



## The Chhattisgarh Audyogik Nivesh Protsahan Adhiniyam, 2002

Act 7 of 2002

**Keyword(s):**

**Factory Building, Industrial Estate, Industrial Plot, Occupier, Transfer, Transferee**

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## CHHATTISGARH ACT

(No. 7 of 2002)

**CHHATTISGARH AUDYOGIK NIVESH PROTSAHAN ADHINIYAM, 2002**

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- (d) Representative of the Chhattisgarh State Electricity Board, not below the rank of an Executive Engineer, by whatever name designated.
- (e) Nominee of the Department of Labour of the State Government not below the rank of an Assistant Commissioner.
- (f) Nominee of the Department of Forests of the State Government not below the rank of a Divisional Forest Officer.
- (g) Nominee of the Department of Water Resources of the State Government, not below the rank of an Executive Engineer.
- (h) Nominee of the Department of Public Works of the State Government, not below the rank of an Executive Engineer.
- (i) Nominee of the Department of Mineral Resources, of the State Government, being not below the rank of a District Mining Officer.
- (j) Nominee of the Department of Agriculture of the State Government, not below the rank of a Deputy Director.
- (k) Chairperson of the relevant Local government in whose jurisdiction the Project is proposed to be located, or his nominee not below the rank of the Commissioner or Chief Municipal Officer in the case of an urban body, or not below the rank of a Chief Executive Officer in the case of a Zila Panchayat.
- (l) Nominee of the Department of Housing and Environment of the State Government, not below the rank of an Assistant Director of the Town & Country Planning Organization.

5. (1) Notwithstanding anything contained in any law enacted by the Legislative Assembly of the State and for the time being in force, each District Committee shall, for the purpose of promoting and facilitating investments in projects, exercise powers of any Local Government or of any authority or agency of the State Government within the District, in respect of the following:

- (a) allotment of land in identified industrial area for the project or projects;
- (b) Identification, allocation and facilitation of sources of water and other utilities including electric power;
- (c) all approvals in respect of matters relating to the implementation of the project from the local governments; and
- (d) approvals, if any, relating to matters concerning the welfare of labour.

Functions and overriding powers of the District Investment Promotion Committee.

- (2) The District Committee shall hold at least one meeting every month;

Provided that the State Government may at any time require in writing that a meeting of the District Committee be held, and the Committee shall then proceed to hold meeting as expeditiously as it can, but not later than seven working days in any case, to dispose such matters as may be referred to it.

- (3) The members of the District Committee shall be jointly and severally responsible for providing the services specified in Schedule-II within the time period prescribed therein, provided that if the time period can not be adhered-to for any reason, the investor and the Divisional Committee shall be communicated in writing before the expiry of the period.

Divisional investment promotion committee and meetings thereof. 6.

- (1) The State Government shall constitute for each Revenue Division, a Committee to be designated as the Divisional Investment Promotion Committee for promoting and facilitating the implementation of industrial and other projects;

Constitution of the Divisional Investment Promotion Committee. 7.

A Divisional Investment Promotion Committee shall consist of the following members, namely

- (a) A Chairperson, who shall be the Commissioner of the Revenue Division.
- (b) Such number of persons, not exceeding five, as the State Government may nominate from the fields of industry, trade and commerce, labour and education.
- (c) Collector of the District in which the Project is proposed.
- (d) Chairperson of the Chhattisgarh State Electricity Board or his nominee not below the rank of a Chief Engineer.
- (e) Secretary in charge of matter relating to Labour, or his nominee not below the rank of a Deputy Commissioner.
- (f) Secretary in charge of matter relating to Forests, or his nominee not below the rank of a Conservator of Forests.
- (g) Secretary in charge of matter relating to Water Resources, or his nominee not below the rank of a Chief Engineer.
- (h) Secretary in charge of matter relating to Public Works, or his nominee not below the rank of a Superintending Engineer.
- (i) Secretary in charge of matter relating to Mining, or his nominee not below the rank of a Joint Director.

- (j) Secretary in charge of matter relating to Agriculture, or his nominee not below the rank of a Joint Director.
- (k) Chairperson of the relevant Local Government in whose jurisdiction the Project is proposed to be located, or his nominee not below the rank of the Commissioner or Chief Municipal Officer in the case of an urban body, or not below the rank of Chief Executive Officer in the case of a Zila Panchayat.
- (l) Secretary in charge of matter relating to Housing and Environment, or his nominee not below the rank of a Deputy Director of the Town and Country Planning Organization.
- (m) A nominee of the Secretary in charge of the matter relating to Industries, not below the rank of a Joint Director, who shall be the *ex-officio* Convener of the Committee.

8. (1) Notwithstanding anything contained in any law enacted by the Legislative Assembly of the State and for the time being in force, each Divisional Committee shall, for the purpose of promoting and facilitating investments, exercise powers of any local government or of any authority or agency of the State Government within the Division, in respect of the following:-

Functions and overriding powers of the Divisional Investment Protection Committee.

- (a) identification and allotment of land for the project or projects;
- (b) identification, allocation and facilitation of sources of water and other utilities including electric power;
- (c) all approvals in respect of matters relating to the implementation of the project from the local governments;
- (d) approvals, if any, relating to the Chhattisgarh Environment Protection Board;

*Explanation*—for the purposes of this clause the Divisional Committee shall be deemed to be an Officer of the Board for the exercise of powers delegated by it, and

- (e) approvals, if any, relating to matters concerning the welfare of labour.
- (2) The Divisional Committee shall hold at least one meeting every month:

Provided that upon request in writing by an investor, a meeting of the Divisional Committee may be held within two weeks of such requisition;

Provided further that if no meeting is held upon such request and within the said period, the investor shall be informed in writing the reasons therefor;

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Provided also that the State Government may at any time require in writing that a meeting of the Divisional Committee be held, and the Committee shall then proceed to hold a meeting as expeditiously as it can, but not later than seven working days in any case, to dispose of such matters as may be referred to it.

- (3) The members of the Divisional Committee shall be jointly and severally responsible for providing the services specified in Schedule II within the time period prescribed therein; provided that if the time period can not be adhered to for any reason the investor and the State Board shall be communicated in writing before the expiry of the time period.

9. The State Government shall constitute a State Investment Promotion Board for promoting and facilitating the implementation of industrial and other projects.

State Investment Promotion Board.

10. (1) The State Investment Promotion Board shall consist of the following members, namely :-

Constitution of the State Investment Promotion Board.

- (a) A Chairperson, who shall be the Chief Minister of Chhattisgarh.
- (b) A Vice Chairperson, who shall be the Minister-in-charge of matters relating to Industries.
- (c) Such member of persons, not exceeding seven, as the State Government may nominate from the fields of industry, trade and commerce, labour and academics.
- (d) Minister-in-charge of matters relating to Finance.
- (e) Minister-in-charge of matters relating to Energy.
- (f) Minister-in-charge of matters relating to Labour.
- (g) Minister-in-charge of matters relating to Forests.
- (h) Minister-in-charge of matters relating to Water Resources.
- (i) Minister-in-charge of matters relating to Agriculture.
- (j) Minister-in-charge of matters relating to Public Works.
- (k) Minister-in-charge of matters relating to Minerals.
- (l) Minister-in-charge of matters relating to Local Government
- (m) Minister-in-charge of matters relating to Housing and Environment.
- (n) State Minister-in-charge of matters relating to Industries.

Functions and over-riding powers of the State Investment Promotion Board.

11.

- (a) Chief Secretary of the Government; and
- (p) Secretary in charge of matters relating to Industries by whatever name designated, shall *ex-officio* be the Convener of the Committee.
- (2) The State Board shall have the power to regulate its own procedure.
- (1) Notwithstanding anything contained in any law enacted by the Legislative Assembly of the State and for the time being in force, the State Board shall, for the purpose of promoting and facilitating investments, exercise powers of the State Government or any authority or agency under it, in respect of the following:
- (a) All proposals that may be referred to it by the District and Divisional Committees;
- (b) All proposals that are brought before it by the investor.
- (c) To hear and decide representations from Investors against any decision of the Divisional Investment Promotion Committee.
- (d) Nothing contained in the foregoing clauses of this sub-section shall prevent the Board from considering suo motu proposals in regard to investments in projects;
- (e) Simplification of procedures of the State Government in respect of any or all matters relating to the investment and the operations of the project.
- (f) Fixation of Minimum Wages consistent with the welfare of labour and competitiveness of investment in the State;
- (g) To take action according to Government policies in respect of all matters relating to promotion of investment in all sectors of the economy of the State.
- (2) The Board shall hold at least one meeting every months;

Provided that upon a request in writing by an investor, a meeting of the State Board may be held within two weeks of such requisition;

Provided further that if no meeting is held upon such request and within the said period, the investor shall be informed in writing the reasons there for;



**CHAPTER-III**  
**SERVICES FOR THE INVESTORS**

12. (1) All proposals for investment in the State, of various categories as mentioned in Schedule-I, or any expression of interest in respect of any project proposed to be located therein, shall be received by the Conveners of the District Committee, the Divisional Committee or the State Board, as the case may be; and, each such Convener shall be designated the Point of Investor Contact at the level of the District Committee or Divisional Committee or the State Board, as the case may be. Points of Investor contact.
- (2) The Point of Investor Contact at each level shall cause to furnish all information in respect of the proposal as may be necessary for assisting the investor to complete all documentation in respect of the project, and shall thereafter, as soon as may be and in any case not later than fifteen working days from the date of receipt of the proposal, proceed to bring the proposal before the District Committee, or Divisional Committee or the State Board, as the case may be.
- (3) The Point of Investor Contact shall cause the District Committee or Divisional Committee or the State Board, as the case may be, to process, and give approvals where necessary, to the proposal within the time period specified in Schedule II.
- (4) The Point of Investor Contact at the level of the District Committee or the Divisional Committee, as the case may be, shall convey to the State Board, all such approvals that may have been granted by the Committee, stating therein reasons for not processing or approving other proposals, if any; and it shall be the responsibility of the Point of Investor Contact in his capacity as the Convener of the State Board to place before it all such proposals, as well as any proposals required to be presented before the Board for its approval in terms of sub-section (1) of Section 11.
- (5) The Point of Investor Contact at the level of District Committee or Divisional Committee or the State Board, as the case may be, shall ensure that the investor shall not be required to contact any other agency or authority of the Government in respect of any activity required for the successful establishment of the project in the State, unless so required under any law of the Parliament for the time being in force; and, to inform the status of the proposal to the investor at such regular intervals of time as the State Board may decide.
- (6) The Point of Investor Contact shall obtain and forward the appropriate approvals of the State Investment Promotion Board to the Central Government, all such proposals as may require the recommendations of the State Government or any of its agencies for any decision to be made by the Central Government.

- (7) All communications in respect of the investment proposals that may be entered in to with investors, for and on behalf of the agencies or authorities of the Government, including that on behalf of the Local Government as well as the District Committee or Divisional Committee or the State Board, as the case may be, shall only be made by the appropriate Point of Investor Contact and none other.
- Facilitation services for the Investor.** 13. (1) The appropriate Point of Investor Contact shall cause to provide to the investor, free of any charges, such person or persons, being officers of the Government or any of its agencies or authorities, to assist the investor in any or all such activities as may be incidental to the purpose of investment :
- Provided, that any service as may be required, other than the Investor Facilitation Services, shall be paid for by the investor, on such fee, charges or terms as may be laid down or prescribed by the appropriate authority under any law, or rules thereof, for the time being in force.
- (2) The District Committee or Divisional Committee or the State Board, as the case may be, acting through the appropriate Point of Investor Contact, shall at every stage in the implementation of the project, and after its completion, continue to assist the investor, or where appropriate, the project authorities, for the maintenance of a work environment conducive to successful project activities.
- Local Co-ordination Committee.** 14. (1) There shall be formed, upon a request to be made in writing by the investor, a Local Co-ordination Committee for a project for the purpose of resolving local issues that arise in the timely implementation of the project.
- (2) Each such Committee shall consist of such persons as may be nominated by the investor, the Local Government, and the State Government or the Collector of the District.
- (3) The Local Co-ordination Committee shall meet at such time and place as the Committee may decide.
- (4) The Local Co-ordination Committee shall, as expeditiously as it may, bring to the notice of the District Committee or Divisional Committee or the State Board, as the case may be, all matters requiring attention of the concerning Committee or the board; which shall thereupon proceed expeditiously to remove such difficulties.
- (5) The nominee of the Collector of the District shall maintain records of the business transacted by the Local Co-ordination Committee and take necessary follow up action.

15. No agency or authority of the Government or the Local Government, as the case may be, including functionaries therein, shall disclose to any other investor or to a person not duly authorized, any information forming the intellectual property of the investor or any other information regarding the project without the consent of such investor. **Confidentiality.**

Provided, that all information in respect of the terms and conditions of the investment being made in the State and the facilities, if any, provided to the investor by the Government or any of its agencies or authorities, or by any Local Government, shall be notified by the State Board for information of the public.

16. The provisions of this Act shall apply to all investment proposals that have been under consideration of the State Government or any of its agencies, authorities or undertakings on the date the Act comes into force. **Transitional Provisions.**

#### CHAPTER-IV OBLIGATION OF THE INVESTOR

17. The investor shall proceed to take action under Chapter III of this Act, only after satisfying himself of the feasibility of investing in the State. **Commitment for investment.**

18. The investor shall undertake to discharge his obligations for the Project Affected Persons whose land is acquired for the project by training at least one member of each family of such persons in skills that would ensure employment to the person so trained, either under the investor or otherwise. **Commitment for project affected persons.**

#### CHAPTER-V EXCEPTIONS

19. The District Committee or Divisional Committee or the State Board, as the case may be, shall not reject any proposal except for reasons to be communicated in writing to the investor within seven working days of such rejection. **Exceptional grounds for rejection.**

Provided further, that the investor may submit a revised proposal redressing the grounds of rejection of the initial proposal within a further period of fifteen working days; and any such revised proposal shall be deemed to be a new proposal for the purpose of Schedule-II of the Act.

20. The State Government may make rules for carrying out the purpose of this Act. **Power to make rules.**

**SCHEDULE - I**

(Sec Section - 12)

The Investment Promotion Authorities referred to in Chapter II shall receive, process and issue approvals in respect of applications for industrial and other investments in the State of Chhattisgarh, as per the following classification :-

<b>Investment promotion Authority</b>	<b>Limit of Capital Investment</b>
State Investment Promotion Board	(i) All project proposals above Rs. 100.00 crores.  (ii) All project proposals below Rs. 100.00 crores, where the project area falls in more than one division;
Divisional Investment Promotion Committee.	(i) All project proposals below Rs. 100.00 crores, and above Rs. 5.00 crores where the project areas falls within the same division;  (ii) All project proposals below Rs. 5.00 crores, where the project area falls in more than one district of the division.
District Investment Promotion Committee	Rs. 5.00 crores or below, provided the entire project area falls within the same district.

**Eplanation :** For the purposes of this Schedule, the term "Capital Investment" shall have the same meaning as under the generally accepted accounting principles, prescribed by the Institute of Chartered Accountant of India.

**SCHEDULE - I**

(See Section - 5, 8 &amp; 12)

The investor shall be entitled to services from the Investment Promotion Authorities under Chapter II, with in the periods of time indicated against each activity:-

1. Preliminary Meeting with Convener of the Board or the Committee as the case may be within 7 working days from date of expression of intent.
2. Response to investor's proposal within 7 working days from the date of expression of intent or 3 working days from the date of the Preliminary Meeting which ever is later to be conveyed by the Point of Investor Contact.
3. Memorandum of Understanding to be signed within 15 working days from the date of communication of response to the proposal followed by firm agreement as convenient to the investor between the investor and the appropriate agency or authority or undertaking of the Government.
4. Land transfer in the case of government revenue lands, 45 working days from the date of identification and application to the Point of Investor Contact and payment of value thereof; and Section 4 notification for Land Acquisition to be made within 15 working days; land transfer through private negotiations would be facilitated and once settled between the investor and the private land owners the mutation and registration formalities shall be completed within 30 working days all land transfers have to be consistent with Constitutional and statutory provisions in regard to land in the VIth Schedule areas.
5. Clearances in respect of other Local Government, or statutory requirements of the State Government or its agencies or authorities shall be obtained within a period of 30 working days from the date of land transfer, or 75 working days from the date of identification of the site; which ever is earlier.
6. Arrangement for requirements of infrastructure such as power shall be made within 45 working days from the date of transfer, or 75 working days from the date of identification of the site for the project; which ever is earlier.
7. All recommendations such as for mining or environmental clearances, where ever required to be forwarded to the Central Government, shall be so forwarded, complete in all respects of documentation, within 45 working days from the date of transfer of land, or 75 working days from the date of identification of the site; which ever is earlier.
8. Preliminary Site visit for deciding on the location may be arranged free of cost if so required by the investor within 2 working days for the preliminary meetings with the members of the Board or the Committees.