



Meeting with Mr. Murugesh R Nirani, Hon'ble Minister for Large and Medium Industries, Government of Karnataka on Tuesday, January 5, 2010

Mr. Murugesh R Nirani, Hon'ble Minister for Large and Medium Industries, Government of Karnataka convened a meeting with representatives of Chambers of Commerce on January 5, 2010. The Meeting was convened basically to make an announcement on the investment proposals amounting to Rs.1,38,000 Crore cleared by Government of Karnataka in principle, which included leading investments from the following companies:-

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| a) M/s. Arcelor Mittal India Ltd | d) M/s. Posco – India Pvt Ltd |
| b) M/s. Lafarge India Pvt Ltd | e) M/s. Gail (India) Ltd |
| c) M/s. Wipro Ltd | f) M/s. Tata Elexi |

BCIC, FKCCI, KASSIA, PIA were represented by their President on this occasion. Mr. K R Girish, President, BCIC handed over a Representation to Mr. Murugesh R Nirani. In the Representation, BCIC drew the attention of the Minister to re-look on the current Stamp Duty regulations and to make it industry friendly. He also urged the Minister to provide quality and uninterrupted Power at a specified time so that industries can plan its production process accordingly. He then requested the Government of Karnataka to undertake the following measures immediately in order to make proposed Global Investors Meet a meaningful one:

- a) Creation of Land Banks with all the Infrastructure facilities
- b) Norm for a Single Window Agency is to be made really effective and all clearance like Licences, Investment, Pollution, Sanitary, Water etc. should be routed through One Agency who should take care of all the Investment proposals so that Investors need not run from pillar to post.
- c) There is an urgent need for industrial development of Tier-2 cities for enhancing economic, social development so that industry thrives beyond the City of Bangalore.
- d) Besides IT and BT, the State is known for major industries namely, Auto, Oil and Gas, Steel, Electronics and we request the State Government to give thrust for development of the above Sectors as they have got huge potential and we can leverage to its strategic advantage. We need to create the necessary infrastructure such as, roads, ports, rail connectivity etc. to attract investments in these sectors.

Besides the above, he requested the Government of Karnataka to consider promoting Venture Capital Fund exclusive for SME's like KITVEN . He also requested the Government to empower more powers to the Karnataka Industrial Areas Development Board (KIADB) in order to make it more effective and powerful body.

Responding to various suggestions put forth by Chambers of Commerce and Trade Bodies, Mr. V P Baligar, Principal Secretary, Commerce & Industries Department, Government of Karnataka said that the Government is planning to bring in some major reforms in Pollution Control Board Rules & Regulations and also planning to promote KITVEN 2 which will be not only for IT & BT Sectors but also for other innovative industries.

Bangalore Chamber of Industry and Commerce

With regard to Stamp Duty, Mr. Baligar said that the Government will be coming out with the notification very soon. Commenting on the high land cost, he said that the Government is making every effort to ensure that the land is available to industry at a competitive rate but nevertheless with the huge expectations from the farmers, it is very difficult to get the land for less than Rs. 60 Lakh / Acre in and around Bangalore. However he said Government is creating Land Banks in Tier - II and Tier-III cities and requested the industries to move out to these places.

With regard to Industrial Townships, Mr. Baligar said that the Peenya Township planning is almost complete and will be implemented very soon and proposals have also been sent to the State Government to have similar Townships in Electronics City, Bommasandra and Whitefield.

Mr. Muregesh Nirani said that the Government is keen to have industrial development throughout the State and hence in this regard most of the investment proposals out of Rs.1,38,300 Crore which have been cleared were from North Karnataka and other districts which should pave way for generating more employment as well as development of MSMEs. He also agreed to the suggestion put forth by the industry associations that industry department should have regular meeting i.e. at least once in two months to address problems and issues relating to Industry.

Bangalore Chamber of Industry and Commerce