

**GOVERNMENT OF KARNATAKA**

No.FD 96 CSL 2003 (3)

Karnataka Government Secretariat,  
Vidhana Soudha, Bangalore,  
Dated: 5.6.2003

**NOTIFICATION:**

In exercise of the powers conferred by Section 11-A of the Karnataka Tax on Entry of Goods Act, 1979 (Karnataka Act 27 of 1979), the Government of Karnataka being of the opinion that it is necessary in public interest so to do, hereby exempts the tax payable under the said Act by a dealer who is a developer of a Special Economic Zone in the State or an industrial unit or any other establishment located in the Special Economic Zone established in the State, on goods excluding petroleum products, brought into a local area in such Special Economic Zone, subject to the following restrictions and conditions; namely:-

- (i) Such goods are put to use by the buying unit for developing or establishing the Special Economic Zone or for any other use within the Special Economic Zone.
- (ii) Where for any reason the restriction or condition stipulated under (i) above is contravened or not complied with, either wholly or partly, the provisions of clauses (a) and (b) of sub-section (3) of Section 11-A of the said Act shall apply and the buyer shall be liable to pay an amount equal to the tax payable at the rates specified under the said Act, on such entry in respect of which such contravention or non-compliance has taken place.

Explanation - For the purpose of this Notification:

- (1) "Special Economic Zone" means a Special Economic Zone as established in terms of the Government Order No.CI/282/SPI/2001 dated 25th February, 2002;
- (2) "Developer" means a dealer authorized by the Director of Industries and Commerce, Government of Karnataka to take up activities relating to establishment and development of a Special Economic Zone in the State;
- (3) "Industrial Unit" or "establishment" means a dealer located in a Special Economic Zone engaged in the business of supply of goods or services to other dealers located in the Special Economic Zone or production of goods and services for export.

BY ORDER AND IN THE NAME OF  
THE GOVERNOR OF KARNATAKA  
Sd/-  
(S Divakar)  
Under Secretary to Government,  
Finance Department (C.T.I)