

Draft Provisional Allotment Letter

Procs. No. _____ Date: _____

To

Sir,

Sub: APIIC Limited – Zonal Office, _____ - Industrial Park,
_____ - Allotment of Plot No. _____ to
M/s. _____ - measuring an extent of _____ Sq. Mtrs
(or) _____ Acres, Sy. No. _____, _____ (V) _____ (M) - Provisional
Allotment released on **‘Sale Deed Model’** – Orders Issued – Reg.

Ref: 1. Your online Application ID No. _____ dated _____
and the Detailed Project Report / Project Report.
2. Minutes of the DIEPC / SLAC meeting held on _____.
3. G.O. Ms. No..... ratification / approval of allotments by Cabinet.
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It is to state that basing on your application 1st cited, and relying on your assurance to implement the project / industry as per the Detailed Project Report / Project Report submitted by you and as approved by the DIEPC / SLAC and approved / ratified by the Cabinet vide references 2nd & 3rd cited, you are provisionally allotted Plot / land No. _____ in Industrial Park, _____, situated in Survey Nos. _____ of _____ Village with the _____ Revenue Mandal, _____ District (AP), ad-measuring about _____ Acres / _____ Sq. Mtrs / _____ Sq. Yds as is where is basis for setting up unit of _____ with line of activity “_____” for _____ use (Industry use / Commercial use / common utilities) with an investment of Rs. _____ Lakhs and employment generation of _____ numbers as per your online application / DPR, on **‘Sale Deed Model’** subject to the following terms and conditions:

1) The Plot / Land No. _____ is allotted on **‘Sale Deed Model’** on “as is where is basis” for which an amount @ Rs. _____ per Sq. Mtr, is payable by you to APIIC towards **land cost** Allotment price. The **land cost** Allotment price of the plot works out _____. In case of allotment of plot / land for commercial use the applicable GST shall be paid on the Allotment price.

2) 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 @

_____ % of the **land cost**. ~~Allotment price~~ (i.e., **Land cost** ~~Allotment price~~ excluding infrastructure cost) amounting to Rs. _____. (if applicable).

3) You should pay the amount of premium on the plots which are surrounded by roads on two sides, 2% of the prevailing land rate which works out to Rs. _____ / three roads, 5% on the prevailing land rate which works out to Rs. _____ / four sides, 10% on the prevailing land rate which works out to Rs. _____. (if applicable)

4) The total **cost** ~~Allotment price~~ of the plot / land including frontage charges, road premium charges payable by you, for granting of allotment on '**Sale Deed Model**', which works out to Rs. _____.

5) The eligible Entrepreneurs from Micro and Small enterprises belong to SC / ST including women are eligible 50% rebate on land cost ~~Allotment price~~ up to a maximum of Rs.20.00 Lakhs in terms of IDP 2023-27. The total **cost** ~~advance amount~~ of plot / land including frontage charges, road premium charges to be paid by you after rebate on land cost ~~Allotment price~~ (if applicable) is Rs. _____.

6) Payment option of land cost ~~Allotment Price~~ available:

Option	Payment Option	Payment of balance Land cost
1	100% of land cost Allotment Price	NIL
2	75% of land cost Allotment Price	On completion of the stipulated period for implementation of the project or DCP whichever earlier, the balance amount shall be paid either as: Over 4 years – 12% of allotment cost per year (or) Over 6 years – 9% of allotment cost per year
3	50% of land cost Allotment Price	On completion of the stipulated period for implementation of the project or DCP whichever earlier, the balance amount shall be paid either as: Over 4 years – 20% of allotment cost per year (or) Over 6 years – 15% of allotment cost per year
4	25% (Only for SC / ST)	On completion of the stipulated period of implementation of the project or DCP whichever is earlier, the balance 75% will be paid in 8 equal annual installments with 8% interest per annum

7) You shall pay the land cost ~~Allotment price~~ by opting one of the above options i.e., _____ % (either 100%, 75%, 50%, 25% (25% only for SC/ ST

entrepreneurs)) against the land cost ~~Allotment price~~ of Rs. _____ for the plot / land, as advance land cost (Rupees _____ only) within 60 days from the date of this provisional allotment order less EMD of Rs. _____ already paid.

8) However, on the request of the allottee extension of time for payment of balance outstanding amount can be granted another 30 days. An interest @ 9% shall be charged on the outstanding amount to be paid by you for the 30 days of EoT period.

9) You have to clear all the outstanding amounts including interest within the extended period of 30 days from the date of 61st day of provisional allotment order.

10) The balance **land cost** ~~Allotment price~~ i.e., 25% or 50% totaling to Rs. _____ shall be paid by you to the Corporation over a period of 4 / 6 years at the rate of ___%/___% (percentage of balance amount to be paid will be fixed depending on No. of yearvas per option exercised by the allottee for payment of balance land cost) from the Date of Commercial Production (DCP) or the stipulated time line for implementation of the project whichever is earlier.

11) As the allottee comes under SC / ST MSEs category, the balance Allotment price i.e., 75% totaling to Rs. _____ shall be paid by you to the Corporation in 8 equal annual installments along with 8% interest per annum from the Date of Commercial Production (DCP) or the stipulated time line for implementation of the project whichever is earlier.

12) It is expressly stated that the date and time is the essence of this allotment. ~~You should pay the annual lease rentals of Rs.1,000/- per acre or part thereof and up to 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. _____ and _____ % GST of _____ shall be paid by you along with the advance land cost or latest before or at the time of execution of Lease Deed.~~

13) You should also pay the Annual Maintenance Charges @ Rs.1/- per Sq. Mtr per Annum which will be collected after implementation of the project. Wherever the property tax revenue is not sufficient for meeting the regular civic amenities, in such IPs in addition to property tax maintenance charges to be collected @ Rs. 1/- per Sq. Mtr per Annum. This amount is to be paid at the commencement of each succeeding year not later than 31st March of such.

14) You should pay all the amounts such as **land cost** ~~Allotment price~~ and other

related misc. payments under this allotment, through RTGS/ NEFT / or any other permissible means by APIIC as per existing procedure.

15) In case, **if the land cost is not paid** ~~the allottee doesn't pay~~ within the time stipulated i.e., on or before the 60th day, or in case of EoT is granted for payment of land cost on or 90th day from the date of provisional allotment order, the allotment will be summarily rejected and the payment made (if any) will be refunded within 7 working days. However the EMD amount (i.e 10% of the land cost ~~allotment price~~ of the plot / land parcel) or INR 1 lakh, whichever is less shall be forfeited.

Final Allotment Letter:

16) On completion of payment of **land cost** ~~allotment price~~ in terms of provisional allotment letter, an automated Final Allotment Letter shall be issued to the allottee on its registered email, within 7 working days.

17) For the purpose of clarification “completion of payment of **land cost** ~~allotment price~~” shall mean the **land cost** ~~allotment price~~ that the allottee is supposed to pay as per the payment option selected by **the applicant** ~~the allottee~~ during filing of the online application.

Submission of documents and Execution of Sale Agreement:

18) You should submit the Sale Agreement with required documents in prescribed format within 7 days from the date of receipt of final Allotment Letter. Sale Agreement in a prescribed format shall be executed and registered by the allottee and Zonal Manager / Dy. Zonal Manager (AM) immediately within 21 working days. The stamp duty, registration charges & GST applicable shall be borne by the Allottee.

Physical Possession of Plot / land:

19) Physical possession, free of all encumbrances, shall be delivered within a maximum of 7 working days from the date of receipt of land cost ~~allotment price~~.

20) The ZM / DZM (AM) shall handover the plot / land ~~measured physically~~ duly fixing the boundaries on ground after getting the measurements of the area of the plot to the allottee immediately.

21) It is expressly stated that the allotment on ‘**Sale Deed Model**’ of the industrial plot shall at no point creates any ownership rights in favor of the Allottee and the ownership of the land shall remain with the Corporation, except for considering the **Sale Deed** ~~buy-out~~ in accordance with the terms and

conditions prescribed herein.

22) You should commence construction of factory building (s), duly obtaining building approval plans from the competent authorities within 6 / 9 months of being put 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 ~~allotted leased~~ plot / land as detailed below.

23) Timeline for units with industrial activity: The below timelines are to be ensured from the date of physical possession of the plot / land.

Land Extent	All statutory approvals along with building plan	All civil works	Installation of plant and machinery	Trial production	Commercial production
Up to 1 acre	6 Months	14 Months	20 Months	22 Months	24 Months
than 1 acre	9 Months	20 Months	30 Months	34 Months	36 Months

24) Timeline for units with non-industrial activity or industry related commercial activity: The below timelines are to be ensured from the date of physical possession of the plot / land.

Category	All statutory approvals along with building plan	All civil works	Commencement of Activity
Commercial utilities	9 Months	20 Months	24 Months
Common facilities	12 Months	30 Months	36 Months
Social Infrastructure	9 Months	20 Months	24 months

25) The progress of the project implementation as per above time lines from time to time has to be intimated / updated by the allottee as well as Zonal Manager / Dy.Zonal Manager or authorized person shall also update the progress of work as per above time lines from time to time through online system.

26) You should implement the project in full in the allotted premises as per the DPR submitted, for the purpose for which the subject land has been allotted, 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 24 of the Allotment Regulations 2023.

~~Subject to complying with the terms and conditions stipulated in Clause No.13 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:~~

~~The Allottee can opt for buyout on payment of 20% of the allotted price of plot towards buyout premium. However, the allottee can avail zero percent (0 %) of buyout premium under following conditions.~~

~~If, the allottee has made payment of allotment price by selecting the payment option of 100% and~~

~~If, the allottee has implemented the project within the stipulated time (without availing EOT) as per the provisional allotment letter / final allotment letter. In such a case certificate of DCP will be the required supporting document.~~

~~—————OR~~

~~B. The allottee also can opt to seek extension of the lease period from 33 years to 99 years without paying buy out premium / any additional amount.~~

27) You should furnish quarterly progress report on implementation of the subject project in terms of timelines furnished by you in the DPR, until the project is implemented and submit a completion report confirming the implementation is completed within the time stipulated. You may approach for deed of sale immediately with required documents such as DCP certificate (issued by the competent authority) showing the date of implementation / commencement of production etc. after complying with the above stipulations. Sale deed will be considered only after the project is implemented and completed as per DPR within in the prescribed time and you shall not be entitled to seek the sale deed prior to such completion in full.

28) In case of Large and Mega projects, the Sale Deed will be issued on Implementation of the entire project ie., all phases. However, on the request of the allottee the Corporation may consider to execute the Sale Deed in phased manner on implementation of the project of the respective phase as assured / envisaged in the DPRs.

29) Provided in case of allotment of land made under Land Acquisition for others / as undeveloped land, sale deed ~~on buyout or extension of LEASE period~~ shall be executed only after alienation of subject to and any pending 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 **land cost** ~~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.

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

31) 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 **Sale Agreement** ~~Lease Deed~~ shall stand determined / 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 favour by allotment and agreement ~~lease~~ shall cease to exist.

32) You may mortgage the ~~lease hold rights in~~ the schedule property only after obtaining No Objection Certificate from APIIC to avail loan from the reputed financial institutions / scheduled banks as per Allotment Regulations only for the purpose of implementation of the project as envisaged such as construction of factory building / purchasing of machinery etc.,. The conditions of the NOC shall be binding on the allottee and the financing agency at all times.

33) 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.

34) 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.

35) The **allotted** ~~Leased~~ plot / land shall not be transferred or conveyed to any person (s) and also should not be diluted original percentage of shareholding patterns of original promoters without prior permission in writing from the Corporation.

36) Any change in line of activity and 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.

37) 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 plot / land 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.

38) 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.

You should install water meter at your own cost including other incidental charges.

39) You should pay water charges that will be charged separately for which you have to enter into an agreement with APIIC Limited.

40) 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.

41) Possession of the plot 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 ~~allotted 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.

42) Registration of the ~~Sale Agreement Lease deed~~ will be made in your favour only after payment of the amounts specified in Clause 6. Further the balance land price amount under Clause 10 (11 for SC/ST) and the ~~annual lease rentals~~ and maintenance charges as stated herein above, shall be paid from time to time as specified. The applicable GST shall be borne by you only.

43) 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.

44) The Corporation is not responsible for payment of electricity charges or other dues, if any payable to APEPDCL in respect of the plots ~~allotted leased~~ / resumed by the Corporation.

45) You should obtain Consent for Establishment (CFE), Consent for Operation (CFO), where EC is available for the IP from Andhra Pradesh Pollution Control

Board (APPCB) under the / Air (Prevention and Control of Pollution) Act 1981 as well as Water (Prevention and Control of Pollution) Act 1974. If EC is not available the Allottee shall obtain EC, CFE & CFO from APPCB /MoEF & CC.

46) 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.

47) You should keep copies of all the environmental regulations, EIA report, Clearance, MOEF/PCB investigation reports and all other relevant Environmental documents in place all the time for inspection by APIIC at any time.

48) 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.

49) You should provide copies of environmental compliance reports submitted to APPCB and / or MOEF to the APIIC as well.

50) 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.

51) 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.

52) 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).

53) 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.

54) 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.

55) You 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.

56) 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.

57) You should note that 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 ground water.

58) 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.

59) 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.

60) You should not take up any activities, due to which the property of APIIC such as roads, green belt, drainage, 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.

61) 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.

62) 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).

63) 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.

64) You have to provide sufficient budget for environmental protection measures as directed by the Pollution Control Board.

65) All top soil excavated during construction activities should be stored for use in horticulture / landscape development within the project site.

66) 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.

67) Roof should meet perspective requirement as per Energy Conservation Building Code by using appropriate thermal insulation to fulfill requirement.

68) 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.

69) The D.G. sets shall be provided within adequate stack height as per norms.

70) The allottee has to spend funds for Corporate Social Responsibility (CSR) as per Companies Act and rules there-under.

71) The allottee has to provide employment to the land ousters / locals to the maximum extent based on their qualification / skills subject to minimum 75% of total requirement.

72) 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-treatment has to be done by the allottee himself to meet the inlet standards of CETP.

73) 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.

74) There will be no recharge of ground water by industrial effluents.

75) APIIC shall also have the right to cancel the allotment and terminate the ~~Sale Agreement Lease Deed~~ and to resume the land in case:

- a. The balance amounts towards the allotment price and the interest thereon are not paid as stipulated.
- b. The ~~allotted 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. 19.3 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 ~~allotted leased~~ to the Allottee is in excess of its requirement or maximum portion of the land remains un-utilized.
- d. If you commit breach of any terms and conditions of Provisional allotment letter and / or the ~~Sale Agreement Lease deed~~ executed.
- e. 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 / ~~Sale Agreement Lease Deed~~, DPR and online application etc.

76) 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, whichever is earlier~~, the allottee shall have no rights over the schedule property and any such rights / claims shall cease forthwith.

77) 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 / whenever the subject land is no longer required ~~to you by the allottee / lessee~~ and on such events, whenever such notices are issued to ~~you the allottee / lessee~~ by APIIC.

78) 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.

79) You shall be bound by the Allotment Regulations and any other terms and conditions that may be prescribed by the Corporation.

80) 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 VC & MD, APIIC, Mangalagiri for favour of information.