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**THE ANDHRA PRADESH GAZETTE
PART IV-A EXTRAORDINARY**

PUBLISHED BY AUTHORITY

No. 52] HYDERABAD, MONDAY, DECEMBER 19, 2005.

**ANDHRA PRADESH BILLS
ANDHRA PRADESH LEGISLATIVE ASSEMBLY**

The following Bill was introduced in the Andhra Pradesh Legislative Assembly on 19th December, 2005.

L.A. BILL No. 51 OF 2005

A Bill to facilitate the development, operation, maintenance, management, administration and regulation of Special Economic Zones in the State of Andhra Pradesh so as to generate additional economic activity, to promote export of goods and services, to promote investment from domestic and foreign sources, to create employment opportunities, and to develop infrastructure facilities, and to promote the rapid and orderly growth, development and operation of industries in such Special Economic Zones, and to provide for the matters connected therewith or incidental thereto.

Whereas the Government of India has enacted the Special Economic Zones Act, 2005 (Act No. 28 of 2005) for establishment, development and management of the Special Economic Zones (SEZs) throughout the country for the

generation of additional economic activity and for promotion of exports of goods and services;

And Whereas, the Government of India has provided various incentives for facilitating economic activity in the SEZs, and has prescribed various simplified procedures for the same;

And Whereas, in order to facilitate and accelerate the setting up of SEZs in the State of Andhra Pradesh, it is necessary to complement the provisions of the said Central Act with an Act of the State of Andhra Pradesh and to provide for the matters connected therewith or incidental thereto;

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Fifty-sixth Year of the Republic of India, as follows: -

CHAPTER I

PRELIMINARY

Short title,
extent
commencement
and application

- I. (1) This Act may be called the Andhra Pradesh Special Economic Zones Act, 2005.
- (2) It extends 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 Official Gazette, appoint and different dates may be appointed for different provisions of the Act.
- (4) It shall apply to all Special Economic Zones set up in the State of Andhra Pradesh. Provided that the provisions of Chapter III shall only apply to Zones in respect of which the State Government is the Developer.

Definitions

2. In this Act, unless the context otherwise requires

- (a.) "**amenities**" means all basic and essential services including roads, water supply, street lighting, power supply, sewerage,

drainage, collection, treatment and disposal of industrial and township wastes, public health, education, transport, fire fighting services, public parks, clubs, markets, shops and outlets and such other facilities or services as the State Government may, by notification in the Official Gazette, specify to be an amenity for the purposes of this Act;

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- (b.) **"Board" or "Board of Approval"** means the Board of Approval as defined in section 2(e) of the Special Economic Zones Act, 2005 ;
- (c.) **"Central Government"** means the Government of India;
- (d.) **"Development Authority"** means the Special Economic Zone Development Authority constituted under section 4;

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- (e.) **"infrastructure facilities"** means the "infrastructure facilities" as defined in the SEZ Act, 2005 and shall also include industrial, commercial, social or any other facility or service for development and operation of the Zone or such other facilities as may be prescribed or notified by the State Government;
- (f.) **"notification"** means a notification published in the Andhra Pradesh Gazette and the word "notified" shall be construed accordingly;
- (g.) **"operator"** means a person engaged by the Developer for providing infrastructure facilities, amenities and services in the Zone;
- (h.) **"prescribed"** means prescribed by rules made by the State Government under this Act;

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- (i.) **"Processing area"** means processing area demarcated as such in clauses (a) and (b) of section 6 the of SEZ Act 2005;
- (j.) **"regulations"** means the regulations made by the Development Authority under this Act;
- (k.) **"rules"** means the rules made by the State Government under this Act;
- (l.) **"Schedule"** means a schedule appended to this Act;
- (m.) **"Single Window Approval Committee"** means the committee constituted under section 12;
- (n.) **"Special Economic Zone"** or **"Zone"** or **"SEZ"** means any area notified by the Central Government as a Special Economic Zone in the State, including an existing SEZ;
- (o.) **"State"** means the State of Andhra Pradesh ;
- (p.) **"State Government"** means the State Government of Andhra Pradesh;
- (q.) **"State Acts"** means the laws enacted by the Andhra Pradesh State Legislature and for the time being in force;
- (r.) all other words and expressions used and not defined in this Act but defined in the Special Economic Zones Act, 2005 and the rules made thereunder shall have the meanings respectively assigned to them there under.

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CHAPTER II

ESTABLISHMENT OF SPECIAL ECONOMIC ZONE

Establishment of
Zone and
appointment of
Developer

- 3.(1) Any person desirous of establishing a Special Economic Zone may make a proposal to the State Government in such form and in such manner along with such particulars, documents and fees as prescribed in the Special Economic Zones Act, 2005 and the rules made thereunder.
- (2) The State Government shall scrutinize the proposal received under sub-section (1) and recommend the same with modifications if any, to the Board within such period as prescribed under the SEZ Act, 2005 for its approval.
- (3) The State Government, may, if it intends to set up a SEZ, forward its proposal directly to the Board in accordance with the provisions of the SEZ Act, 2005 and the rules made thereunder.
- (4) The procedure for the recommendations of the proposal to the Board under sub-section (2) or the procedure for giving the concurrence for the proposals made directly by a person to the Board to which the Board has given its approval under the SEZ Act, 2005, shall be such as may be prescribed.
- (5) Notwithstanding anything contained in sub-sections (1) to (4), the Central Government may, after consulting the State Government without referring the proposal for setting up the SEZ to the Board and after identifying the area, suo motu set up and notify the Special Economic Zone in the State.
- (6) Any person desirous of establishing a Special Economic Zone may make an application, in such form as may be prescribed, to the State Government to acquire land for establishing a Special

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Central Act No. 1
of 1894

Economic Zone. The State Government shall scrutinize such application and may acquire such land, either by consent agreement or through proceedings under the Land Acquisition Act, 1894, provided the cost of such acquisition along with a prescribed fee is borne by the applicant. Such acquisition shall be deemed to be for public purpose under the Land Acquisition Act, 1894.

CHAPTER III

**SPECIAL ECONOMIC ZONE DEVELOPMENT
AUTHORITY**

Constitution of
Special Economic
Zone
Development
Authority

4.(1) The State Government shall, by notification, constitute, for every Zone established by it either before or after the commencement of this Act an Authority to be called the (name of the Zone) Development Authority to exercise the powers conferred on and to discharge the functions assigned to it under this Act:

Provided that no Development Authority shall be constituted under this Act in respect of SEZs set up in the State by any person other than the State Government.

(2) The Andhra Pradesh Industrial Infrastructure Corporation Limited, ("APIIC Limited"), shall function as the interim Development Authority for a SEZ, till a regular Development Authority is constituted under sub-section (1).

(3) The Development Authority 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, to do all things

incidental to and necessary for purposes of this Act and to contract and to sue and be sued by the said name.

- (4) The composition of each Development Authority, including the members, officers and other employees, the qualifications and experience necessary for being so appointed, conditions for removal or suspension from service, other terms and conditions of service, and all matters relating to funds, finances, accounts and audits, etc., shall be such as may be prescribed.
- (5) (i) The SEZ Development Authority may, subject to such conditions as may be prescribed, coopt such number of persons from among the experts or officers from any department as associate members, as may be considered necessary for performing its functions under this Act;
 - (ii.) The number of the coopted members shall not be counted for the purpose of quorum referred to in sub-section (3) of section 5;
 - (iii.) The coopted member shall not be a member for any other purpose;
 - (iv.) The coopted members shall have the right to take part in the discussions of the Development Authority;
 - (v.) The coopted member shall be entitled to receive such allowances or as the case may be the fee, as may be fixed by the Development Authority.
- (6) The Development Authority may appoint officers and such other employees, as it considers necessary, for the efficient discharge of its functions under the Act.

- (7) The State Government may appoint such officers and other employees from its departments and directorates as it considers necessary to assist the Development Authority in the performance of its functions in the Zones established by the State Government under this Act on such terms and conditions as it deems fit.
- (8) No act or proceedings of the Development Authority shall be invalid merely by reason of the existence of any vacancy in or defect in the constitution of the Development Authority or any irregularity in its procedure not affecting the merits of the case.
- (9) All orders and decisions of the Development Authority and all other instruments issued by it shall be authenticated by the signature of any of its members as may be authorized by the Development Authority in this behalf.

Headquarters
and meetings of
Development
Authority

- 5.(1) The headquarters of the Development Authority shall ordinarily be at the Zone or at such other place as the State Government may by notification, specify.
- (2) The term of office of the members of the Development Authority (other than ex officio members) and the manner of filling of vacancies shall be such as may be prescribed.
- (3) One-third of the members of Development Authority shall constitute a quorum for a meeting, and all the acts of the Development Authority shall be decided by the majority of the members present.
- (4) The Development Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of its business at its meetings as may be

prescribed by the regulations.

Functions and powers of Development Authority

- 6.(1) The functions of the Development Authority shall be to secure the planned development of the Special Economic Zone and it shall be primarily responsible for the promotion, development and functioning of such Zone in accordance with the provisions of this Act.
- (2) Without prejudice to the generality of the provisions of sub-section (1) and notwithstanding anything to the contrary contained in any other State Acts the Development Authority shall have following powers and perform the following functions for the purpose of development of the Zone:
 - a) to ensure the compliance of the plan prepared for the development of the Zone in conformity with the regulations or with the approval of the State Government, and, to provide the guiding principles for town planning, urban development standards and environment and social planning norms for the development of the Zone and such other matters as may be prescribed or directed by the State Government;
 - b) to prepare or cause preparation of techno-economic feasibility report or a detailed project report as may be required for the development of the Zone
 - c) to acquire land by consent agreement or through proceedings under the Land Acquisition Act, 1894, and hold and develop the land and construct such property, both movable and immovable, as it may deem fit, for the purposes of this Act;
 - d) to transfer or allocate land owned, controlled or acquired by the

Development Authority to a Co-Developer setting up an amenity or infrastructure facility in the Zone on such terms and conditions as may be prescribed;

- e) to sell, lease, exchange or otherwise transfer by auction, allotment or otherwise any land or buildings belonging to the Development Authority on such terms and conditions as it may deem fit, subject to any rules or regulations in this behalf;
- f) to enter into joint venture arrangement or agreement with any person or Co-Developer on such terms and conditions as it deems fit for the development, establishment, management and operation and maintenance of a Zone or development of different components or activities or operations therein;
- g) to enter into or perform such contracts as may be necessary for the discharge of its functions and the exercise of its powers under this Act;
- h) to provide amenities and infrastructure facilities by itself or through any person in the prescribed manner and levy user or service charges, fees, tolls or rentals for such amenities and infrastructure facilities or authorise such person to demand, collect, retain and appropriate the user or service charges, fees, tolls or rentals;
- i) to authorise any person to collect any tax and demand, collect, retain and appropriate the service or user charges, fees, tolls or rentals for the amenities and infrastructure facilities provided or arranged by the Development Authority;

- j) to authorise the operator, if one is appointed for the Zone, to demand, collect, retain and appropriate service or user charges, fees, tolls or rentals for the amenities and infrastructure facilities provided or arranged by the operator;
 - k) to undertake coordination with the departments of the State Government and, where necessary, of the Central Government or their agencies and to ensure timely implementation of plans and projects of the Zone, and for setting up and functioning of Units within the Zone.
 - l) to exercise such powers and perform such functions of a local body as are transferred to and vested with the Development Authority under Chapter IV;
 - m) to do all other things, with the prior approval of the State Government, with a view to facilitating the functions of the Development Authority;
 - n) to perform such other functions as may be prescribed or assigned by general or special order, as the case may be, to the Development Authority by the State Government under this Act or any other law for the time being in force.
- (3) Without prejudice to the provisions of sub-sections (1) and (2), the Development Authority shall exercise the following powers and perform following functions,-
- a) the activities and functions of the Local Authority of the Zone;
 - b) to constitute such other committees as may be necessary to perform any specific functions in relation to the Zone;

- c) to discharge such other functions as are supplemental, incidental or consequential to any of the functions conferred on the Development Authority by or under this Act.

(4) The Development Authority may, for the effective and proper discharge of its functions, by general or special order, delegate such of its powers and functions as it may deem fit, on such conditions as may be specified in such order, to the Development Commissioner or the Single Window Approval Committee or any other officer or agency of the State Government.

Power of Development Authority to make regulations

7. (1) The Development Authority may, with the previous approval of the State Government, by notification, make regulations not inconsistent with the Act and the rules made there under, for enabling it to perform its functions under this Act.

(2) In particular and without prejudice to the generality of the power conferred under subsection (1), such regulations may be made to provide for all or any of the matters expressly required or allowed by this Act to be prescribed by the regulations.

Directions by State Government

8. Every Development Authority shall be bound to 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 in the Zone.

Returns and reports

9. (1) Every Development Authority shall furnish to the State Government at such time and in such form and manner as may be prescribed

or as the State Government may direct, such returns and statements and such particulars in regard to the promotion, development and functioning of the Zone and units as the State Government may, from time to time, require.

- (2) Without prejudice to the provisions of sub-section (1), every Development Authority shall, as soon as possible, after the end of each financial year, submit to the State Government a report in such form and before such date, as may be prescribed or directed by the State Government, giving a true and full account of its activities, policies and programmes during the previous financial year.
- (3) A copy of every report received under sub-section (2) shall be laid, as soon as may be, after it is received, before the State Legislature.

Power to
supercede
Development
Authority

- 10.** (1) If at any time the State Government is of the opinion that a Development Authority is unable to perform, or has persistently made default in the performance of the duty imposed on it by or under this Act or has exceeded or abused its powers, or has willfully or without sufficient cause, failed to comply with any direction issued by the State Government under section 8, the State Government may, by notification, supercede that Development Authority for such period not exceeding six months, as may be specified in the notification:

Provided that before issuing a notification under this sub-section, the State Government shall give reasonable time to that Authority to make representation against the proposed super-cession and shall consider the representation, if any, of the Authority.

- (2) Upon the publication of a notification under sub-section (1) superseding the Development Authority -
- a) the Chairperson and other members of the Development Authority shall, notwithstanding that their respective terms of office have not expired as on the date of supersession, vacate their offices as such;
 - b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Development Authority shall, during the period of supersession, be exercised and performed by such person or persons as the State Government may direct;
 - c) all property vested in the Development Authority shall, during the period of supersession, vest directly in the State Government.
- (3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the State Government may,-
- a) extend the period of supersession for such further period not exceeding six months; or
 - b) reconstitute the Development Authority in the manner provided in section 4.

CHAPTER IV

LOCAL AUTHORITY

Zone to be local authority

(Act No.13 of 1994)

Central Act No. 28 of 2005

11. (1) Every Zone, having regard to the municipal services proposed to be provided in the area of the Zone, shall be a local authority vested with all the powers to carry out the functions in accordance with the existing provisions of the Andhra Pradesh Panchayat Raj Act, 1994. Such local authority shall replace the existing gram panchayats of the concerned villages falling under the area of a Zone. In respect of Zones set up by the State Government, the Development Authority constituted under Section 4 shall be vested with the powers of the local authority. In respect of all other Zones, the powers and responsibilities of the local authority shall be exercised by a committee to be set up by the Developer. Provided that in respect of such committee set up by a Developer, the State Government nominees on the Approval Committee under section 13(2)(e) of The Special Economic Zones Act, 2005 shall be members ex officio.

(2) Notwithstanding anything contained in any other State Acts, the State Government shall by notification transfer to and vest with the Zone such powers and functions of the Gram Panchayats as a local authority under the provisions of the Andhra Pradesh Panchayat Raj Act, 1994 specified in the Fourth Schedule. The Zone shall exercise all the powers and carry out the functions as are transferred to and vested with it. The State Government shall by such notification declare as notified area the concerned villages, including their survey numbers, along with their respective Gram Panchayats that fall under the area of a Zone.

(3) The State Government may, having regard to the size of the area and the municipal services being provided or proposed to be provided in the Zone by the Developer, by notification specify the Zone to be an

industrial township.

CHAPTER V

SINGLE WINDOW CLEARANCE

Single Window
Approval
Committee

Central Act No.
28 of 2005

- 12.(1)** Notwithstanding anything contained in any other State Acts, the Approval Committee constituted in respect of each Zone by the Central Government under the SEZ Act, 2005 shall also function as the Single Window Approval Committee for granting clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, under the laws enacted by the State Legislature to the Developer, entrepreneur or operator in relation to the development, establishment, operation and maintenance of the Zones:

Provided that when considering matters relating to the granting of clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, under the laws enacted by the State Legislature to the Developer, entrepreneur or operator in relation to the development, establishment and operation and maintenance of the concerned Zone, the Approval Committee may, in addition to the members already nominated under the SEZ Act, 2005, also include officers to be nominated by the State Government from such departments as may be prescribed.

- (2) The Approval Committee may invite such experts or officers and representatives from any department of the State Government that is not represented therein, as it may consider necessary, for the expeditious grant of clearances, authorisations, approvals,

licences, registrations or no objection certificates, as the case may be.

Functions of the
Single Window
Approval
Committee

- 13.(1)** Notwithstanding anything contained in any other State Acts, the Single Window Approval Committee shall receive applications from the Developer, entrepreneur or operator for all clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, required under the State Acts or from the State agencies that are specified in the Second Schedule in relation to the development, establishment, operation and maintenance of the Zone, and of Units in the Zone, accompanied with the required fees and in the prescribed manner:
- (2) The Single Window Approval Committee shall grant such clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, in such manner and within such time as may be prescribed.
 - (3) The Single Window Approval Committee shall supervise and monitor compliance of the terms and conditions of the clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, granted by it and may take appropriate action under the relevant applicable laws for breach of or non-compliance thereof.
 - (4) The Single Window Approval Committee may appoint any agency to supervise and monitor compliance of the terms and conditions of the clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, granted by it and may call for, any information required for such supervision and monitoring.

- (5) The Single Window Approval Committee shall perform such other functions as the State Government may, by notification specify.
- (6) All departments of the State Government and its agencies and the authorities and corporations controlled by it shall accept the clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, granted by the Single Window Approval Committee to the Developer, entrepreneur or operator.

Common application and returns

- 14.** Notwithstanding anything contained in any other State Acts, the State Government may, -
- (a) prescribe a common application form for obtaining any clearance, authorisation, approval, licence, registration or no objection certificate, as the case may be, by the Developer, entrepreneur or operator under one or more of the State Acts listed in the Second Schedule;
 - (b) prescribe electronic formats for such clearances, authorisations, approvals, licences, registrations or no objection certificates, as the case may be, on the Electronic Data Interchange (EDI) platform;
 - (c) authorise the Single Window Approval Committee to exercise such of the powers of the State Government or a body subordinate to the State Government as may be specified by general or special order on matters relating to the development of the Zones or the setting up and operation of Units;
 - (d) prescribe a single form for furnishing returns or information by the Developer, entrepreneur or operator under one or more State Acts;

- (e) prescribe the form or a consolidated annual report for submission by the Developer, entrepreneur or operator instead of periodical return under such State Acts as the State Government may, by notification on the Official Gazette, specify;
- (f) authorise an officer or agency for monitoring compliance of the State Acts, that are applicable to the Zone.

CHAPTER VI
FUNCTIONS OF DEVELOPER

- | | |
|---|---|
| Functions of the Developer | 15. Subject to the Special Economic Zones Act, 2005 and the rules made thereunder, this Act and all applicable rules and regulations, the Developer shall secure the planned development of the Zone and provide the infrastructure facilities and amenities for the establishment, operation, maintenance and management of the Zone. |
| Rights of Developer in respect of land and Buildings | 16. The Developer shall be at liberty to fix rates for transfer of land, building or installations by way of sale, lease, or otherwise from time to time. |
| Provision of infrastructure facilities and amenities by Developer | <p>17.(1) It shall be the responsibility of the Developer to arrange for, inter-alia, the following infrastructure facilities and amenities, as may be required in the Zone -</p> <ul style="list-style-type: none"> a) generation, transmission and distribution of electricity; b) water extraction, treatment, transmission |

and distribution;

- c) waste water treatment and solid and hazardous waste management;
- d) provision of roads, bridges and over-bridges, transportation services and transportation systems;
- e) development of Green belts and afforestation within the Zone to meet the Unit level requirements in a common area;
- f) provision for gas distribution network;
- g) any other public facility of similar nature or service as may be required

(2) The Developer may arrange for the infrastructure facilities and/or amenities to be provided either by himself, or through a Co-developer, operator, or any other person.

(3) Where any infrastructure facility or amenity is provided by the Developer under sub-section (1) or (2), the Developer or the person specified in sub-section (2) shall have the power to levy, demand, collect, retain and appropriate the user or service charges, fees, tolls or rentals for the use of the service so provided.

Generation and supply of electricity

18.(1) Subject to the provisions of the Electricity Act, 2003, the Developer/Co-Developer shall have full freedom of generation, transmission, distribution and trading of electricity within a Zone.

(2) The units established in a Zone shall be entitled to generate electricity either individually or in association with other units for the captive use and consumption of such unit or units, as the case may be, or sell or supply electricity to other units in the Zone in accordance with the provisions of the

Electricity Act, 2003;

- (3) Any person generating electricity in the Zone, may supply electricity to the Transmission Corporation of Andhra Pradesh or any other transmission company after obtaining approval from the State Government at such rates as may be mutually agreed.
- (4) All electricity supplied to and consumed within the Processing Area of the Zone shall be exempt from payment of electricity duty and taxes under the Electricity Act, 2003.

CHAPTER VII

LABOUR

Delegation of powers of labour Commissioner and Inspector to Development Commissioner.

- 19.**(1) Notwithstanding anything contained in the Acts specified in the First Schedule , the powers, duties and functions conferred on the Commissioner of Labour, conciliation officer or any other officer under those Acts, shall be exercised by the Development Commissioner.
- (2) Notwithstanding anything contained in the Acts specified in the First Schedule, the powers, duties and functions conferred on the inspector under those Acts shall be exercised by the Development Commissioner.
- (3) The State Government shall, wherever necessary place officers and personnel of the labour department of the State under the administrative control of the Development Commissioner.
- (4) Notwithstanding anything contained in the Acts specified in the First Schedule, the Development Commissioner shall fix minimum wages for skilled, semiskilled and unskilled categories of workers

within the Zone taking into consideration the existing wages in the neighboring states, productivity of the industry and various stakeholders in the Zone including worker representatives.

Chief Inspector of Factories **20.** The Joint Chief Inspector of Factories or Deputy Chief Inspector of Factories of the area falling within a Zone shall exercise the powers of the Chief Inspector of Factories in respect of the factories situated in the Zone except in respect of the factories carrying out hazardous processes as defined in section 2 (cb) of the Factories Act, 1948 and the identified major accident hazard factories.

Consolidated return under various laws **21.** The Units in the Zone shall furnish the consolidated annual report in the prescribed form to the Development Commissioner instead of periodical returns under the following Acts, namely :-

1. The Workmen's Compensation Act, 1923; **8 of 1923.**
2. The Payment of Wages Act, 1936; **4 of 1936.**
3. The Factories Act, 1948; **63 of 1948.**
4. The Minimum Wages Act, 1948; **11 of 1948.**
5. The Maternity Benefit Act, 1961; **53 of 1961.**
6. The Payment of Bonus Act, 1965; and **21 of 1965.**
7. such other Acts as the State Government may, by notification in the Official Gazette, specify:

Provided that when any other Act made by the Parliament is to be specified by the State Government, it shall be specified with prior approval of the Government of India.

All Units declared public utility service **22.** All Units located in a Zone shall be public utility services for the purposes of the Industrial Disputes Act, 1947.

CHAPTER VIII

ENVIRONMENT RELATED MATTERS

Designation of Empowered Officer to be part of Approval Committee

23.(1) The State Government may by notification in the Official Gazette empower an officer of the Andhra Pradesh Pollution Control Board (hereinafter the "empowered officer") with the powers of the Andhra Pradesh Pollution Control Board to grant clearances and consents for establishing and operating units and activities in a Zone under the provisions of the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, and the Environment (Protection) Act, 1986. Such empowered officer shall be deputed to the Single Window Approval Committee.

(2) The empowered officer may conduct inspections of the units in a Zone to verify the compliance of the environmental standards as required under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986 and the rules or regulations framed there under.

Delegation of Powers to the Single Window Approval Committee

24. The Single Window Approval Committee shall consider grant of environmental clearance within such time as may be prescribed.

CHAPTER IX

FISCAL BENEFITS

State Taxes and Levies

25.(1)All sales and transactions within the processing area of the Zone shall be eligible for exemption or concession from all taxes, cess, duties, fees or any other levies under any State law to the extent specified below :

(a) Full exemption from Stamp Duty and Registration

Fees shall be available to ,

- (i) approved Units or Co-developers and Operators in the processing area of the Zone on the lease or transfer of the land meant for the purpose; and
 - (ii) a developer on lease or transfer of land used for developing an SEZ;
- (b) The Developer, Co-developer, Unit, Operator or establishment set up in the processing area of the Zone shall be fully exempt from the levy of Stamp duty and registration fees on loan agreements, credit deeds and mortgages executed by them;
 - (c) Inputs (goods, services and intangibles) sold or transferred or leased to Units, Operator, Developer and Co-developer for use in processing area shall be Zero rated under the Andhra Pradesh Value Added Tax, 2005, except for items listed in Rule 20 (2) (a) of the Andhra Pradesh Value Added Tax Rules, 2005;
 - (d) Provisions of sections 22(4) of the Andhra Pradesh Value Added Tax Act, 2005 relating to tax deduction at source shall not be applicable to the Developer, Co-developers, Operators and Units located in the SEZ towards work done in the processing area of the Zone;
 - (e) Purchase of all goods by Developer, Co-developers, Units and the Operators for use in the processing area shall be wholly exempt from the levy of entry tax under the Andhra Pradesh Tax on Entry of Goods into Local Areas Act, 2001;
 - (f) The Developer, Co-developer, Unit and Operators shall be wholly exempt from the payment of Seniorage Fees and Cess on Minor Minerals leviable in the processing areas;
 - (g) The Developer, Co-developer, Units and Operators

shall be wholly exempt from the payment of conversion fees for change of land use to the extent of the processing area of the Zone;

Act No.5 of 2005

- (h) The benefits available under clauses (c) and (e), above shall be available to Contractors and operators appointed by Developer, Co-developer and Units, subject to compliance of such conditions as may be prescribed from time to time. Further Contractors and operators shall be eligible to claim refund of input tax under the Andhra Pradesh Value Added Tax Act, 2005, subject to compliance of such conditions as may be prescribed from time to time.

CHAPTER X

INSPECTION AND ENFORCEMENT

Agency to inspect **26.**Notwithstanding anything contained in any other State Acts, the State Government may, by notification, specify any officer or agency to carry out surveys or inspections for securing of compliance with the provisions of any State Act by a Developer or an entrepreneur or an operator, as the case may be, and such officer or agency shall submit verification and compliance reports, in such manner and within such time as may be specified in the said notification.

Single
Enforcement
Officer or Agency
for notified
offences.

27.(1) The State Government may, by notification, specify any act or omission made punishable under any State Act, as notified offence for the purposes of this Act.

(2) The State Government may, by general or special order, authorise any officer or agency to be the enforcement officer or agency in respect of any notified offences or offences committed in a Zone.

(3) Every officer or agency authorised under sub-

section (2) shall have all the corresponding powers of investigation, inspection, search or seizure as is provided under the relevant Sate Act in respect of the notified offences.

Investigation,
inspection,
search or seizure

28.The agency or officer, specified under section 26 or section 27, may, with prior intimation to the State Government and the Development Commissioner concerned, carry out the investigation, inspection, search or seizure in the Special Economic Zone or in a unit if such agency or officer has reasons to believe (reasons to be recorded in writing) that a notified offence has been committed or is likely to be committed in the Zone:

Provided that no investigation, inspection, search or seizure shall be carried out in a Zone by any agency or officer other than those referred to in sub-section (2) or sub-section (3) of section 27 without prior approval of the State Government:

Provided further that any officer or agency, if so authorised by the State Government, may carry out the investigation, inspection, search or seizure in the Zone or unit without prior intimation or approval of the State Government.

CHAPTER XI

MISCELLANEOUS

Overriding effect
of the Act

29. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other State Acts or in any instrument having effect by virtue of any law other than this Act.

Protection of
action taken in
good faith

30. No suit, prosecution or other legal proceeding shall lie against the State Government, the Development Authority, the Single Window Approval Committee, the local authority, the committee set up by the Developer under section 11, or their members, officers and other employees for anything done in good faith or intended to be done in good faith under this Act.

Members and
employees to be
public servants

31. All members, officers and other employees of the Development Authority, the Single Window Approval Committee and the local authorities, the committee set up by the Developer under section 11 shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act or the rules or regulations made thereunder, to be public servants within the meaning of section 21 of the Indian Penal Code.

Central Act No.
45 of 1860

Power to make
rules

32. (1) The Government may, by notification, make rules to carry out all or any of the purposes of this Act.

(2) Every rule made under this Act shall immediately after it is made, be laid before the Legislative Assembly of the State, if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified, have effect only in such modified form or shall stand annulled as the case may be so, however, that any such modification or annulment shall be without prejudice to the validity of anything

previously done under that rule.

Power to remove difficulties **33.**(1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, make provisions or give such directions not inconsistent with the provisions of this Act, as may appear to it to be necessary or expedient for removal of such difficulties.

Applicability of this Act to existing Zones in the State. **34.** All provisions of this Act shall, as far as may be, apply to every existing Zone. Every existing Zone in the State shall be deemed to have been set up under this Act.

Applicability of this Act to industrial units in the Zone **35.** All provisions of this Act, except provisions relating to Fiscal Benefits contained in Chapter IX, shall apply to Industrial Units engaged in manufacturing or processing of goods, located in the Zone other than in the processing area.

Amendment of certain Acts **36.** With effect from such date as the State Government may, by notification, appoint, the enactments specified in the Third Schedule shall be amended in the manner and to the extent specified therein:

Amendment of Schedules **37.**(1) The State Government may, having regard to the objects of this Act, if it considers necessary or expedient so to do, by notification add to, or the case may be, omit from the First, Second and Forth Schedules any enactment specified therein and thereupon such Schedule shall be deemed to have been accordingly amended:

Provided that when a schedule is to be amended by adding thereto an Act made by the Parliament, such amendment shall be made with the prior approval of the Central Government.

(2) A copy of every notification proposed to be issued under sub-section (1), shall be laid in draft before the Legislative Assembly of the State, while it is in session, for a total period of fourteen days which may

be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the Legislative Assembly agrees in disapproving the issue of the notification or the Legislative Assembly agrees in making any modification in the notification, the notification shall not be issued or, as the case may be, shall be issued only in such modified form as may be agreed upon by the Legislative Assembly.

Delegation of powers

38. The State Government may, by notification, delegate, subject to such conditions as may be specified in such notification, the powers conferred upon any person or authority under any State Act, to the Development Commissioner in relation to the Zone, or matters relating to the development of the Zones or the setting up and operation of units.

First Schedule

(See sub-sec (1) of sec 19)

Delegation of powers of Commissioner of Labour to Development Commissioner

Sr. No.	Short title
1.	The Payment of Wages Act, 1936. - Central Act No. 4 of 1936.
2.	The Industrial Employment (Standing Orders) Act, 1946 - Central Act No. 20 of 1946.
3.	The Factories Act, 1948. - Central Act No. 63 of 1948.
4.	The Minimum Wages Act, 1948. - Central Act No. 11 of 1948.
5.	The Industrial Disputes Acts, 1947. - Central Act No. 14 of 1947.
6.	The Maternity Benefit Act, 1961. - Central Act No. 53 of 1961.
7.	The Payment of Bonus Act, 1965.- Central Act No. 21 of 1965.
8.	The Contract Labour (Regulation and Abolition) Act, 1970. - Central Act No. 37 of 1970.
9.	The Payment of Gratuity Act, 1972. - Central Act No. 39 of 1972.
10.	The Equal Remuneration Act, 1976. - Central Act No. 25 of 1976.

Second Schedule

(See sec 13)

State Acts/Agencies in respect of which Single Window Clearances provided

1. Factories Act, 1948 (Central Act No. 63 of 1948) – Consent for establishment and other approvals from Chief Inspector of Factories;
 2. The Andhra Pradesh Urban Areas (Development) Act, 1975 (AP Act No.1 of 1975) – approvals and functions of the Urban Development Authority within the Zone;
 3. The Andhra Pradesh Municipalities Act, 1965 (AP Act No. 6 of 1965) – approvals and functions of the Municipality within the Zone;
 4. The Andhra Pradesh Town Planning Act, 1920 (AP Act No. VII of 1920) – approvals and functions of the Municipality within the Zone;
 5. Hyderabad Municipal Corporation Act, 1955 (AP Act No. II of 1956) Visakhapatnam Municipal Corporation Act, 1979 (AP Act No. 19 of 1979); Vijayawada Municipal Corporation Act, 1981 (AP Act No. 23 of 1981); The Andhra Pradesh Municipal Corporations Act, 1994 (AP Act No. 25 of 1994) – approvals and functions of the Municipal Corporations within the Zone;
 6. The Andhra Pradesh Panchayat Raj Act, 1994 (AP Act No. 13 of 1994) – approvals and functions of the Gram Panchayat within the Zone;
 7. The Andhra Pradesh Value Added Tax Act, 2005 (AP Act No. 5 of 2005) and Central Sales Tax Act, 1956 (Central Act No. 74 of 1956) - Registration;
 8. The Water (Prevention and Control of
-

Pollution) Act, 1974 (Central Act No. 6 of 1974); Air (Prevention and Control of Pollution) Act, 1981 (Central Act No. 14 of 1981); and Environment (Protection) Act, 1986 (Central Act No. 29 of 1986) - Consent for Establishment and operation of Units, Co-Developers and Operators within the Zone;

9. The Andhra Pradesh Water, Land and Trees Act, 2002 (AP Act No. 10 of 2002) - Permission to exploit Ground and other water sources within the Zone;
 10. The A.P. Fire Services Act, 1999 (AP Act No. 15 of 1999) - approvals, No-objection and consents to establish within the Zone;
 11. Indian Boilers Act, 1923 (Central Act No. 5 of 1923); Indian Boiler Regulations, 1950; Andhra Pradesh Boiler Rules, 1967; Andhra Pradesh Economiser Rules, 1959 – approvals and sanctions within the Zone;
 12. Transmission Corporation of Andhra Pradesh Limited (The Andhra Pradesh Electricity Reform Act 1998 (AP Act No. 30 of 1998) - Feasibility Certificate for Extension of Power and Power Supply to the Zone;
 13. Irrigation department or any other water supply authority or agency - Sanction of Water supply to the Zone;
 14. SEZ Development Authority - Allotment of Land / shed; and
 15. Such other approvals, licences, permits as may be prescribed for carrying out the purposes of this Act.
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Third Schedule
Amendment of certain Acts
(See section 36)

Sl. No	Name of Enactments	Extent of amendment
1	2	3
1.	The Factories Act, 1948 (Central Act No. 63 of 1948)	<p>(1) In section 64, in sub-section (4), after clause (iv) the following shall be added, namely: -</p> <p>“ Provided that in case of factories situate in the Special Economic Zone declared as such by the Government of India the total number of hours of overtime shall not exceed One Hundred and Fifty for any one quarter”</p> <p>(2) In section 65, in sub-section (3), after clause (iv) the following shall be added, namely: -</p> <p>“ Provided that in case of factories situated in the Special Economic Zone declared as such by the Government of India the total number of hours of overtime work in any quarter shall not exceed One Hundred and Fifty”</p> <p>(3) In section 66, in sub-section (1), after the proviso, the following shall be added, namely: -</p> <p>“Provided further that the State Government may, by notification in the Official Gazette, vary time limit laid down in clause (b) in respect of any factory situate in the Special Economic Zone declared as such by the Government of India.”</p>
2.	The Industrial Disputes Act, 1947 (Central Act No. 14 of 1947).	<p>(1) In section 2 of the Act, -</p> <p>(a) to clause (k), the following shall be added at the end, namely: -</p> <p>“but does not include the termination of the service of a workman in accordance with the provisions of Chapter-V-D”</p> <p>(b) in clause (n), after sub-clause (va), the following</p>

shall be inserted, namely:-

“(vb) any service in the industry or establishment set up in the Special Economic Zone declared as such by the Government of India,”;

(c) in clause (oo), in sub-clause (c) ‘or’ shall be added at the end and after adding so, the following shall be inserted, namely:-

“(d) termination of the service of a workman in an industrial establishment situate in the Special Economic Zone declared as such by the Government of India;”;

(d) After clause (q), the following clause shall be inserted, namely :-

“(qa) “termination” means discontinuation by the employer of the service of a workman in an industrial establishment situate in the Special Economic Zone declared as such by the Government of India for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include-

- (i) voluntary retirement of the workman: or
- (ii) retirement of the workman on reaching the age of superannuation in the contract of employment
- (iii) termination of the service of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; or
- (iv) termination of the service of a workman on the ground of continued ill-health;”

Insertion of new Chapter V-D in XIV of 1947 – In principal Act, after Chapter V-C, the following Chapter shall be inserted, namely:-

“CHAPTER V-D”

25V. Special Provision for Special Economic Zone :

(1) The provisions of Chapters V-A and V-B shall not apply to an industrial establishment to which Chapter V-

D applies .

(2) The Provisions of this Chapter shall apply to an industrial establishment set up in the Special Economic Zone declared as such by the Government of India.

25 W. Definitions of continuous service :

For the purposes of this Chapter, -

(1) a workman shall be said to be in continuous service for a period if he is, for that period, in uninterrupted service, including service which may be interrupted on account of sickness or authorized leave or an accident or a strike, which is not due to any fault on the part of the workman ;

(2) where a workman is not in continuous service within the meaning of clause (1) for a period of one year or six months, he shall be deemed to be in continuous service under an employer-

(a) for a period of one year, if the workman, during a period of twelve calendar months preceding the date with reference to which calculation is to be made, has actually worked under the employer for not less than-

(i) one hundred and ninety days in the case of a workman employed below ground in a mine; and

(ii) two hundred and forty days, in any other case;

for a period of six months , if the workman, during a period of six calendar months preceding the date with reference to which calculation is to be made, has actually worked under the employer for not less than-

(i) ninety-five days, in case of a workman employed below ground in a mine; and

(ii) one hundred and twenty days, in any other case.

Explanation.- For the purposes of clause (2), the number of days on which a workman worked under an employer shall include the days on which-

(i) he has been laid off under an agreement or as permitted by standing orders made under the Industrial Employment (Standing Orders) Act, 1946 or under this Act or under any other law applicable to the industrial establishment;

(ii) he has been on leave with full wages, earned in the previous year;

(iii) he has been absent due to temporary disablement caused by accident arising out of and in the course of his employment; and

(iv) in the case of a female, she has been on maternity leave; so however, that the total period of such maternity leave does not exceed twelve weeks.

25X Right of workman laid off for compensation :

Whenever a workman (other than a badli workman or a casual workman) whose name is borne on the muster rolls of an industrial establishment and who has completed not less than one year of continuous service under an employer is laid off, whether continuously or intermittently, he shall be paid by the employer for all days during which he is so laid off, except for such weekly holidays as may intervene, compensation which shall be equal to fifty percent .of the total of the basic wages and dearness allowance that would have been payable to him had he not been so laid off:

Provided that if during any period of twelve months a workman is so laid off for more than forty-five days, no such compensation shall be payable in respect of any period of the lay off after the expiry of the first forty-five days:

Provided further that it shall be lawful for the employer in any case falling within the foregoing proviso to terminate the workman in accordance with the provisions contained in section 25ZA at any time after the expiry of the first forty-five days of lay –off and when he does so, any compensation paid to the workman for having been laid off during the preceding twelve months may be set off against the compensation payable for termination.

Explanation.- “Badli workman” means a workman who is employed in an industrial establishment in the place of another workman whose name is borne on the muster-rolls of the establishment, but shall cease to be

regarded as such for the purposes of this section, if he has completed one year of continuous service in the establishment.

25Y. Duty of Employer to maintain muster rolls of workmen : Notwithstanding that workmen in any industrial establishment have been laid off, it shall be the duty of every employer to maintain for the purposes of this Chapter a muster roll, and to provide for the making of entries therein by workmen who may present themselves for work at the establishment at the appointment time during normal working hours.

25Z. Workman not entitled to compensation in certain cases : No compensation shall be paid to a workman who has been laid off-

(i) if refuses to accept any alternative employment in the same establishment from which he has been laid off, or in any other establishment belonging to the same employer situate in the same employer situate in the same town or village or situate within a radius of five miles from the establishment to which he belongs, provided that the wages which would normally have been paid to the workman are offered for the alternative employment also; .

(ii) if he does not present himself for a work at the establishment at the appointed time during normal working hours at least once a day;

(iii) if such laying off is due to strike or slowing down of production on the part of the establishment.

25ZA. (1) No workman employed in any industry who has been in continuous service for not less than one year under an employer shall be terminated (otherwise than as a punishment inflicted by way of disciplinary action) by that employer until-

(a) the workman has been given one month's notice in writing and the period of notice has expired, or the workman has been offered in lieu of such notice, wages for the period of the notice;

(b) the workman has been paid compensation

equivalent to thirty days salary for every completed year of continuous service in such manner as may be prescribed.

(2) Where the workman has been insured through insurance policy by the employer for the social security to receive the compensation in the case of termination, equivalent to thirty days salary for every completed year of continuous service, the employer, instead of making payment of compensation under clause (b) of sub-section (1), shall forward all the necessary documents of such workman to the Insurance Company within fifteen days after termination.

25ZB. Compensation to workman in case of transfer of undertaking : Where the ownership or management of an undertaking is transferred, whether by agreement or by operation of law, from the employer in relation to that undertaking to a new employer, every workman who has been in continuous service for not less than one year in that undertaking immediately before such transfer shall be entitled to notice and compensation in accordance with the provisions of section 25ZA, as if the workman had been terminated:

Provided that nothing in this section shall apply to a workman in any case where there has been a change of employers by reason of the transfer, if-

- (a) the service of the workman has not been interrupted by such transfer;
- (b) the terms and conditions of service applicable to the workman after such transfer are not in any way less favorable to the workman than those applicable to him immediately before the transfer; and
- (c) the new employer is, under the terms of such transfer or otherwise, legally liable to the workman, in the event of his termination, compensation on the basis that his service has been continuous and has not been interrupted by the transfer.

25ZC. Sixty days notice to be given of intention

of undertaking : An employer who intends to close down an undertaking, shall at least sixty days before the date on which the intended closure is to become effective, a notice, in the prescribed manner, on the State Government stating clearly the reasons for the intended closure of the Undertaking.

25ZD. Compensation to workman in case of closing down of undertaking : Where an undertaking is closed down for any reason whatsoever, every workman, who has been in continuous service for not less than one year in that undertaking immediately before such closure shall be entitled to compensation in accordance with the provisions of section 25ZA, as if the workman had been terminated."

4. The Contract Labour (Regulation and Abolition) Acts, 1970 (Central Act No.37 of 1970.)
In Section 2, in clause (e), in sub-clause (ii), after the words "carried on" the words: - "other than the place or area of the Special Economic Zone declared as such by the Government of India" shall be added.
 5. The Trade Unions Acts, 1926 (16 of 1926)
In section 22, after the first proviso, the following proviso shall be added, namely:
"Provided further that all the office bearers of the registered trade union of the industrial establishments situate in the Special Economic Zone declared as such by the Government of India shall be persons actually engaged or employed in an industry with which trade union is connected."
 - 6 The Andhra Pradesh Shops and Establishments Act, 1988 (AP Act No. 20 of 1988)
In section 1, in sub-section (4), in clause (i) after the words "commencement of this Act" the words "other than the place or area of a Special Economic Zone declared as such by the Government of India", shall be added.
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Fourth Schedule

(Section – 11)

Powers and functions of Gram Panchayats to be exercised by local Authority

Sl. No.	Section in the APPR Act, 1994 (Nature of Power & Functions in Brief)	Nature of Power / Functions
1.	60 to 69, 71, 72 and 73.	Provisions relating to Taxation and Finance.
2.	93 to 103.	Provisions relating to Public Safety, Convenience and Health.
3.	104 to 112	Public & Private markets related issues.
4.	120 to 123	Constructions of factory, workshop buildings
5.	126 to 129, 131, 132, 133, 134 to 142 and 145	General and Miscellaneous (Gram Panchayats) Provisions.
6.	254 to 257, 260 to 264 and 267	Miscellaneous Provisions.
7.	271, 272 and 273	Provisions relating to Rules, Bylaws and penalties.
8.	Schedule – I	General Powers and functions of Panchayats.
9.	Schedules – III and IV	Provision for ordinary penalties and continuing breaches.

STATEMENT OF OBJECTS AND REASONS

The Government of India has announced EXIM Policy relating to Special Economic Zone with a view to augmenting infrastructural facilities for export production. The Central Government has also offered various incentives and facilities to the Developer of the Zone as well as to the industrial units to be set up in the Zone. The concept of Special Economic Zone is to bring large dividends to the State in terms of economic and industrial development and the generation of new employment opportunities. In order to achieve rapid economic growth to attract investment and to ensure systematic and integrated development of the industry in the State, it was considered necessary to enact a law for the establishment of the Special Economic Zones in the State.

With a view to securing planned development of the Special Economic Zone in the State, the development authority consisting of high ranking officers has been constituted. It is the responsibility of the Developer of a Zone to develop, construct, install, operate, manage and maintain all the infrastructural facilities, amenities and services in the Zone.

In order to streamline the system and speedy clearance, the management of the Zone has been entrusted to the Development Commissioner. All the powers, duties and functions conferred on the Commissioner of Labour under various labour laws have been given to the Development Commissioner of the Zone. The single window system has been adopted for the Zone by way of providing a common application form for approval, clearance, licence, registration and no objection certificate under various laws and to submit single return for two or more laws.

The Developer of the Zone has to provide facilities of water, road, bridges, gas distribution network, etc., and the area of the Zone would be an industrial township.

With a view to attracting the Industrialists and entrepreneur to establish industrial units in the Zone, the State Government has proposed to grant the various fiscal benefits. The stamp duty and registration fee payable on transfer of land in the Zone has been exempted and there would be no registration fee or stamp duty leviable on loan agreement, credit deeds, mortgages executed by the unit in the processing area of Zone. The sales tax, purchase tax and other taxes and cess payable on sales and transactions have also been exempted. The inputs made to Units from Domestic Tariff Area have also been exempted from sales tax and other taxes under the State laws. In applying flexible labour policy in the Zone, certain labour laws enactments have been amended.

This Bill seeks to give effect to the above decision.

Dr.J.GEETA REDDY
Minister for Tourism, Sugar, Major Industries,
Commerce & Export Promotion

FINANCIAL MEMORANDUM

In order to make the APSEZ project commercially viable and to attract the private investors the Government of Andhra Pradesh have accorded off site and on site support. Further when these SEZs are established, they in turn will bring in a significant increase in employment, ancillary industries which would generally improve the economic situation in the State. All these result indirectly to exchequer by way of additional taxes on consumption of articles, increase in the income tax collection and also general development of the State.

**Dr.J.GEETA REDDY,
Minister for Tourism, Sugar, Major Industries,
Commerce & Export Promotion**

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1(3), 3(1), (4), 4(4), 5(2), (4), 6 (2) (a), 7(2), 10(1), 11(3), 12 (1), 13(1), (2), (5), 24, 25(1), (4), 26, 27(3), 37 (1) and 38 of the Bill authorizes the Government to issue notifications and to make rules in respect of matters specified therein and generally to carry out the purposes of the Act. The notification so issued which are intended to cover matters mostly of procedural in nature are to be laid on the Table of the Legislative Assembly of the State and will be subject to any modification made by the Legislative Assembly.

The above provision of the Bill regarding Delegated Legislation are thus of a normal type and are mainly intended to cover matters of procedure.

Dr.J.GEETA REDDY,
Minister for Tourism, Sugar, Major Industries,
Commerce & Export Promotion

**MEMORANDUM UNDER RULE 95 OF THE RULES OF PROCEDURE AND CONDUCT OF
BUSINESS IN THE ANDHRA PRADESH LEGISLATIVE ASSEMBLY**

The Andhra Pradesh Special Economic Zones, Bill, 2005 after it is passed by the Legislative Assembly of the State may be reserved by the Governor for consideration and assent of the President under article 254 (2) of the Constitution of India.

**Dr.J.GEETA REDDY,
Minister for Tourism, Sugar, Major Industries,
Commerce & Export Promotion**

**K. TULJANAND SINGH,
Secretary to State Legislature.**