

## **KARNATAKA INDUSTRIAL AREAS DEVELOPMENT RULES, 1966**

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## **KARNATAKA INDUSTRIAL AREAS DEVELOPMENT RULES, 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.

GSR 1017 in Part IV, Section 2-C(i) of the Karnataka Gazette, dated 7th July, 1966, namely.

#### CHAPTER 1

##### 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 2

##### Remuneration of Members of the Board

### **3. Allowance and honorarium of members :-**

#### CHAPTER 3

##### Conditions for Borrowing by the Board

### **4. Limit on borrowing without previous consent of Government :-**

**1** The Board may borrow money and mortgage or charge 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 rupees two hundred crores.

1. Published in the Karnataka Gazette, dated 13-10-1966, vide

Notification No. CI 71 GMI 66, dated 4-10-1966.

**5. Manner of issuing securities :-**

Every bond, obligation, debenture or other security issued by the Board for raising money or for 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 of 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 instructions 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 4

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 a history and description of each scheme including inter alia, the progress made, expenditure incurred and sums secured 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.

(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 :-**

(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.

#### CHAPTER 5

Miscellaneous

### **14. Delegation of powers of the State Government :-**

The powers of the State Government under sub-sections (2), (3), (6), (7) and (8) of Section 28 and sub-sections (1), (2) and (3) of Section 29 hereby delegated to the Assistant Commissioners in charge of Revenue sub-divisions within their respective jurisdiction

1[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.