

The Rajasthan Special Economic Zones Development Act, 2003

RAJASTHAN

India

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Act 21 of 2003

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The Rajasthan Special Economic Zones Development Act, 2003(Rajasthan Act No. 21 of 2003)[Received the Assent of the governor on the 8th day of September, 2003, Assent First published in the Rajasthan Gazette Extraordinary Part 4(ka), dated 11-9-2003, page IIAAn Act to provide for the establishment, maintenance, management and administration of Special Economic Zones in the State so as to promote and assist the rapid and orderly establishment, growth and development of industries and to attract investment in such Special Economic Zones; and to provide for the matters connected therewith or incidental thereto.Be it enacted by the Rajasthan State Legislature in the Fifty-fourth Year of the Republic of India, as follows:-

Chapter I Preliminary

1. Short title, extent and commencement.

(1)This Act may be called the Rajasthan Special Economic Zones Development Act, 2003.(2)It extends to the whole of the State of Rajasthan.(3)It shall be deemed to have come into force on and from 25th day of July, 2003.

2. Definitions.

- In this Act, unless the context otherwise requires, -(a)"amenities" means all basic and essential services including - roads, water supply, street lighting, power supply, sewerage, drainage, collection, treatment and disposal of industrial and municipal wastes, public health and education, transport, fire fighting services, public parks, residential services, clubs, markets, shops and outlets and such other facilities or services as the State Government may, by notification, specify to be an amenity for the purposes of this Act;(b)"Central Government" means the Government of

India;(c)"co-developer" means a person who has entered into an agreement with the Developer to develop, build, design, organize, promote, finance, operate, maintain or manage a part or whole of the infrastructure or amenity in the State;(d)"developer" means a person selected and appointed under section 6;(e)"Development Commissioner" means such officer as may be notified as the Development Commissioner for the zone;(f)"domestic tariff", for the purpose of this Act, means the Geographical area of the State of Rajasthan excluding the area of the zone;(g)"infrastructure" includes industrial, commercial or social infrastructure or any amenity for the development of the zone;(h)"occupier" means a person who occupies a site or building within a zone and includes his successors and assignees;(i)"operator" means a person engaged by the Developer in providing infrastructure or amenity in whole or in any part of the zone;(j)"person" includes any individual, firm, any company or association or body of individuals whether incorporated or not and whether in the public sector or private sector;(k)"prescribed" means prescribed by the rules made under this Act;(l)"Schedule" means schedule attached to this Act;(m)"special economic zone" or "zone" means an area identified and notified as special economic zone under section 6;(n)"State Government" means the Government of the State of Rajasthan;(o)"transferee" means a person to whom any land or building in the zone is transferred in any manner whatsoever, under this Act and includes his successors and assignees; and(p)"unit" means an enterprise or part thereof, which occupies space within the zone for carrying on business as approved by the Development Commissioner.

Chapter II

Powers and functions of the Development Commissioner

3. Powers and functions of the Development Commissioner.

(1)The Development Commissioner shall supervise, oversee and coordinate the activities of agencies engaged in the development of the zone and may exercise such powers and functions as may from time to time be vested in him by the Central Government or the State Government.(2)Without prejudice to the provisions of sub - section (1), the Development Commissioner shall act as a single agency to grant all approvals, clearances, licenses, permissions and other authorizations as may be delegated to him by the State Government or its agencies, for the establishment and operation of units in the zone.(3)Notwithstanding anything contained in any law for the time being in force, the Development Commissioner shall make regulations, with the prior approval of the State Government with regard to town planning and urban development including floor space index, ground coverage, green space and other usages of land within the zone and shall approve the plan for the development of the zone and oversee the compliance of the approved plan.(4)The Development Commissioner shall, -(i)supervise and monitor compliance of conditions of licenses, permissions and clearances granted by him;(ii)call any information required to supervise and monitor the conditions of licence, permission or, clearance from any unit within the zone, and(iii)take appropriate action for non - compliance of any of the terms and conditions of any license, permission or clearance so granted by him.

4. Nomination of officers to assist the Development Commissioner.

- (1)The State Government may nominate such officers of the State Government as it may consider appropriate to assist the Development Commissioner for effectively carrying out the powers and functions under this Act.(2)The officers to be nominated under sub - section (1) shall represent the Departments dealing with-(i)Labour;(ii)Housing and Urban Development;(iii)Industries;(iv)Environment;(v)Commercial taxes;(vi)Energy; and(vii)Any other department or institution or organization as the State Government may deem fit.

5. Single Window Clearance.

(1)The Development Commissioner shall be entitled to grant all approval and clearances required under State Laws for the establishment and operation of units in the zone.(2)Notwithstanding anything contained in this Act or in any other law for the time being in force the State Government and its agencies may delegate their powers to the Development Commissioner so as to enable the Development Commissioner-(a)to prescribe common application form for any licence, permission or registration under one or more State laws;(b)to exercise the powers of the State Government or its agencies with regard to grant of licenses, approvals, cancellations, permissions and other authorizations under State laws;(c)to notify an officer or agency for carrying out inspections under various State Laws;(d)to exempt the zone from one or more provisions of any State law; and(e)to prescribe single returns for reporting under two or more State Laws.

Chapter III

Selection and appointment of Developer

6. Selection and appointment of Developer.

(1)The State Government shall identify and notify the area to be developed as a special economic zone.(2)The State Government shall select a developer for the purpose of development of the zone.(3)The procedure for the selection of the developer shall be such as may be prescribed by the State Government.(4)The proposal for establishing the special economic ^one shall be forwarded by the State Government to the Central Government for its approval.(5)Upon receipt of the approval of the Central Government on the proposals forwarded under sub - section (4), the State Government shall, appoint the developer by a notification in the official Gazette.

Chapter IV

Land Acquisition

7. Acquisition and transfer of land by the State Government.

(1)The State Government may, for the purposes of this Act, acquire land in accordance with the provisions of Land Acquisition Act, 1894 (Central Act No. 1 of 1894).(2)The State Government may,

for the purposes of this Act, transfer land owned, acquired or controlled by it to the Developer on such terms and conditions as the State Government may prescribe.(3)The developer may acquire land independently from private parties by purchase, lease or otherwise.

Chapter V

Powers and functions of the Developer

8. Functions of the Developer.

(1)The Developer shall secure planned development of the zone and provide infrastructure and amenities for the establishment, operation, maintenance and management of the zone.(2)Without prejudice to the generality of the provision of subsection (1), the Developer shall perform the following functions, namely:-(a)to prepare a plan for the development of the zone in conformity with the regulations made by the Development Commissioner and to implement such plan after obtaining his approval;(b)to demarcate and develop sites for industrial, commercial, residential and other purposes according to the plan;(c)to allocate and transfer, either by way of sale or lease or otherwise, plots of land, buildings or installations for industrial, commercial, residential or other purposes subject to his own title in relation to such plots of land, buildings or installations;(d)to regulate the erection of buildings and setting up of industries in accordance with plan as approved by the Development Commissioner;(e)to develop, construct, install, operate, manage and maintain infrastructure and amenities for providing services either by himself or through a co-developer, operator or any other person authorized by him on his behalf;(f)to demarcate the boundary of the zone and any parts thereof, and to construct and maintain demarcation structures, in such manner as may be prescribed; and(g)to perform such other functions as may be prescribed.

9. Power of Developer in respect of land and levy of charges.

(1)Subject to the terms, conditions and restrictions contained in the notification appointing the Developer issued by the State Government, the Developer may, sell, lease or otherwise transfer whether by auction, allotment or otherwise any land or building in the zone on such terms and conditions as he may think fit to impose.(2)For the purpose of providing amenities and infrastructure in the zone, the Developer may levy charges in respect of any site or building from the occupier thereof.(3)The rate of charges referred to in sub - section (2) shall be fixed by the State Government, so however, that it ensures an annual return not exceeding sixteen per cent post - tax return on the capital investment made in providing the amenities and infrastructure.Explanation. - For the purpose of this section,-(a)the expression "provide" includes development, construction, installation, operation, management and maintenance of the amenities and infrastructure;(b)the expression "post - tax return" means the net return that accrues after payment of the income - tax that may be found to be payable on the gross return.(4)The Developer may delegate the power of collection of the charges referred to in sub - section (2) to the agency providing the infrastructure or amenities.

10. Generation and supply of electricity.

- Subject to the provisions of the Rajasthan Power Sector Reforms Act, 1999 (Act No. 23 of 1999) and the Electricity Act, 2003 (Central Act No. 36 of 2003) -(a)The Developer or co-developer may undertake in the zone, the activities of transmission, distribution, supply and sale of electricity and may purchase the electric energy required in the zone from such sources as may be considered appropriate and conducive to the development of zone;(b)the Developer or the co-developer shall be deemed to be permitted to generate electricity within the zone;(c)the unit established in the zone shall be deemed to be permitted to generate electricity either individually or in association with other unites in the zone for captive use and consumption by such unit or units or to sell supply to other units in the zone:(d)the distribution or transmission licensee shall provide separate sub - station and separate feeder to a zone; and(e)surplus power generated by the Developer or the Co-developer and other establishment within zone may be sold to an entity engaged in the business of trading or distribution of electricity outside the zone.

Chapter VI

Special Economic Zone to be an Industrial Township

11. Declaration of zone to be Industrial Township.

(1)The Governor may specify the zone to be an industrial township in accordance with the provisions of Article 243Q of the Constitution of India.(2)The special economic zone shall cease to be under the jurisdiction of. a municipality constituted under the Rajasthan Municipalities Act, 1959 (Act No.38 of 1959) or, as the case may be, a Panchayat Raj Instituted constituted under the Rajasthan Panchayati Rajasthan Act, 1994 (Act No. 13 of 1994) with effect from the date of the issuance of a notification under sub - section (1).

Chapter VII

Exemption from State Taxes, Duties, Cess and Levies

12. Exemption from State Taxes, Duties, Cess, etc.

- State government may, by general or a special order, exempt any developer or a unit located in a special economic zone from State taxes, duties, cess, etc. to the extent specified in such order in respect of all transactions within the Special Economic Zone and in respect of supply of goods and providing services from the domestic tariff area to the Special Economic Zone under the enactments specified in the Schedule.

Chapter VIII

Miscellaneous

13. Act to override other laws.

- (1) the provisions of this Act and rules made thereunder shall have effect notwithstanding anything contained in any other State law for the time being in force.

14. Protection of action taken in good faith.

- No suit, prosecution or other legal proceedings shall be instituted against any person for anything which is in good faith done or intended to be done under this Act or under the rules made thereunder.

15. Power to remove difficulties.

(1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, as the occasion may require, by order published in the official Gazette, make such provisions not inconsistent with any provisions of this Act as appears to it to be necessary for removing such difficulty: Provided that no such order shall be made after the expiry of three years from the date of commencement of this Act. (2) Every order made under sub-section (1) shall be laid before the House of the State Legislature as soon as after it is made.

16. Power to make rules.

(1) The State Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act. (2) All rules made under this Act shall be laid, as soon as may be after they are so made, before the House of the State Legislature, while it is in session, for a period of not less than fourteen days which may be comprised in one session or in two successive sessions and if before the expiry of the session in which they are so laid or of the session immediately following, the House of the State Legislature make any modification in any of such rules or resolves that any such rules should not be made, such rules shall thereafter have effect only in such modified form or to 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 thereunder.

17. Repeal and Savings.

(1) The Rajasthan Special Economic Zones Development (Ordinance, 2003) (Ordinance No. 3 of 2003) is hereby repealed. (2) Notwithstanding such repeal all actions taken or order made under the said Ordinance shall be deemed to have been taken or made

Schedule

[See section 12]

- 1. Rajasthan Sales Tax Act, 1994 (Act No. 22 of 1995).**
- 2. Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 (Act No. 13 of 1999).**
- 3. Rajasthan Stamp Law (Adaptation) Act, 1952 (Act No.7 of 1952).**
- 4. Rajasthan Land and building Tax Act, 1964 (Act No. 18 of 1964).**
- 5. Rajasthan Electricity (Duty) Act, 1962 (Act No. 12 of 1962).**

Notifications[Notification dated 25-7-2003, Published in Rajasthan Gazette Extraordinary part 1-B, dated 2-8-2003, page 203]The State Government has appointed Sitapur as a Special Economic Zone for James & Jewellery and Boranada as a Special Economic Zone for Handicraft, the Rajasthan State Industrial Development & Appropriation Corporation Ltd. (RIICO) to be the Developer.