf of any by orders and direction of the Managing Director of Andhra Pradesh Industrial Infrastructure Corporation Limited, here onto set the hand and the day and year first above written.

SCHEDULE ABOVE REFFRRED TO

District: _____ Mandal: _____
 Village: _____ Municipality/Panchayat _____

_____ Plot No/land measuring _____ Sq.yds/____ Shed No _____ with a plinth area of _____ Sq.ft. constructed in Plot No _____ measuring _____ Sq.yds./Sq.mtrs measuring _____

Sq.yds./Sq.mts../Acs. Situated at _____ in Survey No.
NORTH:_____ SOUTH:_____
EAST:_____ WEST:_____

WITNESSES:

- 1.
- 2.

WITNESSES:

- 1.
- 2.

for and ONREHALF OF
ANDHRA PRADESH
INDUSTRIAL INFRASTRUCTURE
CORPN.LTD.

Signature of the
PARTY OF SECOND PART
Stamp/seal