Rajasthan Special Economic Zones Act, 2015

RAJASTHAN India

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Act 1 of 2016

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Rajasthan Special Economic Zones Act, 2015(Act No. 1 of 2016)Statement of Objects and Reasons. -The State Government had brought out an Act namely the Rajasthan Special Economic Zones Development Act. 2003 (the State Act) in order to provide for the establishment, maintenance, management and administration of Special Economic Zones in the State. After coming into force of the aforesaid State Act, the Central Government enacted the Special Economic Zones Act, 2005 which came into force with effect from 10.02.2000. The Central Sez Act, 2005 provides that the State Governments may, for the purpose of giving effect to the provisions of the Central Sez Act, 2005, take suitable steps for enactment of a law for grant of various concessions and facilities for Sezs and units therein in respective States. Keeping in view the provisions of the Central Sez Act, the existing State Sez Act needs to be aligned to the Central Sez Act and also provide for a legal frame-work to expedite proposal for setting up of Sezs in the State and the matters connected therewith through a single window mechanism and supervision of the Sez projects in the State by the different departments/agencies of the State in a coordinated manner. It has been proposed to bring out a new State enactment in place of the existing the Rajasthan Special Economic Zones Development Act, 2003. This Bill seeks to achieve the aforesaid objectives. Hence the Bill. [Dated 11.1.2016.] [Received the assent of the President on the 31st day of December, 2015 An Act to provide for the establishment, maintenance, management and administration of Special Economic Zones in the State to promote and assist the rapid and orderly establishment, growth and development of enterprises 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 Sixty-sixth Year of the Republic of India, as follows: -

1. Short title, extent and commencement.

(1) This Act may be called the Rajasthan Special Economic Zones Act, 2015.(2) It extends to the whole of the State of Rajasthan.(3) It shall come into force on and from such date as the State Government may, by notification in the Official Gazette, appoint.

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2. Definitions.

- In this Act, unless the context otherwise requires, -(a)"access infrastructure" means the infrastructure in the form of connecting road, power supply line and water supply pipe line upto the Sez;(b)"Approval Committee" means the Approval Committee constituted under Section 13 of the Central Sez Act;(c)"Board of Approval" means the Board of Approval constituted under sub-Section (1) of Section 8 of the Central Sez Act; (d) "Central Government" means the Government of India;(e)"Central Sez Act" means the Special Economic Zones Act, 2005 (Central Act No. 28 of 2005);(f)"Central Sez Rules" means the Special Economic Zones Rules, 2006 made by the Central Government under the provisions of the Central Sez Act;(g)"Co-Developer" means a person who, or a State Government which, has been granted by the Central Government a letter of approval as Co-Developer under the provisions of the Central Sez Act;(h)"Developer" means a person who, or a State Government which, has been granted by the Central Government a letter of approval under the provisions of the Central Sez Act and includes a Co-Developer;(i)"Development Commissioner" means the Development Commissioner appointed by the Central Government for one or more Sezs under the provisions of the Central Sez Act;(j)"Domestic Tariff Area", for the purposes of this Act, means the whole of India but does not include the areas of the Special Economic Zone;(k)"infrastructure facilities" means industrial, commercial or social infrastructure or other facilities necessary for the development of a Sez or the infrastructure facilities which may be prescribed by the Central Government under the Central Sez Act or such other facilities as may be prescribed;(1)"prescribed" means prescribed by the rules made under this Act;(m)"processing area" means the area within the Zone approved by the Central Government or any authority specified by it under the provisions of the Central Sez Act;(n)"person" includes an individual, whether resident in India or outside India, a Hindu undivided family, a co-operative society, a company, whether incorporated in India or outside India, a firm, proprietary concern, or an association of persons or body of individuals, whether incorporated or not, local authority and any agency, office or branch owned or controlled by such individual. Hindu undivided family, co-operative society, association, body, authority or company;(o)"Rajasthan State Industrial Development and Investment Corporation Limited" means the Rajasthan State Industrial Development and Investment Corporation Limited, a company registered under the Companies Act, 1956 (Central Act No. 1 of 1956);(p)"rules" means the rules made under this Act;(q)"schedule" means the Schedule of this Act;(r)"Sez Development Committee" means the Special Economic Zone Development Committee constituted under Section 5;(s)"Special Economic Zone" or "Sez" or "Zone" means each Special Economic Zone (including Free Trade and Warehousing Zone) notified under the provisions of the Central Sez Act and includes an existing Special Economic Zone;(t)"State Approval Committee" means the State Approval Committee constituted under Section 4;(u)"State Government" means the Government of the State of Rajasthan; (v) "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;(w)"Unit" means a Unit set up by an entrepreneur in a Special Economic Zone and includes an existing Unit, an Offshore Banking Unit and a Unit in an International Financial Services Centre, whether established before or established after the commencement of this Act; and(x)all other words and expressions used and not defined in this Act but defined in the Central Sez Act and Central Sez Rules shall have the meanings respectively assigned to them in the said Act and rules.

3. Establishment of Special Economic Zone.

(1)Any person, who intends to set up a Special Economic Zone, may, after identifying the area, make a proposal to the Department of Industries, Government of Rajasthan in such form and containing such particulars and accompanied by such documents and fees as may be prescribed.(2)The State Government shall refer the proposal received under sub-Section (1) to the Rajasthan State Industrial Development and Investment Corporation Limited for the scrutiny of the proposal.(3)The Rajasthan State Industrial Development and Investment Corporation Limited shall, after scrutinizing the proposal in the prescribed manner, submit the proposal along with its report to the State Approval Committee.(4)The State Approval Committee shall, after considering the proposal and the report of the Rajasthan State Industrial Development and Investment Corporation Limited, recommend to the State Government either to reject the proposal for the reasons to be recorded in writing or to recommend the same with such modifications as it may suggest or without modifications, to the Board of Approval.(5)The State Government shall, on the basis of the recommendations of the State Approval Committee, either reject the proposal or forward the same to the Board of Approval.

4. Constitution of State Approval Committee.

(1) The State Government shall, by notification in the Official Gazette, constitute for the purposes of this Act, a Committee, to be called the State Approval Committee.(2) The State Approval Committee shall consist of the following members, namely: -

| (a) Chief Secretary to the State Government | - Chairperson; |
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| (b) Secretary to the Government incharge of Finance Department | - Member; |
| (c) Secretary to the Government incharge ofIndustries Department | - Member; |
| (d) Secretary to the Government incharge of Urban Development Department | - Member; |
| (e) Secretary to the Government incharge of Revenue Department | - Member; |
| (f) Secretary to the Government incharge of Public Health and Engineering Department | - Member; |
| (g) Secretary to the Government incharge of Public Works Department | - Member; |
| (h) Secretary to the Government incharge of Power Department | - Member; |
| (i) Secretary to the Government incharge ofForest Department | - Member; |
| (j) Commissioner, Investment and Non ResidentIndians | - Member; |
| (k) Secretary to the Government incharge of Labour Department | - Member; |
| (l) Secretary to the Government incharge ofWater Resources Department | - Member; |
| (m) Secretary to the Government incharge of Environment Department | - Member; |
| (n) Chief Town Planner, Rajasthan | - Member; |
| (o) such other persons or officers not exceedingfive as may be nominated from time to time by the Chairpersonhaving regard to the matter before the State Approval Committee | Members; and |

(p) Managing Director, Rajasthan StateIndustrial Development and InvestmentCorporation LimitedSecretary.

Explanation. - For the purpose of this sub-section, expression "Secretary to the Government incharge" means the Secretary to the Government incharge of the Department and includes an Additional Chief Secretary and Principal Secretary when he is in charge of a department.(3)In addition to the powers and functions specified in this Act, the committee shall exercise such other powers and discharge such other functions as may be prescribed.

5. Constitution of Sez Development Committee.

(1)The State Government shall, as soon as may be, constitute a Special Economic Zone Development Committee for planned development, implementation and operation of Sezs in the State.(2)The composition of the Sez Development Committee and the procedure to be followed by the Sez Development Committee while transacting its business shall be such as may be prescribed.(3)The Sez Development Committee shall exercise such powers and discharge such functions as may be prescribed.

6. 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, in addition to his powers under Central Sez Act, exercise such other powers and functions as may from time to time be vested in him by the State Government under this Act or any other law for the time being in force.(2)Notwithstanding anything contained in any Rajasthan Law, the master plan of the Special Economic Zone and maps of any buildings or erections in the Special Economic Zone or any modifications and alterations in such maps shall be approved and sanctioned by the Development Commissioner.

7. Exemption from Land Ceiling.

- The provisions of the Rajasthan Imposition of Ceiling on Agriculture Holdings Act, 1973 (Act No. 11 of 1973) shall not apply in respect of any land acquired by the Developer for the purpose of setting up a Special Economic Zone after in-principle approval has been granted to him under Rule 6 of the Central Sez rules.

8. Arrangement of land.

(1)The State Government may transfer land owned or controlled by it to the Developer or acquire land, if so required, in accordance with the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act No. 30 of 2013) and the rules made thereunder.(2)The Developer may himself acquire land from any person by purchase, lease or allotment.

9. Conversion of land for Sez purpose.

- On and from the date of grant of formal approval under Rule 6 of Central Sez Rules, the land within the area of Sez proposed by the Developer shall be deemed to have been converted for the Sez purpose.

10. Infrastructure support.

(1)The State Government may provide access infrastructure upto Sez, cither on its own or under a concession granted by the State Government.(2)The State Government may provide such other infrastructure upto Sez in the State as it may consider appropriate having regard to the specific requirements of a particular Sez.

11. Infrastructure facilities in Sez.

(1)The Developer may plan, develop, construct, install, operate, manage and maintain all or any of the following infrastructure facilities in the Zone, with the approval of the Board of Approval, namely: -(a)power generation and Electricity distribution network;(b)water treatment, transmission and distribution;(c)waste water treatment and solid waste management;(d)sewage treatment plant;(e)common effluent treatment plant;(f)sewage lines;(g)roads and subways;(h)drainage systems;(i)gas distribution network;(j)communication and data network transmission;(k)civic services including Fire fighting;(l)water harvesting structures and water conserving technology;(m)use of alternative energy like solar heating and geothermal cooling;(n)disaster management outfit according to a plan; and(o)any other infrastructure facilities and services as may be prescribed.(2)Notwithstanding anything contained in sub-Section (1), the Developer shall be bound to plan, develop, construct, install, operate, manage and maintain any of the infrastructure facilities specified in, or prescribed under, that sub-section, whenever so required by the State Government and approval is granted for the same by the Board of Approval.

12. Exemption from State taxes, duties, cess and other levies.

- The State Government may, upon recommendation of the State Approval Committee, by a general or special order, exempt any Developer, Co-Developer or a Unit located in a Special Economic Zone from such taxes, duties, cess and other levies to such extent as may be specified in such order in respect of all transactions within the Special Economic Zone and in respect of supply of goods and provision of services from the domestic tariff area to the Special Economic Zone.

13. Delegation of powers of Labour Commissioner to Development Commissioner.

(1) Notwithstanding anything contained in the Act, specified in the Schedule-I, the power, duties and functions conferred on the Commissioner of Labour, Rajasthan under those Acts, in respect of the area of Special Economic Zone, shall be exercised by the Development Commissioner: Provided that

Development Commissioner shall be assisted by the concerned staff of the Labour Department, Rajasthan while exercising these powers, duties and functions.(2)The State Government may, as and when considered necessary, by notification in the Official Gazette, amend the Schedule-I and thereupon the Schedule-I shall be deemed to have been amended accordingly:Provided that when the Schedule-I is to be amended by adding an Act made by Parliament, such amendment shall be made with the prior approval of the Government of India.

14. Consolidated return under various laws.

(1)Notwithstanding anything contained in the Acts specified in the Schedule-II, the returns required to be prescribed by the State Government under those Acts and rules made thereunder, shall be furnished to the Development Commissioner annually in such consolidated form as may be prescribed.(2)The State Government may, as and when considered necessary, by notification in the Official Gazette, amend the Schedule-II and thereupon the Schedule-II shall be deemed to have been amended accordingly:Provided that when the Schedule-II is to be amended by adding an Act made by Parliament, such amendment shall be made with the prior approval of the Government of India.

15. Declaration of the Zone to be industrial township.

(1)The Governor may specify the zone to be an industrial township in accordance with the provisions of Article 243 Q 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, 2009 (Act No. 18 of 2009) or, as the case may be, a Panchayati Raj Institution constituted under the Rajasthan Panchayati Raj Act, 1994 (Act No. 13 of 1994) with effect from the date of the issuance of a notification under sub-Section (1).

16. Representation in the Board of Approval and the Approval Committee.

(1) The Secretary in charge of the Industries Department, Government of Rajasthan shall be the ex-officio nominee of the State in the Board of Approval. (2) The Member-Secretary of the Sez Development Committee shall be the ex-officio nominee of the State in the Approval Committee.

17. Act to override other laws.

- The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other Rajasthan Law for the time being in force or in any instrument having effect by virtue of any Rajasthan Law other than this Act.

18. Protection of action taken in good faith.

- No suit or legal proceedings shall lie against the Chairperson or other members of the State Approval Committee or Sez Development Committee or any employee of the Government or Rajasthan State Industrial Development and Investment Corporation Limited acting under the direction of such committee in respect of anything which, in good faith, is done or intended to be done under this Act or any rules made thereunder.

19. Members and employees to be public servants.

- Every member of the State Approval Committee, Sez Development Committee, and the Development Commissioner shall, when acting or purporting to act in pursuance of the provisions of this Act or the rules made thereunder, be deemed to be the public servant within the meaning of Section 21 of the Indian Penal Code, 1860 (Central Act No. 45 of 1860).

20. Power to make rules.

(1)The State Government may, by notification in the Official Gazette, make rules generally for carrying out the purposes of this Act.(2)All rules made under this section 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 makes 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 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.

21. Power to remove difficulty.

(1)If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by an order published in the Official Gazette, do anything not inconsistent with the provisions of this Act, which appears to it to be necessary or expedient for removing the difficulty: Provided that no order under this section shall be made after the expiry of a period of two years from the commencement of this Act.(2) Every order made under this section shall be laid, as soon as may be, after it is so made, before the House of the State Legislature.

22. Repeal.

- The Rajasthan Special Economic Zone Development Act, 2003 (Act No. 21 of 2003) is hereby repealed and the provisions of Rajasthan General Clauses Act, 1955 (Act No. 8 of 1955) shall apply to such repeal.

23. Savings.

- Nothing in this Act shall be construed to derogate the provisions of the Central SEZ Act and the Central Sez Rules and in case of any inconsistency between the provisions of this Act and the Central Sez Act or the Central Sez Rules, the provisions of the Central Sez Act or, as the case may be, the

Central SEZ Rules shall prevail to the extent of inconsistency.

24. Amendment of Central Act No. 14 of 1947.

- In the Industrial Disputes Act, 1947 (Central Act No. 14 of 1947), in its application to the State of Rajasthan, after the existing sub-clause (v) and before sub-clause (vi) of clause (n) of Section 2, the following new sub-clause shall be inserted, namely: -"(va) Any industry in the Special Economic Zone: and".

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[See Section 13]

- 1. Industrial Disputes Act, 1947 (Central Act No. 14 of 1947)
- 2. Minimum Wages Act, 1948 (Central Act No. 11 of 1948)
- 3. Payment of Bonus Act, 1965 (Central Act No. 21 of 1965)
- 4. Payment of Gratuity Act, 1972 (Central Act No. 39 of 1972)
- 5. Payment of Wages Act, 1936 (Central Act No. 4 of 1936)
- 6. Workmen's Compensation Act, 1923 (Central Act No. 8 of 1923)
- 7. Inter-State Migrant Workmen (Regulation and Employment and Conditions of Service) Act, 1979 (Central Act No. 30 of 1979)
- 8. Child Labour (Prohibition and Regulation) Act, 1986 (Central Act No.61 of 1986)
- 9. Beedi and Cigar Workers (Conditions of Employment) Act, 1966 (Central Act No. 32 of 1966)
- 10. Buildings and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Central Act No. 27 of 1996)

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[See Section 14]

- 1. Beedi and Cigar Workers (Conditions of Employment) Act, 196G(Central Act No. 32 of 1960)
- 2. Contract Labour (Regulation and Abolition) Act, 1970 (Central Act No. 37 of 1970)
- 3. Payment of Wages Act, 1936(Central Act No. 4 of 1936)
- 4. Motor Transport Workers Act, 1961(Central Act No. 27 of 1961)
- 5. Trade Unions Act, 1926(Central Act No. 16 of 1926)
- 6. Inter-State Migrant Workmen (Regulation and Employment and Conditions of Service) Act, 1979 (Central Act No. 3 of 1979)