

## **PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA**

Sub: **Setting up of- Karnataka Udyog Mitra - Orders there on -**

- Read: 1. G.O. No. CI 69 SPC 92, dated 22-5-1992.  
2. D.O. letter No.KUM/Director/92/TECSOK/CA/574 dt. 19-6-1992.  
3. D.O. letter No. CI 69 SPC 92 dated : 24-8-92 of Additional Secretary, Commerce and Industries Department.

### **PREAMBLE**

Vide Government Order referred at (1) above Government had approved establishment of an agency under the name and style of Karnataka Udyog Mitra to provide escort services to industrial entrepreneurs, particularly in the Medium & Large Industrial Sector. The Government had taken all actions necessary for registration of the society after formulation of suitable articles and memorandum of association, by-laws etc., to meet the objectives set forth in the Government Order referred at [1] above. The Director of Industries and Commerce, vide his D.O. letter referred at (2) above, has forwarded the draft memorandum of association and rules and regulations of the Karnataka Udyog Mitra for Government's approval. Vide D.O. letter referred at (3) above certain views of the Government were communicated to the Director of Industries and Commerce.

### **ORDER NO, CI 69 SPC 92. BANGALORE DATED 17TH SEPTEMBER 1992**

In the circumstances explained in the preamble portion of the G.O., Government are pleased to approve the Memorandum of Association and Rules & Regulation of the Karnataka Udyog Mitra as appended to this Government Order. The Director of Industries and Commerce shall take necessary action to have the society registered under the Societies Registration Act to ensure that the Agency starts functioning at the earliest.

BY ORDER & IN THE NAME OF THE  
GOVERNOR OF KARNATAKA

SD/-

**(T.R. RENUKA ARADHYA)**

Under Secretary to Government (ID)  
Commerce & Industries Department.

## **MEMORANDUM OF ASSOCIATION**

**1. Name of the Society**

The name of the Society shall be, "Karnataka Udyog Mitra (KUM)"

**2. Place at which registered office of the Society is to be situated:**

The Registered Office of the Society shall be situated at Bangalore.  
Address: No.49, 3rd Floor, South Wing, Khanija Bhavan, Race Course Road,  
Bangalore - 560001.

**3. Objectives of the Society**

The objectives of the Society are:

- i) To extend escort services to all investors, entrepreneurs interested in industrial investment in the State of Karnataka.
- ii) To provide Secretariat services to SLSWCC/SHLCC at the State Level by guiding the entrepreneurs in filling up application forms, processing the same and forwarding the completed applications to the Member Secretary of the SLSWCC/SHLCC for placing the same before the SLSWCC for suitable decisions.
- iii) To monitor the implementation of the decisions taken by the SLSWCC/SHLCC in line with the Karnataka Industrial (Facilitation) Act, 2002 and rules to ensure that various assistances and support provided by State Government departments and agencies accrue to the entrepreneurs within the time frame for smooth implementation of the projects, for which purpose all Government orders issued in this regard will be forwarded to the Managing Director of the Udyog Mitra.
- iv) To serve as a problem solving agency both for existing and new units in all sectors namely, SSI, Medium & Large and help them in getting necessary assistance from the industrial promotion and other related agencies of the State, for which purpose the officers of Udyog Mitra shall visit the districts periodically and understand the problems of local industries and bring it to the notice of the SLSWCC/SHLCC at the State level for suitable decisions.
- v) To provide information to the public in general and investors and entrepreneurs in particular, regarding the opportunities available in the State of Karnataka for industry, trade, commerce and participation therein.
- vi) To disseminate information through mass media by common advertisement and publicity to create and accelerate industrial tempo and bring awareness of facilities and incentives available to entrepreneurs for setting up new industrial units in the State.
- vii) To identify and encourage prospective investors / entrepreneurs and motivate them to establish industrial units in the State of Karnataka.
- viii) To act as a Nodal Agency for Non-Resident Indians and promote NRI / foreign investments keeping in constant touch with Governmental agencies and promotional bodies.
- ix) To locate and contact prospective investors / entrepreneurs residing within and outside Karnataka as well as those living abroad and to motivate them to set up industrial units in the State by organising special campaigns, seminars.
- x) To organise, sponsor, associate or participate in any fair, exhibition, celebration or campaign aimed at promotion of industrial development in the State of Karnataka.

- xi) To publish literature in the form of papers, case studies, reports, brochures, pamphlets, periodicals, digests, journals, project profiles, magazines and circulate/distribute to the users viz. prospective entrepreneurs, artisans and other institutions as also assist other institutions engaged in such activities.
- xii) To establish a data bank for documentation maintenance and supply of data on projects, trade and industry and dissemination of the same to Government, institutions, investors and entrepreneurs.
- xiii) To co-ordinate extension of promotional activities of all institutions in economic upliftment and industrial development in the State of Karnataka.
- xiv) To review and appraise the schemes and general atmosphere prevailing in India and Karnataka in particular for industrial development.
- xv) To invest and deal with the funds of the Society for achieving the objectives of the Society.
- xvi) To perform duties and roles suitable in creating to create a conducive atmosphere for industrial development in the State.
- xvii) To perform any other duties and responsibilities assigned by the Governing Council from time to time.
- xviii) To collect and disseminate statistics and other information concerning industrial development & trade in the State of Karnataka and neighboring States / Countries and to maintain books, journals and other literature relating to industrial management and development.
- xix) Functions of the Nodal Agency:
  - (1) The functions of Nodal Agency at the State level shall among others includes the following:
    - a) to carry out investment promotional activities,
    - b) to render necessary assistance in policy formulation for industrial progress,
    - c) to guide and assist entrepreneurs to set up industries in the State,
    - d) to issue combined application form to the entrepreneurs and also to receive the forms from them and to arrange required clearances from departments and authorities within the stipulated time.
    - e) to provide secretarial support to the State High Level Clearance Committee and State level Single Window Clearance Committee.
    - f) to promote environment friendly and cleaner technologies and production practices,
    - g) to perform any other function as may be entrusted to it by the State Government.
  - (2) The State level Nodal agency shall also perform functions referred to in Subsection (1) above and in addition prepare and regularly update an entrepreneurs guide providing complete information particularly relating to,-
    - (i) State and Central Industrial policies,
    - (ii) Procedures to obtain the required clearances from various departments and authorities
    - (iii) information on industrial status and advantages existing in the State.
    - (iv) salient features of Acts and the rules made there under applicable to an industrial undertaking, and
    - (v) any other information useful to the entrepreneurs.

**4. With a view to further and facilitate the Society's activities for achieving its objectives, the Society may :-**

- i) acquire by purchase, lease, exchange, gift, hire or transfer or otherwise any land, building and other property - moveable or immovable including machinery, equipment or assets or interest and to hold, develop, improve and maintain the same towards the achievement of the objectives of the Society;
- ii) sell, mortgage, let on lease, royalty or tribute grant license and in any other manner grant other rights over the property of the Society, movable or immovable - wholly or partly, for such considerations and upon such terms as may be thought fit;
- iii) pay out of the funds belonging to the Society, or out of any particular part of such fund, all expenses that are incidental to the formation of the Centre and management and administration of the Society including all rents, rates, outgoings and the salaries of the employees of the Society;
- iv) draw, make, accept, endorse and negotiate cheques, hundies, promissory notes and deeds as may be necessary;
- v) for the purpose aforesaid, to sign, execute and deliver such assurances and deeds as may be necessary;
- vi) work, construct and maintain buildings, works and conveniences of all kinds suitable for any of the purposes of the Society;
- vii) subscribe or otherwise assist any charitable, benevolent, scientific, national, public or any other Centre, objectives or purposes of which, are consistent with or which promote the objectives of the Society;
- viii) search for any purchase or otherwise acquire from any Government, or other authorities, any licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Society capable of being turned to account and to work, develop, carry out, exercise, and turn to account the same;
- ix) make donations to such persons or Centres and in such cases whether of cash or any other assets, or may be, that are directly or indirectly conducive to any of the Society's objectives, or otherwise expedient and in particular, to remunerate any person or corporations assisting the Society;
- x) receive donations from persons / institutions either in India or abroad in cash or kind which are directly or indirectly conducive to any of the Society's objectives or otherwise expedient.
- xi) engage, retain or employ professional or technical advisors, faculty, consultants, clerical and other staff to assist in the working of the Centre and pay such fees, remuneration, honorarium etc., as may be thought expedient and necessary;
- xii) create faculty, technical, administrative, clerical and other posts under the Society and make appointments thereto in accordance with the Rules and Regulations of the Society;

- xiii) constitute such committee or committees as may be deemed necessary for the disposal of any business of the Society or for rendering advise on any matter pertaining to the Society;
- xiv) make rules and regulations and bye-laws for the conduct of the affairs of the Society and to add, annul, vary or rescind them from time to time;
- xv) do such other things as may be necessary, incidental or conducive to the attainment of all or any of the objectives of the Society;
- xvi) carry on the above and any other activities capable of being conveniently carried on in connection with the above objectives or calculated, directly or indirectly, to benefit the Society in the promotion and attainment of these objectives, subject to the overall control of the Government and in conformity with Section 3 of the Karnataka Society's Registration Act, 1960;
- xvii) The income and property of the Society, however derived, shall be applied only towards the promotion of the objects of the Society as set forth in this Memorandum of Association. The income of profits, if any, derived by the Society shall not be paid to or distributed among the members;
- xviii) to do all such lawful acts and things either alone or in conjunction with other organisations or persons of the Society which may be considered necessary, incidental or conducive to the above mentioned objectives or any of them.
- xix) The funds of the Society shall be invested in the modes specified under the provisions of section 13(1) (d) r.w.s. 11 (5) of the Income Tax Act. 1961 as amended from time to time.
- xx) There shall be maintained all accounts of the Society regularly. The accounts shall be duly audited by a qualified Chartered Accountant every year, the accounts shall be enclosed by 31st March.
- xxi) No amendments to the Memorandum of Associations / Rules and Regulations shall be made which may prove to be repugnant to the provision of sections 2 (15) 11, 12, 13 & 80 G of the Income-Tax Act, 1961, as amended from time to time, further no amendment shall be carried out without the prior approval of the Commissioner of Income-Tax.
- xxii) In the event of dissolution or winding up of the Society the assets remaining as on the date of dissolution shall under no circumstances be distributed among the members of the Committee but the same shall be transferred to another Charitable Trust / Society and which whose objects are similar to those of the Trust / Society and which enjoys recognition u/s. 80G of the Income-Tax Act, 1961, as amended from time to time.
- xxiii) The Trust formed shall be irrevocable.
- xxiv) The benefits of the Society shall be open to all irrespective of caste, creed or religion.

xxv) The funds and income of the Society shall be utilized for achievement of the objects of the Society and no payment shall be made to the members by way of profit, interest / dividends etc.,

#### **5. Governing Council**

The management of the affairs of the Society shall be entrusted with the Governing Council. The Governing Council shall function and manage the affairs of the Society in accordance with the Rules and Regulations in force from time to time. The Members of the Governing Council shall be:

1. Commissioner for Industrial Development & Director of Industries & Commerce, Khanija Bhavan, (South Wing), No.49, Race Course Road, Bangalore - 560 001.
2. The Managing Director, Karnataka State Industrial Investment and Development Corporation Ltd., 36, Cunningham Road, Bangalore -560 052.
3. The Managing Director, Keonics, Race Course Road, Bangalore - 560 001.
4. The Managing Director, Karnataka State Financial Corporation, No. 1/1, Thimmaiah Road, Bangalore-560 052.
5. The Managing Director, Karnataka State Small Industries, Development Corporation, Industrial Estate, Rajajinagar, Bangalore - 560 044.
6. The CEO & Executive Member, Karnataka Industrial Areas Development Board, 14/3A, Nrupathunga Road, Bangalore - 560 002.
7. The Managing Director, KPTCL, Cauvery Bhavan, Bangalore - 560 009.
8. The Additional Secretary to Govt. Commerce & Industries Development, MS Building, Dr. Ambedkar Veedhi, Bangalore - 560 001.
9. The Deputy Secretary to Government, Finance Department, Vidhana Soudha, Bangalore - 560 001.
10. The Member Secretary, Karnataka State Pollution Control Board, 4th & 5th Floor, No.49, Parisara Bhavana, Church Street, Bangalore - 560 001.
11. The Managing Director, Karnataka Udyog Mitra, 3rd Floor, South Wing, Khanija Bhavan, Race Course Road, Bangalore-560 001.

The above members of the Governing Council shall remain in office by virtue of their having been sponsored by the respective Organisations in accordance with Clause 15 of the Rules and Regulations. In addition to the above members, the Governing Council shall have the powers to co-opt any other person or representative of Institutions as Members with prior approval of the Government.

6. The Member Secretary of the Karnataka Udyog Mitra, No.49, 3rd Floor, South Wing, Khanija Bhavan, Race Course Road, Bangalore - 560 001, shall be authorised by the Society to receive any communication as may be sent by the Registrar.