



Department of Industries and Commerce
Proceedings of 48th meeting of State High Level Clearance Committee

Proceedings of the 48th meeting of State High Level Clearance Committee (SHLCC) held on 31.8.2017 at 4.30 PM under the chairmanship of Hon'ble Chief Minister of Karnataka at "Krishna", Home office of Hon'ble Chief Minister, Kumara Krupa Road, Bengaluru.

Members present: List attached

Commissioner for Industrial Development and Director of Industries & Commerce extended warm welcome to Hon'ble Chief Minister of Karnataka, Hon'ble Minister for Large & Medium Industries and Infrastructure Development, Hon'ble Minister for Agriculture, Hon'ble Minister for IT & BT, Science and Technology & Tourism, Chief Secretary to Government of Karnataka, Additional Chief Secretary to Govt. and Development Commissioner, Additional Chief Secretary to Govt. Commerce & Industries Dept. and other members of the Committee present in the meeting. The subjects were taken up for discussion as per the agenda.

Subject No.1: Confirmation of Proceedings of 47th meeting of SHLCC held on 20.4.2017.

Commissioner for Industrial Development informed the Committee that the proceedings of 47th meeting of SHLCC held on 20.4.2017 has been circulated to all the members and the same is placed before the Committee for confirmation. The Committee noted the same and confirmed the proceedings.

Subject No.2: Review of action taken on the decisions of 47th meeting of SHLCC held on 20.4.2017.

Commissioner for Industrial Development informed the Committee that the approval letter in the form of Government Order has been sent to all the projects approved in the 47th meeting of SHLCC held on 20.4.2017 and also to the respective Departments/Organizations for further needful action. The Committee noted the action taken as above.

Subject No.3: Consideration of New projects for approval:

3.1 Project proposal of M/s TVS Motor Company Limited to establish "Two Wheelers manufacturing unit" at Bythahalli village, Kadakola post, Mysuru District.

Constitution : Limited Company

Product/ Activity : Two Wheelers manufacturing unit

Location : Bythahalli village, Kadakola post, Mysuru District



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Extent of Land : 20 acres of existing land allotted by KIADB as SUC

Investment : Rs. 1,110 crore including investments from ancillary units

Employment : 800 Nos.

Promoters : Mr. Venu Srinivasan, Managing Director

Networth of the company: Rs. 3408 crore

Project cost and Means of Finance (Rs. in Crore)

Cost of the project		Means of Finance	
Land and Building	231.00	Institution Equity	0
Plant and Machinery	346.00	Term Loan	0
Others Suppliers	533.00	Promoter Equity	577.00
Working Capital Margin	0	Others Suppliers	533.00
Contingency	0	Subsidy / Grants	0
Total	1110.00	Total	1110.00

Infrastructure support and approvals requested by the company for the project:

Water :	5 lakh LPD from Local sources
Power :	2000 KVA from CESCO
Incentives & Concessions:	As per Industrial Policy of the State and additional Special Incentives and Concessions
Statutory clearances:	All necessary statutory approvals/clearances

Decision of SHLCC:

The Committee noted the details of the project proposal. The Committee, after discussing the project in detail resolved to approve the project proposal as under.

Details	Decision of the Committee
Project approval:	M/s TVS Motor Company Limited to establish "Two Wheelers manufacturing unit" with an investment of Rs. 1,110 crore including investments from ancillary units.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Land:	20 acres of existing land allotted by KIADB as SUC at Bythahalli village, Kadakola post, Mysuru District.
Water :	5 lakh LPD from Local sources.
Power :	2000 KVA from CESCO.
Pollution Control Clearance :	The promoters shall comply with the regulations prescribed by KSPCB / DFEE, GoK / MOEF, GOI, as applicable, before commencement of the project.
Incentives & Concessions:	As per Industrial Policy of the State. Special Incentives and concessions sought by the company to be considered separately.
Statutory clearances:	The promoters to take all necessary statutory clearances.
Employment to Local persons:	The promoters shall provide local employment as per Industrial Policy of the State.

3.2 Project proposal of M/s Mangalore Refinery and Petrochemicals Ltd. to establish "2G Ethanol Plant" at Hanagawadi 2nd Phase Industrial Area, Harihara Taluk, Davangere District.

Constitution :	Limited Company
Product/ Activity :	2G Ethanol Plant
Location :	KIADB land in Hanagawadi 2 nd Phase Industrial Area, Harihara Taluk, Davangere District
Extent of Land :	50 acres
Investment :	Rs. 966 crore
Employment :	71 Nos.
Promoters :	Mr. H Kumar, Managing Director
Networth of the Company:	Rs. 6,420 crore



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Project cost and Means of Finance (Rs. in Crore)

Cost of the project		Means of Finance	
Land and Building	59.00	Institution Equity	0
Plant and Machinery	746.00	Term Loan	676.00
Others	74.00	Promoter Equity	290.00
Working Capital Margin	3.00	Others	0
Contingency	84.00	Subsidy / Grants	0
Total	966.00	Total	966.00

Infrastructure support and approvals requested by the company for the project:

Land :	KIADB to allot 50 acres in the land acquired for formation of Hanagawadi 2 nd Phase Industrial Area, Harihara Taluk, Davangere District.
Water :	3000 KLPD of water from Shantisagar (Sulekere) Irrigation Tank / KIADB.
Power :	7500 KVA from HESCOM.
Incentives & Concessions:	As per Industrial Policy of the State.
Statutory clearances:	All necessary statutory approvals/clearances.

Recommendations of Land Audit Committee in its 41st Meeting held on 13.7.2017:

The promoter of the firm appeared before the committee and highlighted the project proposal and informed that they intend to establish a unit to manufacture “2G Ethanol from Maize Cobs and Rice Straw” and requested for allotment of 50 acres of bulk land by KIADB in Hanagawadi Phase-2 Industrial area, Harihara Taluk, Davanagere District.

The Committee noted the request of the company and after detailed discussions, resolved to recommend to SHLCC for approval of the project of M/s Mangalore Refinery and Petrochemicals Ltd. to set up a unit to manufacture “2G Ethanol from Maize Cobs and Rice Straw” and KIADB to allot 50 acres of bulk land in the land acquired for formation of Hanagawadi Phase 2 Industrial Area, Harihara Taluk, Davanagere District.

Further, in view of the request of the company vide their letter dt: 1.8.2017, to process the proposal on top priority and also their request was recommended by the 41st LAC meeting held on 13.7.2017, the subject was moved on file for decision on the subject. The request of the company was approved on file and Government Order was issued vide no. CI 191 SPI 2017 dt: 26.8.2017.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Decision of SHLCC:

The Committee noted the details of project proposal. The Committee after discussing the project in detail, ratified the action taken in issuing Government Order No. CI 191 SPI 2017 dt: 26.8.2017, approving the project proposal as under.

Details	Decision of the Committee
Project approval:	M/s. Mangalore Refinery and Petrochemicals Ltd. to establish "2G Ethanol Plant" with an investment of Rs. 966 crore.
Land :	KIADB to allot 50 acres bulk land in Hanagawadi 2 nd Phase Industrial Area, Harihara Taluk, Davanagere District.
Water :	3000 KLPD of water from Shantisagar (Sulekere) Irrigation Tank/KIADB.
Power :	7500 KVA of power supply from HESCOM.
Incentives & Concessions :	As per Industrial Policy of the State.
Pollution Control Clearance:	The promoters shall comply with the regulations prescribed by KSPCB / DFEE, GoK / MOEF, GOI, as applicable, before commencement of the project
Statutory clearances:	The promoters shall obtain all statutory clearances before commencement of production.
Employment to Local persons:	The promoters shall provide local employment as per applicable Policy of the State.

3.3 Project proposal of M/s IKEA India Pvt Ltd to establish "Single Brand Retail – Home Furnishing Store" at Nagasandara Village, Yeshwantpur Hobli, Bengaluru North Taluk, Bengaluru Urban District.

Constitution :	Private Limited Company
Product/ Activity :	Single Brand Retail – Home Furnishing Store
Location :	Leased land of BMRCL at Nagasandara Village, Yeshwantpur Hobli, Bengaluru North Taluk, Bengaluru Urban District
Extent of Land :	56,277 Sq. mtrs.
Investment :	Rs. 810 crore
Employment :	1050 Nos.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Promoters : Mr. Juvencio Maeztu, CEO

Networth of the Company Rs. 1448 crore

Project cost and Means of Finance (Rs. in Crore)

Cost of the project		Means of Finance	
Land and Building	710.00	Institution Equity	0
Plant and Machinery	100.00	Term Loan	0
Others	0	Promoter Equity	810.00
Working Capital Margin	0	Others	0
Contingency	0	Subsidy / Grants	0
Total	810.00	Total	810.00

Infrastructure support and approvals requested by the company for the project:

Land :	56,277 Sq. mtrs. of leased land of BMRCL at Sy. No.12 & 13, Nagasandra Village, Yeshwantpur Hobli, Bengaluru North Taluk, Bengaluru Urban District.
Water :	3 lakh LPD of water from BWSSB.
Power :	3000 KVA from BESCO.
Incentives & Concessions:	As per Industrial Policy of the State and additional Special Incentives and Concessions.
Statutory clearances:	All necessary statutory approvals/clearances.

Recommendations of Land Audit Committee in its 42st meeting held on 24.8.2017:

The representative of the company appeared before the committee and highlighted the project proposal.

The Committee noted the request of the company and after detailed discussions, resolved to recommend to SHLCC for approval of the project of M/s IKEA India Pvt Ltd to set up a unit for "Single Brand Retail- Home Furnishing Store" in 10 acres 11 guntas of leased land of BMRCL at Nagasandra Village, Yeshwanthapur Hobli, Bengaluru North Taluk, Bengaluru Urban District.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Decision of SHLCC:

The Committee noted the details of the project proposal. The Committee, after discussing the project in detail and keeping in view the land utilization details and also recommendations made by the Land Audit Committee, resolved to approve the project proposal as under.

Details	Decision of the Committee
Project approval:	M/s. IKEA India Private Limited to establish "Single Brand Retail – Home Furnishing Store" with an investment of Rs. 810 crore
Land :	56,277 sq mtrs of leased land of BMRCL in Sy. no. 12 & 13, Nagasandara Village, Yeshwanthapur Hobli, Bengaluru North Taluk, Bengaluru Urban District
Water :	3 lakh LPD of water from BWSSB based on availability
Power :	3000 KVA from BESCOM
Pollution Control Clearance :	The promoters shall comply with the regulations prescribed by KSPCB / DFEE, GoK / MOEF, GOI, as applicable, before commencement of the project
Incentives & Concessions:	As per applicable policy of the State.
Statutory clearances:	The promoters shall obtain all statutory clearances before commencement of production
Employment to Local persons:	The promoters shall provide local employment as per applicable Policy of the State

Subject No.4: New proposals deferred in earlier meetings:

4.1 Project proposal of M/s. BPK Infrastructure to establish "100MLD Desalination Project" at Canara Industrial Area, Dakshina Kannada District.

Constitution :	Private Limited Company
Product/ Activity :	100 MLD Desalination Plant
Location :	Canara Industrial Area, Dakshina Kannada District
Extent of Land :	85 acres of KIADB land
Investment :	Rs. 2506.70 crore



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Employment : 4365 Nos.

Promoters : Mr. B P Kumar Babu, Managing Director

Networth of the Promoters:
(31.3.2016)

1. Mr. B P Kumar Babu: Rs. 150.90 crore
2. Mrs. Kumudha Kumar Babu: Rs. 632.04 crore

Networth of the Group

Company: (31.3.2015)

M/s Cornerstone Properties Rs.32.36 Crore
Private Ltd.

Project cost and Means of Finance (Rs. in Crore)

Cost of the project		Means of Finance	
Land and Building	742.20	Institution Equity	500.00
Plant and Machinery	1609.09	Term Loan	1255.46
Others	0	Promoter Equity	250.61
Working Capital Margin	104.78	Others	0
Contingency	50.00	Subsidy / Grants	500.00
Total	2506.07	Total	2506.07

Infrastructure support and approvals requested by the company for the project:

Land :	85 acres of KIADB land at Canara Industrial Area, Dakshina Kannada District.
Water :	10 lakh LPD of water from Local Authorities 2000 lakh LPD of water from Sea.
Power :	10000 KVA from MESCOM
Incentives & Concessions:	As per Applicable Policy of the State.
Statutory clearances:	All necessary statutory approvals/clearances.

Recommendations of Land Audit Committee in its 38th meeting held on 11.4.2017:

The representative of the company appeared before the committee and highlighted the project proposal. He informed that as per the advise of the Committee they had visited Canara Industrial Area, Dakshina Kannada District, along with D.O, KIADB, Mangalore. They



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

were informed by D.O, KIADB that about 85 acres of land was available for allotment in Canara Industrial Area. He informed the Committee that as per MECON report, for 1 MLD Desalination one acre of land is required. However, 85 acres of land which is available in Canara Industrial Area would suffice for their proposed 100 MLD Desalination Plant. He also informed that the financial closure for the project would be done in 4 months and they expect the project to be completed by November 2020 and requested the Committee to allot 85 acres of land for the project in Canara Industrial Area, Dakshina Kannada District.

The Committee noted the request of the company and after detailed discussions, resolved to recommend to SHLCC for approval of the project of M/s B P K Infrastructures Private Limited to set up "100 MLD Desalination Project" and KIADB to allot 85 acres of land in Canara Industrial Area, Mangaluru Taluk, Dakshina Kannada District.

Decision of SHLCC in its 47th meeting held on 20.4.2017:

The Committee noted the details of the project proposal. The Committee after discussing the project in detail resolved to inform the project proponents to discuss with Chairman, BWSSB regarding technical feasibility and economic viability of the project and Chairman, BWSSB to provide clear opinion on the project. With the above observations the Committee decided to defer the subject.

Resubmission of the project:

The project proposal of M/s B P K Infrastructure Private Limited, Bengaluru, to establish "100 MLD Desalination Project" in 100 acre of land, with an investment of Rs. 2506.07 Crore, providing employment to 4365 at Tannirbhavi, Mangalore, Dakshina Kannada District was discussed in the 47th State High Level Clearance Committee meeting held on 20-04-2017.

The Committee noted the details of the project proposal. The Committee after discussing the project details resolved to inform the project proponents to discuss with Chairman, BWSSB regarding technical feasibility and economic viability of the project and Chairman, BWSSB to provide clear opinion on the project.

The decision of the committee was communicated to BWSSB and the project proponents on 08.05.2017.

BWSSB, vide letter dated 28-06-2017 has provided the following opinion on the project;

- a. The project describes about bringing in 100 MLD of desalinate from Mangalore and bringing it close to T.G. Halli Reservoir. It shall be noted that this water input point which is on North Western part of Bengaluru is open Reservoir and not feasible for Banking and Wheeling as there is no space available. Also since the firm has not



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

proposed to any closed reservoir where they are understood to Bank the water, input point analysis cannot be made by BWSSB. Further, the company do not specifically mention the points of tapping under wheeling arrangement where they can supply water from BWSSB Distribution System. Since both the input and output points are not known to BWSSB, it is not possible to determine the exercise of Banking and Wheeling.

- b. The proposed 100 MLD water under Banking and Wheeling arrangement is huge quantity which cannot be received, stored and distributed by BWSSB with the available facilities. To facilitate this, substantial investment and infrastructure is required. For this BWSSB is not in position to invest on its own, which is a difficult proposition.
- c. The Wheeling of 100 MLD desalination water also means quantity loss in BWSSB transmission and distribution system. There may be substantial loss of water quantity from the input point to the output point as currently the distribution losses are around 40%. The company will have to accept for the lesser quantity than supplied by them which may get reduced to around 60 MLD. Under the above circumstances, since the analysis and costing of the existing distribution lines for each MLD transmission is not worked out, BWSSB is not in a position for accepting the wheeling proposal which also required huge investments.
- d. For the reasons stated above, it is not possible for BWSSB to accept this proposal.

Decision of SHLCC:

The Committee noted the details of the project proposal and the opinion of Chairman, BWSSB. After detailed discussions, the Committee opined that the project proposal would not be technically feasible and hence resolved to **reject** the project proposal.

Subject No.5: Consideration of amendments to earlier approved project proposals:

5.1 Project proposal of M/s. Tata Steel Ltd. to establish “Iron & Steel plant 3 MPTA Capacity” at Agadi & Bhotagatti villages, Devagiri & Devagiri – Yellapura villages of Haveri Taluk & District.

Constitution :	Limited Company
Product/ Activity :	Iron & Steel Plant - 3 MTPA Capacity
Location :	Agadi, Bhoodagatti, Devagiri & Devagiri – Yellapura villages of Haveri Taluk & District
Extent of Land :	2500 acres



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Investment :	Rs. 15,000 Crore
Employment :	25000 persons
Promoter :	Mr. Narendran, Managing Director

Background of the project:

The revised project proposal of M/s. Tata Metaliks Ltd. to enhance the Integrated Steel Plant capacity from 0.7 MTPA to 3 MTPA with an investment of Rs.6101.41 Crores in Boodagatti and Agadi Villages of Haveri Taluk and District was approved in 21st meeting of SHLCC held on 29.3.2010. Accordingly, Government Order was issued vide No. CI 273 SPI 2009 dated 7.5.2010.

Subsequently, Corrigendum to G.O No. CI 273 SPI 2009 was issued dated 21.7.2010 in accordance with decision of 23rd meeting of SHLCC held on 19.6.2010 for establishing “3 Million TPA Integrated Steel Plant” with an enhanced investment of Rs.15,000 crore to provide total employment to 25,000 persons in Boodagatti and Agadi Villages of Haveri Taluk with addition of Devagiri and Devagiri-Yellapura Villages for housing purpose.

Further, the project approval was transferred in the name of M/s Tata Steel Ltd. vide Government Order No.CI 273 SPI 2009 dated 4.2.2013 and further ratified in the 32nd meeting of SHLCC held on 23.8.2013.

The company vide their letter dated 10.10.2016 has stated that due to lower prices of Steel, non availability of iron ore as per original expectations coupled with the need for allowing farmers to get permission to transact their lands they were not able to proceed with implementation of the project.

KIADB, in its 34th Board meeting held on 30-05-2017, has considered the request of the company, vide letter dated 10.10.2016, to drop the project proposal and has resolved as follows:

1. To drop land acquisition proceedings in respect of 2266 acres 21 guntas of land in Boodagatti, Agadi, Devagiri and Devagiri-Yellapura villages of Haveri Taluk and District, for which preliminary notification was issued for the project.
2. To inform the company to obtain approval of SHLCC to drop the project proposal.

Decision of SHLCC:

The Committee noted the request of the company and the decision of the 34th KIADB Board meeting in this regard held on 30.5.2017. After detailed discussion, the Committee resolved to **withdraw** the approvals issued to the project proposal.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

5.2 Project proposal of M/s. Jai Prakash Engineering & Steel Company, to establish “Integrated Township & Fertilizer Manufacturing Unit” at Kenjar, Kulai & Thopur villages, Mangalore Taluk, Dakshina Kannada District.

Constitution :	Limited Company
Product/ Activity :	Integrated Township & Fertilizer Manufacturing Unit
Location :	Kenjar, Kulai & Thopur villages, Mangalore Taluk, Dakshina Kannada District
Extent of Land :	548.69 acres
Investment :	Rs. 1984 Crore (1500 + 484)
Employment :	12000 (6000+6000)
Promoter :	Mr. K. S Raju, Chairman

The project proposal of M/s. Jai Prakash Engineering and Steel Company Ltd. to change the activity and permit the company to establish a “Fertilizer and Chemical unit” with an investment of Rs. 1500 Crore generating employment to about 6000 persons at Kenjar and Thokur Villages of Mangalore Taluk, Dakshina Kannada District was approved in the 25th meeting of SHLCC held on 14.7.2011 with a condition that further requests regarding extension of time and change of activity in future shall not be considered. Accordingly, G.O No.CI 175 SPI 2011 dated 18.8.2011 was issued.

In addition, the project proposal of M/s. Jai Prakash Engineering and Steel Company Ltd. to establish an “Integrated Township” with an investment of Rs. 484 Crore generating employment to about 6000 persons in 101 acres of land in various Sy. Nos. of Kulai and Thokur Villages of Mangalore Taluk, Dakshina Kannada District was approved in the 25th meeting of SHLCC held on 14.7.2011 with a condition that further requests regarding extension of time and change of activity in future shall not be considered. Accordingly, G.O No.CI 176 SPI 2011 dated 18.8.2011 was issued. The approval given in both the above cases was given for a validity period of two years from date of issue.

The company vide its letter dated 16.8.2013 had stated that it has spent substantial time and money for taking up the site related project activities such as Survey work, Soil Investigation, Water analysis, Land Filling, Fencing, appointment for consultants and Financial tie up, filing of applications with WRD, MESCOM, AAI. It was also stated that the company would be starting full fledged project site activities shortly including opening of site office, manpower



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

requirement, etc. and had requested to extend the validity of the project approval Government Orders for another 3 years.

Karnataka Udyog Mitra had requested Joint Director, District Industries Centre, Dakshina Kannada and CEO & EM, KIADB vide letter dated 11.11.2013 to furnish the present status of the project at site with complete details of effective steps taken to implement the project in order to initiate further action in the matter. Accordingly, Joint Director, District Industries Centre, Dakshina Kannada vide letter dated 6.12.2013 has informed that during his visit to the project location on 5.12.2013 along with KIADB officers, it was found that the company has not made any development at site to implement the project.

Government vide order No.CI 175 SPI 2011 dated 11.11.2013 cancelled the allotment of 742.26 acres of land which was in the possession of M/s. Jai Prakash Engineering and Steel Company Ltd. due to non implementation of the project and has directed KIADB to take over land from the company.

M/s Jai Prakash Engineering and Steel Company Ltd. filed W.P. No.57644/2013 (LA – RES) before the Hon'ble High Court of Karnataka seeking stay on all further proceedings pursuing to the order dated 11.11.2013 in No.CI 175 SPI 2011.

Hon'ble High Court of Karnataka has passed order on the above said W.P.No. 57644/2013 vide its order dated 14.6.2017 directing Respondent No.1 (State of Karnataka represented by Additional Chief Secretary to Government, Commerce and Industries Department) to consider the application dated 16.8.2013 and online application dated 19.11.2013 of the Petitioner (M/s. Jai Prakash Engineering and Steel Company Ltd.) in accordance with law as expeditiously as possible and has disposed of the petition.

Karnataka Udyog Mitra had requested CEO & EM, KIADB vide letter dated 31.7.2017 to provide opinion on the application of M/s Jai Prakash Engineering and Steel Company Ltd. dated 16.8.2013 (online application dated 19.11.2013).

The abstract of opinion provided by CEO & EM, KIADB vide letter dated 24.8.2017 is as below:

The High Level Committee Meeting held on 07-05-1992 approved the project proposal of M/s Jaiprakash Industries Limited for establishment of Integrated Steel Plant Project, Mangalore with an investment of Rs. 1200 crores initially and Rs.2000 crores(cumulative) in the second phase. The Govt in C & I Dept vide Order No. CI 21 SPI 92, Bengaluru dated. 15-06-1992 directed to KIADB to acquire and allot 160 acres of land in Panambur, Kenjar, 62-Thokur, Baikampady and Kulai villages, Mangalore Taluk, out of total 1842.51 acres of land to be acquired by the Board in the said villages; directed





Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Revenue Dept to grant 286 acres of Govt land free of cost and also granted several other incentives & concessions to the Company for the said project.

JESCO has so far, paid to the Board a total sum of Rs. 27,93,07,160/- towards cost of acquisition, which includes EMD of Rs. 10,000/- and service charges of Rs. 2,89,23,587/-.

JESCO had failed to implement the Steel Plant project and during March 2001 it was indicated that the company could not implement the Steel Plant project due to the recession in the steel industry and had offered to surrender 986.68 acres of land handed over to them on mutually agreed terms.

The request of JESCO was placed before the KIAD Board in its meeting held on 22-5-2001 & 06-12-2003. The Board noted that the cost of land including the expenditure incurred by JESCO and the amount paid by it towards the land cost, works out to Rs. 30.79 crores. It would be difficult for the Board to take over the entire extent of land for formation of Industrial Area, as the Board was not in a position to repay the entire amount to JESCO in one lumpsum. Further, it was also noted that the terrain of the land is highly undulating and water logged, which requires heavy investment for the development. Therefore, in the event of Board taking over the lands for Industrial Area, the allotment price to be fixed by the Board would be prohibitively expensive. After completion of acquisition, the possession of land was handed over to the company. However, since the company had not executed the lease-cum-sale agreement with the KIADB, it was felt that it would be difficult to resume the land and such an action might result in protracted litigation.

In the above background, the Board decided to accept the offer of surrender of land by JESCO, with a condition to refund the land cost at the rate of Rs. 5,62,449/- per acre as and when money is realized from industrialists to whom Board re-allots land.

Pursuant to the decision of the Board in its meeting held on 22-5-2001 & 06-12-2003, Board took back possession of 246.26 acres of lands from JESCO and re-allotted to various industrial entrepreneurs at intervals. The cost of land has been refunded to M/s.JESCO at the rate of Rs. 5,62,449/- per acre as per the decision of the said Board Meeting.

M/s.JESCO has also approached SHLCC for clearance of additional - IT/ITEZ SEZ & Free Trade & Warehousing SEZ projects in Kenjar & 62- Thokur Villages. The project proposals of the company have been cleared by the said SHLCC meeting held on 28-08-2007. Totally, SHLCC has approved 9 project proposals of M/s.JESCO in an extent of 548.69 acres of land considering offer of JESCO to surrender additional 200 acres of land to KIADB.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

In the meanwhile, JESCO had approached SHLCC for clearance of its project proposal to establish "Free Trade & Warehousing SEZ and IT/ITES-SEZ" in Baikampady Kenjaru, Kulai, Thokur of Mangalore Taluk and also submitted seven other project proposals. The project proposals of the company have been cleared by the said SHLCC meeting held on 19-11-2008.

A detailed subject regarding allotment made in favour of JESCO, land surrendered by the Company and offer of surrender of 200 acres of land, the request of MD & CEO, MSEZL for transfer of 48.39 acres out of the land held by the said Company and the details of project approvals obtained by the Company, etc., was placed before the Board in its meeting held on 21-5-2010. The Board did not agree to the proposed surrender of 200 acres of land identified by JESCO, and on the other hand, it was resolved to issue notice to JESCO asking to surrender the land identified by the Board, out of 748.70 acres of lands in its possession.

As per the decision of the Board in its meeting held on 21-5-2010, the Company was requested on 8-6-2010 & 9-8-2010 to surrender the land identified by MSEZL and Board.

JESCO vide its letters dtd. 24-3-2010, 19-8-2010 & 14-9-2010 requested for execution of sale deed in respect of 550 acres of land still in its possession on the following grounds:

- JESCO has already surrendered 200 acres of land in the villages of Baikampady(Sy.Nos.4,5,6,7,8,9,10,11,12,14,15,16,18,26,28&108) and Thokur (Sy.Nos.71, 73,74,75,76,77,83, 84,88,140) to KIADB for construction of Office & Stadium by the District Administration on 7-5-2008 on no cost basis to Govt., as part of the overall commitment and understanding with the Govt. Based on surrendering the above 200 acres of land to KIADB, GoK has approved the projects of JESCO in the remaining portion of land.
- As per the sketch of KIADB, 151.81 acres & 17.81 acres of land in Kenjaru Village have been identified by KIADB now for formation of new industrial layout and approach road respectively. But the GoK has already approved the development of JESCO's FTW SEZ in 125 acres and IT/ITES SEZ in the balance land.
- JESCO do not have any other land in Mangalore other than the above mentioned 200 acres of land that has already been surrendered to KIADB under various survey numbers in the Villages of Baikampady & Thokur for construction of Office & Stadium by the District Administration, as JESCO has already taken steps for development of projects in the remaining land as approved by the Govt. of Karnataka. They are unable to consider any fresh request from KIADB to part lands from their approved projects, as they are implementing the projects.





Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

- JESCO has surrendered almost half of the lands (around 450 acres) acquired by the KIADB as per the direction and now they do not have any other land to part with to Govt., as they are implementing the projects in the balance lands as approved by Govt.
- Subsequent to the approval & issuance of Govt. Orders by GoK on the 2 SEZ & 7 other project proposals, JESCO has spent substantial amount and time on developing these projects and also for carrying out various pre-project related activities in the site including survey, soil testing, water analysis, land filling and appointment of consultants, preparation of detailed project reports, etc. JESCO also has filed necessary application & project details of 2 SEZ projects with Ministry of Commerce, GoI for the approval of Board of Approval (BOA) for the same. Therefore there is no justification in asking JESCO to part the lands at this juncture when JESCO is developing the approved projects in these lands as approved by Govt. of Karnataka.

A detailed subject was placed before the Board in its meeting held on 27-9-2010. After detailed discussions, it was resolved that JESCO be intimated to surrender an extent of 193.57 acres of lands identified by KIADB, out of 742.26 acres of un-utilized land belonging to them, for subsequent allotment of an extent of 48.39 acres of land to MSEZ Ltd., and 127.37 acres of land required for the Board, besides an extent of 17.81 acres of land required for formation of approach road to the Industrial Area.

It was further resolved that JESCO be informed to start implementation of the nine projects approved by SHLCC, in the balance extent of 548.69 acres of land, without any further delay, failing which KIADB shall initiate resumption proceedings and that the request of Company for execution of sale deed be rejected. Copy of the decision of the Board meeting held on 27-09-2010

Pursuant to the decision of the Board in its meeting held on 27-9-2010, the Company was requested on 15-10-2010 to surrender an extent of 193.57 acres identified by the Board out of 742.26 acres of unutilized land held by it, for utilization of District administration building, stadium, approach road for formation of industrial area and also to allot 48.29 acres of land in favour of MSEZ Ltd. The Company was reminded on 3-11-2010 and 16-12-2010.

Further, M/s.JESCO approached SHLCC seeking approval for change of activity to establish a Fertilizer & Chemicals unit at Kenjar & Thokur Villages, Mangalore. The SHLCC in its meeting held on 14-07-2011 has approved the said proposal. The Govt. vide order No.CI 125 SPI 2011 Bangalore dtd. 18-08-2011 has approved the said proposal excluding 193.57 acres to be surrendered by JESCO to KIADB.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

The details of possession of land handed over to M/s. JESCO based on approvals of SHLCC is as below:

Village	Land (in acres) handed over to JESCO				
	Dt.07.10.96	Dt.25.04.97	Dt.20.09.99	Dt.26.02.2000	Total
	A – Cents	A – Cents	A – Cents	A – Cents	A – Cents
Baikampady	95.81	68.27	-	45.88	209.96
62-Thokur	83.07	205.96	-	1.40	290.43
Kenjara	14.25	324.29	-	16.66	355.20
Kulai	11.62	-	32.86	86.45	130.93
Total	204.75	598.52	32.86	150.39	986.52

Subsequently, JESCO has returned part of the land to KIADB has detailed below:

1.	Total Possession of land given by KIADB to JESCO	986.52 Acres
2.	Land returned by JESCO to KIADB during 2001	244.26 Acres
3.	Land returned by JESCO to KIADB during 2008-2011	193.57 Acres
4.	Balance land available with JESCO	548.69 Acres

The Government has cancelled the allotment of land vide order No. CI 175 SPI 2011 dated 11.11.2013. Accordingly, the decision of Government was communicated to the company. The Company approached Hon'ble High Court of Karnataka vide WP No: 57644/2013. The Hon'ble Court vide interim order dtd. 19-12-2013 ordered that, the petitioner should not be dispossessed from the land in its possession till the next date of hearing.

The Board has issued a notice under Sec.34-B1 of KIAD Act, 1966 to M/s. JESCO on 10-01-2014 for non implementation of the project. The company has replied to the said notice vide their letter dtd.05-04-2014 stating that, Board cannot invoke Sec.34-B as the matter is before the Hon'ble High Court of Karnataka and any action of the Board would amount to contempt of court.

The Hon'ble High Court of Karnataka vide its order dtd. 14-06-2017 has disposed the said Writ Petition, directing the Respondent -1 (C & I Dept.) to consider the application dtd. 16-08-2013 and online application dtd.19-11-2013 of the petitioner in accordance with law.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Further, in the Order dtd. 14-06-2017 of the Hon'ble High Court of Karnataka in WP No.57644/2013 it is observed that, the petitioner M/s/JESCO has withdrawn their prayer seeking quashing of the Govt. Order No. CI 175 SPI 2011 dtd. 11.11.2013 cancelling the allotment of land made to M/s.JESCO, and hence the said Govt. Order is still in operation.

M/s.JESCO in their representation dtd.16-08-2013 had requested to extend the validity of the Govt. Orders dtd.18-08-2011 & 07-05-2012 approving their projects for establishing Fertilizers & Chemicals Complex, Integrated Township which has been approved by SHLCC meeting held on 14-07-2011.

In view of the facts stated above, it is evident that M/s.JESCO is not keen on implementing the projects approved by SHLCC since 1992. Thus, the purpose of acquiring the lands for industry gets defeated. The proceedings initiated under Sec.34-B of KIAD Act, 1966 is under process. In fact, the land should be resumed as per rules.

There is demand for allotment of land near Bikampadi Indl.Area, Dakshina Kannada District.

Hence, in such circumstances, the request of M/s. JESCO for extension of time before the SHLCC for their projects for establishing Fertilizers & Chemicals Complex, Integrated Township in 548.69 acres of land allotted to them in several survey numbers of Bikampadi, 62-Thokur, Kulai & Kenjar villages, Mangaluru Taluk, Dakshina Kannada District, may not be considered. There is a good potential for developing Industrial Area in that area due to its proximity to Port & existing Bikampadi Indl. Area.

Decision of SHLCC:

The Committee noted the following sequence of events with regards to the project proposal of the company.

The State High Level Clearance Committee in its meeting held on 07.05.1992 had approved the project proposal of M/s Jayaprakash Engineering and Steel Company Ltd. (JESCO) for establishment of an "Integrated Steel Plant" and accordingly G.O vide No. CI 21 SPI 92, dated 15.06.1992, was issued directing the KIADB to acquire and allot 160 acres of land in Panambur, Kenjar, 62-Thokur, Baikampady and Kulai Villages, Mangalore Taluk out of the total 1842.51 acres of land to be acquired by KIADB in the said villages. Government also directed the Revenue Department to grant 286 acres of Government land free of cost to JESCO and also granted several other incentives and concessions.

The Revenue Department vide Order No.RD 72 LGA 92, dated 21.12.1993, accorded approval for transfer of 217.83 acres of land at Kenjar, 62-Thokur, Baikampady and Kulai Villages, Mangalore Taluk, free of cost to KIADB in order to allot the same to JESCO.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Pursuant to the decision of the State High Level Clearance Committee and Government Order dated 15.06.1992, an extent of 1390.39 acres of land at Kenjar, 62-Thokur, Baikampady and Kulai Villages, Mangalore Taluk, were notified for acquisition. The final notification for acquisition of 748.91 acres was published in the Gazette on 2.6.1995.

Cumulatively, an extent of 986.52 acres of land was allotted to JESCO and possession of 986.52 acres of land was handed over to JESCO as follows:

Village	Possession of land (in acres) handed over to JESCO				
	Dt.07.10.96	Dt.25.04.97	Dt.20.09.99	Dt.26.02.2000	Total
	Acres-Cents	Acres-Cents	Acres-Cents	Acres- Cents	Acres-Cents
Baikampady	95.81	68.27	-	45.88	209.96
62-Thokur	83.07	205.96	-	1.40	290.43
Kenjara	14.25	324.29	-	16.66	355.20
Kulai	11.62	-	32.86	86.45	130.93
Total	204.75	598.52	32.86	150.39	986.52

The Company had applied for obtaining various permissions/NOCs for setting up of the Integrated Steel Plant and the Karnataka State Pollution Control Board (KSPCB) granted 'NOC' vide letter/order bearing No.KSPC3/NOC/NFCL-8/DEO-6/96-97/485-491 dated 11.09.1996. Further, the Ministry of Environment and Forests (MOEF), Government of India vide its letter No.J-11011/67/96-1A.II(I) dated 18.06.1997, granted Environmental Clearance to JESCO. However, despite the said approvals, the company could not establish the Integrated Steel Plant as contemplated.

Having regard to the fact that JESCO could not establish the Integrated Steel Plant for the purpose of which the land was acquired, the Government desired to help the company as it came forward to surrender the land on mutually agreed terms. Accordingly, JESCO surrendered a total of 437.83 acres of land, thereby leaving a balance of 548.69 acres of land in its possession as detailed below.

1.	Total Possession of land given by KIADB to JESCO	986.52 Acres
2.	Land returned by JESCO to KIADB during the year 2001	244.26 Acres
3.	Land returned by JESCO to KIADB during for the period 2008 to 2011	193.57 Acres
4.	Balance land available with JESCO	548.69 Acres

JESCO made an application dated 7.2.2007 to SHLCC, putting forth a proposal to establish IT / ITES and Free Trade and Warehousing SEZ's in the land held by it. The said proposal was



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

approved in the 10th SHLCC meeting held on 28.08.2007 and in total the SHLCC accorded approval to 9 project proposals of the company.

Further, pursuant to the request/proposal made by JESCO, the 16th State High-Level Clearance Committee (SHLCC) meeting held on 19.11.2008, resolved to approve the proposal of JESCO to establish seven other projects in the land held by it and accordingly, Government Order bearing number KCIT 42 TTM 2009, dated 16.06.2009 was issued.

Pursuant to the request made by the company, SHLCC in its 25th meeting held on 14.7.2011 examined the proposal of JESCO to establish a "Fertilizer & Chemicals" unit as well as an "Integrated Township" in the land held by it and granted an 'in principle' approval to the projects subject to the condition that further requests regarding extension of time and change of activity in future will not be considered. The proceedings of SHLCC were also ordered upon by the Government vide Government Order No. CI 175 SPI 2011, dated 18.8.2011 to establish a "Fertilizer & Chemical unit" and Government Order No. CI 176 SPI 2011 dated 18.08.2011, to establish an "Integrated Township".

Karnataka Udyog Mitra vide its letter bearing No.KUM/SHLCC-Status/DD-2/2012-13 dated 25.10.2012 sought to know from JESCO the status of the implementation of the project. The JESCO vide its letter bearing number BLR/JESCO/NFCL/12-13/30, dated 8.11.2012, in reply to the letter dated 25.10.2012 by the KUM, set out the various steps taken by it with regard to implementation of the project.

JESCO vide its letter dated 16.8.2013 sought for three years extension of time for completion of the project and also made an online application dated 19.11.2013. The KUM vide its letter dated 11.11.2013 requested the CEO and EM, Karnataka Industrial Area Development Board (KIADB) to conduct a spot inspection and send a report with regard to the development works carried out by JESCO in the land acquired to it. The Joint Director, DIC, Dakshina Kannada, vide his letter / report dated 06.12.2013 informed that no development has been carried out by JESCO in the property held by it.

Government vide G.O. No. CI 175 SPI 2011 dated 11.11.2013 directed KIADB to resume the land from JESCO. JESCO preferred a Writ Petition before the Hon'ble High Court of Karnataka in W.P.number 57644 of 2013, seeking, inter-alia, to quash the G.O.No. CI 175 SPI 2011 dated 11.11.2013 passed by the GoK and for consideration of its application dated 16.08.2013 and online application dated 19.11.2013. The Hon'ble High Court vide its order dated 14.06.2017 disposed off the writ petition with the direction to the Government of Karnataka to consider the application dated 16.8.2013 and online application dated 19.11.2013 filed by JESCO. It is to be noted in the said order dt. 14.06.2017, passed by the Hon'ble High Court of Karnataka, that the prayer made by the Petitioner / JESCO to quash the G.O.No. CI 175 SPI 2011 dated 11.11.2013 has been dismissed as withdrawn.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

The Committee reviewed the chain of events commencing from 1992, from when the State High Level Clearance Committee in its meeting held on 7.5.1992 approved the project proposal of JESCO and substantial extent of land was allotted to them for implementation of projects as per the proposals made by JESCO. Committee also carefully considered the application dated 16.08.2013 and online application dated 19.11.2013 filed by JESCO. After going into the background of the case and the request made by the Company, the committee noted as follows:-

M/s. JESCO has changed the project proposal three times from 1992 onwards. The Government has accommodated requests of the company for change in project activity all the three times inspite of failure of JESCO in establishing and implementing the approved project proposals. Thus the Government has been taking a liberal stand on the requests of the Company till date inspite of repeated defaults from the Company. In view of sufficient condonations already made, the case for further condonation does not arise.

During the last approval for change in activity, it was clearly specified in the Government Order dated 18.8.2011 that Government would not consider any further request either for extension of time or change in activity. It was also clearly specified in the approval order dated 18.08.2011 for change of activity that approval is valid for a period of two years from the date of issue. Thus the project proponent was aware of the time frame in which the change of activity had to be implemented. The project proponent post facto raising the issue that the time period given for the implementation is insufficient is not justifiable.

The Committee also noted the steps taken by the project proponent after approval of change of activity in 2011. It is seen by the Committee that inspite of being in possession of land all throughout, the project proponent has not taken any effective steps for implementation of the project activity other than filing applications with certain authorities. There has been zero implementation of the project activities on ground. Even for examining the proposal for time extension, a case could have been considered if the company had undertaken implementation of at least 60-70% of the project on ground in the two years time period which it had. The committee felt that the project proponent is not serious with regard to implementation of the project activity and it emerges that the only intention is to retain the land under the guise of the project. The Committee also noted that some of the reasons given for seeking extension of time like external business environment or natural topography of the land were very well known to the project proponent and the request of project proponent is therefore not made on justifiable grounds.

The Committee took into account the long time period i.e. from 1992 onwards from when land acquisition process started; the land has not been put to any productive purposes. This has resulted in significant opportunity costs to the public interest. It is therefore of urgent importance to take over the land and put it to proper industrial development so as to generate employment for the people in the region and foster greater economic



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

development. Considering all the above and based on inputs from the members of the committee and keeping in view of the opinion of Chief Executive Officer & Executive Member, KIADB, the Committee resolved to **reject** the request of the company, vide its application dated 16.8.2013 and online application dated 19.11.2013, seeking further extension of time for implementation of the project. The Committee also resolved to instruct Commerce and Industries Department to take necessary action to resume the total extent of land allotted by KIADB and in possession of JESCO.

5.3 Project proposal of M/s. Lafarge India Ltd. to establish a unit for “3 MTPA Cement plant and 43 MW Thermal Power plant” at Ravur, K – Nagaon & K – Chittapur villages, Chittapur Taluk, Gulbarga District.

Constitution :	Limited Company
Product/ Activity :	Establishing of 3 MTPA Cement plant and 43 MW Thermal Power plant
Location :	Ravur, K – Nagaon & K – Chittapur villages, Chittapur Taluk, Gulbarga District
Extent of Land :	2569 acres
Investment :	Rs.1,500 Crore
Employment :	355
Promoter :	Mr. Ujjwal Bhatia, Director

Background of the project:

The proposal of M/s. Lafarge India Pvt Ltd. to establish “3 MTPA Cement plant and 43 MW Thermal Power plant” at Ravur village, Chittapur Taluk, Gulbarga District with an investment of Rs. 1500 crores was approved in the 20th SHLCC meeting held on 5.1.2010. It was approved to purchase an extent of 601 acres 5 guntas of land for plant area u/s. 109 of KLR Act and the land required for limestone mining area will be decided by the Govt. depending on lime stone quality. Accordingly, Government Order was issued on 15.2.2010.

Further, in the GO dt: 7.5.2010 permission was accorded to purchase 1968 acres of land for mining purpose (as per Mining Lease no. 2588) u/s. 109 of KLR Act. In total, it was approved for purchase of 2569 acres of land for the project.

Revenue Dept. vide their notification dt: 30.8.2011 had accorded permission to purchase 849 acres 11 guntas of land u/s 109 of KLR Act.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

In the 29th SHLCC meeting held on 6.9.2012, the committee noted that the company had already purchased/registered 523 acres of land and resolved that KIADB to acquire and allot balance 2046 acres of land, with a condition to furnish 70% of consent from land owners, and also accorded further 2 years extension of time to implement the project. Accordingly GO dt: 3.11.2012 was issued.

Further, GO dt: 28.12.2012 was issued according approval for acquisition of balance land of 2046 acres in 2 phases i.e. 600 acres in 1st phase and 1446 acres in 2nd phase through KIADB acquisition.

Another, GO dt: 23.6.2015 was issued according further 3 years extension of time to implement the project.

Now the company vide their letter dt: 27.7.2017 has informed that they have taken following steps for implementing the project:

1. Revenue Dept. vide their notification dt: 30.8.2011 has accorded permission to purchase 849 acres 11 guntas of land u/s 109 of KLR Act. Out of this, 706 acres of land has been purchased.
2. KIADB has acquired and allotted 134 acres of land and Possession Certificate has been issued on 15.2.2017.
3. Land acquisition for plant area is completed and acquisition of land for mining area is in progress.
4. Mining Lease (ML no. 2588) has been issued for an extent of 1968 acres of land which was transferred from M/s. Raymond Ltd. Out of this, acquisition of 324 acres of land has been completed. In the remaining 1644 acres, the company has executed agreement with land owners.
5. Mining Plan of the company approved by Indian Bureau of Mines (IBM) on 30.3.2016.
6. 106 (2) (b) permission for Mines from Director General of Mines Safety (DGMS) is issued on 19.9.2016 to deploy heavy machinery for mining operations.
7. Intimated to Department of Mines & Geology on 4.10.2016 about the opening of Chittapur Lime stone Mines - Mining Lease No. 2588 along with Form -C MCDR 1988.
8. Completed construction of 0.6 KMs approach road connecting mines to main road. Temporary Mines office has been established & tree plantation has been started in pre-defined areas as per IBM approved mining plan.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

9. Approval of Railway sidings – DPR and ESP (Engineering Scale Plan) for the plant issued on 13.3.2015 from Ministry of Railways, Govt. of India.
10. Environment clearance by MoEF for Cement Plant has been issued on 30.9.2014 and is valid till 29th September, 2019.
11. Consent for Establishment for Mines (CFE) from Karnataka State Pollution Control Board issued on 29.1.2016.
12. Consent for Operation (CFO) for Mines from Karnataka State Pollution Control Board is issued on dt: 4.7.2017.
13. 33 KV temporary power connection approval for construction purpose has been issued on 25.2.2014 from GESCOM, Gulbarga.
14. The company has obtained certificate of incorporation pursuant to change of name on 10.3.2017 from M/s. Lafarge India Ltd to M/s. Nuvoco Vistas Corporation Ltd. from Registrar of Companies, Mumbai.
15. As per MOU & AOA of M/s Nuvoco Vistas Corporation Ltd., the main objective of M/s. Nuvoco Vistas Corporation Ltd is to acquire and hold controlling and other interests and operate any company in India engaged in any business of Cement, ready mix concrete and aggregates and etc. Accordingly, the company has acquired the business of M/s. Lafarge India Ltd.
16. M/s. Lafarge India Ltd was issued Corporate Identification no. (CIN) U26940MH1999PLC118229 and PAN no. AAACL4159L and it remains the same for M/s. Nuvoco Vistas Corporation Ltd.

Request of the company:

- a) Change of project approval issued in the name of M/s. Lafarge India Ltd. to M/s. Nuvoco Vistas Corporation Ltd.
- b) Permission to purchase balance 1644 acres of land approved for mining area u/s 109 of KLR Act instead of acquisition through KIADB, in the Survey no. 223 to 416 in Ravur village and Survey no. 478 to 499 in K – Nagaon village & Survey no. 583 to 585 in K – Chittapur village, Chittapur taluk, Gulbarga District.
- c) Extension of time by 5 years to implement the project. (The validity of project approval is in force till 22.6.2018).



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Decision of SHLCC:

The Committee noted the request of the company and after discussing the project in detail, resolved to approve the following.

- Change of project approval issued in the name of M/s. Lafarge India Ltd. to M/s. Nuvoco Vistas Corporation Ltd.
- Permission to purchase balance 1644 acres of land approved for mining area u/s 109 of KLR Act instead of acquisition through KIADB, in the Survey no. 223 to 416 in Ravur village and Survey no. 478 to 499 in K – Nagaon village & Survey no. 583 to 585 in K – Chittapur village, Chittapur taluk, Gulbarga District.
- Extension of time by 3 years to implement the project.

The Committee also authorized Hon'ble Minister for Large & Medium Industries and Infrastructure Development and Hon'ble Minister for IT & BT, Science and Technology & Tourism to have a meeting with the promoters of the company and look into the issues related to implementation of the project.

5.4 Project proposal of M/s. J K Cement Limited to establish "2 MMTPA Cement manufacturing plant" in Muddapur, Mudhol Taluk, Bagalkot District.

Constitution :	Limited company
Product/ Activity :	3 MMTPA Cement manufacturing plant
Location :	Muddapur, Mudhol Taluk, Bagalkot District
Extent of Land :	1505 acres 14 guntas of land (817 acres 14 guntas + additional 688 acres)
Investment :	Rs.1300 crore
Employment :	1150 (250 Direct + 900 Indirect)
Promoter :	Mr. Yadupati Singhania, Managing Director

Background of the project:

The project proposal of M/s. Jaykay Cement Ltd. to establish 2 MMTPA Cement manufacturing plant at Muddapur (Metagud) Mudhol Taluk, Bagalkot District with an investment of Rs.300 Cr. was approved in State High Level Clearance Committee and G.O. was issued vide No. CI 43 SPI 1997; dated: 1.4.1997.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

The revised investment proposal of the company for enhancing the plant capacity from 2 MTPA to 2.5 MTPA with 25 MW power plant was approved in State High Level Clearance Committee meeting held on 28.8.2006 and G.O dt: 22.2.2007 was issued.

Further, the proposal for enhancing the plant capacity from 2.5 MTPA to 3 MTPA, change of name of the company from M/s. Jaykay cement Ltd. to M/s. J.K. Cement Works and purchase of 817 acres 14 guntas of additional land for the project, out of which 644 acres 6 guntas of land for mining at Muddapur, Halki, Metagud (for which company is having mining lease) and 173 acres 8 guntas of land for the plant, was approved in 20th meeting of State High Level Clearance Committee held on 5.1.2010 and G.O dt: 19.2.2010 was issued. The company has informed that they have invested Rs. 1300 crore and have implemented 3 MTPA Cement manufacturing plant and the plant is in operation from September 2012.

Further, the company vide their online application dated 18.1.2014 had submitted that due to non availability of sufficient lime stone from the captive mines they are compelled to purchase additional lime stone from M/s Mysore Minerals Ltd. from 2nd January 2011 onwards. To avoid the purchase of limestone from MML, the company plans to acquire more land adjacent to the existing land and in order to leave 33% greenery & safety zone around 7.5 Mtrs surrounding the ML area and to establish railway line siding from Bagalkot – Kudachai Railway line. The need to set up 33% Green Field boundary is as stipulated by KSPCB and Ministry of Environmental Forests while conveying the sanction for consent to establish for setting-up of the project. The extra land will enable them to utilize the existing land more efficiently.

The above request was placed before 37th meeting of SHLCC held on 27.3.2015 and approval was accorded to purchase additional 688 acres of land u/s 109 of KLR Act in Muddapur, Halki, Metagud of Mudhola Taluk, Bagalkot District, to establish Greenfield boundary, with an advise to use the existing land for production purpose more efficiently.

Now, the company vide its letter dt: 1.8.2017, has informed that after approval they have negotiated with the land owners for purchase of 688 acres of land and entered into sale agreements and submitted the same to Deputy Commissioner, Bagalkot seeking permission u/s 109 of KLR Act and the same is under process. Hence, the company has requested to grant extension of time by 3 years to implement the project.

Decision of SHLCC:

The Committee noted the request of the company and after discussing the project in detail and also keeping in view the steps taken by the company for implementing the project, resolved to grant extension of time by 3 years to implement the project.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

5.5 Project proposal of M/s. Volvo India Private Limited to establish “Commercial Vehicles (Trucks and Buses) manufacturing unit” at Sonnenayakanahalli village, Malur Taluk, Kolar District

Constitution :	Private Limited Company
Product/ Activity :	Commercial Vehicles (Trucks and Buses) manufacturing unit
Location :	Sy.Nos.124, 125, 126, 137, 138, 139, 140, 141,142,143,144 and 114/8 of Manchappanahalli Village and Sy.No.59, 56/1 and 32 of Sonnenayakanahalli Village , Malur Taluk, Kolar District
Extent of Land :	90 acres
Investment :	Rs. 974 crores
Employment :	2125
Promoter :	Mr. Kamal Bali, Managing Director

Background of the project:

The project proposal of M/s Volvo India Private Limited to establish a “Commercial Vehicles (Trucks & Buses) manufacturing unit” with an investment of Rs. 974 Crores in 90 acres of land to be purchased u/s. 109 of KLR Act at various Sy. Nos. of Sonnenayakanahalli, Manchappanahalli in Malur Taluk, Kolar District, was approved in the 33rd State High Level Clearance Committee (SHLCC) meeting held on 19.11.2013 and the Government Order dated 03.01.2014.

The request of the company for extension of time to implement the project and inclusion/ exclusion of certain Sy. Nos. was discussed and approved in the 43rd SHLCC meeting held on 01.02.2016. Accordingly G.O No. CI 11 SPI 2014, dated: 11.03.2016 was issued.

Further the request of the company for approval to implement the project in two phases was approved in the 46th SHLCC meeting held on 10-02-2017. Accordingly G.O. vide no. CI.11.SPI.2014, dated: 13-03-2017 was issued.

Now, the company vide letter dated 2.5.2017 has informed that the following corrections have to be incorporated the above said GO dated on 13-03-2017.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

- a) Sy.No.127 of Manchappanahalli Village.
- b) Sy.Nos. 114/P19, 114/P20 & 114/P21 of Manchapanahalli Village instead of 114/8.

Further, it has been submitted that the company name has been changed from M/s Volvo India Private Limited to M/s Volvo Group India Private Limited. The company has submitted copy of ROC and has requested for approval of change of Name of the company in the project approval.

Decision of SHLCC:

The Committee noted the request of the company and after discussing the project in detail, resolved to approve the following.

- a) To include Sy. No.127 in Manchappanahalli Village for purchase of land u/s 109 of KLR Act.
- b) To incorporate Sy. Nos. 114/P19, 114/P20 & 114/P21 of Manchappanahalli Village instead of Sy.No.114/8.
- c) Change of project approval issued in the name of M/s Volvo India Private Limited to M/s Volvo Group India Private Limited.

5.6 Project proposal of M/s. Shahi Exports Pvt. Ltd. to establish "Textile Weaving, Processing and Printing unit" at Nidhige KIADB Industrial Area, Shimoga.

Constitution :	Private Limited Company
Product/ Activity :	Textile Weaving, Processing and Printing unit
Location :	Existing land of the company in Nidhige KIADB Industrial Area, Shimoga
Extent of Land :	33.17 acres
Investment :	Rs. 710 crores
Employment :	2440
Promoter :	Mr. Harish Ahuja, Managing Director



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Background of the project:

The project proposal of M/s Shahi Exports Pvt. Ltd. to establish a unit for “Textile Weaving, Processing and Printing unit” with an investment of Rs. 426.57 Crores in 33.17 acres of existing land in Nidhige KIADB Industrial Area, Shimoga, was approved in the 93rd SLSWCC meeting held on 3.8.2016. Accordingly G.O dt: 31.8.2016 was issued.

Now, the company vide its letter dated 7.8.2017 has informed that they have decided to increase the production capacity with more number of looms by increasing the project cost from Rs.426.57 crores to Rs.710 crores and employment from 2000 to 2400 people and has sought approval for the following:

- i. Enhancement of project cost from Rs.426.57 crores to Rs.710 crores, with increase in employment from 2000 to 2440.
- ii. Incentives and Concessions as per Noothana Javali Neethi of the State and additional Special Incentives and Concessions.

Decision of SHLCC:

The Committee noted the request of the company and after discussing the project in detail, resolved to approve the following:

- a) Enhancement of project cost from Rs.426.57 crores to Rs.710 crores, with increase in employment from 2000 to 2440.
- b) Incentives and Concession as per Noothana Javali Neethi of the State. Special Incentives and concessions sought by the company to be considered separately.

5.7 Project proposal of M/s. JSW Paints Limited to establish “Paints manufacturing unit” at Toranagallu and Musenayakanahalli Village, Sandur Taluk, Bellary District.

Constitution :	Limited Company
Product/ Activity :	Paints manufacturing unit
Location :	Sy.No.503, 504, 505,506, 514, 5015 (old), 83 (old), 416, 417, 513, 12, 15, 16, 17, 18, 19, 25 of Toranagallu and Musenayakanahalli Village, Sandur Taluk, Bellary District
Extent of Land :	67 acres of leased land
Investment :	Rs. 600 crores



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Employment : 600

Promoter : Mr. Sundaresan Suryanarayana Arumbakkam, CEO

Background of the project:

The project proposal of M/s JSW Paints Ltd., to establish a unit for manufacture of "Paints" with an investment of Rs.600.00 Crores in 67.00 acres of leased land at Sy.No.503, 504, 505,506, 514, 5015 (old), 83 (old), 416, 417, 513, 12, 15, 16, 17, 18, 19, 25 of Toranagallu and Musenayakanahalli Village, Sandur Taluk, Ballari District and generating employment to about 600 persons was approved in 45th SHLCC meeting held on 28-9-2016. Accordingly GO No.CI:270:SPI: 2016, dated 20-10-2016, was issued.

Now the company vide letter dated 21-6-2017 has submitted that during uploading of the online application, information about the survey number 20 of the village where the project is proposed to be established has been inadvertently missed out and hence, has requested to include survey number 20 of Musenayakanahalli Village, Sandur Taluk, Bellary District. The company has further informed that there will be no change in the extent of the land.

Decision of SHLCC:

The Committee noted the request of the company and resolved to include Sy. No.20 of Musenayakanahalli Village, Sandur Taluk, Bellary District, along with other survey numbers approved for the project, without any change in the extent of land already approved.

- 5.8 **Project proposal of M/s. Sunvik Steels Pvt. Ltd. to establish "Thermo Mechanically Treated Bars of sizes 8 MM to 32 MM, Sponge Iron Pellets, MS Billets, Pig Iron, High Grade Sponge Iron, Iron Ore Pellets, Fly-Ash Blocks along with 15 MW Captive Power Plant" at Jodidevarahalli Village, Sira Taluk, Tumkur District.**

Constitution : Private Limited Company

Product/ Activity : Thermo Mechanically Treated Bars of sizes 8 MM to 32 MM, Sponge Iron Pellets, MS Billets, Pig Iron, High Grade Sponge Iron, Iron Ore Pellets, Fly-Ash Blocks along with 15 MW Captive Power Plant

Location : Jodidevarahalli Village, Sira Taluk, Tumkur District

Extent of Land : 48 acres



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Investment : Rs. 550 crore

Employment : 500

Promoter : Mr. Vivek Kumar Kejriwal

Background of the project:

M/s. Sunvik Steels Pvt Ltd. was established in 2003 in 49.5 acres of land at Sy. No. 59 to 72 Jodidevarahalli, Sira Taluk, Tumkur District. Subsequently, their expansion proposal for manufacture of "Thermo Mechanically Treated Bars of Sizes 8 MM to 32 MM, Sponge Iron Pellets, MS Billets, Pig Iron, High Grade Sponge Iron, Iron Ore Pellets, Fly-ash Blocks along with a Captive Plant" in 48 acres of additional land at Sy. No. 59 to 72 in Jodidevarahalli, Sira Taluk, Tumkur District to be acquired u/s. 109 of KLR Act with an investment of Rs.550 Cr. was approved in 37th SHLCC meeting held on 27.03.2015. Accordingly, G.O No. CI 119 SPI 2015; dt: 06.05.2015 was issued.

The Company vide letter dt: 21.8.2017 has informed that they have taken following steps for implementation of the project:

1. Applied for obtaining Environmental Clearance from Ministry of Environment, Forests & Climate change, New Delhi and the TOR letter for the same was issued by Ministry of Environment & Forest vide F.N.J-11011/959/2008-IA.II (I) dated 27.05.2016.
2. Submitted draft EIA report to the Member Secretary, Karnataka State Pollution Control Board, Bangalore on 13.02.2017 for conducting public hearing as per the TOR. The project is on hold due to the Environment Clearance be obtained from Ministry of Environment & Forest.
3. Applied for issue of NOC from Karnataka Ground Water Authority, Bangalore on 7.01.2016
4. Negotiated with the land owners of Sy.No.56, 57 and 33P & P4 entered into an agreement for 8 acres of land.
5. Negotiation with the adjacent land owners for purchase of remaining 40 acres of land is under process.

The company in the said letter has informed that in the G.O dt: 6.5.2015 the Sy. Nos. are mentioned as Sy.No.59 to 72 of Jodidevarahalli, Sira Taluk, Tumkur District instead of various Sy. Nos of Jodidevarahalli, Sira Taluk, Tumkur District where their existing plant is running from 2003. Due to this, they are unable to submit the proposal for the purchase of additional land u/s 109 of KLR Act. Hence, the company has requested to change the Sy. no from 59 to 72 of Jodidevarahalli to various Sy. nos. of Jodidevarahalli, Sira Taluk, Tumkur District and to issue the amended G.O. The Company has also requested for extension of time by 3 years to



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

implement the project. The company has entered into sale agreement with land owners of Sy.No. 56, 57 and 33P & P4 of Jodidevarahalli, Sira Taluk, Tumkur District and also is negotiating with the adjacent land owners.

The company has requested approval for the following:

- a) To incorporate Sy. No. 56, 57, 33P, P4 & other survey numbers instead of Sy. Nos 59 to 72 of Jodidevarahalli, Sira Taluk, Tumkur District
- b) Extension of time by 3 years to implement the project.

Decision of SHLCC:

The Committee noted the request of the company and after discussing the project in detail, resolved to approve the following.

- a) To incorporate the Sy. no. 56, 57, 33P & P4 and other survey numbers instead of Sy. nos 59 to 72 of Jodidevarahalli, Sira Taluk, Tumkur District, for purchase of land u/s 109 of KLR Act.
- b) Extension of time by 3 years to implement the project.

Sub No.6: Amendment proposals deferred in the earlier meeting:

- 6.1 Project proposal of M/s. Karnataka Ferro Concentrates Pvt. Ltd to establish “4 MTPA Iron Ore Beneficiation Plant and 1.2 MTPA Pelletisation Plant” in Nagalapura, Basavanadurga, Gollarahalli, Dananayakanakeri and Byalakundi Villages, Hospet Taluk, Bellary District.

Constitution :	Private Limited company
Product/ Activity :	4 MTPA Iron Ore Beneficiation Plant and 1.2 MTPA Pelletisation Plant
Location :	Nagalapura, Basavanadurga, Gollarahalli, Dananayakanakeri and Byalakundi Villages of Garag/Nagalapura Road of Hospet Taluk, Bellary District
Extent of Land :	1656 acres
Investment :	Rs. 639.49 crore
Employment :	350 persons
Promoter :	Sri. B. Rudragowda, Managing Director



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Background of the project:

The project proposal of M/s Karnataka Ferro Concentrates Pvt. Ltd. to establish “4 MTPA Iron Ore Beneficiation Plant and 1.2 MTPA Pelletisation Plant” with an investment of Rs.639.49 Crores in 1656 acres of land to be acquired and allotted by KIADB as SUC at Nagalapura, Basavanadurga, Gollarahalli, Dananayakanakeri and Byalakundi Villages of Garag/Nagalapura Road of Hospet Taluk, Bellary District, was approved in the 23rd SHLCC meeting held on 19.6.2010.

The company vide its letter dated 21.9.2016 have informed that they have tried their level best to obtain 70% consent from the land owners but they have come across lot of practical difficulties which were brought to the notice of KIADB. The difficulties in obtaining consent are mainly because the area approved for the project consists of lot of small holdings involving more no. of grant lands. Some of the middle men/agents were trying to take advantage of the situation by provoking land owners. The area covered for the project is mainly barren land and not irrigated one. The land owners are seeking entire price as advance and are insisting to fix the rate for the land at the time of obtaining consent itself since KIADB takes longer time for giving money to them.

The company has deposited Rs.19.65 crores with KIADB in October – 2010 towards advance deposit of 40% cost of the land and the service charges. The company has informed that they are in regular touch with KIADB and the officials of KIADB are not considering the advance paid to the land owners as part of the cost of land. Due to the difficulties in getting consent from land owners, they have requested the Government authorities to delete the condition of obtaining 70% consent from the land owners in the project approved G.O. No. CI 376 SPI 2010 dated 14.7.2010.

Recommendations of Land Audit Committee in its 34th meeting held on 26.11.2016:

The representatives of the company appeared before the Committee and requested for deletion of condition of obtaining 70% consent from the land owners mentioned in the G.O No. CI 376 SPI 2010 dated 14.7.2010.

The Committee noted the request of the company. After detailed discussions, the Committee resolved to place request of the company before SHLCC for discussion and decision.

Accordingly, the subject was placed before 46th meeting of SHLCC held on 10.2.2017.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Decision of SHLCC in its 46th meeting held on 10.2.2017:

The Committee noted the request of the company and after detailed discussions resolved to **reject** the request of the company to delete the condition of obtaining 70% consent from the land owners for acquisition.

Request of the company vide letter dated 24.3.2017

The company vide their letter dt: 24.3.2017 has informed that they have made all effort to obtain the consent from land owners. They found difficulties in obtaining the consent as lot of land belongs to small holdings and also the land owners demand huge amount in advance and insist for fixing of rate and conclude the deal within 3 months of time. Hence, the company has requested for deleting the clause **“on consent basis 70%”** mentioned in the Govt. orders CI 376 SPI 2010 dt: 14.7.2010 for the process of acquisition and allotment of land through KIADB as SUC.

The subject was placed before 47th meeting of SHLCC held on 20.4.2017.

Decision of SHLCC in its 47th meeting held on 20.4.2017:

The Committee noted the request of the company and after detailed discussion resolved to **defer** subject.

Request of the company vide letter dt: 24.8.2017:

Now, the company vide their letter dt: 24.8.2017 has again requested to place the subject before SHLCC for deleting the clause **“on consent basis 70%”** mentioned in the Govt. orders CI 376 SPI 2010, dt: 14.7.2010 for the process of acquisition and allotment of land through KIADB as SUC in the interest of facilitating new industries to come up in the State.

Extract of the proceedings of 12th meeting of SHLCC held on 5.2.2008, with regard to consent condition for SUCs:

“The Committee noted that generally farmers/land owners resist compulsory acquisition of land. Several representations have been received in this regard. It was suggested that 100% consent should be insisted in general for smooth acquisition of land for single unit complexes (SUCs). However, in cases where the problem of obtaining consents is envisaged, the Government of India’s proposal for 70:30 ratio may be adopted to achieve contiguity and compactness of land to be acquired. Generally manufacturing industries need more area and getting 100% consent may be difficult. Hence, for manufacturing industries 70:30 ratio may be adopted in which the entrepreneur has to bring consent for 70% of the total area”.



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

Decision of SHLCC:

The Committee noted the request of the company and after detailed discussions resolved to **reject** the request of the company to delete the condition of obtaining 70% consent from the land owners for acquisition.

The meeting concluded with vote of thanks to the Chair.

(DARPAN JAIN, IAS)

Commissioner for Industrial Development and
Director of Industries and Commerce &
Member Secretary, State High Level
Clearance Committee

(D.V.PRASAD, IAS)

Additional Chief Secretary to Government
Commerce and Industries Department

(R.V.DESHPANDE)

Hon'ble Minister for Large and Medium
Industries and Infrastructure Development,
Government of Karnataka and Vice Chairman,
State High Level Clearance Committee

(SIDDARAMAIAH)

Hon'ble Chief Minister of Karnataka
& Chairman,
State High Level Clearance Committee



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

List of Members Present:

1.	Sri. Siddaramaiah Hon'ble Chief Minister of Karnataka	Chairman
2.	Sri. R.V Deshpande Hon'ble Minister for Large & Medium Industries and Infrastructure Development, Government of Karnataka	Vice Chairman
3.	Sri. Krishne Bhyregowda Hon'ble Minister for Agriculture, Government of Karnataka	Member
4.	Sri. Priyank Kharge Hon'ble Minister for IT & BT, Science and Technology & Tourism, Government of Karnataka	Member
5.	Sri. Subhash Chandra Kuntia, IAS Chief Secretary Government of Karnataka	Member
6.	Sri. Vijaya Bhaskar T.M, IAS Additional Chief Secretary to Govt. and Development Commissioner, Government of Karnataka	Member
7.	Sri. D.V. Prasad, IAS Additional Chief Secretary to Govt. Commerce & Industries Department	Member
8.	Sri. Sandeep Dave, IAS Additional Chief Secretary to Govt. Infrastructure Development Department	Member
9.	Sri. Ravi Kumar P, IAS Additional Chief Secretary to Govt., Forest, Environment and Ecology Department	Member
10.	Sri. Mahendra Jain, IAS Additional Chief Secretary to Govt., Urban Development Department	Member
11.	Sri. Rajneesh Goel, IAS Additional Chief Secretary to Govt., Energy Department	Member
12.	Sri. I.S.N Prasad, IAS Additional Chief Secretary to Govt., Finance Department	Member



Department of Industries and Commerce

Proceedings of 48th meeting of State High Level Clearance Committee

13.	Sri. Pradeep Singh Karola, IAS Managing Director Bengaluru Metro Rail Corporation Limited	Invitee
14.	Sri. Laxminarayana Additional Chief Secretary to Govt., Public Works Department	
15.	Sri. Tushar Girinath, IAS Principal Secretary to Hon'ble Chief Minister of Karnataka	Member
16.	Dr. Ramana Reddy E.V, IAS Principal Secretary to Govt., Revenue Department	Member
17.	Sri. Tushar Girinath, IAS Chairman BWSSB	Invitee
18.	Sri. Rakesh Singh, IAS Principal Secretary to Govt., Water Resources Department	Member
19.	Sri. Gaurav Gupta, IAS Principal Secretary to Govt., IT, BT, Science & Technology Department	Member
20.	Sri. N. Jayaram, IAS Chief Executive Officer & Executive Member, Karnataka Industrial Area Development Board	Member
21.	Sri. Lakshman Chairman Karnataka State Pollution Control Board	Member
22.	Sri. Narasimha Murthy Additional Labour Commissioner Labour Department	On behalf of Secretary to Govt., Labour Dept.
23.	Sri. Darpan Jain, IAS Commissioner for Industrial Development and Director of Industries & Commerce	Member Secretary

