

NATIONAL INDUSTRIAL PARKS

DEVELOPMENT AND MANAGEMENT COMPANY

TERMS AND CONDITIONS FOR PLOT OF LAND AT BIN QASIM INDUSTRIAL PARK

THE FOLLOWING TERMS AND CONDITIONS APPLY TO AND ARE BINDING ON THE PERSON / ENTITY WHO / WHICH HAS APPLIED FOR A PLOT OF LAND AT THE BIN QASIM INDUSTRIAL PARK (BQIP) LOCATED AT Bin Qasim Town, main National Highway, KARACHI:

DEFINITIONS:

In these Terms and Conditions, unless the context otherwise requires, the following expressions shall have meaning, hereby respectively assigned to them that are:-

- (a) “NIP” means National Industrial Parks Development & Management Company;
- (b) “Pakistan Steel” means Pakistan Steel Mills Corporation (Pvt.) Limited;
- (c) “BQIP” means the undeveloped land at 930 acres located at Bin Qasim Town, main National Highway, Karachi;
- (d) “Plot” means a plot of land at BQIP;
- (e) “Applicant” means the person / company / partnership applying for a Plot;
- (f) “Application” means the Application Form along with all those documents specified in Annexure _ submitted by the Applicant in compliance with requirements laid out by NIP;
- (g) “Provisional Letter” means the letter sent by NIP to those Applicants who fulfill the requirements of the selection criteria -however, this is not to be construed as confirmation of Plot;
- (h) “Project Feasibility Report” means the report the Applicant will be asked to submit after receipt of the Provisional Letter in respect of the Project to be established;
- (i) “Project” means the Industrial Unit to be set-up by the Applicant on the Plot;
- (j) “Provisional Acceptance Letter” means the Letter an Applicant will receive after successful scrutiny of the Project Feasibility Report – however, this is not to be construed as confirmation of Plot;
- (k) “Consultants” means that third party (parties) that NIP may hire for purposes of examining and scrutinizing the Project Feasibility Report;
- (l) “Allottee” means that successful Applicant who receives a Provisional Allocation Letter

(m) "Building Laws" means all those Building Laws / Rules and Regulations in force from time to time and as any lawful Directives or Orders or Notifications of the Federal or Provincial Government / any municipality / any local body / any department;

(n) "Building Regulations" means the building regulation issued in respect of development at BQIP;

(o) "Registered Architect / Engineer" means a person qualified as such and enrolled on the list of approved Architects/Engineers of NIP and registered with the PCATP/PEC;

(p) "Certificate of Completion" means that Certificate issued by NIP for the purpose of completion of construction work of the Project in such form as NIP deems appropriate;

(q) Words imparting feminine gender shall include the masculine gender as well;

(r) Words imparting masculine gender shall include the feminine gender; as well;

(s) Words imparting persons include bodies corporate and otherwise, firms, registered or un-registered associations, and non-government, semi-government and government organizations;

(t) Words imparting plural shall include the singular number;

(u) Words imparting singular shall include the plural number;

(v) Words of expressions in these Bylaws shall, except where it is repugnant to the subject or context, bear the same meanings as in a standard English dictionary.

1. USE OF LAND

Subject to the terms and conditions contained herein, the Plot of land, in respect of which the Application has been submitted, shall only be used for the purposes of construction and operation by the Applicant of a Project approved in writing by NIP.

2. PRICE OF PLOTS OF LAND

NIP will charge a base price for standard Plot(s) of land. In addition, there will be defined premiums for corner / specially sited Plot(s) of land and those Plot(s) of land with higher build ratios. The applicable price, subject to the terms hereof will be notified by NIP to the Applicant. The price for a Plot(s) of land is liable to revision by NIP from time to time. Any upward revisions to the price in respect of the Plot shall be paid by the Applicant to NIP in such manner as may be prescribed by NIP.

3. SALES PROCEDURE

- A non-refundable “*Application Form Processing Fee*” shall be paid by the Applicant at the time of collecting the Application Form for land at BQIP. An amount of **PAK RUPEES 5000/-** is payable by Local Applicants and **US\$ 100/-** by Foreign Applicants in the form of a Pay Order / Cross Cheque / Demand Draft made in the name of NATIONAL INDUSTRIAL PARKS DEVELOPMENT AND MANAGEMENT COMPANY, and drawn on a Karachi based bank.
- All applications will be submitted by the Applicant to NIP within such time period as is specified by NIP.
- All Applications will be considered by NIP within a period of thirty (30) working days from the receipt of the Application, or any other extended period as determined by NIP.
- Those Applications meeting the Company’s Selection Criteria will be asked via a **PROVISIONAL LETTER** to submit their Project Feasibility Report. The Applicants will have forty-five (45) working days to submit their Project Feasibility Reports.
- The contents of the Project Feasibility Report shall comprise and give details of the matters required by NIP to be submitted.
- The Project Feasibility Report will be scrutinized by NIP and its Consultants and successful Applicants will be informed via a **PROVISIONAL ACCEPTANCE LETTER** by NIP.
- The **PROVISIONAL ACCEPTANCE LETTER** will set forth the following:
 - Acceptance of Project Feasibility Report
 - Allocation of the demarcated Land
 - Payment of 1st Installment towards Allocation of land by specified time

- Submission of Building Drawings / Plans by the Allottee by specified time

- The **PROVISIONAL ACCEPTANCE LETTER** does not give any rights whatsoever to the Applicant in respect of the Land, except to enter as provided herein.
- **1ST INSTALMENT:** An initial deposit of 35% of the price of land, in Pak Rupees or equivalent US\$ will have to be paid by the Applicant within ten (10) working days of receiving the **PROVISIONAL ACCEPTANCE LETTER**.
- All Building Plans / Drawings shall be in compliance with BQIP Regulations and all other building laws as are applicable. The BQIP Regulations shall be provided by NIP after receipt of 1st installment payment.
- Building plans / drawings of the Project shall be prepared by a licensed architect / engineer and submitted to NIP for its approval within three (03) months of the Allottee obtaining the **PROVISIONAL ACCEPTANCE LETTER**.
- For the purposes of getting architectural / construction advice on the Building Plans / Drawings, the Allottee and his / its Consultant(s) will be allowed to enter the land for survey purposes only.
- Upon approval of Building plans / drawings by NIP, a **CONFIRMATION LETTER** will be issued by NIP to the Allottee. However, if the building plans / drawings are not approved by NIP, the Provisional Allocation Letter shall stand cancelled.
- **2ND INSTALMENT:** Within thirty (30) working days of receiving the **CONFIRMATION LETTER**, the Allottee will make a payment of 35% of the price of the land in Pak Rupees or equivalent US\$.
- Within ten (10) days of the 2nd Installment, the Allottee will be required to submit a **BANK GUARANTEE** for the balance amount .i.e. 30% of the plot of land. The Bank Guarantee shall be in favour of 'National Industrial Parks Development and

Management Company' and shall be in such form and substance as is approved by NIP and shall be issued by a Scheduled Bank in Pakistan acceptable to NIP.

- Upon receipt of the 2nd Installment payment and the Bank Guarantee, the Allottee shall thereafter be granted a **LICENCE AGREEMENT**.
- The LICENCE AGREEMENT entered into will permit entry on the Plot and the commencement of construction of the Project. The Allottee and Pakistan Steel shall execute a Licence Agreement on a prescribed form.
- **3RD INSTALMENT:** The remaining 30% of the price of the Plot shall be due and payable by the Allottee in Pak Rupees or equivalent US\$ within twelve (12) months of the execution of the Licence Agreement.
- In case payment / submission of drawing plans are not provided as specified or such extended period at NIP's discretion, the PROVISIONAL ACCEPTANCE LETTER shall stand cancelled.

4 CONSTRUCTION POLICY

- The Project shall be completed in all respects and commissioned into operation within twenty-four (24) months from the date of execution of the LICENCE AGREEMENT. The Project shall be deemed to be completed in terms of the above as and when NIP approves of work done and issues a **CERTIFICATE OF COMPLETION** in respect of the Project to the Allottee / Occupant of the allotted plot of land.
- Should Project not be completed in twenty-four (24) months and a Certificate of Completion is not granted, the Licence Agreement may at the discretion of NIP / Pakistan Steel stand cancelled.
- The construction of the building(s), structure(s) and facility(ies) and the specifications thereof shall be strictly in accordance with : **(i)** all applicable

Building Laws and Building Regulations, and **(ii)** the construction plans approved by NIP pursuant to the provisions of this Agreement. In the event of any violation of the foregoing, the Applicant shall rectify any such violation (including demolishing any building(s), structure(s) and facility(ies)) within such time period and in accordance with the directions specified by NIP and / or Pakistan Steel, and if the Applicant fails to rectify the violation within the time period specified, then NIP and / or Pakistan Steel shall, without prejudice to any other rights and remedies available to it, have the right to claim as liquidated damages and not by way of penalty a sum equal to __% of the price of the Plot.

- After the issuance of the Certificate of Completion by NIP, a **LEASE** over the Plot shall be executed in favour of the Allottee by Pakistan Steel.
- NIP will facilitate infrastructure and utilities to the Allottee / Occupant of each Plot through the relevant service / utility providers.

5. TRANSFER OF PLOTS

- No Allottee shall be allowed to grant any interest or rights to any third party in respect of the allotted Plot prior to the execution of Lease Deed in favour of the Allottee.
- During the period when the Allottee is a licensee and/or prior to complete payments of all dues / amounts owing by the Allottee in respect of the allotted Plot. Pakistan Steel shall at all times have the right to re-possess the Plot if the Allottee breaches any terms and conditions imposed by NIP hereunder or under the Licence Agreement.
- In the event of the Allottee wishing to transfer the Allottee's rights or interests in the Plot after the Allottee has been granted a Lease, approval from NIP and / or any other party notified by NIP or competent authority shall be sought by the Allottee. The Allottee shall also pay NIP such approval fee as is determined by NIP as a condition of transferring the Plot.

- In case of demise of an Allottee (where an Individual) after allocation / allotment, his/her legal heir(s) shall be entitled to all rights available to the Allottee upon furnishing a Succession Certificate. Such legal heir(s) shall be bound by the same terms and conditions as was agreed by the Allottee and the legal heir(s) shall execute such documents and undertakings as are required by NIP.

6. GENERAL CONDITIONS

- Applications will be invited through public marketing campaigns launched by NIP.
- The scheme will be open to both, local and foreign entrepreneurs. In particular, foreign nationals / non-Pakistani citizens shall ensure that they obtain all necessary approvals of the Government of Pakistan in order to acquire an interest in plot(s) of land at the Bin Qasim Industrial Park.
- Submission of an Application does not render entitlement of the Applicant to the right of allotment / allocation of a Plot.
- In case of Applications exceeding the number of plots, the allotment / allocation of the plot(s) of land may be made through an open balloting process as determined by NIP in its sole discretion.
- NIP reserves the right to offer through Auction common use, commercial, or any other plot(s) of land which it may decide in its sole discretion. In all such cases NIP will define a reserve price in advance.
- All Applications will be processed by a Management Committee set up for the purpose of processing Applications by NIP.
- NIP reserves the right to reject any Application of an Applicant without assigning any reason whatsoever.

- Any false or misleading information / statement / document may result in the rejection of Application and / or cancellation of allotment / licence/ sub-lease (as the case maybe).
- Failure of the Applicant / Allottee to meet the timelines provided for herein in respect of the payment schedule / operation / construction may result in cancellation of the allotment / licence / sub-lease as the case maybe and subsequent repossession of the plot of land by Pakistan Steel / NIP upon a refund of 90% of the amount paid to both Pakistan Steel and NIP by the Applicant / Allottee, without mark-up, after 90 days of such cancellation / repossession.
- Ground Rent / Lease Money of Land will be payable by the Allottee at the start of each fiscal year to NIP or its Estate Management Company in the name of Pakistan Steel Mills.
- Management Fee and Maintenance charges as notified by NIP will be payable by the Allottee at the start of each fiscal year to NIP or its **Estate Management Company**. This amount / charge payable is liable to subsequent increase as determined by the **Estate Management Company** from time to time.
- In case any payment dues are not made on time, a late payment surcharge @ 1% per month for the unpaid principal amount will be payable by the Allottee to NIP or its **Estate Management Company**.
- The Allottee cannot mortgage the Plot for any purpose, other than for the construction of the Project for which the Feasibility Report was submitted to NIP, subject to prior approval of NIP and / or any other competent authority.
- No Power of Attorney shall be granted by the holder of the Plot to any third party, except where it is absolutely necessary for any specific purposes approved by NIP on the written application of the holder of the Plot.

- Any violation of the terms and conditions, Building Regulations framed by NIP or any other competent authority / body or as otherwise prescribed under the Laws of Pakistan may result in the cancellation of the allotment / licence / lease and subsequent repossession of the Plot.
- All approvals for a Project and/or for investing in or acquiring a Plot at the BQIP shall be the sole responsibility of the Applicant.
- All formalities and the expenditure (including without limitation, stamp duty and registration fees) to be incurred on execution / registration / transfer of any license/ sub-lease (as the case maybe) or any other document or deed pertaining to the transfer of a Plot, shall be carried out and be borne by the Allottee.
- All Government taxes, levies and charges in respect of the Plot shall be borne by the Allottee whenever these are applied or due.
- The Allottee will ensure that Environmental Standards prescribed under the Environmental Laws of Pakistan, and NIP Standards (notified from time to time), if any, are met with regard to Environmental Protection. Failure by the Allottee to do the same may result in repossession of the land.
- In addition to the terms and conditions contained herein, NIP shall have the sole discretion to impose further terms and conditions from time to time which shall be binding on the Allottee.

7. DISCLAIMER

- Notwithstanding anything contained herein, NIP shall not be responsible or liable to any person, body, or third party in the event that Pakistan Steel does not execute the licence / lease (as the case maybe) or any documentation required for the allotment / allocation of the Plot or otherwise for the transfer of the Plot to the Applicant / Allottee. NIP shall also not be responsible or liable on account of any legal impediments pertaining to the transfer or possession of any Plot.

- NIP shall not be responsible or liable to an Applicant / Allottee or to any other third parties if it is unable to carry out its functions / obligations pursuant to the acceptance of the Application of an Applicant / Allottee or in respect of the BQIP or in respect of any Plot or on account of any reason, including without limitation, Force Majeure. The term 'Force Majeure' shall include an act of war, flooding, earthquake, lightening, terrorist acts, the making of or changes in any governmental policy(ies) or directives, changes in law, labour issues, legal restrictions, industrial disturbances, or any other event beyond the control of NIP.

UNDERTAKING

By signing This Application Form and Terms & Condition I/We Declare/Agree As Follows:

- The information I/We have given in this Application Form and the documents attached to the Application Form are true and complete and can be relied upon/verified by National Industrial Parks Development & Management Company("NIP") in processing this Application Form.
- That the documents attached to the Application Form shall be treated as an integral part of this Application Form.
- That I/we have read and fully understood the Terms and Conditions for Land at Bin Qasim Industrial Park attached as Annexure 'B' hereto, which forms an integral part of this Application Form and which shall be binding on me/us at all times.
- National Industrial Parks Development & Management Company reserves the unconditional rights to reject the Application made by me/us without assigning any reason whatsoever.

