

(2012ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ 1) ಉಪಬಂಧಗಳ ಅನುಸಾರವಾಗಿ ಅಂಥ ಅಧಿಕಾರಿಯ ವಿರುದ್ಧ ದಂಡನಾ ಕ್ರಮಗಳನ್ನು ತೆಗೆದುಕೊಳ್ಳತಕ್ಕದ್ದು.”

ವಜೂಭಾಯಿ ವಾಲಾ  
ಕರ್ನಾಟಕದ ರಾಜ್ಯಪಾಲರು

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆಜ್ಞಾನುಸಾರ ಮತ್ತು ಅವರ  
ಹೆಸರಿನಲ್ಲಿ,

(ಕೆ. ದ್ವಾರಕನಾಥ್ ಬಾಬು)

ಸರ್ಕಾರದ ಕಾರ್ಯದರ್ಶಿ

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ  
ಇಲಾಖೆ.

**PARLIAMENTARY AFFAIRS AND LEGISLATION SECRETARIAT**

**NOTIFICATION**

**No.: DPAL 40 SHASANA 2020, BEGALURU, DATED: 02.07.2020**

The Karnataka Industries (Facilitation) (Amendment) Ordinance, 2020-ಇದಕ್ಕೆ 2020 ರ ಜುಲೈ ತಿಂಗಳ 01ನೇ ದಿನಾಂಕದಂದು ರಾಜ್ಯಪಾಲರ ಒಪ್ಪಿಗೆ ದೊರೆತಿದ್ದು, ಸಾಮಾನ್ಯ ತಿಳುವಳಿಕೆಗಾಗಿ ಇದನ್ನು 2020ರ ಕರ್ನಾಟಕ ಅಧ್ಯಾದೇಶ ಸಂಖ್ಯೆ: 12 ಎಂಬುದಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಪ್ರಕಟಿಸಬೇಕೆಂದು ಆದೇಶಿಸಲಾಗಿದೆ.

**KARNATAKA ORDINANCE NO. 12 OF 2020**

**THE KARNATAKA INDUSTRIES (FACILITATION) (AMENDMENT)**

**ORDINANCE, 2020**

(Promulgated by the Governor of Karnataka in the Seventy first year of the Republic of India and First published in the Karnataka Gazette Extra-ordinary on the 2<sup>nd</sup> day of July, 2020)

An Ordinance further to amend the Karnataka Industries (Facilitation) Act, 2002.

Whereas both the Houses of the state legislature are not in session and Honorable Governor of Karnataka is satisfied that the circumstances exist which render it necessary for him to take immediate action, further to amend the Karnataka Industries (Facilitation) Act, 2002 (Karnataka Act 45 of 2003) for the purposes hereinafter appearing;

Now, therefore in exercise of the powers conferred by clause (1) of Article 213 of the Constitution of India, Honorable Governor of Karnataka is pleased to promulgate the following Ordinance, namely:-

**1. Short title and commencement.-** (1) This Ordinance may be called the Karnataka Industries (Facilitation) (Amendment) Ordinance, 2020.

(2) It shall come into force at once.

**2. Amendment of section 2.-** In the Karnataka Industries (Facilitation) Act, 2002 (Karnataka Act 45 of 2003) (hereinafter referred to as the principal Act,) in section 2,-

(i) In clause (ia), the following shall be inserted at the end, namely:-

“the Legal Metrology Act, 2009 (Central Act 1 of 2010) or rules made there under, the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964), the Karnataka Municipal Corporations Act, 1976 (Karnataka Act 14 of 1977), the Karnataka Grama Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993), the Karnataka Industrial Area Development Act, 1966 (Karnataka Act 18 of 1966), the Karnataka Fire Force Act, 1964 (Karnataka Act 42 of 1964), the Karnataka preservation of Trees Act, 1976 (Karnataka Act 76 of 1976), the Karnataka Forest Rules, 1969, the Karnataka Land Revenue Act, 1964 (Karnataka Act 12 of 1964), the Karnataka Land Reforms Act, 1961 (Karnataka Act 10 of 1962), the Bangalore Development Authority Act, 1976 (Karnataka Act 12 of 1976), the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act 34 of 1987), the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), and the policies of the Karnataka State Small scale Industries Development Corporation.”

(ii) after clause (vii) the following shall be inserted, namely:-

“(vii-a) “Manufacturing Enterprise” means the enterprise engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use.

(vii-b) “Manufacturing industry” means the industry which involves in the manufacturing and processing of items and indulges in either creation of new commodities or in value addition.”

**3. Amendment of section 13.-** In section 13 of the Principal Act,

(i) in sub-section (1), after clause (g), the following shall be inserted, namely:-

“(h) on receipt of combined application form from the manufacturing industries or enterprises, the respective nodal agency shall issue an acknowledgment certificate, after obtaining the approval by the investment committees, namely State High Level Clearance Committee, State Level Single Window Clearance Committee or District Level Single Window Clearance Committee, in the prescribed form, to the applicant:

Provided that, land shall be considered for the purpose for which it is being acquired or permission for which it is applied for.”

(ii) after sub-section (2), the following shall be inserted, namely:-

“(3) In respect of manufacturing industry or manufacturing enterprise, the acknowledgement certificate issued under clause (h) of sub-section (1) shall deemed to be the clearances for setting up or establishment of Industry as defined in sub-section (iii) of section 2, granted or issued by the respective departments for an initial period of three years or till the date of commencement of commercial operations, whichever is earlier, from the date of its acknowledgement.

Provided that, such deemed clearance for setting up of Industry shall be only to the Land for the purpose for which it is being acquired or permission is applied for. Further, there shall not be any deviation in construction with reference to the building bye-law and to the land use specified in any applicable Act or the master plan, wherever such plan is in force.

Provided further that, the approvals shall not entitle the manufacturing industry or manufacturing enterprise to use a land without clear title or lands falling under dispute, restricted categories etc.,. The ceiling limit of area that can be acquired or utilized under the provisions of this Act shall be limited as per the provisions under section 109 of the Karnataka Land Reforms Act, 1961(Karnataka Act 10 of 1962).

**Explanation:** Where the manufacturing industry or manufacturing enterprise establishes as per sub-section (3), the applicant has to take necessary clearances as per sub-sections (2) and (3) of section 14, before commencement of commercial operation.

(4) To assist various administrative or line departments whose powers are devolved upon the nodal agency under various legislations, Acts, rules or regulations for obtaining the approvals and monitoring the implementation of the project.

(5) To monitor and maintain the record of the applications or proposals and acknowledgement certificate issued.

(6) The state level nodal agency to maintain the database of all the project applications, approvals or acknowledgements as a central repository through the online systems.

**Explanation:** List of services, approvals or clearances that are required to be brought under the purview of acknowledgement certificate shall be considered as clearances by the departments for an initial period of three years or till the date of commencement of commercial operation, whichever is earlier for manufacturing industry or manufacturing enterprise. The list of the services, approvals or clearances shall include clearances as defined in clause (iii) of section 2.

**4. Amendment of section 14.-** In section 14 of the Principal Act, shall be re-numbered as “(1)” thereof and after so re-numbered, the following shall be inserted, namely:-

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“(2) the applicant may opt to furnish the combined application form along with relevant fee and self certification under sub-section (1) of section 14 and sub-section (3) of section 15, respectively. In the event of the applicant not opting for furnishing the self-certification as under sub-section (3) of section 15, the applicant shall take all the necessary approvals prior to setting up or establishment of the industry.

(3) The manufacturing industry or manufacturing enterprise shall make relevant applications for operationalising the Unit under applicable Acts, rules, etc. within the prescribed timelines, that is six months before the expiry of the acknowledgement certificate. The acknowledgement certificate as issued to the said industry or enterprise as per sub-section (3) of section 13 shall be the prerequisite document for getting approvals under this sub-section.

**Explanation:** The acknowledgement certificate shall be the approval document for all the approvals or clearances as required under applicable Acts and rules specified in clause (iii) of section 2 and the approvals that require approval or clearance before the commencement of construction or establishment shall be deemed to be received.

(4) In instances where the approvals are not sought as per sub-section (3), the validity of the acknowledgement certificate shall cease.

(5) In instances of violation of sub-sections (3) and (4), the relevant line departments or agencies shall initiate the penal actions under relevant Acts.”

**5. Amendment of section 15.-** In section 15 of the principal Act after sub-section (2), the following shall be inserted, namely:-

“(3) The self-certification to be provided by the manufacturing industries or manufacturing enterprises shall be in form of an Affidavit which shall be the mandatory document for submission of the Combined Application Form (as specified in section 14). The manufacturing industry or manufacturing enterprise shall furnish an undertaking that on clearance they shall abide by all the applicable Acts, rules etc. as defined in clause (iii) of section 2 and any deviation found at a later stage shall be liable for penal action under this Act or any applicable Acts. The application thus made by the manufacturing Industry or manufacturing Enterprises shall be along with the requisite fee prescribed for the services that are implied of the unit.”

**6. Substitution of section 16.-** For section 16 of the Principal Act, the following shall be substituted, namely:-

**“16. Inspection.-** During the period of validity of the acknowledgement certificate, in instances where inspections are warranted, the inspection shall be carried out by such officers of the respective departments in consultation with the nodal agency and approval of the Head of the department concerned, in such manner, subject to such guidelines as may be prescribed.”

**7. Amendment of section 19.-** In section 19 of the Principal Act, section 19 shall be re-numbered as sub-section “(1)” thereof and after sub-section (1) so re-numbered, the following shall be inserted, namely:-

“(2) Any manufacturing industry or enterprise which fails to comply with the conditions specified in the undertaking or the self certification given to the

nodal agency while applying for acknowledgement certificate or for violating any clause in the applicable Act or rule, while implementing the industrial projects, shall on conviction be punishable with fine which may extend to one lakh rupees for the first offence and for the second and subsequent offence, with fine which may extend to two lakh rupees. In addition, the departments concerned shall initiate penal action under respective Acts.

(3) In case where the concerned department officer has not provided the service or approval, during the period of deemed clearance, within the stipulated timelines, penal actions shall be taken against such Officer as per the provisions of the Sakaala Services Act, 2011 (Karnataka Act 1 of 2012).”

**VAJUBHAI VALA**

Governor of Karnataka

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

**(K. DWARAKANATH BABU)**

Secretary to Government  
Department of Parliamentary Affairs  
and Legislation.