

THE KERALA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT ACT, 1993

(Act 3 of 1993)

CONTENTS

Preamble.

Sections:

CHAPTER I
PRELIMINARY

1. Short title and Commencement.
2. Definitions.

CHAPTER II
DECLARATION OF INDUSTRIAL AREA

3. Declaration of industrial area.

CHAPTER III
ESTABLISHMENT AND CONSTITUTION OF THE CORPORATION

4. Establishment and incorporation.
5. Constitution of the Corporation.
6. Appointment and term of Office of Managing Director and conditions of service of nominated Directors.
7. Meetings of the Corporation.
8. Appointment of officers and employees.

CHAPTER IV
FUNCTIONS AND POWERS OF THE CORPORATION

9. Functions.
10. Powers of the Corporation.
11. Direction by Government.

CHAPTER V
FINANCE, ACCOUNTS AND AUDIT

12. Application of the assets of the Corporation.
13. Funds of the Corporation.
14. Grants, Subventions, loans and advances to Corporation.
15. Power of Corporation to borrow.
16. Deposits.

17. Reserves and other funds.
18. Expenditure from funds.
19. Budget and programme of work.
20. Accounts and audit.

CHAPTER VI EVICTION FROM CORPORATION PREMISES

21. Definitions.
22. Power to evict persons from Corporation Premises.
23. Appeal.
24. Applicability of the Kerala Buildings (Lease and Rent Control) Act, 1965 (2 of 1965).

CHAPTER VII ACQUISITION AND DISPOSAL OF LAND

25. Compulsory acquisition of land for Corporation.
26. Transfer of Government lands.

CHAPTER VIII SUPPLEMENTARY AND MISCELLANEOUS PROVISIONS

27. Power of the Corporation in case of default by owners of lands.
28. Order of demolition of building.
29. Power to stop building operations.
30. Penalty for construction or use of land and buildings contrary to terms of holding.
31. Power to lay gas pipelines etc.
32. Power of entry.
33. Overriding powers of Government to issue direction to local authorities.
34. Liability of lessee to pay taxes etc.
35. Recovery of sums due to Corporation as arrears of land revenue.
36. Service of notice etc.
37. Public notices.
38. Furnishing of returns etc.
39. Withdrawal of area or estate or part thereof.
40. Default in performance of duty.
41. Dissolution of Corporation.
42. Authority for prosecution.
43. Compounding of offences.
44. Offences by Companies.
45. Penalty for obstruction of entry etc.
46. Penalty for obstructing persons from performing duty under contract.
47. Penalty for removing marks etc.

- 48. Penalty for obstructing exercise of powers under Chapter VI.
 - 48A. Power of Officers to impose fine.
 - 49. Powers to make rules.
 - 50. Power to make regulations.
 - 51. Protection of action taken in good faith.
 - 52. Notice of suit against Corporation.
 - 53. Removal of difficulties.
 - 54. Repeal and Saving.
-

ACT 3 OF 1993**THE KERALA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT ACT, 1993****AN**ACT*

An Act to provide for the establishment of Industrial areas and for the organisation of Industrial Growth Centres in the State of Kerala and for setting up infrastructure facilities for industries and for that purpose to constitute an Industrial Infrastructure Development Corporation and for matters connected therewith.

Preamble.—WHEREAS it is expedient to provide for the establishment of Industrial areas and for the organisation of Industrial Growth Centres in the State of Kerala and for setting up infrastructure facilities for industries and for that purpose to constitute an Industrial Infrastructure Development Corporation and for matters connected therewith.

BE it enacted in the Forty-fourth Year of the Republic of India as follows:—

CHAPTER I**PRELIMINARY**

1. *Short title and commencement.*—(1) This Act may be called the Kerala Industrial Infrastructure Development Act, 1993.

(2) It shall be deemed to have come into force on the 1st day of November, 1992.

2. *Definitions.*— In this Act, unless the context otherwise requires,—

(a) “Amenity” includes road, supply of water or electricity, street lighting, drainage, sewerage and such other convenience as the Government may, by notification in the Gazette, specify to be an amenity for the purposes of this Act;

(b) “Building” means any structure or erection, or part of a structure or erection, which is intended to be used for residential, industrial, commercial or other purposes, whether in actual use or not;

(c) “Collector” means the Collector of the district concerned, and includes any officer authorised by the Government to perform the functions of a Collector under this Act;

(d) “Corporation” means the Kerala Industrial Infrastructure Development Corporation established under section 4 of the Act;

(e) “Development” with its grammatical variations, means the carrying out of building, engineering, quarrying or other operations, in, on, over or under land, or the making of any material change in any building or land, and includes re-development, but does not include mining operations, and the term “to develop” shall be construed accordingly;

* Received the assent of the Governor on the 26th day of February, 1993 and published in the Kerala Gazette Extraordinary No 215 dated 27th February, 1993.

(f) “Government” means the Government of Kerala;

(g) “Industrial Area” means any area declared to be an industrial area by the Government, by notification in the Gazette, which is to be developed and where industries are to be accommodated and includes an industrial estate and any area containing mineral deposits;

(h) “Industrial estate” means any site selected by the Government, where the Corporation builds factories and other buildings and makes them available for any industries or class of industries;

(i) “Member” means a member of the Corporation specified in section 5 and includes the Chairman;

(j) “Premises” means any land, building or part of any building and includes:

(i) the gardens, grounds and outhouses, if any, appertaining to such building or part of the building; and

(ii) any fittings affixed to such buildings or part of a building for the more beneficial enjoyment thereof;

(k) “Prescribed” means prescribed by rules made under this Act;

(l) “Regulation” means the regulation made under this Act;

(m) “State” means the State of Kerala;

(n) the expression “land” and the expression “person interested” will have the meaning respectively assigned to them in section 3 of the Land Acquisition Act, 1894 (Central Act 1 of 1894).

CHAPTER II

DECLARATION OF INDUSTRIAL AREA

3. *Declaration of industrial area.*— (1) The Government may, by notification in the Gazette, declare any area in the State to be an industrial area for the purpose of this Act.

(2) Every such notification shall define the limits of the area to which it relates.

(3) The Government may, at any time, by notification in the Gazette exclude from any industrial area, any area or include therein, any additional area, as may be specified in such notification.

CHAPTER III

ESTABLISHMENT AND CONSTITUTION OF THE CORPORATION

4. *Establishment and incorporation.*—(1) For the purposes of securing and assisting in the rapid and orderly establishment and organisation of industries in industrial areas and

industrial estates in the State and for the purpose of establishing growth centres and infrastructure facilities in connection with the establishment and organisation of such industries, there shall be established by the Government, by notification in the Gazette, a Corporation by the name the Kerala Industrial Infrastructure Development Corporation.

(2) The Corporation shall be a body corporate with perpetual succession and a common seal and shall, by the said name, sue and be sued and shall be competent to acquire, hold and dispose of property both movable and immovable and to enter into contracts and to do all things necessary and expedient for the purposes of this Act.

5. *Constitution of the Corporation.*— (1) The Corporation shall consist of not more than 15 members, namely:—

(i) Chief Secretary to Government	..	Chairman
(ii) The Secretary to Government, Industries Department	..	Director
(iii) Secretary to Government, Finance Department	..	Director
(iv) Chairman, Kerala State Electricity Board	..	Director
(v) Director of Industries and Commerce of the State	..	Director
(vi) Managing Director, Kerala State Industrial Development Corporation Ltd.	..	Director
(vii) Managing Director, Kerala Financial Corporation	..	Director
(viii) Chief Town Planner, Town Planning Department	..	Director
(ix) Chairman, Kerala State Pollution Control Board	..	Director
(x) Managing Director of the Corporation appointed under section 6	..	Director
(xi) Labour Commissioner	..	Director

(2) The remaining Directors, shall be representatives of financing institutions and professional bodies nominated by the Government for such term as may be prescribed.

6. *Appointment and term of Office of Managing Director and conditions of service of nominated Directors.*— (1) The Managing Director of the Corporation shall be appointed by the Government and shall have such qualifications as may be prescribed.

(2) The Managing Director of the Corporation shall hold office for such term as the Government may specify in this behalf.

(3) The Directors shall be entitled to draw such allowances as may be prescribed for the purpose of attending the meetings of the Corporation or of any committee thereof or in doing or for performing such work or functions of the Corporation which may be specifically entrusted to them by the Corporation or by any committee thereof, as may be prescribed.

7. *Meetings of the Corporation.*— The Corporation shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of its business as may be provided by regulations made under this Act.

8. *Appointment of officers and employees.*— (1) The Corporation may appoint with the approval of the Government such number of Officers and employees as it considers necessary, to assist the Corporation in the discharge of its functions and duties under this Act and the Managing Director appointed under section 6 shall be the Chief Executive of the Corporation.

(2) The Officers and employees appointed under sub-section (1) shall be under the administrative control of the Managing Director and he shall be the disciplinary authority to impose any punishment as may be prescribed on such officers and employees.

(3) The method of appointment, salary and allowances and other conditions of service of the officers and the employees appointed under sub-section (1) shall be such as may be specified with the approval of the Government by the Corporation.

CHAPTER IV

FUNCTIONS AND POWERS OF THE CORPORATION

9. *Functions.*— The functions of the Corporation shall be—

(i) generally to promote and assist in the rapid and orderly establishment, growth and development of industries in the state and

(ii) in particular and without prejudice to the generality of clause (i),

(a) to develop industrial areas selected by the Government for the purpose for which it was selected and make them available for the undertakings to establish themselves;

(b) to establish, maintain, develop and manage industrial estates at places selected by the Government;

(c) to identify appropriate industrial sites, acquire them and tie up the required infrastructure facilities, like power, water, roads, communications, drainage and pollution abatement systems, industrial sheds for small scale units and wherever required, social infrastructure like industrial housing and common amenity buildings for banks, post offices, hospitals, fire stations and the like;

(d) to co-ordinate with other government departments or agencies to ensure provision of good quality infrastructure facilities, within the shortest possible time;

(e) to allot the developed plots or sheds to entrepreneurs on terms and conditions as may be determined by the Corporation;

(f) to upgrade the facilities of the existing industrial estates or industrial areas transferred to the Corporation;

(g) to undertake schemes for providing the industrial units with such structures and facilities as may be necessary for their orderly establishment, growth and development;

(h) to procure land on behalf of medium or large scale industries outside the industrial estates or industrial development areas by purchase, lease or exchange from any person;

(i) to act as a single point contact for clearance required from different agencies or departments;

(j) to promote, organise, sponsor or undertake schemes or works either by itself or jointly with other corporate bodies or institutions or with the Government or local authorities or on an agency basis in furtherance of the purposes for which the Corporation is established and all matters connected therewith;

(k) such other functions as are necessary in furtherance of the objects of the Corporation.

10. *Powers of the Corporation.*—Subject to the provisions of this Act, the Corporation shall have powers,—

(a) to acquire and hold such property both movable and immovable as the Corporation may deem necessary for carrying out any of its activities and to lease, sell, exchange or otherwise transfer any property held by it on such conditions as may be deemed proper by the Corporation;

(b) to purchase by agreement or to take on lease or under any form of tenancy, any land, to erect such buildings and to execute such other works as may be necessary for the purpose of carrying out its duties and functions;

(c) to provide or cause to be provided amenities and common facilities in industrial estates and in industrial areas and construct and maintain or cause to be maintained, works, buildings, amenities and common facilities therefor;

(d) to make available buildings on hire or sale to industrialists or persons intending to start industrial undertakings;

(e) to construct buildings for the housing of the employees of such industrial undertakings;

(f) to identify and develop potential growth centres;

(g) to provide social infrastructure like housing and common amenity buildings near the industrial area;

(h) to allot factory sheds or such buildings or parts of buildings including residential tenements to settle persons in the industrial estates established or industrial areas developed by the Corporation;

(i) to modify or revise or cancel such allotments, including the right and power to evict the allottees concerned for breach of any of the terms and conditions of their allotment;

(j) to recover all sums payable to the Corporation;

(k) to evict any entrepreneur or person and resume the land, shed or building allotted to him in the event of his not adhering to the terms and conditions under which the allotment was made;

(l) to seek exemptions from the operation of any of the provisions of the laws for the time being in force;

(m) to establish subsidiary companies as may be required to develop industrial infrastructure and subscribe to their share capital;

(n) such other powers as are necessary or incidental to the attainment of the objects of the Corporation.

11. *Direction by Government.*—The Government may from time to time issue to the Corporation such general or special directions of policy as they deem necessary or expedient for the purpose of carrying out the objects of this Act and the Corporation shall be bound to follow and act upon such directions.

CHAPTER V

FINANCE, ACCOUNTS AND AUDIT

12. *Application of the assets of the Corporation.*—All property, funds and other assets vested in the Corporation shall be held and applied by it, subject to the provisions of and for the purposes of this Act.

13. *Funds of the Corporation.*—(1) The Corporation shall have and maintain its own funds, to which shall be credited—

(a) all moneys received by the Corporation from the Government by way of grant, subventions, loans, advances or otherwise;

(b) all fees, costs and charges received by the Corporation under this Act;

(c) all moneys received by the Corporation from the disposal of lands, buildings and other properties, movable or immovable and from other transactions;

(d) all moneys received by the Corporation by way of rents and profits or in any other manner or from any other source.

(2) The Corporation may keep in Government treasuries or with the State Bank of India or any other bank approved by the Government in this behalf such sum of money out of its fund as may be prescribed and any money in excess of the said sum shall be invested in such manner as may be approved by the Government.

(3) Such account shall be operated upon by such officers of the Corporation as may be specified in the regulations.

14. *Grants, subventions, loans and advances to Corporation.*— The Government may make such grants, subventions, loans and advances to the Corporation as they may deem

necessary for the performance of the functions of the Corporation under this Act and all grants, subventions, loans and advances made shall be on such terms and conditions as the Government may determine.

15. *Power of Corporation to borrow.*— (1) The Corporation may, subject to such conditions as may be prescribed in this behalf, borrow money required for carrying out the purposes of this Act from the public or otherwise or from any Corporation owned or controlled by the Central or State Governments or from any other financial institutions.

(2) All moneys borrowed under sub-section (1) may, if required, be guaranteed by the Government as to the repayment of principal and the payment of interest at such rates and on such conditions as the Government may determine at the time the moneys are borrowed.

Explanation.— The expression “to borrow money” with all its grammatical variations and cognate expressions includes acceptance of deposits not being deposits accepted under section 16, from the public for a specified period and payment of interest thereon to the depositors at specified rates.

16. *Deposits.*— The Corporation may accept deposits on such condition as it deems fit from persons, authorities or institutions to whom allotment or sale of land, buildings or sheds is made or is likely to be made in furtherance of the object of this Act.

17. *Reserves and other funds.*— (1) The Corporation shall make provision for such reserve and other specially denominated funds in such manner and to such extent as the Government may, from time to time, direct.

(2) The management of the funds referred to in sub-section (1), the sums transferred from time to time to the credit thereof and the application of money comprised therein, shall be as determined by the Corporation.

(3) The funds referred to in sub-section (1) shall not, without the previous approval of the Government, be utilised for any purpose other than that for which it was constituted.

18. *Expenditure from funds.*— (1) The Corporation shall have the authority to spend such sums as it thinks fit for the purposes of this Act from out of the funds of the Corporation referred to in section 13.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), the Corporation may contribute such sums as it thinks fit towards expenditure incurred or to be incurred by any local authority or statutory/public undertaking in the performance, in relation to any of its industrial estates or industrial areas, of any of the statutory functions of such authority or undertaking, including expenditure incurred for the acquisition of land.

(3) No expenditure other than capital expenditure shall be incurred by the Corporation out of moneys borrowed or received by way of deposits.

19. *Budget and programme of work.*— (1) The Corporation shall, by such date in each year as may be prescribed, prepare and submit to the Government for approval an annual financial statement in such form and with details, as may be prescribed and the programme of work for the succeeding financial year.

(2) The annual financial statement shall show the estimated receipts and expenditure during the succeeding financial year.

(3) The Corporation shall with the approval of the Government be competent to make variations in the programme of work:

Provided that all such variations and reappropriations, if any, out of the sanctioned budget shall be brought to the notice of the Government by a supplementary financial statement.

(4) A copy each of the annual financial statement and the programme of work and the supplementary financial statement, if any, shall, on submission to the Government, be placed as soon as may be, before the Legislative Assembly.

20. *Accounts and audit.*— (1) The Corporation shall maintain books of accounts and other registers in relation to its business and transactions in such form and in such manner, as may be prescribed.

(2) The accounts of the Corporation shall be audited by the Comptroller and Auditor General of India.

(3) As soon as the accounts of the Corporation are audited, the Corporation shall send a copy thereof together with the copy of the audit report to the Government.

(4) The Government shall cause the audited accounts of the Corporation together with the audit report to be laid before the Legislative Assembly.

CHAPTER VI

EVICTION FROM CORPORATION PREMISES

21. *Definitions.*— In this chapter—

(a) “competent authority” means the Managing Director of the Corporation and includes such other officer of the Corporation as the Government may, by notification in the Gazette, authorise to perform the functions of a competent authority under this chapter for such area as may be specified in the notification;

(b) “Corporation premises” means any premises belonging to or vested in the Corporation or taken on lease by the Corporation or entrusted to the Corporation under the Act for management and use for the purposes of this Act;

(c) “premises” means any land, building or part of a building and includes a hut, shed or other structure or part thereof.

22. *Power to evict persons from Corporation Premises.*—(1) If the competent authority is satisfied—

(a) that the person authorised to occupy any Corporation premises has-

(i) not paid the rent lawfully due from him in respect of such premises for period of more than two months; or

(ii) sub-let, without the permission of the Corporation, the whole or any part of such premises; or

(iii) otherwise acted in contravention of any of the terms, express or implied, under which he is authorised to occupy such premises; or

(b) that any person is in unauthorised occupation of the Corporation premises;

the competent authority may, notwithstanding anything contained in the Kerala Public Buildings (Eviction of Unauthorised Occupants) Act, 1968 (25 of 1968), by notice served by registered post, or by affixing a copy of it on the outer door of the building or some other conspicuous part of such premises, or in such other manner as may be prescribed, order that the person authorised to occupy as well as any other person who is in occupation of the whole or any part of the premises shall vacate them within one month of the date of the service of the notice.

(2) Before an order under sub-section (1) is made against any person the competent authority shall inform the person, by notice in writing and served in the manner provided for service of notice under sub-section (1), of the grounds on which the proposed order is to be made and give him a reasonable opportunity to offer an explanation and to produce evidence, if any, and to show cause within a period to be specified in such notice why such an order should not be made.

(3) The competent authority may, on application, grant extension of the period specified in such notice on such terms as to payments and recovery of the amount claimed in the notice as he deems fit.

(4) Any written statement put in by such persons and the documents produced in pursuance of the notice shall be filed before the competent authority and such persons shall be entitled to appear before him either in person or by pleader.

(5) If any person refuses or fails to comply with an order made under sub-section (1), the competent authority may evict that person from and take possession of, the premises and may for that purpose use such force as may be necessary.

(6) If any person who has been ordered to vacate any premises under sub-clause (i) or (ii) of clause (a) of sub-section (1), within one month of the date of service of the notice or such longer time as the competent authority may allow, pays to the Corporation the rent in arrears or carries out or otherwise comply with the terms contravened by him to the satisfaction of the competent authority, as the case may be, the competent authority shall, in lieu of evicting such persons under sub-section (5), cancel its order made under sub-section (1), and thereupon such persons shall hold the premises on the same terms on which he held them immediately before such notice was served on him.

Explanation.— For the purpose of this section, the expression “unauthorised occupation” in relation to any person authorised to occupy any Corporation premises, includes the continuance of occupation by him or by any person claiming through or under him of the premises after the authority under which he was allowed to occupy the premises has been duly determined.

¹[(7) If the competent authority has taken possession of the premises under sub-section (5) and the person has failed to make any outstanding payment to the Corporation, the competent authority shall issue a notice calling upon him to make the payment and in case the person fails to do so within the time allowed by the competent authority, the Kerala Industrial Infrastructure Development Corporation shall take such action as deemed necessary on the assets of the industrial unit including transfer of undertaking along with the assets to another willing purchaser after conducting a valuation of assets by an independent approved valuer and sell the assets for realisation of the dues to the Corporation.

Note 1:— For the purpose of this sub-section, the expression “industrial unit” means any industrial unit established by an entrepreneur or allottee under an agreement with the Corporation in the land owned by the Corporation.

Note 2:— For the purpose of this sub-section, the expression “undertaking” means any building, plant and machinery or any other assets of the industrial unit established by an entrepreneur or allottee under an agreement with the Corporation in the land owned by the Corporation.]

23. *Appeal.*— (1) Any person aggrieved by an order of the competent authority under section 22 may, within one month from the date of service of the notice of such order, prefer an appeal to the Government:

Provided that the Government may entertain the appeal after the expiry of the said period of one month, if they are satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under sub-section (1), the Government may after calling for report from the competent authority and after making such further enquiry, if any, as may be necessary, pass such orders as they think fit, and the order of the Government shall be final.

(3) On such appeal being preferred, the Government may stay the execution of the order of the competent authority for such period and on such conditions as they think fit.

24. *Applicability of the Kerala Buildings (Lease and Rent Control) Act, 1965 (2 of 1965).*— The Kerala Buildings (Lease and Rent Control) Act, 1965 (2 of 1965) shall not apply to any premises belonging to or vested in the Corporation under this Act.

CHAPTER VII

ACQUISITION AND DISPOSAL OF LAND

25. *Compulsory acquisition of land for Corporation.*— (1) Whenever any land is required by the Corporation for any purpose in furtherance of the objects of the Act and the Corporation is unable to procure it by agreement, the Government may, upon an application made by the Corporation in that behalf, order proceedings to be taken under the Land Acquisition Act, 1894 (Central Act 1 of 1894) for acquiring the same on behalf of the Corporation as if such lands were needed for a public purpose within the meaning of the said Act.

¹ Inserted by Act 4 of 2025 (w.e.f. 19.04.2025).

(2) The amount of compensation awarded and all other charges incurred in the acquisition of any such land shall be paid by the Corporation and thereupon the land shall vest in the Corporation.

26. *Transfer of Government lands.*— (1) For the furtherance of the objects of this Act, the Government may, upon conditions as may be agreed upon, place at the disposal of the Corporation any land vested in the Government.

(2) Where any such land has been developed by or under the control and supervision of the Corporation, it shall be dealt with by the Corporation in accordance with the regulations made and the directions given by the Government in this behalf.

(3) If any land placed at the disposal of the Corporation under sub-section (1) is required at any time thereafter by the Government, they shall have power to resume the land and the Corporation shall thereupon surrender the land to Government.

CHAPTER VIII

SUPPLEMENTARY AND MISCELLANEOUS PROVISIONS

27. *Power of the Corporation in case of default by owners of lands.*— (1) If the Corporation after inquiry, or upon a report from any of its officers or other information in its possession, is satisfied that the owner of any land in an industrial area has failed to provide any amenity in relation to the land which in the opinion of the Corporation ought to be provided or to carry out any development of the land for which permission has been obtained under this Act the Corporation may, after giving the owner a reasonable opportunity of being heard, serve on the owner a notice requiring him to provide the amenity or carry out the development within such time, as may be specified in the notice.

(2) If any such amenity is not provided or any such development is not carried out within the time specified in the notice, the Corporation may itself provide the amenity or carry out the development or have it provided or carried out through such agency as it deems fit:

Provided that before taking action under this sub-section, the Corporation shall afford reasonable opportunity to the owner of the land to show cause why such action should not be taken.

(3) All expenses incurred by the Corporation or the agency employed by it in providing the amenity or carrying out the development together with interest, at such rate as the Government may by order fix, from the date when a demand for the expenses is made from the owner until payment, shall be recoverable by the Corporation from the owner.

(4) An owner aggrieved by a notice issued to him under sub-section (1), may within a period of sixty days from the date of receipt of such notice, file an appeal to such authority as may be authorised in this behalf by the Government and he shall dispose of such appeal in such manner as may be prescribed.

(5) A decision on such appeal shall be final and conclusive.

28. *Order of demolition of building.*— (1) Where the erection of any building in an industrial estate or industrial area has been commenced, or being carried on, or has been completed, or any existing building is altered, in contravention of the terms on which such building or the land on which it stands is held or granted under this Act any officer of the

Corporation empowered by it in this behalf may, in addition to any prosecution that may be instituted under this Act make an order directing that such erection shall be demolished by the owner thereof within such period not exceeding two months as may be specified in the order and on the failure of the owner to comply with the order, the officer may himself cause the erection to be demolished and the expense of such demolition shall be recoverable by the Corporation from the owner:

Provided that no such order shall be made unless the owner has been given a reasonable opportunity to show cause why such an order should not be made.

(2) Any person aggrieved by an order under sub-section (1) may appeal against that order within thirty days from the date thereof to a Committee of the Corporation set up for the purpose by regulations made in this behalf. Such Committee may after hearing the parties to the appeal either allow or dismiss the appeal or reverse or vary any part of the order.

(3) The decision of the Committee on such appeal shall be final.

29. *Power to stop building operations.*— (1) Where the erection of any building in an industrial estate or industrial area, has been commenced, or is being carried on, or has been completed or any existing building is altered in contravention of the terms on which such building or the land on which it stands is held or granted under this Act, any officer of the Corporation empowered in this behalf may, in addition to any prosecution that may be instituted under this Act, make an order requiring the building operations in relation to such erection to be discontinued on and from the date of service of the order:

Provided that before passing an order under this sub-section, the person against whom such order is passed shall be given an opportunity of being heard.

(2) Where such building operations are not discontinued in pursuance of the order under sub-section (1), the Corporation or the officer empowered may require the assistance of any police officer to remove the person by whom the erection of the building has been commenced and all his assistants and workmen from the place of the building, within such time as may be specified in the order, and such police officer shall comply with the order accordingly.

30. *Penalty for construction or use of land and buildings contrary to terms of holding.* (1) Any person who, whether at his own instance or at the instance of any other person, undertakes or carries out construction of or alterations to, any building in an industrial estate or industrial area contrary to the terms under which he holds such building or land under this Act ²[shall be liable to a fine, which shall not be less than ten thousand rupees but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

(2) Any person who, uses any land or building in an industrial estate or industrial area contrary to the terms under which he holds such land or building under this Act or in contravention of the provisions of any regulations made in this behalf, ³[shall be liable to a fine, which shall not be less than ten thousand rupees but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

31. *Power to lay gas pipelines etc.*— (1) (a) For the purpose of —

(i) carrying gas, water or electricity within any area taken up for development under paragraph (a) of clause (ii) of section 9 (hereinafter referred to as “the said area”); or

² Substituted by Act 4 of 2025 (w.e.f. 19.04.2025).

³ Substituted by Act 4 of 2025 (w.e.f. 19.04.2025).

(ii) constructing any sewers or drains necessary for carrying off workings and waste liquids of an industrial process through the said area,

the Corporation may after giving reasonable notice to the owner or occupier, of any building or land in the said area, lay down, place, maintain, alter, remove, or repair, any pipes, pipelines, conduits, supply or service line, posts or other appliances or apparatus in, on, under, over, along or across any land in the said area.

(b) For the purpose of—

(i) carrying gas, water or electricity from a source of supply to an industrial estate, centre or industrial area, such sources of supply being in an area outside such estate, centre or area (hereinafter referred to as “outside area”); or

(ii) constructing any sewers or drains necessary for carrying off working and waste liquids of an industrial process to or through an outside area, any person empowered in this behalf by the Government, by notification in the Gazette (hereinafter referred to as “the authorised person”) may after giving reasonable notice to the owner or occupier of any building or land in the outside area, lay down, place, maintain, alter, remove or repair any pipes, pipelines, conduits, supply or service lines, posts or other appliances or apparatus in, on, under, over, along or across any land in the outside area.

(2) The Corporation or, as the case may be, the authorised person, may at any time enter upon any land in any such area and in such event the provisions of section 32 shall *mutatis mutandis* apply.

(3) Compensation to all persons interested for extinguishment or modification of rights in property, any damage sustained by them in consequence of the exercise of the such powers as aforesaid, shall be paid by the Corporation irrespective of whether the area is the said area or the outside area;

Provided that the amount of compensation in lump sum or in the form of annul rent, according as the circumstances of the case may require, shall be fixed and, where necessary, apportioned by the Collector in accordance with the provisions of the Land Acquisition Act, 1894 (Central Act I of 1894).

(4) Nothing herein shall authorise or empower the Corporation or the authorised person to lay down or place any pipe or other works into, through or against any building or in any land not dedicated to public use without the consent of the owners and occupiers thereof, except that the Corporation or such person may at any time enter upon and lay or place any new pipe in place of an existing pipe in any land wherein any pipe has been already lawfully laid down or placed in pursuance of this Act and may repair or alter any pipe so laid down:

Provided that nothing in this sub-section shall be construed to mean that the Corporation or other person is forbidden from having the said land acquired at any time by the Government in the normal course.

(5) (a) Where the owner or the occupier of any building or land does not reply in writing to the Corporation or the authorised person within a period of fifteen days from the date on which the consent referred to in sub-section (4) is sought, or refuses to give such consent to lay down or place any pipe or other works into, through or against such building, the Corporation or the authorised person shall forthwith make a report in writing of the fact to the Collector.

(b) On receipt of the report, if the Collector, after making an inquiry and after giving the owner and the occupier of such building or land, as the case may be, an opportunity of stating his objection to give such consent, is satisfied that for ensuring the full and efficient development of the industrial estate, or as the case may be, industrial area it is necessary to permit the Corporation or the authorised person to lay down or place any pipe or other works into, through or against the building or in the land as contemplated by the Corporation or the authorised person, the Collector shall notwithstanding anything contained in sub-section (4), by an order in writing grant the permission to the Corporation or the authorised person.

(c) When such permission is granted, it shall be lawful for the Corporation or the authorised person to lay down or place any pipeline or other works into, through or against such building or in such land as if the necessary consent under sub-section (4) has been given.

32. *Power of entry.*— Any officer of the Government, any member or any person either generally or specially authorised by the Corporation in this behalf may enter into or upon any land or building with or without assistants or workmen for the purpose of—

(a) making any inspection, survey, measurement, valuation or enquiry or taking levels of such land or buildings;

(b) examining works under construction and ascertaining the course of sewers and drains;

(c) digging or boring into the sub-soil;

(d) setting out boundaries and intended lines of work;

(e) marking such levels, boundaries and lines, placing marks and cutting trenches;

(f) doing any other thing necessary for the efficient implementation of this Act:

Provided that—

(i) no such entry shall be made except between the hours of sunrise and sunset and without giving reasonable notice to the occupier or if there be no occupier, to the owner of the land or building;

(ii) sufficient opportunity shall in every instance be given to enable women, if any, to withdraw from such land or building;

(iii) due regard shall always be had, so far as may be compatible with the exigencies of the purpose for which the entry is made, to the social and religious usages of the occupants of the land or building entered.

33. *Overriding powers of Government to issue direction to local authorities.*— If the Government is satisfied on a recommendation made in this behalf by the Corporation, that the setting up of an industrial area or industrial undertaking within an industrial area or outside is impeded by a local authority's refusal to grant or by such authority's insistence on any amenity, the government may direct the local authority to grant the said amenity on such conditions as they consider fit and thereupon the amenity shall be granted:

Provided that the charge to be paid for granting or continuing such amenity to the local authority concerned shall not be less than the cost to the local authority or licensee concerned for providing such amenity:

Provided further that no such direction shall be made by the Government unless the local authority is given a reasonable opportunity to show cause why any such direction should not be made.

34. *Liability of lessee to pay taxes etc.*— Where any land is leased by the Corporation, the lessee shall pay to the Corporation before such dates as may be prescribed, an amount equal to the land revenue, rent, cesses, rates and other taxes, if any, payable in respect of such land, which would have been payable by the Corporation, had the land not been leased.

35. *Recovery of sums due to Corporation as arrears of land revenue.*— All sums payable by any person to the Corporation or recoverable by it by or under this Act and all charges or expenses incurred in connection therewith shall, without prejudice to any other mode of recovery, be recoverable as an arrear of public revenue due on land under the provisions of the Revenue Recovery Act for the time being in force, on the application of the Corporation.

36. *Service of notice etc.*— The procedure for service of notice and production of documents etc., shall, as far as possible, be governed by the provisions of the Code of Civil Procedure, 1908 (Central Act 5 of 1908).

37. *Public notices.*— Every public notice given under this Act or any rule or regulation made thereunder shall be in writing over the signature of the officer concerned and shall be widely made known in the locality to be affected thereby, affixing copies thereof in conspicuous public places, within the said locality, or by publishing the same by beat of drum or by advertisement in a newspaper having wide circulation in the locality, or by any two or more of these means, and by other means as the officer may think fit.

38. *Furnishing of returns etc.*—(1) The Corporation shall furnish to the Government such returns, statistics, reports, accounts and other information with respect to its conduct of affairs, properties or activities or in regard to any proposed work or scheme as the Government may from time to time require.

(2) The Corporation shall in addition to the audit report referred to in section 20 furnish to the Government an annual report on its working, as soon as may be after the end of each financial year in such form and with details, as may be prescribed, and a copy of the annual report shall be placed before the Legislative Assembly as soon as may be after it is received by the Government.

39. *Withdrawal of area or estate or part thereof.*— Where the Government is satisfied that in respect of any particular industrial estate, industrial area or any part thereof, the purposes for which the Corporation was established under this Act have been substantially achieved so as to render the continued existence of such estate, centre or area or part thereof under the Corporation unnecessary, the Government may, by notification in the Gazette, declare that such industrial estate, or industrial area or part thereof, has been removed from the jurisdiction of the Corporation. Thereupon, the Government may, after Consulting the Corporation, pass such orders, in respect of consequential financial arrangements with the

Corporation and the transfer or apportionment of any assets and liabilities of the Corporation as they may deem fit. The Government may also make such other incidental arrangements for the administration of such estate, centre or area or part thereof as they think fit.

40. *Default in performance of duty.*— If the Government after giving the Corporation an opportunity to offer an explanation, is satisfied that the Corporation has made a default in performing any duty or obligation imposed or cast on it by or under this Act, the Government may fix a period for the performance of that duty or obligation and give notice to the Corporation and the Corporation shall, thereupon, be bound to perform such duty or obligation, as the case may be, within the period so fixed.

41. *Dissolution of Corporation.*— The Government may, if satisfied that the purposes for which the Corporation was established under this Act have been substantially achieved so as to render its continuance unnecessary, by notification in the Gazette, declare that the Corporation shall be dissolved with effect from such date as may be specified in the notification and thereupon the Corporation shall stand dissolved and thereupon,—

(a) all properties, funds and dues which are vested in, or realisable by the Corporation shall vest in, or be realisable by, the Government; and

(b) all liabilities which are enforceable against the Corporation shall be enforceable against the Government.

⁴[42 ****]

⁵[43 ****]

44. *Offences by Companies.*— (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, or was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, under this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

⁴ Omitted by Act 4 of 2025 (w.e.f. 19.04.2025).

⁵ Omitted by Act 4 of 2025 (w.e.f. 19.04.2025).

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

45. *Penalty for obstruction of entry etc.*— Any person who obstructs the entry of a person authorised under section 32, to enter into or upon any land or building or who obstructs the lawful exercise by him of any power conferred by or under this Act ⁶[shall be liable to a fine, which shall not be less than ten thousand rupees but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

46. *Penalty for obstructing persons from performing duty under contract.*— If any person obstructs any person with whom the Corporation has entered into a contract in the performance or execution by such person of his duty or anything which he is empowered or required to do under this Act, ⁷[he shall be liable to a fine, which shall not be less than ten thousand rupees but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

47. *Penalty for removing marks etc.*— If any person removes any mark set up for the purpose of indicating any level, boundary line or direction necessary to the execution of works authorised under this Act, ⁸[he shall be liable to a fine, which shall not be less than ten thousand rupees but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

48. *Penalty for obstructing exercise of powers under Chapter VI.*—Any person who obstructs the lawful exercise of any power conferred by or under Chapter VI ⁹[shall be liable to a fine, which shall not be less than ten thousand rupees, but may extend to fifty thousand rupees, subject to such conditions as may be prescribed].

¹⁰[48A. *Power of Officers to impose fine.*—(1) For the purpose of imposing fine provided under sections 30, 45, 46, 47 and 48 of this Act, the Government may, by notification in the Gazette, designate an officer not below the rank of General Manager of the Corporation and he shall impose a fine as provided under this Act, after holding an enquiry in the manner, as may be prescribed.

(2) While holding enquiry under sub-section (1), the officer shall have the power to summon and enforce attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document, which in the opinion of the officer, may be useful or relevant to the subject matter of the enquiry and if on such enquiry he is satisfied that the person has committed the offence, he shall impose a fine as provided under this Act.

(3) Any person aggrieved by an order made by the officer under sub-section (2) may prefer an appeal in such form and in such manner with such fee, as may be prescribed, before the appellate authority, who shall be the Managing Director of the Corporation, within thirty days from the date on which such order is communicated to him:

6 Substituted by Act 4 of 2025 (w.e.f. 19.04.2025).

7 Substituted by Act 4 of 2025(w.e.f. 19.04.2025).

8 Substituted by Act 4 of 2025 (w.e.f. 19.04.2025).

9 Substituted by Act 4 of 2025 (w.e.f. 19.04.2025).

10 Inserted by Act 4 of 2025 (w.e.f. 19.04.2025).

Provided that the appellate authority may entertain the appeal after the expiry of the said period of thirty days, if such authority is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(4) The appellate authority may after giving the parties to the appeal an opportunity of being heard, pass such order as he thinks fit, confirming, modifying or setting aside the order appealed against, within a period of sixty days from the date of receipt of the appeal.]

49. *Powers to make rules.*— (1) The Government may make rules, either prospectively or retrospectively for the purpose of carrying into effect the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for—

(a) all matters expressly required or allowed by this Act to be prescribed;

(b) the accounts to be maintained by the Corporation;

(c) the mutual relationship of the Corporation and other local authorities in any matter in which they are jointly interested;

(d) guidelines for the Corporation and public officers in carrying out the purposes of this Act; and

(e) the conditions on which and the mode in which contracts may be made by or on behalf of the Corporation.

(3) Every rule made under this Act shall be laid, as soon as may be after it is made, before the Legislative Assembly while it is in session for a total period of fourteen days which may be comprised in one session or two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly makes any modification in the rule or decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

50. *Power to make regulations.*— (1) The Corporation may, with the prior approval of the Government, by notification in the Gazette, make regulations not inconsistent with this Act and the rules made thereunder, for the purpose of giving effect to the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for—

(a) all matters expressly required or allowed by this Act to be prescribed by regulations;

(b) the delegation of powers or duties of the Corporation to the Committees or to the Managing Director;

(c) the duties and conduct of officers and subordinates of the Corporation and of other persons employed by the Corporation under this Act for carrying out any of the purposes of this Act;

(d) the welfare and recreation of the staff of the Corporation and the contributions to be made therefor; and

(e) the efficient conduct of the affairs of the Corporation.

51. *Protection of action taken in good faith.*— No suit or other legal proceedings shall lie against any Member of the Corporation or the Managing Director or any other officer in respect of anything which is, in good faith, done or intended to be done under this Act or any rule or regulation made thereunder.

52. *Notice of suit against Corporation.*— No suit shall be instituted against the Corporation, or any Member, or any officer or subordinate of the Corporation or any person acting under the direction of the Corporation or the Managing Director or of any officer or subordinate of the Corporation in respect of any act done or intended to be done under this Act or any rule or regulation made thereunder, until the expiration of sixty days next, after written notice has been delivered or left at the Corporation's Office or the place of abode of such Member, officer, subordinate or person, stating the cause of action, the name and place of abode of the intending plaintiff and the relief which he claims, and the plaint must contain a statement that such notice has been delivered or left promptly.

53. *Removal of difficulties.*— (1) If any difficulty arises in giving effect to the provisions of this Act the Government may, as occasion may require, by order, do anything not inconsistent with this Act or the rules or regulations made thereunder, which appear to them necessary for the purpose of removing the difficulty:

Provided that no such order shall be passed after two years from the date of commencement of this Act;

(2) Every order made under sub-section (1) shall be laid before the Legislative Assembly.

54. *Repeal and Saving.*— (1) The Kerala Industrial Infrastructure Development Ordinance, 1992 (7 of 1992) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act.
