



GOVERNMENT OF KARNATAKA

**KARNATAKA INDUSTRIAL
AREAS DEVELOPMENT
RULES, 1966**

KARNATAKA INDUSTRIAL AREAS DEVELOPMENT RULES, 1966

NOTIFICATION

Bangalore, dated the 4th October 1966

In exercise of the powers conferred by sub-section (1) of section 40 of the Karnataka Industrial Areas Development Act, 1966 (Karnataka Act No. 18 of 1966), the Government of Karnataka hereby makes the following rules, the draft of the same having been published as required by sub-section (1) of the said Section, in Notification No. CI 71 GMI 66 dated the 5th July 1966, as No. G. S. R. 1017 in Part IV Section 2-c (i) of the Karnataka Gazette dated 7th July 1966, namely :-

KARNATAKA INDUSTRIAL AREAS DEVELOPMENT RULES, 1966

CHAPTER I

Preliminary

1. **Title**—(1) These rules may be called the Karnataka

Industrial Areas Development Rules, 1966.

2. **Definitions**— In these rules unless the context otherwise requires,

[a] "Act" means the Karnataka Industrial Areas Development Act, 1966;

[b] "Form" means a form appended to these rules;

[c] "Nominated member" means a member of the Board

nominated under clause [e] of Section 6;

[d] "Regulations" means the regulations made by the Board under Section 41;

[e] "Section" means a section of the Act.

CHAPTER II

Remuneration of Members of the Board

3. Allowance and honorarium of members : (1) A member shall be entitled to a compensatory allowance as follows namely—

(i) A sitting fee of an amount equivalent to the Daily Allowance as may be approved by Government from time to time per day on which a member attends a meeting of the Board or any of its committee. [Notification No. CI 67 SPQ 87 dated 29-10-87]

(ii) (a) A nominated member, who is not a Government servant may draw travelling allowance as follows, namely—

I. Railway accommodation	- I Class
II. Incidental charges for Railway journey.	- Six paise per mile
III. Road mileage	- 50 paise per mile
IV. Daily allowance	- Rs. 15 per day

(b) The members, including a nominated member who is a Government servant, shall be eligible to draw travelling allowance and daily allowance at such rates as may be admissible to them under the rules for time being in force applicable to them as Government servants.

CHAPTER III

Condition for Borrowing by the Board

4. Limit on borrowing without previous consent of Government :— The Board may borrow money and mortgage or

by the Board in charge of its undertaking and property (including its revenues or any part thereof and issue debentures, debenture stock, notes and, other securities whether outright or as security for any debt liability or obligation of the Board or of any third party; provided that the aggregate amount for the time being remaining undischarged of money borrowed or secured as aforesaid by the Board exclusive of the temporary loans as aforesaid shall not at any time, without the previous consent of the State Government exceed a sum of Rs. 50,00,000 (Rupees fifty lakhs).

(1) A
follows

5. Manner of issuing securities—Every bond, obligation, debenture or other securities by the Board for raising money or in securing money borrowed by or due from the Board shall be by a deed under the common seal of the Board and signed autographically by the Executive Member or any other officer authorised by the Board in that behalf.

6. Register of securities to be kept—A register or bonds, debentures and other securities shall be kept by the Board in which shall be entered the number and date of every such bond, debenture or other security and the sum secured thereby and the names of the parties thereto with their addresses and all other necessary particulars thereof.

7. Instructions which may be issued for Transfer of Securities—The Board may from time to time issue instructions for controlling the transfer of any bond, debenture or other security as it may deem expedient, provided that no such instruction shall affect the holder or transferee of any bond, debenture or other security unless distinct notice of such instruction shall appear thereon.

8. Assigning or conveying property of Board for Certain purposes—The Board may, for the purpose of securing the payment of any such bonds, debentures or other securities as aforesaid, or the payment with interest of any money borrowed as

aforesaid, or payable under any contract or otherwise, make and carry into effect any arrangement which the Board may deem expedient by assigning or conveying any property of the Board, including its revenues, to trustees.

9. Debentures ordinarily payable to bearer—Unless otherwise resolved by the Board, any debentures which may be issued by the Board may be so framed that the principal money and interest thereby secured shall be payable to the bearer and free from any equities between the Board and the persons to whom the same may be issued.

10. Approval of Government in the case of guarantees : No security shall be issued or granted as a security in respect of which the payment of the principal and interest is guaranteed by the State Government, until the amount, price, rate of interest, date and method of issue of such security, the arrangements for the application of the proceeds of the issue and for the repayment of the proceeds have been previously approved by the State Government and no variation of any such arrangements shall be made without the like approval of the State Government.

CHAPTER IV

Annual financial statement and other statements and reports to be furnished by the Board and manner of maintaining accounts :-

11. Budget and programme of work :—[1] The annual financial statement shall be in form "1" and the programme of work in form "2".

[2] The Board shall also forward to the State Government with its programme of work a note giving history and description

make and
may deem
the Board,

of each scheme including *inter alia*, the progress made, expenditure incurred and sums accrued in the previous years in respect of continuing schemes. The note shall, in particular, bring out the financial implications of each scheme.

12. Manner and form of Maintenance of accounts :

The accounts of the Board shall be prepared and maintained on commercial lines.

[1] The Board shall keep at its Head-office proper books of account with respect to:

- (a) all moneys received by it :
- (b) all other transactions of a pecuniary nature :
- (c) assets and liabilities of the Board.

(2) The accounts of the Board shall be maintained in the Double entry system in accordance with the principles of commercial accounting

(3) The annual statement of accounts to be prepared by the Board and submitted to the Government under Section 24 shall be in Form "3".

13. ANNUAL REPORT AND OTHER RETURNS-The other particulars which the annual report of the working of the Board to be submitted to the State Government under sub-section (3) (b) of Section 24 should contain shall be particulars regarding.

(a) Industrial Areas or Industrial Estates entrusted to the Board by the State Government.

(b) Programme of work for the year under report.
(c) Progress of work during the year with Particular reference to—

- (i) land acquired :
- (ii) development carried out :
- (iii) amenities provided :

(iv) Industries established in the Industrial Areas or Industrial Estates; and

(v) details of any other activities entrusted to and undertaken by the Board under and in accordance with the Act;

(c) finance for the Board;

(e) changes, if any in the constitution of the Board;

(f) establishment under the Board and administration of its business;

(g) directions given by the State Government to the Board for compliance;

(h) stock taking of accounts showing expenditure, revenue liabilities and assets.

(2) The Board shall also submit to the State Government by the first day of November of each year a progress report based on its working and accounts of the first six months of the year.

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CHAPTER V

MISCELLANEOUS

Part IV-2C (i) KARNATAKA GAZETTE, OCT, 20, 1983 293

Commerce and Industries Secretariat

Notification No. CI 319 SPQ 82

Bangalore, dated 10th October, 1983

In exercise of the powers conferred by the Section 40(1) of the Karnataka Industrial Area Development Act, 1966 with the previous approval of the State Government hereby makes the following order, further to amend Rule 14 of Karnataka Industrial Areas Development Rules, 1966

1. **Title and Commencement**— (1) These Rules may be called the Karnataka Industrial Areas Development (Amendment) Rules, 1983.

2) They shall come into force on the date of their publication in the official gazette.

2. **Amendment of rule 14**—In Rule 14 of the Karnataka Industrial Areas Development Rules, 1966 after the words "within their respective jurisdiction" the following shall be inserted namely :—

"Or to the Special Land Acquisition Officers or the Additional Special Land Acquisition Officers in the Karnataka Industrial Areas Development Board with such jurisdiction as the State Government may specify from time to time.

Provided that where such powers are delegated to the Special Land Acquisition Officer or the Additional Special Land Acquisition Officer, the Assistant Commissioner in-charge of the Revenue Sub-Division shall cease to exercise the powers in the areas within the jurisdiction of the Special Land Acquisition Officer or the Additional Special Land Acquisition Officer, as the case may be"

By Order and in the name of the Governor of Karnataka,

Desk Officer,
T. VENKATAIAH

1. Budget Estimates of the Karnataka Industrial Areas Development Board
[REVENUE RECEIPTS]

Sub head	Actuals for the previous three years	Budget for the current year	Revised estimate for the current year	Budget Estimates for 1919—	Remarks [Explanation for increase/decrease]
1	2	3	4	5	6
1. Recoveries of Expenditure					
2. Sale of Tender Forms					
3. Recoveries of Fines etc., from Contractors					
4. Hire charge to tools and plants, supervision charges on sale of material and other similar receipts					
5. Annual rent of land leased					
6. Annual rent of building					
7. Forfeiture of deposits					
8. Miscellaneous					
9. Subventions from the State Government					
Deduct—Refunds					
Net—Receipts					

Budget Estimates of the Karnataka Industrial Areas Development Board
[REVENUE EXPENDITURE]

9. Subventions from the State
 Government
 Deduct—Refunds
 Net—Receipts

Budget Estimates of the Karnataka Industrial Areas Development Board

[REVENUE EXPENDITURE]

Sub-head	Actuals for the previous three years	Budget for the current year	Revised estimate for the current year	Budget estimates for 19	Remarks [Explanation for increase/Decrease]
1	2	3	4	5	6
1-A Establishment [Administration]					
[a] Pay of Officers					
[b] Pay of Establishment					
[c] Allowances and Honoraria					
[d] Contingencies					
Total :					
1-B. Establishment [Executive] —					
[a] Pay of Officers					
[b] Pay of Establishment					
[c] Allowances and Honoraria					
[d] Contingencies					
Total :					
1-C. Establishment [Accounts]					
[a] Pay of Officers					
[b] Pay of Establishment					
[c] Allowance and Honoraria					
[d] Contingencies					
Total :					

- II. Pension and leave contributions
- III. Contribution of the Board of the Staff Provident Fund and other service funds.
- IV. Interest on Capitals (Rates of interest to be stated).
- V. Expenditure connected with the issue of new loans
- VI. Description—
 - a] Special tools and plants
 - b] Vehicles
 - c] Buildings
 - d] Other items
- VII. Maintenance and Repairs—
 - a] Repairs to tools and plants to (Special)
 - b) Repairs to tools and plants to (Ordinary).
- VIII. Municipal and other taxes—
- IX. Miscellaneous expenditure—

Net expenditure on revenue

Account.

Total—

Amount

Amount

Amount

Amount

Amount

1

2

3

4

5

6

Net expenditure on revenue

Account.

Total—

1

2

3

4

5

6

III. Budget Estimates of the Karnataka Industrial Areas Development Board

1. Balance with the Board as on the beginning of the year
2. Loans from Government during the year
3. Other loans (Public or Private)

III. Budget Estimates of the Karnataka Industrial Areas Development Board

(contd.)

4. Sale of Plots
5. Sale of Building
6. Other Capital Receipts
7. Suspense Accounts

Total

IV. Budget Estimates of the Karnataka Industrial Areas Development Board
 (CAPITAL ACCOUNT EXPENDITURE)

Sub-head	Accounts for the last year	Budget for the current year	Revised Estimates for the current year	Budget estimates for 19— 19—	Remarks (explanation for increase or decrease)
1	2	3	4	5	6
* 1. Work in progress					
* 2. Cost of land					
* 3. a) New Works exclusive cost of land					
b) Cost of land					
4. Establishment charges transferred from revenue account charged to capital.					
5. Tools and Plants					
6. Amount transferred to Depreciation fund.					
7. Amount transferred to other funds					
8. Suspense Account					
Total					

*The details of each scheme should be given in Part V.

V. Budget Estimates of the Karnataka Industrial Areas Development Board
 DETAILS OF WORKS—IN PROGRESS

Total

*The details of each scheme should be given in Part V.

V. Budget Estimates of the Karnataka Industrial Areas Development Board
 DETAILS OF WORKS—IN PROGRESS
 —NEW WORKS

Name of Scheme 1	Items of capital expenditure 2	Estimated cost of the work 3	Expenditure to the end of last year 4	Account for the year before last 5	Budget for the current year 6	Revised Estimates for the current year 7	Budget estimates for 19—19— 8	Remarks (Explanation for increase/decrease 9
1. Land Acquisition
2. Survey and Demarcation
3. Roads
4. Water works-
a] Head Works
b] Pipe lines
5. Drainage
a] Drainage lines
b] Drainage disposal plants
6. Electricity-
a) Laying out underground cables
b) Street lighting :
7. Buildings
8. Bridges
9. Railways sidings
Total....								

FORM . '2'

(See Rule 11 (1))

ANNUAL PROGRAMME OF WORK

Sl. No.	Name of Scheme	Estimated cost of the work	Estimated expenditure in the year for which programme is proposed	Estimated receipts	Saient features Amenities and facilities to industries
1	2	3	4	5	6

FORM 3

FORM 3

Income and Expenditure account of the Karnataka Industrial Areas Development Board for the year ended.....

Expenditure		Receipts	
To	Rs.	By	Rs.
A. (i) Maintenance and repairs		A. Recoveries of overpayments	
a) Repairs to Tools and Plant (Special)		B. Sale of tender forms	
b) Repairs to Tools and Plant (ordinary)		C. Recoveries of fines from contractors	
c) Annual repairs and maintenance of buildings.		D. Hire charges of tools and plant supervision charges on sale of material and other recoveries.	
d) Repairs and maintenance of vehicles		E. Annual rent of land leased by the Board	
(ii) Miscellaneous expenditure....		F. Rent on Buildings	
a) Law charges		G. Rents from Industrial Estates	
b) Others		H. Gains on disposal of land	
B. Constructions expenses....		I. Grants from Government	
(i) Establishment — Rs.		J. Forfeiture of deposits	
(ii) Contingencies— Rs.		K. Fees, charges etc.	
Total		L. Water and electricity supply	
.....percent less transferred to the Development Expenditure.	M. Miscellaneous

FORM 3-[contd.]

Expenditure	Receipts
To	Rs.
C. Administrative Expenses....	
a) Salaries and allowances
b) Travelling allowance
c) Contingencies
d) Contribution to staff Provident fund, and other service funds
e) Leave and pension contribution
f) Rent to Government
g) Miscellaneous
Total
Less % transferred to Development Board	
D. Water supply and electricity charges
E. Depreciation....	
a) Special tools and plant
b) Vehicles
c) Buildings
d) Other items
F. Special charges....	

- a) Special tools and plant
- b) Vehicles
- c) Buildings
- d) Other items

E. Office

F. Special charges....

- a] Insurance
- b] Advertisement
- c] Rents, rates and taxes
- d] Printing and Stationery
- e] Postage
- f] Others

G. Board expenses ...

- a] Compensatory allowance
- b] Travelling allowance

H. Interest on loans, debentures, etc.....

I. Expenditure connected with the raising of new loans and issue of debentures....

J. Miscellaneous....

FORM 3-(contd.)

Balance Sheet of the Karnataka Industrial Areas Development Board as on.....

Liabilities	Rs.	Assets	Rs.
I. Secured loans		I. Fixed Assets Name of Industrial Area/ Industrial Estate	
a] Loans borrowed from banks	1. Land	
b] Debentures, notes, securities, etc.	2. Buildings	As per schedule
c] Others	3. Railway siding	
II. Unsecured loans		II. a) Development of Industrial Areas and Estates	18
a] Loans and advances from the State Government		b) Development of other schemes
b] Loans raised in the open market	III. Investments
c] Deposits		a) Government securities
i) from public	b) Others
ii) from Government	IV. Current Assets, Loans and advances
d] Cash credits and overdrafts	A. (1) Stores and building materials
e] Others		

ii) from Government
d] Cash credits and overdrafts
e] Others

IV. Current Assets, Loans and advances

A. (1) Stores and building materials

Liabilities	Assets
III. Current liabilities	2) Loose tools
1. Sundry creditors	3) Vehicles
2. Rent recovered in advance	4) Amounts due from State Government
3. Interest accrued and due but not paid	5) Sundry debtors
4. Provision for taxation	6) Advances recoverable (Rates, taxes, insurances, etc.)
5. Provident fund	7) Interest secured on investments
IV. Reserves	8) Cash on hand
V. Net surplus	9] Cash at Bank
	V. Miscellaneous
	VI. Net Deficit
Total	Total