

Andhra Pradesh Economic Development Board Act, 2018

ANDHRA PRADESH

India

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Act 21 of 2018

- Published on 19 May 2018
- Commenced on 19 May 2018
- [This is the version of this document from 19 May 2018.]
- [Note: The original publication document is not available and this content could not be verified.]

Andhra Pradesh Economic Development Board Act, 2018(Act No. 21 of 2018)Statement of Objects and Reasons. - The Government of Andhra Pradesh has a vision to develop the State to be among the three best States of India by 2022, the foremost State in the country by 2029 and a global destination by 2050, with the overall aim of promoting inclusive growth, social well being and the happiness index. To achieve this vision, the State has to promote accelerated economic development. The State seeks to achieve double digit growth over a sustained period of time through well planned structural shift of economy to industrial and services sector, which requires considerable investments in various sectors of the urban and rural economy, in particular, the industrial and infrastructural sectors of economy. The fast paced growth in urbanization also requires considerable investment in the urban infrastructure and services for enhancing the value proposition of the cities and towns. In addition, the development of the new Greenfield Capital City of Amaravati requires significant investments. The rapid development of rural economy will need sustained interventions to promote the agro based industry in the State. For achieving the desired goals of all round economic growth and employment generation, a globally competitive investment climate, capable of quickly responding to fast changing global economic and technological scenario, need to be established in the State.² Towards these ends, the Government, have decided to establish the Economic Development Board, for strategic investment planning and promotion, to act as a single point of contact for investments, promote inter-departmental co-ordination, project facilitation and appraisal, engagement with national and international investors, funds and Governments, setting up of Special Purpose Vehicles, venture funds, mobilizing hinds for major projects, entrepreneurship, start-up culture and skill development and for other areas of economic significance. It shall also function as a platform for thematic research, for studying futuristic trends of growth and modeling of various schemes for balanced inclusive growth. This Bill seeks to achieve the above objectives. Received the assent of the Governor on the 19th May, 2018 and the said assent is hereby first published on the 30th May, 2018 in the Andhra Pradesh Gazette for general information :-An Act to provide for the Promotion and Facilitation of Investments in the State of Andhra Pradesh, and Constitution of an Industrial Friendly Nodal Board for Interface with the

Investors and to Mobilize Resources within the Country and Abroad for Establishment of Industrial, Infrastructure and Service sector Projects in the State to Secure Accelerated Economic Development, Achieve Vision of the Government and to give Advice to the Government on Investment Policy and Matters Connected Therewith or Incidental thereto. Be it enacted by the Legislature of State of Andhra Pradesh in the Sixty-ninth Year of the Republic of India as follows :

Chapter I

Preliminary

1. Short title extend and commencement.

(1) This Act may be called the Andhra Pradesh Economic Development Board Act, 2018. (2) It extend to the whole of the State of Andhra Pradesh. (3) It shall come into force on such date as the State Government may, by notification in the Andhra Pradesh Gazette, appoint.

2. Definitions.

- In this Act, unless the context otherwise requires, - (1) "Act" means the Andhra Pradesh Economic Development Board Act, 2018; (2) "Advisory Council" means advisory council constituted under Section 7; (3) "Board" means the Andhra Pradesh Economic Development Board constituted under sub-section (1) of Section 3; (4) "Chief Executive Officer" means Chief Executive Officer of the Board; (5) "Financial Year" means the financial year as applicable to the Government of Andhra Pradesh; (6) "Government" means Government of Andhra Pradesh; (7) "Government Agency" includes any Department of the Government, or any Corporation or body owned or controlled by the Government or a Company, Statutory Authority or body or any other body, by whatever name called, owned and/or controlled by the Government; (8) "Infrastructure" includes public works relating to infrastructure for utilizing the natural resources and/or providing services by either public works of physical structure or systems or facilities or commodities or utilization of resources or provision of services; (9) "Investment" means any or all the preliminary and pre-operative expenses until commencement of commercial production, capital expenditure, expenses on land, equipments, interest paid, if any, during construction, administrative expenses, all operating and maintenance expenses including expenses incurred on recovery of user levies, etc., relating to a project or expansion of an existing project; (10) "Investor" means any person including an Individual, a company registered under the Companies Act, 1956 (Act No. 1 of 1956), or the Companies Act, 2013 (Act No. 18 of 2013), Trusts registered under the Indian Trusts Act, 1882 (Act No. 2 of 1882), Society registered under the Societies Registration Act, 1860 (Act No. 21 of 1860), or partnership firms registered under the Indian Partnership Act, 1932 (Act No. 9 of 1932), limited liability Partnership registered under the limited liability Partnership Act, 2008 (Act No. 6 of 2009), and shall include any other body corporate including those from outside India qualified to invest in India under relevant laws for the time being in force or under the relevant policies of the Government of India or the State Government as may be applicable at the time of such investment; (11) "Local Authority" means any Municipal Corporation, or Municipal Council or Nagar Panchayat or any Development Authority or any Gram Panchayat or any other statutory body formed, elected or appointed for local

self-Government;(12)"Member" means a member of the Board and includes the Chairman of the Board, members of the Advisory Council, Committees;(13)"Notification" means a notification published in the Andhra Pradesh Gazette and the word "notified" shall be construed accordingly;(14)"Private sector participant" means any person other than a Government agency or local authority or the Central Government or a Public Sector undertaking of the Central Government;(15)"Project" means a project to be undertaken by the investor, Government, Government Agency or Local Authority, where under investment is proposed to be made in the State of Andhra Pradesh;(16)"Public-Private Partnership" means an arrangement between a Government, a Government agency or local authority and a private sector participant for the provision of infrastructure through investment made or through design, development, construction, maintenance or operation undertaken by the private sector participant, where risks are allocated between them such that the private sector participant takes on the risk beyond the stage of design and construction and the payment for the services are performance linked, in the form of user charges, annuities or unitary payment;(17)"Public-Private-Partnership Project" means a project implemented through public-private partnership;(18)"Regulations" means regulations made by the Board under this Act;(19)"State" means State of Andhra Pradesh.

Chapter II

Constitution of Andhra Pradesh Economic Development Board, Advisory Council and Committees as required by the Board

3. Constitution of the Andhra Pradesh Economic Development Board.

(1)The Government may, by notification constitute a Board to be called the Andhra Pradesh Economic Development Board.(2)The Board constituted under sub-section (1) shall be a body corporate having perpetual succession and a common seal, with power to acquire, hold and dispose of property both movable and immovable and to do all the things incidental to and necessary for the purposes of this Act and to contract and may by the said name sue and be sued.

4. Head Quartets of the Board.

- The headquarters of the Board shall be at Amaravati. The Board may have offices/representatives at different place in India and Abroad as required. These offices/representatives shall not only promote investments in the State, but also promote trade with other States/Countries.

5. Composition of the Board.

- The Andhra Pradesh Economic Development Board shall consist of the following members :- (a)Chief Minister of the State.....Chairman;(b)Minister for Finance and Planning.....Vice-Chairman,(c)Any individual appointed by the Board as Executive Vice-Chairman..... Member;(d)Minister for Industries.....Member;(e)Minister for Municipal Administration and Urban Development Member;(f)Minister for Health

and Medical Education.....Member;(g)Minister for Roads and Buildings.....Member;(h)Minister for Panchayat Raj and Rural Development.....Member;(I)Minister for Water Resources Management.....Member;(j)Minister for Information Technology and Communication Department..... Member;(k)Chief Secretary to Government.....Member;(l)Special Chief Secretary/Principal Secretary/Secretary, Planning Department Member;(m)Special Chief Secretary/Principal Secretary/Secretary to Government, Finance Department Member;(n)Special Chief Secretary/Principal Secretary/Secretary to Government, Industries DepartmentMember;(o)Special Chief Secretary/Principal Secretary/Secretary to Government, Municipal Administration and Urban Development Department Member;(p)Special Chief Secretary/Principal Secretary/Secretary to Government, Roads and Buildings Department.....Member;(q)Special Chief Secretary/Principal Secretary/Secretary to Government, Panchayat Raj and Rural Development Department.....Member;(r)Special Chief Secretary/Principal Secretary/Secretary to Government, Water Resources Management Department.....Member;(s)Principal Secretary to Government, Information Technology, Electronics and Communication Department.....Member;(t)Secretary to Government, Law DepartmentMember;(u)Chief Executive Officer of the Board.....Member Convener;(v)Any other Minister/Secretary to Government or other persons including international experts in the field, leading industrialists nominated by the Chairman of the BoardMember.

6. Meetings of the Board.

(1)The Board shall meet once in six months at such time and place and shall observe such rules of procedure in regard to transaction of business at its meetings, including the quorum at such meetings as may be prescribed in the regulations;(2)The Chairman of the Board shall preside over the meetings;(3)The Minister-in-charge of the Administrative Department concerned with the subject-matter of agenda item of discussion and the Secretary to Government of the Administrative Department concerned may be the special invitees at the meetings of the Board;

7. Constitution of Advisory Council.

- The Chairman of the Board may constitute an Advisory Council which shall consist of the following members : (a)Eminent national and international experts from the industry, infrastructure, information technology and communications, tourism, energy, social work, civil society, etc.,(b)Eminent national and international economists, public finance experts, policy experts, development professionals, etc., and(c)Officers, officials and experts from Government of India, Government of Andhra Pradesh and other National and International Government bodies and agencies.

8. Functions of the Advisory Council.

- The Advisory Council shall give strategic advice and policy guidance to the Board which shall be recommendatory in nature.

9. Meeting of the Advisory Council.

- The Advisory Council shall meet at such time and place as may be prescribed in the regulations.

10. Appointment of other Committees.

(1)The Board may from time to time appoint any committees consisting of such members as it may thinks fit and associate with such committee in such manner and for such period as may be prescribed, in the regulations any person or persons whose assistance or advice it may desire and refer to such committees for inquiry and report any subject relating to the purposes of this Act.(2)Every committee appointed under sub-section (1) shall conform to any instructions that may, from time to time be given to it by the Board and the Board may at any time alter the Constitution of any committee so appointed or rescind any such appointment. The Board shall nominate one of the member as the Chairman of such committee.(3)The procedure to be followed by the committees and all other matters relating to the committees shall be such as may be specified in the regulations.

11. Expenses of the Board, Advisory Council and Committees appointed by the Board.

- The costs towards the functioning of the Board, Advisory Council and Committees, appointed by the Board (including remuneration/honorarium to members, travel expenses including boarding and lodging of members, remuneration and expenses of employees/ consultants engaged by the Committees and other investment promotion expenses for the activities of the Board, Advisory Council and Committees) shall be approved by the Board and shall be borne from the internal funds and from hinds allocated to the Board by the Government of Andhra Pradesh.

12. Proceedings of the Board, Advisory Council and Committees.

- No act or proceedings of the Board, Advisory Council and Committees, shall be invalid by reason only of the existence of any vacancy amongst its members or of any defect in the Constitution thereof.

13. Authentication of orders of the Board.

- All orders and decisions of the Board shall be authenticated by the signature of the Chief Executive Officer and all other deeds, documents and instruments executed or issued shall be authenticated by the signature of such officer of the Board as may be authorized by the Chief Executive Officer in this behalf.

Chapter III

Functions and Powers of the Board

14. Functions of the Board.

- The Board may perform all or any of the following functions, namely,-(1)Strategic Planning and Policy,-(a)To conduct strategic analysis of national and global development trends and identifying strategies that would facilitate creation and management of an ecosystem for sustainable high growth trajectory.(b)To provide a platform for bringing leading national and international business leaders, economists, academicians and knowledge leaders to advise the Government.(c)To nurture a Think Tank and create Knowledge Bank for strategic planning, policy analysis, data analytics and action-research essential for sustaining high rates of growth and successful completion within the committed timelines with focus on investment flows, their efficacy in terms of value addition, employment generation and wealth creation.(d)To secure policy and programmatic integration and co-ordinate preparation and prioritisation of pipeline of projects related to economic sector like infrastructure, industrial development, energy, information and communication technologies, tourism, skill development, higher education and technical education, etc.,(e)To identify potential sources of financing and facilitate early launch and accelerated execution of projects.(f)To work through various departments, ensure proper timely alignment of State policies with the existing and emerging policies at the Centre.(g)To identify the best policies being adopted by the other States and exploring the scope for adopting the same.(2)Investment Promotion and Project Facilitation,-(a)To facilitate investments in the State by being the one-stop shop and a single point interface for all investors seeking opportunities in Andhra Pradesh and act as a dynamic interface between the external world of investors and the Government Agencies and Departments.(b)To promote Andhra Pradesh as the ideal investment destination through various means including road shows, meetings, seminars and programmes, advertisement, printing promotional material dissemination of information etc., in India and Abroad, in co-ordination with the departments concerned.(c)To provide hand holding services to the entrepreneurs throughout their investment process in the State, with a view to facilitate ease of doing business in the State.(d)Apart from disseminating information through the available channels to the potential investors, the Board would proactively market projects to investors and facilitate their approval by the regulatory authorities. It will create an Internal Investment Friendliness Standard for the Departments (along the lines of 'ease of doing business'), through a combination of process indicators and investor surveys.(e)To promote economic activity through development of Industrial Parks, Special Economic Zones and other economic clusters.(f)To enter into memorandum of understandings, agreements etc., on behalf of the Government for promoting investments into the State and for attaining other objectives of the Board.(3)External Engagement with National/International Investors and other Governments,-(a)To provide one-stop interface for all investors-sector wise and infrastructure wise and a single point interface between Investors and the Government Departments.(b)To facilitate the implementation of comprehensive set of measures to improve the ease of doing business with time-bound and transparent resolutions of issues during the project execution and commissioning phases.(c)To facilitate effective inter-departmental co-ordination for multi-sector investments aiming for higher returns and predicable project completion timelines, including but not limited to

industrial corridors, growth nodes, capital city development, etc.,(d)To catalyse effective knowledge management and technology transfer essential for innovation, entrepreneurial development and economic growth.(e)To provide one-stop interface for all external engagements with Foreign Governments or investment related issues with the Government of India.(f)To monitor priority projects of the Government and provide timely feedback required for corrective action.(4)Project Appraisal,-(a)To create a robust institutional apparatus that would inspire the confidence of national and international investors through uniform, fair and transparent promotion procedures and consistent assessment and support during the execution phases of the projects.(b)To identify priority projects for Public-Private Partner-ship, conduct techno-economic appraisal of major projects and provide appropriate advice to the Government on all aspects of Public Private Partnership project approval, execution and monitoring.(5)Financial Resource Mobilization,-(a)To mobilize resources (financial, knowledge and intellectual capital) required for sustaining high growth momentum and for executing various projects including internal sources, multilateral bodies, private sector, Public-Private Partnership, through various means, including by setting up of Special Purpose Vehicles.(b)To enable high-yielding investments and high efficiency levels through synergies and co-ordination with multiple stakeholders.(6)Setting up Special Purposes Vehicles(a)To co-ordinate and facilitate establishment of Special Purpose Vehicles involving multi-departmental functions such as establishing Industrial Corridors, Financial Services, Capital City, Smart Cities, Smart Villages, Science Centers, Educational and Research Centers etc., as well as those required for soft and ecosystem development.(b)To promote Venture Funds and other investments strategies to encourage private investments in industrial development and economic activities, either directly or in association with national and international concerns/institutions engaged in operation of venture funds, investments funds and other funds.(c)To take up income generating activities to further the objectives of the Board.(7)Incubating and Co-ordinate Futuristic Initiatives.(a)To incubate and co-ordinate special initiatives which cut-across multiple departments and Government Organizations targeting a quantum leap in terms of developmental outcomes.(b)To promote the development of best practices, innovation and State of the art technology in the State.(8)Futuristic growth To scout for the futuristic growth propelling emerging feasible technologies and establish an ecosystem for its adaption and growth in the State.(9)Any other functions entrusted by the Government including Urban Development and Economic Cities as may be directed by the Government from time to time with a view to bring about the accelerated economic development of the State.

15. Powers of the Board.

(1)The Board may call upon any Government Agency, Local Authority or any other body or Authority or person to furnish information, details, documents and particulars as may be required by the Board in connection with or in relation to any project, which such Government Agency, Local Authority or Body or Authority or person shall furnish to the Board without any delay or default.(2)The Board shall have power to co-ordinate with the line departments to track and compile the status of significant projects of economic development in the State.(3)The Board shall have all the powers including incidental and ancillary powers to perform, carry out, undertake any functions so as to promote and facilitate investment opportunities in the State.

16. Powers of delegation.

(1)The Board, Chairman, Vice-Chairman, Executive Vice-Chairman, Chief Executive Officer, Advisory Council and Committees formed by the Board may delegate their powers and direct that any power exercisable by them may also be exercised by any of the following, in such cases and subject to such conditions, if any, as may be specified therein.(a)any authority subordinate to them;(b)any of the committees, members, officer or employees of the Board or its constituent bodies;(c)any special purpose vehicle or company formed under the Board.

Chapter IV

Provisions Relating to the Staff

17. Executive Vice-Chairman of the Board.

(1)The Executive Vice-Chairman of the Board shall be appointed by the Board.(2)The qualifications, pay and allowances and terms and conditions of service of the Executive Vice-Chairman shall be such as may be decided by the Board from time to time.(3)The functions of the Executive Vice-Chairman shall be such as may be prescribed in the regulations.

18. Chief Executive Officer of the Board.

(1)The Chief Executive Officer of the Board shall be appointed by the Board, who may be drawn from Government services or from the private sector.(2)The qualifications, pay and allowances and terms and conditions of service of Chief Executive Officer shall be such as decided by the Board from time to time.

19. Functions of the Chief Executive Officer.

- The Chief Executive Officer, subject to the orders of the Board, shall be responsible for :
(a)Supervision and direction of staff of the Board.(b)Undertaking research to determine the industry competitiveness of State and propose strategies to enhance the State as an investment destination.(c)proposing for the Board's approval, operating and marketing plans for investment promotion and facilitation.(d)performing the duties of the Secretary to the Board, including preparation of minutes of decisions of the Board.(e)performing such other functions and duties as may be determined by the Board.(f)performing all other incidental and ancillary functions as directed by the Government and/or the Board or the Chairman of the Board.

20. Organizational Structure.

- The Board shall have a full-fledged Secretariat with various divisions as it may deem necessary which would be responsible for day-to-day management of the Board. The Secretariat of the Board shall be headed by the Chief Executive Officer.

21. Appointment of consultants and head of divisions.

(1)The Board may create such divisions and such posts with such designations, to carry out its functions prescribed under this Act.(2)The Chief Executive Officer may, with the approval of the Chairman of the Board appoint skilled persons, experts and consultants (including foreign nationals) on such terms as to remuneration, duration, designation (on contract basis at competitive market rates) or otherwise against the positions created as he/she may consider necessary for the efficient performance of the functions of the Board.(3)The Heads of divisions may be appointed from the private sector or on deputation basis from the Government Departments.(4)The salary, allowances and the terms and conditions of service of the persons appointed under this section shall be such as may be prescribed by the regulations.(5)The Chief Executive Officer of the Board shall exercise the powers of supervision and control over all the officers, staff and consultants of the Board.(6)The staff shall be entitled to receive from the funds of the Board such remuneration and shall be governed by such conditions of service, as may be determined by regulations made in this behalf.(7)The Chief Executive Officer may appoint other supporting staff on outsourcing basis with the approval of the Chairman of the Board.

Chapter V

Finance, Accounts and Audit

22. Budget.

(1)The Board shall, during each financial year, prepare, in such form and at such time as may be prescribed, a budget in respect of the financial year next ensuing showing the estimated receipt and expenditure under this Act and copies thereof shall be forwarded to the Government.(2)The Funds required for administration of the Board shall be provided by the Government from time to time, on priority, keeping in view the importance of investment promotion for economic development of the State.(3)The Board may raise revenues through various sources and services rendered by it and all the revenues of the Board shall be credited to the Public Deposit Account.(4)The Board shall not be required to take approval from the Government for financial expenditure incurred from the Budget for carrying out its activities, including travel, payment of salaries and allowances, opening and maintenance of offices and other expenditure connected with its functioning.(5)The expenditure of the Board shall be governed by the regulations made by the Board.

23. Accounts and audit.

(1)The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed in the regulations.(2)The accounts of the Board shall be audited once in a year by the Accountant General, Andhra Pradesh.(3)A copy of the audit report together with audited copy of the accounts shall be forwarded to the Board and the same alongwith its comments thereof to the Government, within such time, as may be prescribed by the regulations.(4)The Government may, by order, direct the Board to take such action as may be specified in the Order to remedy, within such time as may be specified therein, the defects, if any,

disclosed in the audit report, and the Board shall comply with such direction.(5)The copy of the Audit Report shall be placed before the State Legislature.

24. Annual Report.

- The Board shall, during each financial year, prepare, in such form as may be prescribed, its annual report, giving a full account of its activities during the previous financial year and forward a copy thereof to the Government after the end of each financial year.

Chapter VI Miscellaneous

25. Members, officers and employees of the Board, constituted under this Act to be public servants.

- All the members of the Board constituted under this Act and all officers and other employees of the Board when acting or purporting to act in pursuance of any provisions of this Act, or regulations made or orders or directions issued thereunder shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code, 1860 (Act No.45 of 1860).

26. Protection of action taken in good faith.

(1)No suit, prosecution or other legal proceeding shall lie against the Board, or any member, officer, employee or consultant of the Board in respect of anything which is done or intended to be done in good faith, or any contract of any kind entered into by the Board in good faith in pursuance of this Act, or the regulations made, or orders or directions issued thereunder.(2)No Court shall have jurisdiction to entertain any suit or proceedings, in respect of anything done, action taken or direction issued by the Board or any Officer, employee or consultant of the Board in pursuance of any power conferred by or in relation to its or his functions under this Act

27. Power to make regulations.

- The Board may make regulations consistent with the provisions of this Act to carry out the purposes of this Act.Provided that, the Chief Executive Officer may make regulations with the approval of the Board, whenever required.

28. Power to remove difficulties.

- If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty.