



The Gujarat Government Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

LVIII]

WEDNESDAY, AUGUST 23, 2017/BHADRA 1, 1939

Separate paging is given to this Part in order that it may be filed as a Separate Compilation.

PART IV

Acts of Gujarat Legislature and Ordinances promulgated and Regulations made by the Governor

The following Act of the Gujarat Legislature, having been assented to by the Governor on the 22nd August, 2017 is hereby published for general information.

K. M. LALA,

Secretary to the Government of Gujarat, Legislative and Parliamentary Affairs Department.

GUJARAT ACT NO. 29 OF 2017.

(First published, after having received the assent of the Governor, in the "Gujarat Government Gazette", on the 23rd August, 2017).

ANACT

to provide for speedy process for issue of various licenses, clearances and certificates required for setting up of industrial undertakings for the promotion of industrial development and also to provide for an investor friendly environment in the State and for matters connected therewith or incidental thereto.

It is hereby enacted in the Sixty-eighth Year of the Republic of India as follows:-

CHAPTER I

PRELIMINARY

- **1.**(1) This Act may be called the Gujarat Single Window Clearances Act, Short title and commencement.
- (2) It shall come into force at once.

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Definitions. 2. In this Act, unless the context, otherwise requires,-

- (1) "Clearances" means grant or issue of no-objection certificate, allotments, consents, approvals, permissions, registrations, memorandum, enrollments, licenses and the like, by any competent authority or authorities in connection with the setting up of an industrial undertaking in the State under the relevant Acts and shall include all such clearances required till the industrial undertaking starts commercial production;
- (2) "competent authority" means any department or agency of the State Government, authorized agency, Gram Panchayat, Municipality or other local body, who are entrusted with the powers and responsibilities to grant or issue clearances under the State laws;
- (3) "District Level Facilitation Committee (DLFC)" means the Committee constituted under section 5;
- (4) "Ease of Doing Business" means the Ease of Doing Business initiative of the Department of Industrial Policy and Promotion, Government of India;
- (5) "Industrial Undertaking" means the undertakings specified by the State Government in this regard which are engaged in manufacturing or processing or both or providing service or doing any other business or commercial activity;
- (6) "Investor Facilitation Agency" means the agency notified under section 8;
- (7) "prescribed" means prescribed by rules made under this Act;
- (8) "relevant Acts" means the Acts specified by the State Government under section 3;
- (9) "Single Window Facilitation Committee (SWFC)" means the Committee constituted under section 6;

- (10)"State Level Facilitation Committee (SLFC) means the Committee constituted under section 7;
- (11)"time limit" means period within which it is mandatory to process and dispose of the applications.

CHAPTER II CONSTITUTION, POWERS AND FUNCTIONS OF DISTRICT LEVEL FACILITATION COMMITTEE, SINGLE WINDOW FACILITATION COMMITTEE, STATE LEVEL FACILITATION COMMITTEE, INVESTOR FACILITATION AGENCY

3.An entrepreneur desiring to set up an industry in the State and obtain clearances under the relevant Acts as may be specified by the State Government by notification in the Official Gazette, may apply to the Committee having pecuniary jurisdiction as specified under section 4.

Specification of relevant Acts.

4.The State Government may, by notification in the *Official Gazette* specify the investment limit up to which the applications for clearances shall be made to either the District Level Facilitation Committee, the Single Window Facilitation Committee or the State Level Facilitation Committee.

Pecuniary Jurisdiction Committees.

5.(1) The State Government may, by notification in the *Official Gazette*, constitute a District Level Facilitation Committee for each district, which shall consist of the District Collector as the Chairman and such other number of members as may be specified by the State Government by notification in the Official Gazette. The General Manager, District Industries Centre shall be the Member-Secretary of such Committee.

Constitution, powers and functions of **District Level** Facilitation Committee.

- (2) The District Level Facilitation Committee shall exercise the following powers and perform the following functions, namely:-
 - (i) to meet at such time and places at least once in a month as the Chairman of the Committee may decide and shall transact business as per the procedure as may be prescribed;

- (ii) the competent authorities shall proceed to issue the required clearance within the time limit stipulated under section 13 subject to compliances by the entrepreneur of provisions of the applicable State Laws and the rules made thereunder;
- (iii) DLFC shall review all applications pending beyond time limit in various departments. The list of pending application may be procured from Investor Facilitation Portal.
- (iv) DLFC may direct appropriate authorities for taking decision of applications pending beyond the prescribed time limit.
- (v) DLFC may scrutinize the records regarding the delay and if it finds that the delay has been caused by willful default, it may recommend to the Single Window Facilitation Committee to take appropriate disciplinary action against the competent authority.
- (vi) DLFC shall take all necessary steps to assist industrial investments in the district which includes review of Investment Intentions and shall send report to the State Level Facilitation Committee through Investor Facilitation Portal.
- (vii) DLFC shall suggest policy level suggestions to the Single Window Facilitation Committee to improve the investment atmosphere of the State.
- (viii) to review and monitor the processing of applications by the competent authorities.
- (ix) to inform the applicant of the date on which the application was received by the competent authority and the date on which such application has been approved or rejected;
- (x) to forward cases with remarks and relevant documents to the Single Window Facilitation Committee for decision under section 14;

- (xi) to invite competent authorities or experts, who are not members of the Committee, as special invitees at any meeting of the District Level Facilitation Committee as desired by the Chairman or the Member- Secretary of the Committee;
- a Member of the District Level Facilitation Committee shall attend (xii) the meeting convened under clause (i) personally and in case he is unable to attend the meeting, he may depute a senior level officer with a written authorization to take appropriate decision in the meeting;
- (xiii) such other powers and functions as may be prescribed.
- **6.** (1) The State Government may, by notification in the *Official Gazette*, Constitution, constitute a Single Window Facilitation Committee, under the chairmanship of the Chief Secretary of the State of Gujarat as the Chairman and such other number of members as may be specified by the State Government by notification in the Official Gazette. The Industries Commissioner shall be the Member- Secretary of such Committee.

powers and functions of Single Window **Facilitation** Committee.

- (2) The Committee shall exercise the following powers and perform the following functions, namely:-
 - (i) to meet at such times and places at least once in a month as the Chairman of the Committee may decide and shall transact its business as per such procedure as may be prescribed;
 - the competent authorities shall proceed to issue the required (ii) clearance within the time limit stipulated under section 13 subject to compliances by the entrepreneur of provisions of the applicable Central or State Acts and the rules made thereunder:
 - (iii) to review and monitor the processing of applications by the competent authorities and the District Level Facilitation Committee;

- (iv) to inform the applicant of the date on which the application was received by the competent authority and the date on which such application has been approved or rejected;
- (v) to forward cases with remarks and relevant documents to the State Level Facilitation Committee for decision under section 16;
- (vi) to invite competent authorities or experts, who are not members of the Committee as special invitees for at meeting of the State Committee as desired by the Chairman or the Member - Secretary of the Committee;
- (vii) All applications and grievances pending beyond the time limit under Investment Facilitation Portal shall be reviewed by the committee and direction shall be given to the competent authority to undertake necessary action.
- (viii) The Committee shall have power to ask for reason of delay and may call for necessary information and personal appearance of competent authority whose applications and grievances are pending beyond the prescribed time limit.
- (ix) The Committee shall, after performing necessary inquiry, may recommend the action against the competent authority if the Committee is of the opinion that there is willful default in delaying the approval process of applications and grievances.
- (x) The Committee may appoint a senior officer to inquire into the reasons of delay in disposal of applications by the competent authority or the grievances raised by the applicant.
- (xi) It may review the industrial investment of the state and make necessary recommendations to the SLFC.
- (xii) A Member of the Single Window Facilitation Committee shall attend the meeting convened under clause (i) personally and in case

he is unable to attend the meeting, he may depute a senior level officer with a written authorization to take appropriate decision in the meeting;

- (xiii) such other powers and functions as may be prescribed.
- 7. (1) The State Government may, by notification in the Official Gazette, Constitution, constitute a State Level Facilitation Committee (SLFC), under the chairmanship of the Chief Minister and such other number of the members for any specified purpose, or specified sector and delegate to them such powers Committee. and functions consistent with the provisions of this Act as the State Government may deem fit.

powers and functions of State Level **Facilitation**

- (2) The State Level Facilitation Committee shall exercise the following powers and perform the following functions, namely:-
 - (i) may take decision on development of new infrastructure required for industrial development in the State;
 - (ii) may take policy level decisions on sector specific development;
 - (iii) may direct competent authority to fast track the applications;
 - shall meet as often as required to carry out its functions but it shall (iv) meet at least twice in every year, as the Chairman of the SLFC may decide, for review of performance of the SWFC and DLFC and for providing necessary recommendations wherever required;
 - (v) may also consider matters referred by the SWFC and the State Government, and take appropriate decisions;
 - may make recommendations/ suggestions for development of (vi) investment atmosphere of the state;
 - (vii) may also decide on any other development related aspects to the State;
 - (viii) may invite competent authorities or experts, who are not members of the Committee as Special Invitees for any meeting as desired by the Chairman and or Member Secretary of the Committee;

- (ix) the Committee shall -
 - (a) consider and decide cases under sections 15 and 17;
 - (b) exercise such other powers and perform such other functions as may be prescribed.
- (3) A Member of the State level Committee shall attend the meeting convened under clause (i) personally and in case he is unable to attend the meeting, he may depute a senior level officer with a written authorization to take appropriate decision in the meeting;
- (4) The decisions of the Committee shall be binding on the Single Window Facilitation Committee, District Level Facilitation Committee and the competent authorities.

Constitution, powers and functions of Investor Facilitation Agency.

- **8.** (1) The State Government may, by notification in the *Official Gazette*, appoint an Investor Facilitation Agency at the State level, which shall be a cell headed by the Industries Commissioner with such other supervisory and secretarial staff as may be required. The Investor Facilitation Agency shall act as a nodal agency for the purposes of this Act.
- (2) The functions of the Investor Facilitation Agency shall, among others, include the following, namely:-
 - (a) to guide and assist entrepreneurs to set up industries in the State;
 - (b) to carry out investment promotion activities;
 - (c) to render necessary assistance in policy formulation for industrial progress;
 - (d) to co-ordinate with various State Government departments for investor applications, integration of websites with Investor Facilitation Portal and any such support as may be required for the smooth functioning of the Investor Facilitation Portal;

- (e) to resolve investor grievances related to any approvals/ incentives/ land related issues/ technical issues and any other issues in the manner as may be prescribed;
- (f) to perform such functions as may be prescribed including budgeting, sourcing of manpower, infrastructure which is to be extended up to the district level;
- (g) in consultation with the Government of Gujarat, communicate with the Department of Industrial Policy and Promotion, Government of India for Ease of Doing Business matters;
- (h) to provide secretarial support to the State Level Facilitation Committee, Single Window Facilitation Committee or, as the case may be, the District Level Facilitation Committee;
- (i) under the superintendence, direction and control of the State Level Facilitation Committee, Single Window Facilitation Committee or, as the case may be, the District Level Facilitation Committee, the Investor Facilitation Agency shall arrange to issue combined application form, acknowledge all applications filed before the concerned Committee. The Investor Facilitation Agency shall pursue the clearance of the applications with the competent authorities;
- (j) to perform any other function as may be entrusted to it by the State Government.
- (3) The Investor Facilitation Agency shall, in addition to the functions referred to in sub-section (1), shall also prepare and regularly update an Entrepreneurs Guide providing complete particulars relating to -
 - (a) State and Central Industrial policies.
 - (b) procedure to obtain the required clearances from the departments and authorities.
 - (c) information on industrial status and advantages existing in the State.
 - (d) salient features of Acts and the rules made thereunder applicable to an industrial undertaking, and
 - (e) any other information useful to the entrepreneurs.

Application for clearances.

9. All applications for clearances shall be submitted for getting clearance in such form and with such processing fee as may be prescribed to the competent authority.

CHAPTER III MISCELLANEOUS

Power to call additional information.

- **10.** (1) On receipt of an application under sub-section (2) of section 8, the competent authority shall have power to obtain further additional information from the applicant as required by him, through Investor Facilitation Agency with advance copy of the same to the applicant.
- (2) The applicant shall furnish the required information as expeditiously as possible to the competent authority and also to the Investor Facilitation Agency simultaneously.
- (3) The competent authority shall send its orders sanctioning or rejecting the application, as the case may be, to the Investor Facilitation Agency.

Combined application form.

- 11. (1) It shall be competent for the State Government to prescribe combined application forms which may consist of existing forms or new forms in lieu of the existing form under State enactments, and may prescribe the manner of submission of such forms.
- (2)All Departments or competent authorities concerned shall accept such application forms for processing and issue of required clearance.

Self Certification.

- **12.** (1) Every entrepreneur or authorized representative of applicant firm shall furnish a 'Self Certification' in such form as may be prescribed at the time of submitting application form to the Investor Facilitation Agency, undertaking that he shall comply with the applicable provisions of the relevant Acts and the rules made thereunder.
- (2)The self-certification furnished by the entrepreneur or his authorized representative shall be accepted by the concerned Departments or the competent authorities for the purpose of issue and granting clearance.

13. Subject to the provisions of the relevant law for the time being in force -

Time limits for processing of applications.

- (1) the State Government may prescribe the manner of processing and disposal of applications;
- (2) the State Government may prescribe time limits for complete application, which shall be mandatory to process and dispose of applications by the competent authorities. The State Government may also prescribe time limit for dispose of the application where additional information is called for from the applicant;
- (3) the competent authority may ask for additional information before the expiry of the period stipulated for the disposal of such clearance through Investor Facilitation Agency with advance copy of the same to the applicant:

Provided that the competent authority shall strictly ensure that all the required information is called for together in a single communication for avoiding delay in clearance and unnecessary harassment to the applicant;

- (4) after receipt of the additional information, the competent authority shall pass an order on the application before the expiry of the prescribed time limit from the date of receipt of such additional information.
- 14. Subject to the provisions of any relevant law for the time being in force-

Review of District Level

- (1) the DLFC may, either *suo motu* or on a reference, examine any order passed by any competent authority, rejecting any clearance or approving it with modification, and if the District Level Facilitation Committee considers that there are valid grounds for a change in such decision, it shall forward such case to the SWFC with remarks and relevant documents for a decision.
- (2) the SWFC shall examine all cases referred to it by the District Level Facilitation Committee and pass appropriate orders:

Provided that the cases relating to the orders passed by the State Government as a competent authority shall be referred to the SLFC for decision.

(3) The decision taken by the SLFC shall be binding on the District Level Facilitation Committee and the competent authorities.

Revision of
District
Level cases
by the Single
Window
Facilitation
Committee.

15. Subject to the provisions of any relevant law for the time being in force, the Single Window Facilitation Committee may, either *suo motu* or on a reference, examine any orders passed by the District Committee and pass appropriate orders as it deems fit and such orders shall be final.

Review of State Level cases. **16**. Subject to any law for the time being in force, -

- or on a reference, examine any order passed by any competent authority, rejecting any clearance or approving it with modification or the grievances relating to technical, procedural or other issues relating to disposal of any application, and if the Single Window Facilitation Committee considers that there are valid grounds for a change in such decision, it shall forward such case to the State Level Facilitation Committee with remarks and relevant documents for a decision.
- (2) The State Level Facilitation Committee shall examine all cases referred to it by the Single Window Facilitation Committee and pass an appropriate order.
- (3) The order passed by the SLFC shall be binding on the State Single Window Facilitation Committee, District Level Facilitation Committee and the competent authorities and shall be final.

Revision of State Level cases by State Level Facilitation Committee.

17. Subject to any law for the time being in force, the SLFC may, either *suo motu* or on a reference, examine any order passed by the State Level Facilitation Committee and pass an appropriate order as it deems fit and such order shall be final.

18. (1) Any entrepreneur who fails to comply with the conditions or undertakings as per declaration submitted to the given Agency or furnishes false information the application shall be liable to be rejected and such entrepreneur shall be required to apply afresh with necessary documents.

Penalty.

- (2) A *lump sum* penalty may be imposed against an official who fails to provide approval or disposal of the application without any genuine reason within prescribed time limit, which shall not be less than one thousand rupees and may extend up to five thousand rupees.
- **19.** (1) Inspections under the relevant Acts or the rules made thereunder by the different authorities shall be conducted jointly.

Inspections.

- (2) The department may conduct inspection based on computerized risk assessment prescribed under the relevant Act or the rules made thereunder. However, the inspection in respect of the complaints are may be conducted under the authorization of the Head of the Department.
- (3) The surprise inspections may be conducted with the specific permission of the concerned Department.
- **20.** The provisions of this Act shall be in addition to and not in derogation of, any provision of any existing law.

Act to be in addition.

21. The State Government shall have power to issue directions from time to time as may be required for compliance of the provisions of this Act, the rules made thereunder and under any other law for the time being in force and the SWFC or the DLFC shall be bound to comply with such directions.

Power to give directions.

22. No suit or legal proceedings shall lie against the Chairman or other members of any Committee under this Act or any employee of such Committee in respect of anything which is done or intended to be done in good faith under this Act or any rules made thereunder.

Protection of action taken in good faith.

23. (1) The State Government may, by notification in the *Official Gazette*, make rules for carrying out the purposes of this Act.

Power to make rules.

- (2) In particular and without prejudice to the generality of the foregoing power, such rules may be made to provide for all or any of the matters expressly required or allowed by this Act to be prescribed by rules.
- (3) All rules made under this section shall be laid for not less thirty days before the State Legislature as soon as may be after they are made and shall be subject to rescission by the State Legislature or to such modification as the State Legislature may make during the session in which they are so laid or the session immediately following.
- (4) Any rescission or modification so made by the State Legislature shall be published in the *Official Gazette*, and shall thereupon take effect.

Power to remove difficulties.

24. (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the *Official Gazette*, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.

(2) Every order made under this section shall be laid as soon as may be, after it is made, before the State Legislature.
