

WEST BENGAL SPECIAL ECONOMIC ZONE POLICY

1. Preamble

- 1.1 The Government of India has introduced the concept of Special Economic Zone (SEZ) in the year 2000, by way of revision in the Export - Import Policy, 1997-2000.
- 1.2 SEZs are specifically delineated duty free enclaves treated as a foreign territory for the purpose of industrial services and trade operations with exemption from customs duty and a more liberal regime in respect of other levies, foreign investment and other transactions. Domestic regulations, restrictions and infrastructure inadequacies are sought to be eliminated in the SEZs for creating an internationally competitive environment.
- 1.3 The SEZs can be developed in the public, private or joint sector or by the State Government in accordance with guidelines issued from time to time by the Government of India. Exploiting the full potential of the concept of SEZ would bring large benefits to the State in terms of economic and industrial development, generation of employment opportunities and contribute to growth of export earnings. In effect, SEZs are expected to be engines of economic growth.
- 1.4 Government of India has recently converted Falta Export Processing Zone into a Special Economic Zone. Manikanchan, the Gem and Jewellery Park at Salt Lake, Kolkata, is being set up by Government of West Bengal to effectively utilise the Jewellery making skill and craftsmanship abundantly available in the State. It will be the first sector specific SEZ in the country. The Government of West Bengal also proposes to set up an SEZ at Kulpi in South 24 Parganas, which will be adjacent to the proposed minor port at Kulpi. The Ministry of Commerce, Government of India has accorded 'in-principle' approval for SEZ status to both Kulpi and Manikanchan. A separate SEZ Policy for Manikanchan has been forwarded to Union Ministry of Commerce for obtaining formal SEZ approval. There is a proposal for another SEZ at Haldia, for which the detailed Project Report is being prepared.
- 1.5 In the context of Government of India guidelines and after consideration of all connected issues, the Government of West Bengal has decided that the following policy shall apply to SEZs in the State, subject to the framework for SEZs determined by Government of India from time to time.

2. Environment

- 2.1 All powers of State Government to accord Environment Clearances, NOCs, Consents etc. to the industrial units to be set up in any SEZ will be delegated to the respective Development Commissioner(s).
- 2.2 A technical officer of appropriate seniority and experience will be deputed by West Bengal Pollution Control Board (WBPCB) to assist DC in this regard. WBPCB's officers shall function under the administrative supervision and control of the DC.

3. Water Supply

- 3.1 The SEZ developer shall ensure provision of adequate water supply within the respective SEZ(s).

4. Power

- 4.1 The SEZ Developer shall ensure uninterrupted and good quality power for all consumers in the respective SEZ(s).
- 4.2 The SEZ developers or joint ventures promoted by them or public sector enterprises can establish Independent Power Producers (IPP) which will be permitted to establish dedicated provision of power to SEZ including generation, transmission and distribution as per the Central Electricity Act 2003 and Rules & regulations framed thereunder.
- 4.3 Fixation of tariffs for distribution of power within the zone will be governed by the Central Electricity Act 2003 and the Rules & Regulations framed thereunder.
- 4.4 The industrial unit and other establishments in the SEZ will be permitted to install their own power plant for captive use as permitted under the Central Electricity Act 2003 and the Rules & Regulations framed thereunder.

- 4.5 100% electricity duty will be waived without any period restriction in respect of all the industries and other establishments to be set up in SEZ(s).
- 4.6 For Manikanchan SEZ, West Bengal State Electricity Board (WBSEB) will be the sole power provider. WBSEB has nominated one nodal officer for dealing with the power connection and related matters in respect of Manikanchan SEZ.
- 4.7 All the powers of Chief Electrical Inspector, Directorate of Electricity shall be delegated to the respective DC(s) of SEZ(s).

5. State Taxes, Duties etc.

- 5.1 All industrial units and other establishments to be set up in any Special Economic Zones will be exempted from payment of Sales Taxes.
- 5.2 100% remission of stamp duty and registration fee for all the industries and other establishments to be set up in any Special Economic Zone.

6. Labour

- 6.1 The powers of the Labour Commissioner, Government of West Bengal shall be delegated to the DC(s) in respect of the area within the respective SEZ(s). Senior Officers of the Department of Labour will be placed under the DC to help him in dealing with all the matters relating to Labour and Labour Laws.
- 6.2 The officers of the Labour Dept., who will be placed under the DC will be designated as Inspector, Conciliation Officers and Registration Officers under various Labour Laws.
- 6.3 The power of the Chief Inspector of the factory and Inspector of Boiler shall be delegated to the respective DC within the respective SEZ. The Senior Technical Officers from the concerned departments shall be placed under the DC to help him in dealing with the matters.

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- 6.4 All industrial units and other establishments in the SEZ(s) will be declared as 'Public Utility Services' under the provision of the Industrial Disputes Act.

7. SSI & State Incentive Registration

- 7.1 The power to issue provisional and permanent Small-Scale Industry Registration in any SEZ will be delegated to the respective Development Commissioner.
- 7.2 The power to issue Registration of small and medium / large industries for availing of the benefits of West Bengal Incentive Scheme 2000 in any SEZ will be delegated to the respective Development Commissioner.

8. Inspection

- 8.1 Physical inspection by all the State Government agencies shall be undertaken in consultation with DC in respect of any industrial unit or other establishment set up at any of the SEZ(s).

9. SEZ(s) as Industrial Township

- 9.1 The State Government will declare each SEZ as industrial township so that it may function as a governing and autonomous body as provided under Article 243(Q) of the Constitution of India.
- 9.2 The state Government will declare each SEZ as a local authority which will replace the existing Panchayat or Municipalities. Such local authority will be vested with all the power and function of Panchayat or Municipalities as case may be.
- 9.3 Since Manikanchan SEZ is located on a very small area under Bidhannagar Municipality having no provision for industrial residence, it has been exempted from separate industrial township.



10. Law & Order

10.1 The State Government shall make appropriate and exclusive arrangements within the SEZ(s) for maintenance of Law and Order.

11. Committee for Review & Development of SEZ

11.1 The State Government shall constitute a Committee of Secretaries and other concerned officers including representatives of the SEZ authorities / promoters / developers under the Chairmanship of Chief Secretary to resolve various issues pertaining to the promotion, development and functioning of SEZ(s) in the state.