

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Lands – APIIC Ltd – Co-ordinated Growth Policy (CGP) for conversion of land use in Auto-Nagars to Residential, Commercial and other uses – Orders – Issued.

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INDUSTRIES AND COMMERCE (INFRA) DEPARTMENT

G.O.Ms.No.05

Date:04.02.2022.

Read:

From the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., through Single File No.APIIC-19025/9/2020-LW-APIIC, dt.27.08.2020.

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ORDER:

In the proposal read above, the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., has submitted that as per the Industrial Development Policy 2020-23, Government of Andhra Pradesh has identified industrial Zoning as a key focus area to ensure a planned industrial development, provide a 'risk-free' investment-friendly environment for setting up of industries and minimize their impact on the environment.

2. However, there are many automobile engineering workshops and connected repair automobile workshops existing in Auto-Nagars that are located within the urban limits wherein the surrounding land use has completely changed from industrial to other uses. Several representations have been received from entrepreneurs for change of land use as they cannot viably operate due to the urbanization of surrounding areas, raising of environmental concerns, etc. Permitting change of land use would lead to the creation of an opportunity for the landowners to unlock the full potential of land as well as generate revenue to the Government.

3. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., further informed that there is no uniform Policy and the existing procedure being followed by the APIIC allows change in line of activity from Industrial purpose to commercial purpose on payment of certain percentage of land cost as fee to APIIC which is allowed within the 10% limit of land area of the Industrial Estate or Industrial Park. Hence, it is felt necessary to design the coordinated growth policy to unlock the land potential of brownfield assets like Auto Nagars which become a sustainable revenue source for the Government by enabling change of land use that best fits into the surrounding land through an online process.

4. Accordingly, the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., has proposed Coordinated Growth Policy and requested Government for approval of the same.

5. Government, after careful examination of the proposal hereby approve the following "Co-ordinated Growth Policy (CGP)", for conversion of land use in respect of the land parcels in Auto-Nagars, which have become part of the town over a period of time and now surrounded by urban growth making it difficult to run the activity for which land is allotted, from industrial use to multipurpose use. The detailed Policy document is attached as Annexure-I.

i.Eligibility

a. Under this policy, the land in Auto-Nagars which have become part of the town over a period of time and now surrounded by urban growth making it difficult to run the activity for which land is allotted, from industrial use to multipurpose use.

b. This policy applies to Auto-Nagars notified as Multipurpose Use Zone.

ii.Procedure

1. APIIC will identify Auto-Nagars that have over a period of time become part of the town, with adjoining land use entirely altered to other purposes, residential areas emerged around them, and are no longer suitable for assigned use.

2. In lieu of all such Auto-Nagars, APIIC shall identify suitable lands for development of Auto-Nagars outside the municipal limits.

(P.T.O.)



3. APIIC shall apply to UDAs concerned for converting all such existing Auto-Nagars into Multipurpose use zone.

4. Post conversion, all such Auto-Nagars shall be notified as Multipurpose Use Zones/Area by APIIC and the details shall be displayed in public domain.

5. Whenever a request is made for development permission, the UDA concerned shall levy an impact fee @ 50% of the market value of the land, apart from requisite conversion charges.

6. The Local body concerned shall remit the impact fee collected @ 50% of the market value of the land to APIIC.

7. The development permission shall be given online through APDPMS without any human interface.

iii. Fee structure

As per the new Coordinated Growth Policy, applicants need to pay the impact fee at the rate of 50% of the land value (at market value) apart from other charges, to obtain developmental permission, as the land use has already been changed to multipurpose use.

iv. Nodal Agency

i. The APIIC would be the Nodal Agency as it plays a vital role in the promotion and development of Industries in the State and is the custodian of the Industrial lands.

ii. In order to safeguard the widespread environmental degradation which can cause significant adversities to human health, Nodal Agency shall encourage hazardous/polluting industries, activities to shift their industrial units to newly developed industrial areas outside the urban growth, duly permitting for change of land use of existing land.

6. Detailed guidelines will be issued separately.

7. The MA&UD Department, PR& RD Department, the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited, shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

R KARIKAL VALAVEN  
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

To

The Municipal Administration & Urban Development Department, A.P. Secretariat.

The Panchayat Raj & Rural Development Department, A.P. Secretariat.

The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited, APIIC Tower, 9th to 11th Floors, Plot No.CFC-1, IT Park, Mangalagiri, Guntur District, A.P. - 522 503.

Copy to:

The Director of Industries, APIIC Tower, IT Park, Mangalagiri, Guntur District, A.P. - 522 503.

The General Administration (Cabinet) Department, A.P. Secretariat, Velagapudi. (with reference to U.O.No.21/2022, dt.21.01.2022.)

The P.S. to Additional Secretary to C.M., CMO, A.P. Secretariat, Velagapudi.

The P.S. to Hon'ble Minister (I&C, IT, SD and Trg), A.P. Secretariat, Velagapudi.

The P.S. to Chief Secretary to Government, A.P. Secretariat.

The P.S. to Spl.Chief Secretary to Govt & CIP, Ind & Com Dept, A.P. Secretariat.

The P.S. to Special Chief Secretary to Government, MA&UD Department, A.P. Secretariat.

The P.S. to Principal Secretary to Government, PR&RD Department, A.P. Secretariat.

SC/SF.

//FORWARDED BY: ORDER//

  
SECTION OFFICER



## **ANNEXURE-I**

**(G.O.Ms.No.05, Industries & Commerce (Infra) Department, dated 04.02.2022.)**

**CO-ORDINATED GROWTH POLICY (CGP) FOR CONVERSION OF LAND USE OF AUTONAGARS TO RESIDENTIAL OR COMMERCIAL PURPOSE.**

### **1. Introduction:**

As per the Industrial Development Policy 2020-23, GoAP has identified Industrial Zoning as a key focus area to ensure a planned Industrial Development, provide a 'risk-free' investment-friendly environment for setting up of industries and minimize the impact on the environment.

However, there are many Automobile Engineering workshops and related repairing automobile workshops existing in Autonagars that are located within the urban limits wherein the abutting land use has completely transformed from industrial to other uses over a period of time.

Several representations have been received for change of land use from entrepreneurs as they cannot viably operate due to the urban sprawling leading to change in abutting land use, environmental concerns, nature of business, change in technology and demand preferences.

This situation has led to the creation of an opportunity for the landowners to unlock the full potential of land in the changed environment and circumstances.

### **2. Existing Provisions:**

The existing procedure being followed by the APIIC allows change in line of activity from Industrial purpose to either industry related commercial purpose or purely commercial purpose on payment of certain percentage of land cost as fee to APIIC. Post approval of change in line of activity by APIIC, the individual units will approach the urban authority for change of land use wherever it is required. The following table is the extract of the APIIC allotment regulation.

Sl. No.	Category	Present rate of process fee for APIIC
1	Industrial Support/industry related commercial activities like cold storage/Warehouses /Godowns, weigh bridges, Quality control laboratories, packaging units, petrol outlets.	40% on the prevailing land cost.
2	Purely Commercial activities like Business centers, Business Hotel cum Convention Centre, show room, malls or such other related activities, for such approvals the layout needs to be revised and to secure approval of revised layout.	70% on the prevailing land cost.
3	Such approvals will be subject to the extent of land relocated for such activities is not exceeding 10% of the gross industrial area or where provision for such facilities are not delineated in the layout plan.	

### **3. Need for a new Policy:**

Due to increasing urbanization the owners of units in Auto-Nagars are facing lot of difficulty in operating service units as it became herculean task for facing lot of difficulty in operating service units as it became herculean task for continuing their units due to objections by the residents/commercial establishments disposal of solid waste and mitigating the pollution measures due to vehicular traffic. Hence, its felt necessary to design the coordinated growth policy to unlock the land potential of brownfield assets like Auto-Nagars which become a sustainable revenue source for the government by enabling change of land use that best fits into the surrounding land through an online process.

### **4. Policy Initiatives:**

Under this policy, the land in Auto Nagars proposed to be converted for carrying out non-industrial activities should be such that it is no longer fit for carrying out industrial activity for which the land was originally allotted.

### **5.Procedure:**

#### **Auto-Nagars notified as Multipurpose Use Zone**

1. Auto-Nagars are Industrial estate designed for a specific function of transportation & logistics. It provides interface between intercity and local transportation facilities in all the district headquarters/major cities in the state.

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2. The major objectives of Auto-Nagars are to reorganise office and go-down space of transport companies, to provide for expansion of companies, to reduce parking, loading/unloading instances in CBD (Central Business District), to locate the facilities for vehicle repairs, servicing, rest places, shops etc., to cater to intercity movements destined to operator's godown and provide for idle parking for trucks waiting for return load & to function as a rest and halting place for through traffic.

3. APIIC will identify Auto-Nagars that have over a period of time become a part of the town, with adjoining land use entirely altered to other purposes, residential areas emerged around them, and are no longer suitable for assigned use.

4. In lieu of all such Auto-Nagars, APIIC shall identify suitable lands for development of Auto-Nagars outside the municipal limits.

5. APIIC shall apply to UDAs concerned for converting all such existing Auto-Nagars into Multipurpose use zone.

6. Post conversion, all such Auto-Nagars shall be notified as Multipurpose Use Zones/Area by APIIC and the details shall be displayed in public domain.

7. Whenever a request is made for development permission, the UDA concerned shall levy an impact fee @ 50% of the market value of the land, apart from requisite conversion charges.

8. The concerned Local body shall remit the impact fee collected @ 50% of the market value of the land to APIIC.

9. The development permission shall be given on line through APDPMS without any human interfere.

#### **6.Fee Structure:**

As per the new Coordinated Growth Policy, applicants need to either pay the fee or transfer share of the land in lieu of fee, to obtain no objection from APIIC, for change of land use (CLU).

Sl. No.	Category	Proposed fee
1	Industrial units located in APIIC Industrial Parks/Estates and standalone Industries units outside APIIC Parks/Estates.	50% of the Market value of the land.

#### **7.Nodal Agency:**

Andhra Pradesh Industrial Infrastructure Corporation (APIIC) had played a vital role in the promotion and development of Industries in the State and is the custodian of the Industrial lands.

Accordingly, for the purpose of implementing the Coordinated Growth Policy, APIIC will be the nodal agency.

In order to safeguard the widespread environmental degradation which can cause significant adversities to human health, Nodal Agency shall encourage hazardous/Polluting industries, activities to shift their industrial units to newly developed industrial areas outside the urban growth, duly permitting for change of land use of existing land.

#### **8.Payment Terms:**

The applicant will have 3 months to complete the payment of the required amounts to obtain CLU from the date of communication of the in-principle approval through online.

In case of failure to pay the amount the land within 3 months as per the in-principle approval, the approval shall stand cancelled.

R KARIKAL VALAVEN  
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP