

# The Rajasthan Industrial Area Development Authority Act, 1995

RAJASTHAN

India

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### Act 7 of 1996

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The Rajasthan Industrial Area Development Authority Act, 1995 Rajasthan Act No. 7 of 1996 [Received the assent of the Governor on the 16th day of August, 1996]. An Act to provide for the constitution of authorities for the planned and integrated development of certain areas in the State into industrial and urban townships and for matters connected therewith. Be it enacted by the Rajasthan State Legislature in the Forty-seventh Year of the Republic of India, as follows:-

### 1. Short title, extent and commencement.

(1) This Act may be called the Rajasthan Industrial Area Development Authority Act, 1995. (2) It extends to the whole of the State of Rajasthan. (3) It shall come into force on such date as the State Government may by notification in the Official Gazette, appoint in this behalf.

### 2. Definitions.

- In this Act unless the context otherwise requires,-(a) "amenities" include roads, water supply, street lighting and power supply sewerage, drainage, collection, treatment and disposal of industrial waste and town refuse and other community facilities, services or conveniences as may be required keeping in view the specific needs of the industrial area; (b) "Authority" means the Authority constituted under section 3; (c) "building" includes shed, structure, shop and other constructions; (d) "development" means the carrying out of projects, structures, buildings, engineering or other operations in or over or under any land or the making of any material changes in any project, structure, building or land or its use and includes redevelopment and laying out and sub division of any land; (e) "Industrial Area" means an area declared as such by the State Government by notification; (f) "Industrial model town" means industrial area developed by the State Government or its agencies or private developers as integrated township with provision of social infrastructure such as residential, communication, educational, medical, recreational, commercial

and other appropriate facilities;(g)"notification" means a notification published in the Official Gazette;(h)"occupier" means a person including a firm or body of individuals (whether incorporated or not) who occupies a site or building within the industrial area and includes his successors and assigns.(i)"transferee" means a person (including a firm or other body of individuals whether incorporated or not) to whom any land or building is transferred in any manner whatsoever, under this Act or under the Rajasthan State Industrial Development & Investment Corporation Limited Land Disposal Rules, 1979 and includes his successors and assigns;(j)"Vice-Chairman" means the officer appointed as such under Section 4 of the Act.

### 3. Constitution of the Authority.

(1)The State Government may, by notification, constitute for the purposes of this Act, an Industrial Development Authority for any specified industrial Area.(2)The Authority shall be a body corporate.(3)The Authority shall consist of the following:-

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|--|----------------|
| (a) Secretary to the Government of Rajasthan, Industries Department.   | Chairman.      |
| (b) Officer appointed under Section 4  | Vice-Chairman. |
| (c) Secretary to the Government of Rajasthan, Public Works Department or his nominee not below the rank of Additional Chief Engineer.  | Member         |
| (d) Secretary to the Government of Rajasthan, Finance Department or his nominee not below the rank of Deputy Secretary.  | Member.        |
| (e) Secretary to the Government of Rajasthan Urban Development, Housing, Town Planning and Local Self Government Department, or his nominee not below the rank of Deputy Secretary | Member         |
| (f) Secretary to the Government of Rajasthan, Public Health Engineering Department or his nominee not below the rank of Additional Chief Engineer                                  | Member         |
| (g) Chairman, Rajasthan State Electricity Board or his nominee not below the rank of Additional Chief Engineer   | Member         |
| (h) Chairman, Rajasthan Board for Prevention and Control of Pollution.   | Member         |
| (i) Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited   | Member         |
| (j) Collector of the district in which the industrial area is located  | Member         |
| (k) Five members to be nominated by the State Government from amongst entrepreneurs of the industrial area   | Member         |

(4)The State Government to its absolute discretion may alter the constitution specified in sub-section (3) and may also provide for different constitution for different areas in such manner as it may consider appropriate from time to time.(5)The headquarters of the Authority shall be at such place as may be notified by the State Government.(6)The procedure for the conduct of the meetings of the Authority shall be such as may be prescribed in the regulations made under Section 18.(7)No act or proceeding of the Authority shall be invalid by reason of the existence of any vacancy or defect in the constitution of the Authority.

#### **4. Vice-Chairman.**

(1)The Vice-Chairman of the Authority shall be appointed by the State Government and he shall be a whole time officer of the Authority.(2)The Vice-Chairman shall be entitled to receive from the funds of the Authority such salary and allowances and be governed by such conditions of service as may be determined by general or special order of the State Government in this behalf.(3)The Vice-Chairman shall exercise such powers and perform such duties as may be specified in the regulations or delegated to him by the Authority.

#### **5. Staff of the Authority.**

(1)Subject to the control and restrictions as may be determined by general or special order of the State Government, the authority may appoint such number of officers and other employees as may be necessary for the performance of its functions.(2)Subject as aforesaid, the officers and other employees of the Authority shall be entitled to receive from the funds of the Authority such salaries and allowances and shall be governed by such conditions of service as may be prescribed by regulation by the authority.

#### **6. Functions of the Authority.**

(1)The object of the Authority shall be to secure the planned development of the industrial area specified by notification under Section 2 (c) into industrial townships.(2)Without prejudice to the generality of the objects of the Authority, the Authority shall perform the following functions:-(a)to acquire land and other properties in the industrial area, under and in accordance with the provisions of the Land Acquisition Act, 1894 (Central Act 1 of 1894) for the purposes of this Act;(b)to prepare plans for the development of the industrial area;(c)to demarcate and develop sites for industrial, commercial, residential and other social infrastructure purposes according to the plans;(d)to provide infrastructure for industrial, commercial, social and residential purposes;(e)to provide civic amenities including transport, electricity, water supply, housing, sewerage, removal of waste etc.:(f)to provide for common facilities for industry such as testing centres, tool room facilities, raw-material depots, training etc.:(g)to officiate and transfer either by way of sale or lease or otherwise plots of land, structures, buildings or any other properties for industrial, commercial, residential and other social infrastructure purposes;(h)to regulate the erection of structures, buildings and setting up of industries; and(i)to lay down the purpose for which particular site or plot of land shall be used namely for industrial, commercial, residential or other social infrastructure purpose or any other specified purpose in such area.

#### **7. RIICO to continue to develop industrial area.**

(1)Where as Authority is created for an industrial area already developed and allotted in substantial part by Rajasthan State Industrial Development and Investment Corporation Limited hereinafter referred to as RIICO, the industrial area shall be transferred to the Authority on such terms and conditions as may be determined by the State Government in consultation with both the RIICO and

the Authority concerned.(2)Where an industrial area is still under development, of further expansion is undertaken of an industrial area which is already developed and transferred to the Authority by RIICO in terms of (1) above by acquiring new land, the industrial area under development or the area (s) under expansion, as the case may be, shall continue to be owned and controlled by RIICO till such time as it is developed and allotted in substantial part. The transfer of such area (s) can be made at a time or in phases depending upon the situation in such cases, the development mid allotment of the area(s) shall be done by RIICO under the planning and general directions of the Authority.(3)New industrial area in the Public Sector will continue to be owned and developed by RIICO in the first instance as an Industrial Catalyst till such time as the area is transferred to the Authority in the manner aforesaid. It will, however, be open for the Authority to acquire land for expansion of an existing area or establishment of a new area by itself and entrust its development to RIICO on mutually agreed terms.(4)The Authority may utilize the institution of RIICO for further development of any part of the industrial area or for maintenance of the area or for providing any amenities as an authorised agent of the Authority on such terms and conditions as may be mutually agreed upon.

## **8. Power of the Authority in respect of transfer of land.**

- The Authority may sell, lease, sub-lease or otherwise transfer whether by auction, allotment or otherwise any land, structure or building belonging to the Authority in the industrial area on such terms and conditions as it may, subject to any Rules that may be made under this Act, think fit to impose.

## **9. Power to issue directions in respect of erection of building.**

(1)For the purpose of proper planning and development of the industrial area the Authority may issue such directions it may consider necessary, regarding-(a)architectural features of the elevation of frontage of any building;(b)the alignment of building of any site;(c)the restrictions and conditions in regard to open spaces to be maintained in and around building and height and character of building;(d)the number of residential buildings that may be erected on any site;(e)regularisation of erection of shops, workshops, factories or any other building including those for social infrastructure and common facilities;(f)maintenance of height and position of walls, fences, hedges or any other structure of constructions;(g)maintenance of amenities;(h)restrictions of use of any site for a purpose other than that for which it has been allotted;(i)the means to be provided for proper:-(i)drainage of waste water;(ii)disposal of town refuse;(iii)disposal of industrial waste; and(j)protection of environment.(2)Every transferee/allottee shall comply with the directions issued under sub-section (1) and shall as expeditiously as possible take such steps as may be necessary to comply with such directions.

## **10. Restriction on erection building in contravention of regulations.**

(1)No person shall erect or occupy any land or building in the industrial area in contravention of any building regulations made under sub-section (2).(2)the Authority may by notification and with the prior approval of the State Government make regulations to regulate the establishment of industrial

units and erection of buildings and such regulations may provide for all or any of the following matters, namely:(a)The materials to be used for external and partition walls, roofs, floors and other parts of a building and their position or location or the method of construction;(b)lay out of the building whether industrial, commercial or residential or for any other purpose;(c)the height and slope of the roofs and floors of any building which is intended to be used for residential and cooling purposes;(d)the ventilation, or the space to be left about any building or any part thereof to secure circulation of air or for the prevention of fire;(e)the number and height of the storeys of any building;(f)the means to be provided for the ingress and egress to and from any building;(g)the minimum dimensions of rooms intended for use as living rooms or sleeping rooms and the provision of ventilation;(h)the minimum height and dimensions of chimneys for emission of smoke and other gases;(i)any other matter in furtherance of the proper regulation of erection of buildings;(j)the certificates necessary and incidental to the submission of plans, amended plans and completion reports; and(k)any other matter(s) as may be deemed necessary by the Authority.

## **11. Power for repair and proper maintenance of site or building.**

- If it appears to the Authority that the condition or use of any site or building as prejudicially affecting or is likely to affect the proper planning of, or the amenities in any part of the industrial area or the interests of the general public, it may serve on the transferee or occupier of that site or building a notice requiring him to take such steps and within such period as may be specified in the notice and thereafter to maintain it in such manner as may be specified therein and in case such transferee or occupier fails to take such steps or to maintain it thereafter the Authority may itself take such steps or maintain it, and realize the cost incurred on it from such transferee or occupier.

## **12. Levy of charges of fees.**

(1)for the purpose providing, maintaining or continuing any amenities in the industrial area, the Authority may with the prior approval of the State Government, levy such charges or fees as it may consider necessary, in respect of any site or building of the transferee or occupier thereof.(2)if the State Government considers it necessary or expedient in the public interest it may by a general or special order, exempt wholly or partly any transferee or occupier or any class thereof from the charges or fees levied under sub-section (1).

## **13. Imposition of penalty and mode of recovery of arrears.**

- Where any transferee makes any default in the payment of any consideration money or instalment thereof or any other amount due on account of the transfer of any site or building by the Authority or any rent due to the authority in respect of any lease, or where any transferee or occupier makes any default in the payment of any charges or fees levied under this act or any cost recoverable under Section 11, the Vice-Chairman may direct that in addition to the amount of arrears, a further sum not exceeding that amount shall be recovered from the transferee or occupier, as the case may be, by way of penalty.

## **14. Forfeiture for breach of conditions of transfer.**

- Without prejudice to the provisions contained in section 13, in the case of non-payment of consideration money, or any instalment thereof on account of the transfer by the Authority of any site or building or in case of any breach of any condition of such transfer the Vice-Chairman may resume, in accordance with the provisions of law, the site or building so transferred and may further forfeit the whole or any part of the money, if any, paid in respect thereof.

## **15. Penalty.**

(1) Without prejudice to the provisions of Section 13 or Section 14, any person who contravenes any provision of this Act, or rules or regulations made thereunder or any directions issued under Section 9, shall on conviction by competent court be punishable with fine which may extend to five thousand rupees and in the case of a continuing offence with further fine which may extend to one hundred rupees for every day during which such offence continues after conviction for the first commission of the offence. (2) If the person committing an offence under this Act is a company, every person, who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence. (3) Notwithstanding anything contained in sub-section (2) where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance or, is attributable to any neglect on the part of any Director, Manager, Secretary or other officer of the Company, such Director, Manager, Secretary or other officer shall be liable to be proceeded against and punished accordingly. Explanation.- For the purposes of this section-(a) "Company" means a body corporate and includes a firm or other association of individuals: and (b) "Director" in relation to a firm means a partner in the firm. (4) Any offence made punishable by or under this Act may, either before or after institution of proceedings, be compounded by the Authority (or any officer authorised by it in that behalf by general or special order) on such terms. Including any term as regards payment of a composition fee, as the Authority (or such officer) may think fit. Where an offence has been compounded, the offender, if in custody, shall be discharged and no further proceeding shall be taken against him in respect of the offence compounded.

## **16. Powers of entry, etc.**

- Where any case of default or contravention under this Act comes to the notice of the Authority, the Vice-Chairman may be himself or authorise any officer to enter into or upon any land or building with or without assistance, for the purpose of-(a) making any inquiry, inspection, measurement or survey or taking levels of such land or building; (b) examining works under construction or ascertaining the course of sewers or drains; (c) ascertaining whether any building is being or has been erected or re-erected without sanction or in contravention of any sanction given under this Act or

the rules and regulations made thereunder and to take such measures and do any such other acts as may be necessary for such purpose;(d)doing any other thing necessary for the efficient administration of this Act;Provided that-(i)no such entry shall be made except between the hours of sunrise and sunset and without giving reasonable notice to the occupier, or if there be no occupier, the owner of the land or building;(ii)sufficient opportunity shall in every instance, be given to Paradanashin, if any, to withdraw from such land or building.

## **17. Power to make rules.**

- The State Government may by notification make rules for carrying out the purposes of this Act.

## **18. Power to make regulation.**

- The Authority may with the prior approval of the State Government, make regulations not inconsistent with the provisions of this Act and the rules made thereunder for the administration of the affairs of the Authority.

## **19. Fund of the Authority.**

(1)The Authority shall have and maintain its own fund to which shall be credited:-(a)moneys received by the Authority from the State Government. by way of grants, loans, advances or otherwise;(b)moneys borrowed by the Authority from sources other than the State Government by way of loans or debentures;(c)charges or fees received by the Authority under the Act;(d)moneys received by the Authority from the disposal of lands, buildings and other properties, movable or immovable; and(e)all moneys received by the Authority by way of rents and profits or in any other manner or from any other source.(2)The fund shall be applied towards meeting the expenses incurred by the Authority in the administration of this Act and not for other purposes.(3)Subject to any directions of the State Government, the Authority may keep in current account of any Scheduled Bank such sum of money out of its fund it may think necessary for meeting its expected current requirements and invest any surplus money in such manner as it may think fit.(4)The State Government may make such grants, advances and loans to the authority as the Government may deem necessary for the performance of the functions of the Authority under this Act and all grants, advances and loans made shall be on such terms and conditions as the State Government may determine.(5)The Authority may borrow money by way of loans, debentures or otherwise from such sources [other than the State Government] and on such terms and conditions as it may deem appropriate in the circumstances.(6)The Authority shall maintain a sinking fund for the repayment of moneys borrowed under sub-section (5), and shall pay every year into the sinking fund such sum as may be sufficient for repayment within the period fixed of all moneys so borrowed.(7)The sinking fund or any part thereof shall be applied in, or towards, the discharge of the loan for which such fund was created and until such loan is wholly discharged, it shall not be applied for any other purposes.

## **20. Budget of the Authority.**

- The Authority shall prepare in such form and at such time every year as the State Government may specify, a budget in respect of the financial year next ensuing, showing the estimated receipts and expenditure of the Authority.

## **21. Accounts and Audit.**

(1)The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet in such form as the State Government may specify.(2)The accounts of the Authority shall be subject to audit annually by an Auditor, who shall be a Chartered Accountant to be appointed by the State Government from year to year on such terms as may be specified in the appointment, and any expenditure incurred by him in connection with such audit shall be payable by the authority.(3)The Auditor and any person appointed by him in connection with the audit of accounts of the Authority shall have the same rights, privileges and authority in connection with such audit as the Director, Local Fund Audit has in connection with the audit of the accounts of a local authority, and, in particular, shall have the right to demand the production of books, accounts connected vouchers and other documents and papers and to inspect the offices of the Authority.(4)The accounts of the Authority as certified by the Auditor or any other person appointed by him in that behalf, together with the audit report thereon shall be forwarded annually to the State Government within six months of the close of the financial year.

## **22. Annual report.**

- The Authority shall prepare for every year a report of its activities during that year and submit the report to the State Government and such report shall be laid before the State Legislature.

## **23. Mode of recovery of moneys due to Authority.**

- Any money certified by the Authority as due to it on account of charges or fees, or from the disposal of lands, buildings or other properties, movable or immovable or by way of rents and profits may, if the recovery thereof is not expressly provided for in any other provisions of this Act, be recovered by the Authority as arrears of land revenue.

## **24. Control by State Government.**

(1)The Authority shall carry out such directions as may be issued to it from time to time by the State Government for the efficient administration of this Act.(2)If in connection with the exercise of powers and discharge of functions of the Authority, any dispute arises between the Authority and the Vice-Chairman, the decision of the State Government on such dispute shall be final.(3)The State Government may, at any time, either on its own motion or on application made to it in this behalf, call for the records of any case disposed of or any order passed by the Authority, or Vice-Chairman, for the purpose of satisfying itself as to the legality or propriety of any order passed or direction



issued and may pass such order or issue such direction in relation thereto as it may think fit provided that the State Government shall not pass an order prejudicial to any person without affording such person a reasonable opportunity of being heard.(4)Every order of the State Government made in exercise of the powers conferred by this Act shall be final.

## **25. Returns and inspections.**

(1)The Authority shall furnish to the State Government reports, returns and other informations as the State Government may from time to time require.(2)Without prejudice to the provisions of sub-section (1), the State Government or any officer authorised by the State Government in that behalf, may call for reports, returns and other informations from the Authority in regard to the implementation of the plans prepared by the Authority.(3)Any person authorised by the State Government or the Officer referred to in sub-section (2) may enter into or upon any land with or without assistants or workmen for ascertaining whether the provisions of the plans are being or have been implemented, or whether the development is being or has been carried out in accordance with such plans.(4)No such entry shall be made except between the hours of sunrise and sunset and without giving reasonable notice to the occupier: or if there be no occupier, to the owner of the land or building.

## **26. The Authentication of orders and documents of Authority.**

- All permissions, orders, decisions, notices and other documents of the Authority shall be authenticated by the signature of the Vice-Chairman of the Authority or any other officer authorised by him in that behalf.

## **27. Sanction of prosecution.**

- No prosecution for any offence punishable under this Act shall be instituted, except with the previous sanction of the Vice-Chairman of the Authority or any officer authorised by him that behalf.

## **28. Power to delegate.**

(1)The State Government may, by general or special order, direct that any power exercisable by it under this Act except the power to make rules, may also be exercised by such officer in such cases and subject to such conditions, if any, as may be specified therein.(2)The Authority may, by general or special order, direct that any power exercisable by it under this Act, except the power to make regulations or bye-laws may also be exercised by such officer or local authority, in such cases and subject to such conditions, if any as may be specified therein.(3)That Vice-Chairman of the Authority may, by general or special order direct that any power exercisable by him under this Act may also be exercised by such other officer of the Authority in such cases and subject to such conditions, if any, as may be specified therein.

## **29. Power to extend the provisions of this Act.**

- The State Government may by a notification under this Act extend the provisions of this act to any industrial Area whether developed by RIICO or private entrepreneurs or by way of joint ventures.

## **30. Exemption.**

- Notwithstanding anything contained in this Act the State Government may by notification exempt, subject to such conditions and restrictions, if any, as may be specified in such notification any industrial area or part thereof or land or building or class of land or buildings from all or any of the provisions of this Act or rules or regulations made thereunder.

## **31. Dissolution of Authority.**

(1)Where the State Government is satisfied that the purposes for which the Authority was established under this Act. have been substantially achieved so as to render the continued existence of the Authority in the opinion of the State Government unnecessary, the State Government may by notification declare that the Authority shall be dissolved with effect from such date as may be specified in the notification, and the Authority shall be deemed to be dissolved accordingly.(2)From the said date,-(a)all properties, funds and dues which are vested in, or realisable by the Authority shall vest in, or be realisable by the State Government;(b)all nazul lands placed at the disposal of the Authority shall revert to the State Government;(c)all liabilities which are enforceable against the Authority shall be enforceable against the State Government; and(d)for the purpose of carrying out any development which has not been fully carried out by the Authority and for the purpose of realising properties, funds and dues referred to in clause (a) the functions of the Authority shall be discharged by the State Government.

## **32. No interference by other local bodies in the functions of authority.**

- Notwithstanding anything to the contrary contained in any Rajasthan Law for the time being in force, on constitution of an Authority by the State Government by notification under this Act for any industrial area, all the powers, and duties being exercised by any Panchayat. Municipality. Notified Area Committee or any other Local Body in respect of that area or any part thereof, shall immediately on constitution of the Authority, be exercised and performed by the Authority instead of the Panchayat, Municipality, Notified Area Committee or the Local Body, as the case may be, to the extent of the powers and duties conferred and imposed by this Act or the rules made thereunder on the authority. Notifications Notification No. F. 5(49) Ind/1/95, dt. 28-2-97, pub. in Raj. Govt. Gaz., Exty., Pt. IV-C(ii), dt. 1-3-1997, p. 351. - In exercise of powers conferred by the sub-section (3) of Section 1 of the Rajasthan Industrial Area Development Authority Act, 1995 (Act No. 7 of 1996), the State Government hereby appoints the 1st day of March, 1997 as the date from which the said Act shall come into force. Bhiwadi Industrial Area (Phase I, II, III & IV of RIICO Industrial Area)- Declared as an Industrial Area. Notification No. F. 5(49) Ind/1/95, dt. 11-3-97, pub in Raj. Govt. Gaz., Exty., Pt. I-B, dt. 13-3-1997, p. 1753. - In exercise of powers conferred under clause (e) of Sec. 2

of the Rajasthan Industrial Area Development Authority Act, 1995 (Act No. 7 of 1996), the Government of Rajasthan hereby declares that the Bhiwadi Industrial Area (Phase I, II, III & IV of RIICO Industrial Area) shall be an "Industrial Area" in terms of said section of the said Act.