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AGREEMENT FOR SALE OF LAND

Agreement made on 5th day of April One thousand nine hundred eighty in Andhra Pradesh between the Andhra Pradesh Industrial Infrastructure Corporation Limited, a Government Company registered under the Companies Act, 1956, having its registered office at Parisrama Havanam, 6th Floor, 5-9-58/B, Fateh Maidan Road, Hyderabad - 29 represented by its Law Officer (which term shall include his successors in office and assigns hereinafter called the 'Party of the First Part').

AND

M/s DELHI TUBES PRIVATE LIMITED a company under the Companies Act, 1956 and having its registered office at Industrial Development Area, Nacharam in the State of Andhra Pradesh represented by Sri R. Rajgopal, ^{Manages} Director (which expression shall unless the context requires otherwise include its successors and assigns hereinafter called (the Party of the Second Part'))

Whereas upon the application of the Party of the Second part the Managing Director have agreed to allot 4 acres of land situated at Industrial Development Area, Nacharam as per letter No: 1367/D.II(1)/70 dt. 24-6-1970 of the Director of Industries and Lr.No. DW/D3/81 dt. 28-10-81 of the Managing Director of

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Manages
LAW OFFICER
A. P. Industrial Infrastructure Corpn. Ltd.
'Parisrama Bavanam' 6th Floor,
Fateh Maidan Road,
HYDERABAD-500 029.



A.P. Industrial Infrastructure Corporation.

Whereas the vacant possession of the above mentioned land was delivered to the Party of the Second part on . 17. 2. . 19⁷²

Now these presents witnesseth and it is hereby agreed as ⁷¹ follows:

1. The Party of the Second Part shall pay to the Party of the First Part the cost of the land plus development charges as determined by the Party of the First Part.
2. The Party of the Second Part shall, as a condition precedent to being placed in possession of the plot, allotted make an initial payment of not less than Rs. 38,720/- for 4 acres at the provisional rate of Rs. 9,680/- per acre ~~and~~ towards land cost in full and Rs. 24,200/- for 4 acres at the additional rate of Rs. 2.50 per Sq.Yd being 50% initial cost of land.
3. The Party of the Second Part hereby agree to execute a promissory note in favour of the Party of the First Part for the balance of the unpaid cost of the land plus development charges allotted to them on the basis of cost tentatively arrived at Rs. 2.50 per Sq.Yard.
4. The Party of the Second Part hereby undertake and agree to pay the amount under the said promissory note within a period of six months from this date.
- // 5. The date and time of payment is essence of the contract.
6. Only on the completion and full payment of the entire consideration amount, the sale deed shall be executed and registered in the name of the Party of the Second Part.
7. The Party of the Second Part agree and assure that they shall not request for the execution of registered sale deed before functioning of the unit and also till promissory notes executed by them are fully discharged.
- 8.a. The Party of the First Part agree to the Party of the Second Part raising money on the 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 from the Andhra Pradesh State Financial Corporation, State Bank of India or any other financial agency approved by the Party of the First Part on the Security of the property, provided the financing agency agree to pay the Party of the First Part on behalf of the party of the second part as will remain due on the said promissory note therein before mentioned.

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8.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.

8.c. That the financial agency which finances the party of the second part on the security of the property herein mentioned in the schedule, shall inform to the party of the first Part, the details of finance(s) from time to time till the loan(s) is/ are repaid by the party of the Second part.

9. Without prejudice to the rights of the financing agency as first mortgagee, the party of the first part has a second charge on the buildings, plant and machinery which shall be converted into a first charge when the obligation of the financing agencies are liquidated.

10. 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 cost of acquisition of the land. This will be without prejudice to the right of the financing agency approved by the party of the first part as first mortgagee.

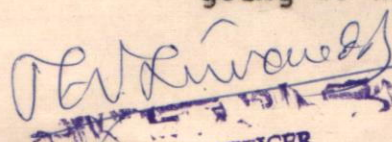
11. The Party of the Second Part expressly agree to execute a promissory note to cover any further amount, when called for, to cover the extra sum determined towards development charges and enhanced compensation towards the cost of the acquisition of land, within fifteen days from the date of receipt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

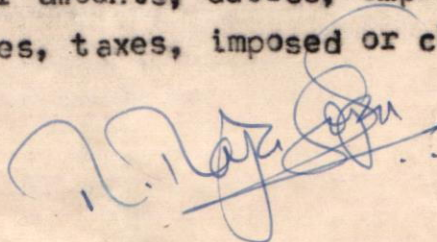
12. The party of the Second part shall pay the charges for various servicing and common facilities and also for up-keep and maintenance of roads, water supply, drainage, sewage disposal, street lighting and the like.

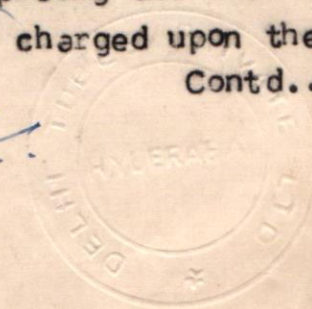
13. The Party of the Second Part shall pay charges for supply of water electricity and other services to the administration or some other agency as the case may be and as determined later, within the stipulated time, failure in respect of which would entail the service being disconnected.

14. The Party of the Second part shall bear, pay and discharge all existing and further amounts, duties, imposing and outgoing of whatsoever rates, taxes, imposed or charged upon the

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premises or upon the occupier in respect thereof from the date.

And whereas the party of the second part have 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 land for setting a factory for the manufacture of *Black Galvanised & Aluminised Steel Pipes & Tubes*. 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 prior permission in writing of the party of the first part. The general layout of the buildings, structures and installations in the plot shall be subject to the prior approval of the party of the first part.
- b. The party of the second part expressly agree and undertake that the said land 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, within six months of being put in possession of the said land commence construction of the factory buildings, after securing necessary clearance from the party of the first part authorities and complete them in not later than 18 months.
- d. That the party of the second part shall at all time hereafter employ labourers to the extent required for the manufacturing, servicing, maintenance, sale, transhipment and the like, in accordance with the laws now in force or which may hereafter be made.
- e. That as and when the said 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, and the payment made shall be treated as rent for use and occupation of the schedule property and in no event can be claim the refund of the same. If there are any buildings on the land, the party of the first part, may at their option either purchase the buildings on payment of their estimated value at that time or 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.
- f. That the land shall not be transferred or conveyed to any other person or persons within ten years after the unit starts functioning.

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g. That in the event of such transfer or conveyance, the party of the second part shall pay the difference of market value on the date of its transfer and the value at which it was obtained from the party of the first part.

h. The party of the second part agree and undertake to notify the party of the first part in writing of any circumstances affecting the correctness of any of the particulars set forth in the allotment proposed immediately after the occurrence of any such circumstances.

i. To insure and keep insured all the buildings or structures and fixtures in the premises against loss or damage by fire, for an amount to be specified and approved by the party of the first part with any one of the insurance companies mentioned below and do deposit with the appropriate authorities all such policies and receipts evidencing payment of the insurance premium.

1. National Fire & General Insurance Co., Ltd.,
2. New India Assurance Co., Ltd.,
3. National Insurance Co., Ltd., Hyderabad.
4. United India Fire & General Insurance Co., Ltd., Hyderabad.

j. 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.

k. Not to make or permit any alterations or additions to the approved building without obtaining the previous consent in writing of the party of the first part or cause any injury to the walls and fittings thereof.

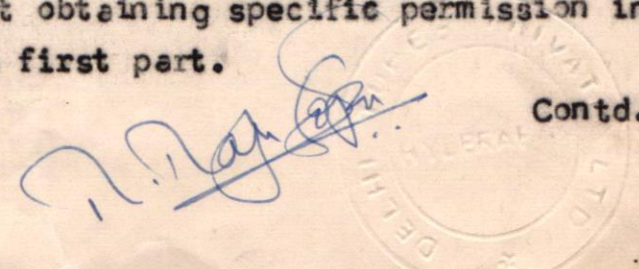
l. Not to permit any sale by auction upon the premises or suffer the premises to be used in such a way as to cause nuisance, annoyance or inconvenience to the occupiers of the said area.

m. To permit the party of the first part 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.

n. Not to assign, underlet, sub-let or part with the possession of the building or land or any part thereof without first obtaining the written consent of the party of the first part.

o. Not to change the ownership or partnership of the business relating to the unit without obtaining specific permission in writing of the party of the first part.

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p. 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 State Bank of India or any other financing agency approved by the Government.

q. That the Party of the first part are competent to enforce the compliance with all the rules, regulations and the provisions of any other Act in force in respect of the working of the building as factory shed establishment and the Company shall be responsible for complying at their cost with all instructions issued from time to time in this regard.

r. 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 by the industrial area and he/they shall make good any loss due to mis-use or damage caused to the properties of the party of the first part and to such common services and facilities by persons engaged directly or indirectly in running the unit as may be decided by the party of the first part.

s. 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.

t. That if the party of the second part commits a breach of any of the covenants herein contained it shall be lawful for the party of the first part to re-enter upon the said land and take possession thereof and also of the buildings standing thereon; the transfer made in favour of the party of the second part shall become null and void and all rights of the party of the second part in the said land and in any building thereon shall at once cease and determine. Prior notice of re-entry to financial institutions if necessary will be given by the Party of the First Part.

u. 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:-

15. If the instalment hereby reserved or any part thereof shall be unpaid on the date it become payable or if any covenant on the part of the second part herein contained shall not be performed or observed, then in any of the case it shall be lawful for the party of the first part at any time thereafter, to re-enter upon the premises in the name of the whole and thereupon the agreement shall absolutely be determined without prejudice

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to the rights of the party of the first part to seek such remedy in respect of breach of the party of the second part covenant as is herein contained. Prior notice of re-entry to financial institutions if necessary will be given by the party of the First Part.

16. In the event of the resumption of the land under the conditions, the party of the first part forfeit the amounts already paid and payment made shall be treated as rent for use and occupation of the shcedule property. If there are any buildings on th land, which the party of the first part do not require the party of the second part shall remove them at their cost within the time granted by the Party of the first part. Prior notice of resumption to financial institutions if necessary will be given by the party of the first part.

17. The party of the first part shall have right to resume the land, if the party of the second part do not use the land for the purpose for which it was allotted within the period specified above, the period to be reckoned from the date on which the party of the second part was placed in possession of the land.

18. In case the Party of the second part shall become bankrupt or proceedings of insolvency or for windingup are filed by or against the party of the second part, the sale shall forthwith stand determined and the party of the first part shall be entitled to re-enter the premises or any part thereof in the name of the whole, without prejudice to the rights of the party of the first part to seek any available remedy against the party of the second part for recovery of the loss.

19. All the costs and expenses of and incidental to the preparation and execution of this agreement shall be paid by the party of the second part.

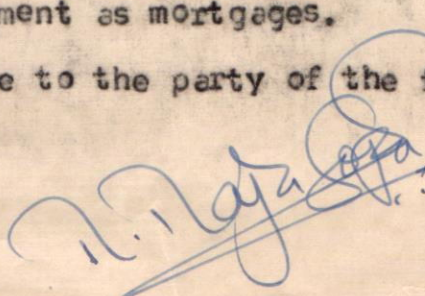
20. In all the matters of doubts concerning and in respect of this indenture, the decision of the party of the first part shall be final and binding on the party of the second part and any default by the party of the second part thereof shall be deemed to be breach of the terms of this indenture.

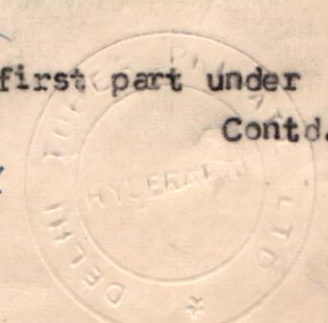
21. Notwithstanding any thing contained herein, the right of termination of this agreement by the party of the first part in certain contingencies stated above shall be without prejudice to the rights of the state Bank of India or other financing agency approved by the Government as mortgages.

22. All the payments due to the party of the first part under

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this agreement shall carry interest at 16%. All payment made/ instalments paid after the due dates carry penal interest at 18% per annum.

In witness whereof the seal of the Corporation and firm both hereunto be affixed and indenture executed for and on behalf of the M/s Delhi Tubes (P) Limited by Sri R. Rajgopal, ^{Manager} Director and the Law Officer of A.P. Industrial Infrastructure Corporation Ltd., Hyderabad for and on behalf of and by orders and direction of the Managing Director of A.P. Indl. Infrastructure Corporation Ltd., hereunto set the hand and the day and year first above written.

Schedule above referred to:

District: Ranga Reddy
Tahsil Hayatnagar

Taluk: Hayatnagar
Gram Panchayat: Nacharam

Plot No: P.8... of land measuring four acres situated at I.D.A., Nacharam in S.No. bounded by:

North BY : 100' wide Road
South BY : M/s. Sanjeeva Blades
East BY : 60' wide Road
West BY : India Micro Ceramic Inds.

WITNESSES:-

1. M. Raghavachari
2-2-1153, N. V. Road, Hyderabad-500045
2. Admuni
8-3-945 A/14, N. Nagar, Hyderabad-500043.

R. Rajgopal

Signature of the party of the Second part.

WITNESSES:-

1. P. Mahesh Kumar
APIL Ltd, Hyd
2. A. Maheswari
APIL Ltd, Hyd.

P. Maheswari
For and on behalf of A.P. Indl. Infrastructure Corporation Limited
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A.P. Industrial Infrastructure Corpn. Ltd.,
'Parisrama Bavanam' 6th Floor,
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