

The Punjab Infrastructure Development Act, 1998

PUNJAB

India

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Act 1 of 1999

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The Punjab Infrastructure Development Act, 1998 Punjab Act No. 1 of 1999 Statement of Objects and Reasons - Infrastructure contributes to economic development both by increasing productivity and by providing amenities which enhance quality of life. Infrastructure services are intermediate inputs to production and any reduction in these input costs raises the profitability of production, thus permitting higher level of output, income and employment. Infrastructure services raise productivity of other factors including labour and other forms of capital. Infrastructure adequacy helps determine success in diversifying production, expanding trade, coping with population growth, reducing poverty and improving environmental conditions. Research studies have proved that there is strong association between availabilizing of infrastructure services and per capital GDP. The huge capital investment required in infrastructure necessitates to attract private capital in these sectors. However, the Government is required to put certain corpus fund to kick-start such developments whenever commercial viability cannot be ensured. In the short run Government may directly finance such infrastructure Development. In order to provide adequate infrastructure facilities for faster economic development in the state, Government of Punjab has been considering to establish an Apex body or Nodal agency to evolve overall planning as well as policy guidelines. After active consideration Government intends to set up a high powered Board titled 'Punjab Infrastructure Development Board.' Government of Punjab is making serious efforts to provide adequate Infrastructure facilities in different sectors of the economy. Though infrastructure indices in Punjab are better as compared to many other states in the country, there is need for upgradation and augmentation of such facilities for faster economic development. It is estimated that per annum requirement of investment in infrastructure sectors in Punjab is roughly Rs. 5,000 crores (at 1998-99 prices) per annum. As against this the budgetary resources of Punjab are inadequate. At present there is complete development on budgetary resources for infrastructure development. Left to the vagaries of the Budget, this sector is not likely to get the deserved priority. Therefore to provide the sustained source of funding for infrastructure development, the Government intends to levy infrastructure cess which would constitute the corpus of the Punjab Infrastructure Development Fund, to be administered by the Punjab Infrastructure Development Board. Published vide Punjab Government Gazetted (Extraordinary) December 18, 1998 (Pus 27, 1920 Saka) page 2087(6). [Dated 12th January, 1999] Department of Legal and Legislative, Affairs, Punjab No.

1-Leg/99. - The following Act of the Legislature of the State of Punjab received the assent of the Governor of Punjab on the 8th January, 1999, and is hereby published for general information :-An Act to provide for the establishment of the Punjab Infrastructure Development Board and Punjab Infrastructure Fund with a view to accelerate the development of infrastructure with or without private sector participation in the State. Be enacted by the Legislature of the State of Punjab in the Forty-ninth year of the Republic of India as follows :-

1. Short title and commencement.

(1) This Act may be called the Punjab Infrastructure Development Act, 1998. (2) It shall come into force at once.

2. Definitions.

- In this Act, unless the context otherwise requires, -(a) "Board" means the Punjab Infrastructure Development Board established under section 3; (b) "Collecting Authorities" means the collecting authorities to be prescribed by rules made under this Act; (c) "Fund" means the Punjab Infrastructure Development Fund constituted under section 5; (d) "Government" means the Government of Punjab in the Department of Finance; (e) "prescribed" means prescribed by rules made under this Act; (f) "regulations" means regulations made by the Board under this Act; (g) "Schedule" means the Schedule appended to this Act; and (h) "Section" means section of this Act.

3. Establishment of Board.

(1) The Government may, by notification in the Official Gazette, establish for the purpose of carrying out the provisions of this Act, a Board to be called the Punjab Infrastructure Development Board. (2) The constitution, powers, functions, objectives and officers and employees of the Board shall be such as may be prescribed by Government.

4. Levy of cess.

(1) Notwithstanding anything contained in any other law for the time being in force and subject to the rules made under this Act, there shall be levied for the purpose of the Act, a cess on ad valorem basis, at a rate of rupee one for every one hundred rupees in respect of all the articles specified in the Schedule on all the sales effected after coming into force of this Act and on all the sales of goods made under the Punjab General Sales Tax Act, 1948. (2) The Government, after giving by notification not less than twenty days' notice of its intention so to do, may, add to or delete from the Schedule any article and thereupon the Schedule shall be deemed to be amended accordingly. (3) The cess levied under sub-section (1), shall be collected in such manner, as may be prescribed.

5. Constitution of Fund.

- There shall be constituted a Fund to be called the Punjab Infrastructure Development Fund, which shall vest in the Board established under section 3.

6. Purpose for which the fund may be applied.

(1)The Fund shall be applied for the development of infrastructure in the State of Punjab and infrastructure facilities in the country having direct benefit to the economy of the State of Punjab.(2)Without prejudice to the generality of sub-section (1), the Fund shall be specially applied for infrastructure development in the following, sectors, namely :-(a)transportation, roadways, including roads which may be national highways, state highways, major district roads (plan roads), other district roads, and village roads, express ways, by-passes bridges, interchanges, roads over and under bridges road transport system and water transportation;(b)power generation, transmission an distribution;(c)infrastructure for information technology;(d)inland container facilities, container transport and ware-housing for export purposes;(e)industrial parks and Modern Industrial Townships;(f)water-supply and sewerage disposal and treatment systems, solid waste management, roads, street lights, parks and gardens and urban mass transport systems;(g)irrigation; and(h)any other infrastructure as may be decided by the Board for betterment of the economy of the State of Punjab.Explanation. - " Infrastructure Development" shall include creation and addition of new infrastructure facilities. replacement of existing facilities and strengthening and augmenting of existing facilities.

7. Audit.

- The accounts of the Fund constituted under Section 5 shall be audited by the Local Fun Examiner, Punjab.

8. Protection of action taken in good faith.

- No suit, prosecution or other legal proceeding shall lie against the Government or any other officer of the Government or the Board in respect of anything, which is in good faith done or intended to be done in pursuance of the provisions of this Act, rules or regulations made or any other issued thereunder.

9. Power to make rules.

(1)The government may, be notification, make rules for carrying out the purposes of this Act.(2)Without prejudice to the generality of the foregoing power, such rules may provide for, -(a)Constitution, power, functions, objectives and officers and employees of the Board under sub-section (2) of Section 3;(b)the manner of collection of cess under sub-section (3) of Section 4;(c)the period within which the amount is to be transferred to the Fund under sub-section (4) of Section 4; and(d)any other matter, which has to be or may be prescribed.(3)Every rule made under

this Section shall be laid as soon as may be after it is made, before the House of the State Legislature while it is in session for a total period of ten days, which may be comprised in one session or in two or more successive sessions and if, before in expiry of the session in which, it is laid or the successive sessions as aforesaid, the House agrees in making any modification in the rule or the House agrees that the rules should not be made, the rules 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 or omitted to be done under that rules.

10. Power to make regulations.

(1)The Board may, from time to time, with the previous approval of the Government, make regulations not inconsistent with this Act and the rules made thereunder for 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)transacting the business at the meetings of the Board, and(b)the conditions of service of the officer and employees of the Board and their functions and duties.

11. Power to remove difficulties.

- If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, make such provisions including any adaptation or modification of any provision of this Act, as appears to the Government to be necessary or expedient for the purpose of removing the difficulty :Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

12. Repeal and Saving.

(1)The Punjab Infrastructure Development Ordinance, 1998 (Punjab Ordinance No. 7 of 1998), is hereby repealed.(2)Notwithstanding such repeal, anything done or any action taken under the Ordinance referred to in sub-section (1), shall be deemed to have been done or taken under the corresponding provisions of this Act.

Schedule

[See Section 4(1) and (2)]

Serial No.	Description of articles and goods
1.2.	All Agricultural produces exceptfruits, vegetables and pulses as defined in the PunjabAgricultural Produce Market Act, 1961; andPetrol.