



M. No 10944 29-8-88 5/-

For S. M. Hussain & S. A. Hussain

For Nagarjuna Fertilisers and
Chemicals Ltd,

N. S. W.

Sub Registrar Supdt.
& Ex. Office Stamp Vendor
G. S. O. Hyderabad.

AGREEMENT UNDER SECTION 41 OF
THE LAND ACQUISITION ACT, 1894

ARTICLES OF Agreement made on the 1st Oct 1988
between M/s. NAGARJUNA FERTILISERS AND CHEMICALS LIMITED
(hereinafter called "The Company" which term shall include
its administrators, executors and permitted assigns) of the
one part, and the Governor of Andhra Pradesh (hereinafter
called the Government, which term shall include his success-
ors in office and assigns) of the other part.

WHEREAS upon the application of the Company, the Government
have agreed to acquire on behalf of the Company under the
provisions of the Land Acquisition Act, 1894 (Central Act 1
of 1894), the pieces or parcels of land described and more
particularly delineated in the Schedule hereto annexed and
situated at Suryaraopeta Village and Kakinada Town, Kakinada
Mandal in East Godavari District, it having been shown to the
satisfaction of the said Government that the proposed acqui-
sition is needed for a public purpose, namely for establish-
ment of Nagarjuna Fertiliser factory.

[Signature]

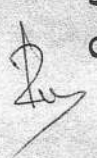
And whereas the said Government have called upon the Company to enter into an agreement with the Government hereinafter contained.

Now, these presents witness and it is hereby agreed and declared as follows:

The Company shall pay to the Government on demand by the authorised officer of Government, the cost of the land as estimated or settled by the Collector, or if reference is made to the Court, by the Final court of appeal, and all costs of acquisition inclusive of all payments and allowances in respect thereof, payable to Government and all Court costs and Pleaders' fee etc. incurred by the said Government in defending the reference, if any, made to the Court as aforesaid and on appeal or appeals filed in connection therewith and all costs, pleader's fees etc. payable or paid by the said Government to the claimant etc., and in the said matters. The said Government shall not be bound to give possession of the land until all the said moneys have been paid fully and may withdraw from the acquisition and in case of withdrawal, the Company shall be liable to indemnify the said Government against all expenses incurred and damage sustained as a result of anything done by them in the matter of acquisition till the date of withdrawal.

2. Upon such payment by the Company; the Government shall execute and do all such acts, deeds, matters and things, as may be necessary or proper, for effectively vesting the said land in the Company and giving the Company an absolute title thereto, subject to the payment of an assessment of ground-rent as hereinafter provided.

3. The terms upon which the said land shall be held by the Company are:



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- (a) that the land shall be used only for the purpose of the construction of Nagarjuna Fertilizers and Chemicals Limited Project.
- (b) that the Company shall pay to the Government annually the appropriate assessment or ground-rent, as the case may be, on the land which shall be liable to revision.
- (c) that for each family displaced by the acquisition of land, at least one member of the family shall be given employment in the proposed NFCL Project. The District Collector, East Godavari District shall be the final authority to decide who are the families displaced by the land acquisition. The list of families affected by the land acquisition, shall not be limited only to the legal Pattadars. The Collector will also specify which member of the family is to be given employment in case of dispute. The decision of the Collector shall be final and binding on the Company.
- * (d) that in cases of acquisition in Scheduled Areas, the Company shall prepare a definite plan for employing the local tribals in at least semi-skilled jobs immediately and take up adequate training programme right from the beginning, so that the trained tribals can be suitably employed by the time the project goes into production.
 - * (Applicable to Scheduled areas only)
- (e) The Company shall not, except with the previous sanction of the Government, use the land for any purpose other than for which it is acquired.
- (f) The Company shall not be entitled to transfer the land acquired for it or any part thereof by sale, gift, lease or otherwise without the previous sanction of the Govt.

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- (g) The time within which the purpose of acquisition shall be fulfilled shall not exceed three years from the date of transfer of the land to the Company.
- (h) Where the Government is satisfied, after such enquiry as it may deem necessary, that the Company was prevented by reasons beyond its control from fulfilling the purpose of acquisition within the time specified in the agreement, the Government may extend the time for that purpose by a period not exceeding one year at a time, so however that the total period of extension shall not exceed three years.
- (i) If the Company commits a breach of any of the conditions provided for in the agreement, the Government may make an order declaring the transfer of the land to the Company as null and void whereupon the land shall revert back to the Government and directing that an amount not exceeding one-fourth of the amount paid by the Company to the Government as the cost of acquisition shall be forfeited to the Government as damages ~~and the balance shall be~~ refunded to the Company, and the order so made shall be final and binding.
- (j) If the Company utilises only a portion of the land for the purpose for which it was acquired and the Government is satisfied that the Company can continue to utilise the portion of the land used by it even if the unutilised part thereof is resumed, the Government may make an order declaring the transfer of the land with respect to the unutilised portion thereof as null and void whereupon such unutilised portion shall revert back to the Government and directing that an amount not exceeding one-fourth of such portion of the amount paid by the Company as cost of the acquisition as is relatable to the unutilised portion shall be forfeited to the Government as damages and that the balance of that portion shall be refunded to the Company and the order so made shall, subject to the provisions of clause (k) below, be final and binding.
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- (k) Where there is any dispute with regard to the amount relatable to the unutilised portion of the land, such dispute shall be referred to the Court within whose jurisdiction the land or any part thereof is situated and the decision of that Court thereon shall be final.
- (l) In any case of urgency where possession of any land is proposed to be taken under Section 17 before an award has been made under Section 11 of the Act, the Company shall deposit with the Collector, free of interest, such amount (being not more than two-thirds of the approximate amount of compensation) payable in respect of the land as determined and within such time as the Collector, thinks fit, to specify in this behalf.
- (m) Where any amount has been deposited with the Collector, under clause (1) the Collector shall tender payment of the amount so deposited to the persons interested who, in the opinion of the Collector, are entitled to receive payment of compensation under sub-section (1) of Section 31 of the Act and shall pay it to them unless prevented by some one or more of the contingencies mentioned in sub-section (2) of Section 31 of the Act, subject to the following conditions, namely :
- (i) The execution of an agreement by each receiptient that the amount received by him would be adjusted against the compensation finally awarded, and that where the amount received by him exceeds the amount of the compensation finally awarded, the excess amount shall be recoverable from him as an arrear of land revenue and that he shall not claim any interest under the provisions of the Act in respect of the amount received by him under section sub-clause; and
 - (ii) the execution of a bond by each receiptient with or without security, as the Collector may decide, undertaking to indemnify the Government against any claim for compensation or part thereof by any other person.

- (n) If the amount deposited by the Company under Clause (1) or any part thereof is not paid under clause (m), the Collector, shall, as soon as practicable, refund the same to the Company.
- (o) That in the event of the Company being wound-up, the land shall be liable to be resumed and taken by the Government on repayment to the Company of the amount of the award as finally settled less the 15 per cent awarded for compulsory acquisition of the estimated market value of the land, at the time of resumption whichever shall be less and, if there are any buildings on the land, the Government may at their option either purchase the buildings on payment of their estimated value at the time or direct the Company to remove the buildings at its own cost within such time as may be allowed by the Government.
- (p) That in the event of voluntary relinquishment of the land by the Company as not required for the purpose for which it was acquired, the Government may resume the land, if it is required for a public purpose or, if they consider that it should be returned to the original owner. If the Government decides not to exercise this power and inform the Company accordingly the latter may dispose of the land under this condition. The compensation payable to the Company shall be the value of the land at the time of acquisition (less the 15 per cent awarded for compulsory acquisition) or its value at the time of resumption, whichever may be less together with the value of the buildings and other improvements at the time of resumption. If there are buildings on the land which the Government do not require, the Company shall remove them at their cost.

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- (q) All the costs and expenses of and incidental to the preparation and execution of this agreement (including stamp duty and costs of registration, if registration be required by the Government) shall be paid by the Company.

IN WITNESS WHEREOF, the seal of the Company hath here been affixed and the indenture executed for and on behalf of the Company by Sri R. Krishnan, Executive Vice President, M/s. Nagarjuna Fertilizers and Chemicals Limited and Sri P. A. JAGAPATHI RAJU, Asst. Secretary to Government of Andhra Pradesh, Industries and Commerce Department by order and direction of, and acting for and on behalf of the Governor of Andhra Pradesh hath hereinto set his hand the day and year first above written.

SCHEDULE ABOVE APPENDED HERETO

Signed, Sealed and delivered by the above named in the presence of WITNESSES :

1. *[Signature]*
CH.V. PARNESWARA RAO
NPL, H. Q.

2. *[Signature]*
(J. NARASIMHA RAO)
PCC/HQ

Signed, Sealed and delivered by the above named Secretary, Industries & Commerce Dept. in the presence of WITNESSES :

1.

2.

[Signature]

EXECUTIVE VICE PRESIDENT
NAGARJUNA FERTILIZERS AND CHEMICALS LTD.
R. KRISHNAN

Executive Vice President
Nagarjuna Fertilisers
and Chemicals Limited
62, Nagarjuna Hills
HYDERABAD - 500 482.

[Signature]
Asst. Secretary to Government
Industries & Commerce Dept.
Government of Andhra Pradesh

(P. A. JAGAPATHI RAJU)
Asst. Secretary to Government,
Industries & Commerce Department,
Hyderabad-22, (A. P.)

SCHEDULE

Registration District: East Godavari

Sub-District: : Kakinada Mandal

Suryaraopeta (Kakinada Municipality) Village

Sl. No.	Description of Land	Survey No.	Extent
			Ac. Cts
1.	Dry	S.No.240/1	2-73
2.	Dry	S.No.240/2	1-41
3.	Dry	S.No.240/4	1-09
4.	Dry	S.No.240/5	0-51
5.	Dry	S.No.240/6	0-02
6.	Dry	S.No.240/8	0-20
7.	Dry	S.No.240/9	6-35
8.	Dry	S.No.241/9	5-63
9.	Dry	S.No.241/10	1-23
10.	Dry	S.No.241/11	0-96
11.	Dry	S.No.241/12	0-44
12.	Dry	S.No.241/13	0-39
13.	Dry	S.No.241/14	0-05
14.	Dry	S.No.242/3	7-19
15.	Dry	S.No.242/4	0-52
16.	Dry	S.No.243/2	0-16
17.	Dry	S.No.273/1	0-56
18.	Dry	S.No.273/2	0-54
19.	Dry	S.No.273/3	0-53
20.	Dry	S.No.273/4	0-28
21.	Dry	S.No.273/5	0-30
22.	Dry	S.No.273/6	1-54
23.	Dry	S.No.273/7	1-80
24.	Dry	S.No.273/9	0-59
25.	Dry	S.No.273/10	2-99

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Sl. No.	Description of Land	Survey No.	Extent Ac.Cts.
26.	Dry	S.No.274	4-35
27.	Dry	S.No.275	2-88
28.	Dry	S.No.276	2-84
29.	Dry	S.No.277/1	2-87
30.	Dry	S.No.278/1	2-10
31.	Dry	S.No.279/1	3-09
32.	Dry	S.No.298/1	7-23

Total ac. 63-37

Dry