

Fifteenth Kerala Legislative Assembly

Bill No. 222

**THE KERALA MICRO SMALL AND MEDIUM ENTERPRISES
AND OTHER ENTERPRISES FACILITATION
(AMENDMENT) BILL, 2024**

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Translation in English of “2024-ലെ കേരള സൂക്ഷ്മ-ചെറുകിട-ഇടത്തരം വ്യവസായ സ്ഥാപനങ്ങളും ഇതര വ്യവസായ സ്ഥാപനങ്ങളും സുഗമമാക്കൽ (ഭേദഗതി) ബിൽ” published under the authority of the Governor]

**THE KERALA MICRO SMALL AND
MEDIUM ENTERPRISES AND
OTHER ENTERPRISES
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(AMENDMENT)
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BILL

further to amend the Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation Act, 2019.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation Act, 2019 (16 of 2019) for the purposes hereinafter appearing;

BE it enacted in the Seventy-fifth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation (Amendment) Act, 2024.

(2) It shall come into force at once.

2. *Substitution of an expression by another expression.*—In the Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation Act, 2019 (16 of 2019) (hereinafter referred to as the principal Act), wherever the word “acknowledgement certificate” occurs the word “Certificate of in-principal approval” shall be substituted according to its context.

3. *Amendment of section 6.*—In the principal Act, in section 6,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Effect of the Certificate of in- principal approval”;

(ii) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Certificate of in-principal approval issued under section 5 shall, for all purposes, have effect as it is an approval as defined in clause (c) of section 2 as may be prescribed, for a period of three years and six months from the date of its issuance and within the said period, such enterprise shall obtain required approvals as defined in clause (c) of section 2 :

Provided that the Certificate of in-principal approval shall not entitle a person to use a land contrary to the provisions contained in the Kerala Conservation of Paddy Land and Wet Land Act, 2008 (28 of 2008) and the rules made thereunder and in deviation to the land use specified in the master plan notified under the Kerala Town and Country Planning Act, 2016 (9 of 2016), wherever such plan is in force.”.

(ii) in sub-section (2), for the words “three years” the words “ three years and six months” shall be substituted.

4. *Amendment of section 7.*—In the principal Act, in section 7, for the words “ three years” the words “ three years and six months” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation Act, 2019, (16 of 2019) provides for the establishment and operation of micro small and medium enterprises in the State and also for exempting the said enterprises from certain approvals and inspections required and to grant approval to other enterprises in a time bound manner. The Government have decided to amend the “acknowledgement certificate” in the said Act as “certificate of in-principal approval” and to enhance the effect of the said certificate for a period of three years and six months. The Government have decided to amend the

Kerala Micro Small and Medium Enterprises and Other Enterprises Facilitation Act, 2019, (16 of 2019) suitably for the said purpose.

The Bill is intended to achieve the above object.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-Section (1) of section 6 of the principal Act proposed to be inserted by clause 3 of the Bill, seeks to empower the Government to prescribe the manner of giving effect to the 'Certificate of in-principal approval'

2. The matters in respect of which rules may be made or notification may be issued are matters of procedure and are of routine or administrative in nature. Further, the rules, are subject to scrutiny by the Legislative Assembly. The delegation of legislative powers is, thus, of a normal character.

P. RAJEEVE.

