PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub: Approval for allotment of land by Karnataka Industrial Areas Development Board on 99 years lease basis-reg.

Ref:
1. Government Order No. CI 358 SPQ 2009, Dated: 13.05.2010
2. Government Order No. CI 511 SPQ 2013, Dated: 07.08.2014
3. Letter No. KIADB/PS-16/98/2014-15, Dated: 27.10.2014.

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Preamble:

The Government has approved the allotment of land by KIADB in their industrial areas including Single Unit Complexes and Housing Complexes on lease basis for a period of 99 years with certain terms and conditions vide Government Order cited at ref (2) above.

The Chief Executive Officer & Executive Member, KIADB represented to the Government vide letter dated: 27.10.2014 cited at ref (3) that KIADB had difficulty in complying with the terms and conditions of the Government Order under Clause II & III, in view of the commitments made by KIADB in their allotment letters issued earlier to 23.08.2013 and several representations were also received from industrial association to partially modify Clause II of the lease order.

The Commissioner for Industrial Development and Director of Industries and Commerce was asked to have a detailed meeting with KIADB and the industrial associations on the issue and accordingly a meeting was convened on 12.11.2014.

The Commissioner for Industrial Development and Director of Industries and Commerce has suggested some modifications in the said Government Order under Clause II & III to remove ambiguity and smooth operations of the provisions of the Government Order.

The Government after examination of the recommendations of the Commissioner for Industrial Development and Director of Industries and Commerce, took up the matter in the Cabinet with some more recommendations, which is as follows:-

Existing Clause	**Corrigendum suggested by C&I Department**
1	2
(a) Clause-II: Lease will also apply to such projects cleared by SHLCC / SLSWCC / DLSWCC and KIADB allotment Committee prior to 23.08.2013 but where lease cum sale agreement has not been signed due to following reasons: 1. Land acquisition is not completed 2. Land is under litigation and court cases 3. Layout plan has not been approved 4. Tentative allotment rate of land has not been fixed 5. Applications filed with partial initial deposit 6. For any other valid reasons.	(a) Clause-II: Allotment shall be on lease cum sale basis with 10 years lease in cases where allotment letters are issued by the KIADB prior to 23.08.2013 and payment in full has been received by KIADB as per its schedule.
(b) Clause-III (2): Lease Rent: Lease Rent of Rs.1000/- per acre per annum together with maintenance charges to be notified from time to time by KIADB	(b) Clause-III (2): In case of land acquired by KIADB under Single Unit Complex (SUC) the lease rent is fixed at Rs.100/- (One hundred) per acre per annum and maintenance charges waived.

(c) Clause-III (12): The Lessor may with the prior approval of the concerned investment approval committee, ... In such a case the Lessee and the Lessor will share the differential cost of new allotment and old allotment equally	(c) Clause-III (12): The Lessor may with the prio approval of the concernec investment approval committee .... In such case the Lessee anc Lessor will share the differentia cost of new allotment and olc allotment in the ratio of 75% 8 25% respectively.
---	**Addendum** "Wherever a small extent of (uptc 50% of original land allotment) lanc is subsequently notified, acquirec and allotted to the original allottee as an additional land to the origina allotment, the tenure and conditions detailed in the main Allotment Letter will apply."

Hence the following order:

GOVERNMENT ORDER NO. CI 511 SPQ 2013, DATED: 07.07.2015

Government is pleased to issue the Corrigendum Order for the Government Order No. CI 511 SPQ 2013, Dated: 07.08.2014 as below.

i. replace the existing Clause-II with the following:-

"Clause-II:

Allotment shall be on lease cum sale basis with 10 years lease in cases where allotment letters are issued by the KIADB prior to 23.08.2013 and payment in full has been received by KIADB as per its schedule."

ii. replace the existing Clause-III (2) with the following:-

"Clause-III (2):

In case of land acquired by KIADB under Single Unit Complex (SUC) the lease rent is fixed at Rs.100/-(One hundred) per acre per annum and maintenance charges waived."

(c) Clause-III (12): The Lessor may with the prior approval of the concerned investment approval committee, ... In such a case the Lessee and the Lessor will share the differential cost of new allotment and old allotment equally	(c) Clause-III (12): The Lessor may with the prio approval of the concernec investment approval committee .... In such case the Lessee anc Lessor will share the differentia cost of new allotment and olc allotment in the ratio of 75% 8 25% respectively.
---	**Addendum** "Wherever a small extent of (upto 50% of original land allotment) lanc is subsequently notified, acquirec and allotted to the original allottee as an additional land to the origina allotment, the tenure and conditions detailed in the main Allotment Letter will apply."

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Allotment shall be on lease cum sale basis with 10 years lease in cases where allotment letters are issued by the KIADB prior to 23.08.2013 and payment in full has been received by KIADB as per its schedule."

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"Clause-III (2):

In case of land acquired by KIADB under Single Unit Complex (SUC) the lease rent is fixed at Rs.100/-(One hundred) per acre per annum and maintenance charges waived."

iii. replace the existing Clause-III (12) with the following:-

"Clause-III (12):

The Lessor may with the prior approval of the concerned investment approval committee ,.....
.....

In such case the Lessee and Lessor will share the differential cost of new allotment and old allotment in the ratio of 75% & 25% respectively."

iv. add the following as Addendum at V:-

"Wherever a small extent of (upto 50% of original land allotment) land is subsequently notified, acquired and allotted to the original allottee as an additional land to the original allotment, the tenure and conditions detailed in the main Allotment Letter will apply."

v. Insert the following at VII:-

Permit KIAD Board to formulate separate guidelines for allotment of land / houses in the housing layouts developed by KIADB.

Other terms and conditions issued in the Government Order No. CI 511 SPQ 2013, Dated: 07.08.2014 remain same.

This Order is issued with the concurrence of the Department of Law, Justice and Human Rights vide No. LAQ 607 OPN 2014, Dated: 28.01.2015, and Finance Department vide No. FD 1333 Exp-1/2014 dated: 23.02.2015.

By the order in the name of the
Governor of Karnataka

(K. RATNA PRABHA),
Additional Chief Secretary to Government,
Commerce & Industries Dept.

To:

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