



सत्यमेव जयते

GOVERNMENT OF GUJARAT

LEGISLATIVE AND PARLIAMENTARY AFFAIRS DEPARTMENT

# Gujarat Act No. XXIII of 1962

## The Gujarat Industrial Development Act, 1962

*(As Modified upto the 28<sup>th</sup> February, 2011)*

PRINTED IN INDIA BY THE MANAGER, GOVERNMENT PRINTING AND STATIONERY, RAJKOT;  
PUBLISHED BY THE DIRECTOR, GOVERNMENT PRINTING, PUBLICATIONS AND STATIONERY  
GUJARAT STATE, AHMEDABAD.

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GUJARAT ACT NO. XXIII OF 1962<sup>1</sup>

## [THE GUJARAT INDUSTRIAL DEVELOPMENT ACT, 1962]

[9th August, 1962.]

(First published, after having received the assent of the President in the "Gujarat Government Gazette" on the 9th August, 1962).

Amended by Guj. 14 of 1964.

Amended by Guj. 1 of 1999\*

" " " 14 of 1968.

" " " 15 of 2007\*\*

" " " 11 of 1986.

" " " 16 of 2007

" " " 3 of 1994.

<sup>2</sup>[An Act to make special provision for securing the orderly establishment and organisation of industries in industrial areas and industrial estates in the state of Gujarat and for the purpose of establishing commercial centres in connection with the establishment and organisation of such industries] and for that purpose to establish an Industrial Development Corporation, and for purposes connected with the matters aforesaid.

It is hereby enacted in the Thirteenth Year of the Republic of India, as follows:—

## CHAPTER I

## PRELIMINARY.

1. (1) This Act may be called the Gujarat Industrial Development Act, 1962.

(2) It extends to the whole of the State of Gujarat.

(3) It shall come into force at once.

2. In this Act, unless the context otherwise requires,—

Short title,  
extent and  
commencement.

Definitions.

(a) "amenity" includes road, supply of water or electricity, street lighting, drainage, sewerage, conservancy and such other convenience as the State Government may, by notification in the *Official Gazette*, specify to be an amenity for the purposes of this Act;

(b) "building" means any structure or erection, or part of a structure or erection, which is intended to be used for residential, industrial, commercial or other purposes, whether in actual use or not;

(c) "Collector" means the Collector of a district, and includes any officer specially appointed by the State Government to perform the functions of a Collector under this Act;

<sup>3</sup>[(ca) "commercial centre" in relation to any industrial area or industrial estate means any site selected by the State Government where the Corporation builds shops and other buildings and makes them available for any commercial activity;]

(d) "Corporation" means the Gujarat Industrial Development Corporation established under section 3;

(e) "Development" with its grammatical variations, means the carrying out of building, engineering, quarrying or other operations in, on, over or under land, or the making of any material change in any building or land, and includes re-development, but does not include mining operations; and "to develop" shall be construed accordingly;

(f) "Engineering operations" include the formation of laying out of means of access to a road or the laying out of means of water supply;

(g) "Industrial area" means any area declared to be an industrial area by the State Government by notification in the *Official Gazette*, which is to be developed and where industries are to be accommodated;

1. For Statement of Objects and Reasons See Gujarat Government Gazette, 1962, Part V, Pages 47, 48.

2. These words were substituted for the words "An Act to make special provision for securing the orderly establishment of industries in industrial areas and industrial estates in the State of Gujarat, and to assist generally in the organisation thereof" by Guj. 11 of 1986, s.2.

3. Clause (ca) was inserted, *ibid.*, s.3

\* Please see sec 4 of Guj. 1 of 1999 for validation of termination of tenure of office of chairman, vice-chairman and director or members of statutory bodies.

\*\* Please see sec 4 of Guj. 15 of 2007 for validation of levy and collection of development charges.

(h) "Industrial estate" means any site selected by the State Government, where the Corporation builds factories and other buildings and makes them available for any industries or class of industries;

(i) "means of access" includes a road for any means of access, whether private or public, for vehicles or for pedestrians;

(j) "premises" means any land or building or part of a building and includes— (i) the garden, grounds and out-houses, if any, appertaining to such building or part of a building ; and

(ii) any fittings affixed to such building or part of a building for the more beneficial enjoyment thereof;

(k) "prescribed" means prescribed by rules made under this Act;

(l) "regulation" means regulation made under section 54;

(m) "relevant land acquisition law" means—

(i) in the Bombay area and the Kutch area of the State of Gujarat, the Land Acquisition Act, 1894 as in force in those areas ;

(ii) in the Saurashtra area of the State of Gujarat, the Land Acquisition Act, 1894 as applied to that area ; and

(iii) the Gujarat Land Acquisition (Industrial Areas) Act, 1961 ;

(n) the expression "land" and the expression "person interested" shall have the meanings respectively assigned to them in the relevant land acquisition law.

## CHAPTER II.

### ESTABLISHMENT AND CONSTITUTION OF THE CORPORATION.

Establishment  
and in  
corporation..

3. (1) For the purposes of securing and assisting in the rapid and orderly establishment, and organisation of industries in industrial areas and industrial estates in the State of Gujarat<sup>1</sup> [and for the purpose of establishing commercial centres in connection with the establishment and organisation of such industries], there shall be established by the State Government by notification in the *Official Gazette*, a Corporation by the name of the Gujarat Industrial Development Corporation.

(2) The Corporation shall be a body corporate with perpetual succession and a common seal, and may sue and be sued in its corporate name, and shall be competent to acquire, hold and dispose of property, both movable and immovable, and to contract, and do all things necessary, for the purposes of this Act.

Constitution.

4. (1) The Corporation shall consist of the following<sup>2</sup> [twelve]<sup>3</sup> [Directors], that is to say—

(a) <sup>4</sup>[Three] official <sup>3</sup>[Directors] nominated by the State Government, of whom one shall be the Financial Adviser to the Corporation ;

(b) one <sup>5</sup>[Director] nominated by the State Electricity Board constituted under the Electricity (Supply) Act, 1948;

(c) one <sup>5</sup>[Director] nominated by the Gujarat Housing Board constituted under the Gujarat Housing Board Act, 1961;

(d) 6[six] <sup>3</sup>[Directors] nominated by the State Government from amongst persons appearing to it either to be qualified by reason of experience of, and capability in, industry or trade or finance or to be suitable to represent the interest of persons engaged or employed therein; and

1. These words were inserted by Guj. 11 of 1986, s. 4.
2. This word was substituted for the word "ten" by Guj. 14 of 1968, s. 2 (i).
3. This word was substituted for the word " members" by Guj. 11 of 1986, s.5 (1).
4. This word was substituted for the word "two" by Guj. 14 of 1964, s.2 (ii).
5. This word was substituted for the word " members" by Guj. 11 of 1986, s.5 (2).
6. This word was substituted for the word "four" by Guj. 14 of 1968, s.2 (ii).

I of  
1894.

I of  
1894.

Guj.  
XLVI  
of 1961.

L I V of  
1948.

Guj.  
XXVIII  
of 1961.

(e) the <sup>1</sup>[Managing Director] of the Corporation, *ex-officio*, who shall also be the Secretary of the Corporation.

(2) The State Government shall appoint one of the <sup>2</sup>[Directors] of the Corporation to be Chairman of the Corporation and may appoint one of the other <sup>2</sup>[Directors] as Vice-Chairman.

5. A person shall be disqualified for being nominated as a <sup>3</sup>[Director] of the Corporation, if he—

(a) is an employee of the Corporation, not being the <sup>4</sup>[Managing Director] thereof, or

(b) is of unsound mind and stands so declared, by a competent court, or

(c) is an undischarged insolvent.

6. <sup>5</sup>[(1) (a) The Chairman, Vice Chairman and Directors of the Corporation nominated by the State Government shall hold office during the pleasure of the State Government;

(b) The director nominated under clauses (b) and (c) of sub-section (1) of section 4 shall hold office during the pleasure of respective Board.]

(2) The <sup>7</sup>[Directors] of the Corporation nominated under clause (a) or (e) of sub-section (1) of section 4 shall be entitled to draw such salary and allowances as may be prescribed. Such reasonable additional remuneration, as may be fixed by the State Government, may be paid to any <sup>6</sup>[Director] for extra or special services required to be rendered by him.

(3) The <sup>7</sup>[Directors] of the Corporation nominated under clause (b), (c) or (d) of sub-section (1) of section 4 shall be entitled to draw such honorarium or compensatory allowance for the purpose of meeting the personal expenditure in attending the meetings of the Corporation or <sup>8</sup>[of any Committee thereof or in doing or for performing any work connected with the functions of the Corporation which may be specially entrusted to them by the Corporation or by any Committee thereof] as may be prescribed.

(4) Any person nominated as a <sup>8</sup>[Director] shall, unless disqualified, be eligible for renomination.

7. (1) The Corporation shall meet at such times and places, and shall subject to the provisions of sub-section (2) observe such rules of procedure in regard to the transactions of its business as may be provided by regulations.

(2) A <sup>11</sup>[Director], who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal entered into or proposed to be entered into, by or on behalf of the Corporation, shall at the earliest possible opportunity disclose the nature of his interest to the Corporation, and shall not be present at any meeting of the Corporation when the contract, loan, arrangement or proposal is discussed, unless his presence is required by the other <sup>12</sup>[Directors] for the purpose of eliciting information, and shall not vote thereon :

Provided that a <sup>13</sup>[Director] shall not be deemed to be concerned or interested as aforesaid by reason only of his being a share-holder of a company concerned in any such contract, loan, arrangement or proposal.

8. (1) If a <sup>13</sup>[Director]

(a) becomes subject to any of the disqualifications mentioned in section 5, or

1. These words were substituted for the words "Chief Executive Officer" by Guj. 11 of 1986, s. 5(3).

2. This word was substituted for the word "member" *ibid.* s. 5 (1).

3. This word was substituted for the word "member;" *ibid.* s. 6(1).

4. These words were substituted for the words "Chief Executive Officer", *ibid.*, s. 6(2).

5. This word was substituted for the word "membership", *ibid.*, s. 6(3).

6. Sub-section (1) was and was deemed always have been substituted by Guj. 1 of 1999, sch, item (5).

7. This word was substituted for the word "member" by Guj. 11 of 1986, s. 7 (1).

8. This word was substituted for the word "member" *ibid.*, s. 7 (2).

9. These words were substituted for the words "of any Committee thereunder or appointed in connection with the work undertaken by or for the Corporation" *ibid.*, s.7(3).

10. This word was substituted for the word "members", *ibid.*, s.7(4).

11. This word was substituted for the word "member", *ibid.*, s.8(1).

12. This word was substituted for the word "members", *ibid.*, s. 8(2).

13. This word was substituted for the word "members", *ibid.*, s. 9(1).

14. This word was substituted for the word "membership", *ibid.*, s. 9 (2).

Disqualification  
for

<sup>9</sup>[director-  
ship]

Term of  
office and  
conditions  
of service  
of  
<sup>10</sup>[Directors]

Meetings of  
Corporation.

Cessation  
of  
<sup>14</sup>[director  
ship].

(b) tenders his resignation in writing to, and such resignation is accepted by, the State Government, or

(c) is absent without the Corporation's permission from three consecutive meetings of the Corporation, or from all meetings of the Corporation for three consecutive months, or

(d) is convicted of an offence involving moral turpitude,

he shall cease to be a <sup>1</sup>[Director] of the Corporation.

(2) The State Government may by order suspend from office for such period as it thinks fit, or remove from office any <sup>1</sup>[Director] of the Corporation, who in its opinion-

(a) has refused to act, or

(b) has become incapable of acting, or

(c) has so abused his position as <sup>1</sup>[Director] as to render his continuance on the Corporation detrimental to the interest thereof or of the general public, or

(d) is otherwise unfit to continue as a <sup>1</sup>[Director].

Vacancies  
how to be  
filled..

9. Any vacancy of a <sup>2</sup>[Director] of the Corporation shall be filled as early as practicable, and in like manner as if the nomination were being made initially :

Provided that, during any such vacancy the continuing <sup>3</sup>[Directors] may act as if no vacancy had occurred.

Temporary  
absence of  
<sup>6</sup>[Directors].

10.(1) If the Chairman or any other <sup>4</sup>[Director] of the Corporation is by reason of illness or otherwise rendered temporarily incapable of carrying out his duties, or is granted leave of absence by the State Government, or is otherwise unable to attend to his duties in circumstances not involving the cessation of his <sup>5</sup>[directorship] under section 8, the State Government may appoint another person to act in his place and carry out duties and functions entrusted to him by or under this Act until such Chairman or <sup>4</sup>[Director], as the case may be, resumes his duties.

(2) If a Vice-Chairman has been appointed in the absence of the Chairman, the Vice-Chairman shall be competent to carry out the duties and functions of the Chairman.

Proceedings  
presumed to  
be good and  
valid.

11. No disqualification of, or defect in the appointment of any person acting as the Chairman or Vice-Chairman or a <sup>7</sup>[Director] of the Corporation, shall vitiate any act or proceeding of the Corporation, if such act or proceeding is otherwise in accordance with the provisions of this Act.

Officers and  
servants of  
corporation.

12. (1) The State Government shall appoint <sup>8</sup>[managing Director], and a Chief Accounts Officer of the Corporation.

(2) The Corporation may appoint such other officers and servants, subordinate to the officers mentioned in sub-section (1), as it considers necessary for the efficient performance of its duties and functions.

1. This word was substituted for the word "member" by Guj. 11 of 1986, s. 9(1). ,

2. The word was substituted for the word "member", *ibid.*, s. 10(7).

3. This word was substituted for the word "members", *ibid.*, s. 10 (2).

4. This word was substituted for the word "member", *ibid.*, s. 11 (1).

5. This word was substituted for the word "membership", *ibid.*, s. 11 (2).

6. This word was substituted for the word "member", *ibid.*, s. 11 (3).

7. This word was substituted for the word "member", *ibid.*, s. 12.

8. These words were substituted for the words "Chief Executive Officer" *ibid.*, s. 13.

(3) The conditions of appointment and service of the officers and servants and their scales of pay shall—

(a) as regard the <sup>1</sup>[Managing Director] and the Chief Accounts Officer, be such as may be prescribed, and

(b) as regards the other officers and servants, be such as may be determined by regulations.

### CHAPTER III.

#### FUNCTIONS AND POWERS OF THE CORPORATION

13. The functions of the Corporation shall be—

Functions

(i) generally to promote and assist in the rapid and orderly establishment, growth and development of Industries in the State of Gujarat, and

(ii) in particular and without prejudice to the generality of clause (i) to—

(a) establish and manage industrial estates at place selected by the State Government;

(b) develop industrial area selected by the State Government for the purpose and make them available for undertakings to establish themselves;

(c) develop land on its own account or for the State Government for the purpose of facilitating the location of industries <sup>2</sup>[and commercial centres] thereon;

(d) assist financially by loans industries to move their factories into such estates or areas;

<sup>3</sup>[(da) undertake schemes for providing industrial units and commercial establishments with such structures and facilities as may be necessary for their orderly establishment, growth and development;]

(e) <sup>4</sup>[promote, organise, sponsor or undertake schemes] or works, either jointly with other corporate bodies or institutions, or with Government or local authorities, or on an agency basis, in furtherance of the purposes for which the Corporation is established and all matters connected therewith.

14. Subject to the provisions of this Act the Corporation shall have power—

General  
powers of  
Corporation.

(a) to acquire and hold such property, both movable and immovable as the Corporation may deem necessary for the performance of any of its activities, and to lease, sell, exchange or or otherwise transfer any property held by it on such conditions as may be deemed proper by the Corporation;

(b) to purchase by agreement or to take on lease or under any form of tenancy any land, to erect such buildings and to execute such other works as may be necessary for the purpose of carrying out its duties and functions;

(c) to provide or cause to be provided amenities and common facilities in <sup>5</sup>[industrial estates, commercial centres and industrial areas] and construct and maintain or cause to be maintained <sup>6</sup>[works, buildings, amenities and common facilities] therefore;

<sup>7</sup>[(cc) to levy and collect development charges on the land which is not vested in or under the control of the Corporation and which is benefited or likely to be benefited by the development or scheme or the work undertaken by the Corporation;]

1. These words were substituted for the words, "Chief Executive Officer" by Guj. 11 of 1986, s.13

2. These words were inserted *ibid.*, s. 14(1).

3. Clause (da) was inserted, *ibid.*, s. 14 (2).

4. These words were substituted for the words "undertake scheme", *ibid.*, s.14(3)

5. These words were substituted for the words "industrial estates and industrial areas.", *ibid.*, s.15 (1) (a).

6. These words were substituted for the words "work and buildings", *ibid.*, s.15 (1) (b).

7. Clause (cc) was and was deemed always to have been inserted by Guj. 15 of 2007, s.2.

(d) to make available buildings on hire or sale to industrialists or persons intending to start industrial undertakings <sup>1</sup>[or commercial establishments or both the industrial undertakings and commercial establishments];

(e) to construct buildings for the housing of the employees of such industries <sup>2</sup>[or commercial establishments];

(f) (i) to allot factory sheds or such buildings or parts of buildings, including residential tenements to suitable persons in the industrial estates established or the industrial areas developed by the Corporation;

<sup>3</sup>[(ia) to allot shops and other buildings to suitable persons in commercial centres established by the Corporation;]

(ii) to modify or rescind such allotments, including the right and power to evict the allottees concerned on breach of any of the terms or conditions; of their allotment;

(g) to constitute committees from amongst its' <sup>4</sup>[Directors] to perform any of its functions ;

(h) to constitute advisory committees to advise the Corporation ;

(i) to engage suitable consultants or persons having special knowledge or skill to assist the Corporation in the performance of its functions ;

(j) <sup>5</sup>[ \* \* \* \* \* ] to delegate any of its powers generally or specially to any of its committees or officers and to permit them to re-delegate specific powers to their subordinates ;

(k) to enter into and perform all such contracts as it may consider necessary or expedient for carrying out any of its functions ; and

(l) to do such other things and perform such acts as it may think necessary or expedient for the proper conduct of its business and the carrying into effect the purposes of this Act.

Authentication  
of orders and  
documents of  
corporation..

15. All permissions, orders, decisions, notices and other documents of Corporation shall be authenticated by the signature of the <sup>6</sup>[Managing Director] of the Corporation or any other Officer authorised by the Corporation in this behalf.

Notification of  
any industrial  
area as notified  
area under  
Gujarat  
Municipalities  
Act.

<sup>7</sup>[16. <sup>8</sup>[(1)] [Notwithstanding anything contained in the provisions for the time being in force relating to notified areas in the Gujarat Municipalities Act, 1963, the State Government may, by notification in the *Official Gazette*—

Guj. 34 of  
1964.

(a) declare that the provisions relating to notified areas and any other provisions of that Act shall extend to and be brought into force in any industrial area, and thereupon such area shall be deemed to be area notified area under that Act;

(b) appoint the Corporation or any officer or committee thereof <sup>9</sup>[or a committee consisting of such persons (hereinafter referred to as "the Board of Management") as the State Government may think fit] for the purposes of the assessment and recovery of any taxes, when imposed under the provisions so extended and for enforcing such provisions ;

(c) provide that the provisions of any other law relating to local authorities which is in force in that area shall cease to apply, and thereupon such provisions shall cease to apply thereto;

(d) make such other provision as is necessary for the purposes of the enforcement of the provisions so extended to that area.]

<sup>10</sup>[(2) The Constitution of the Board of Management, the qualifications, terms and conditions and the manner of appointment of the members of the Board of Management and other powers and functions of the Board of Management shall be such as may be prescribed.]

1. These words were inserted by Guj. 11 of 1986, s. 15(2).

2. These words were inserted, *ibid.*, s. 15(3).

3. Sub-clause (ia) was inserted, *ibid.*, s. 15(4).

4. This word was substituted for the word "members", *ibid.*, s. 15(5).

5. The words subject to the previous permission of the State Government" were deleted, *ibid.*, s.15(6).

6. These words were substituted for the words "Chief Executive officer" *ibid.*, s.16.

7. New section 16 was substituted for the original by Guj. 14 of 1968, s.3.

8. Section 16 was renumbered as sub-section (1) of that section by Guj. 16 of 2007, s.2.

9. These words and brackets were inserted, *ibid.*, s.2(1).

10. Sub-section (2) was added, *ibid.*, s.2 (2).

<sup>1</sup>[16A. (1) For the purpose of uniformity and providing efficient management in the notified areas, the Corporation shall appoint an officer of the Corporation not below the rank of General Manager to be the Director of Notified Areas. Director of Notified Areas..

(2) The powers, function and duties of the Director of Notified Areas shall be such as may be prescribed.

(3) An officer or the committee of the Corporation or the Board of Management appointed under clause (b) of sub-section (1) of section 16 shall exercise the powers under the superintendence, direction and control of the Director of Notified Areas.]

17. The State Government may from time to time issue to the Corporation such general or special directions of policy as it thinks necessary or expedient for the purpose of carrying out the purposes of this Act and the Corporation shall be bound to follow and act upon such directions. Directons by the State Government.

#### CHAPTER IV.

##### FINANCE, ACCOUNTS AND AUDIT.

18. All property funds and other assets vesting in the Corporation shall be held and applied by it, subject to the provisions of and for the purposes of this Act. Application of Corporation's assets.

19. (1) The Corporation shall have and maintain its own funds, to which shall be credited- Corporation's Fund.  
(a) all moneys received by the Corporation from the State Government by way of grants, subventions, loans, advances or otherwise ;

(b) all fees, costs and charges received by the Corporation under this Act;

(c) all moneys received by the Corporation from the disposal of lands, buildings and other properties, movable and immovable and other transactions;

(d) all moneys received by the Corporation by way of rents and profits or in any other manner or from any other source.

(2) The Corporation may keep in current or deposit account with the State Bank of India or any other Bank approved by the State Government in this behalf such sum of money out of its fund as may be prescribed and any money in excess of the said sum shall be invested in such manner as may be approved by the State Government.

(3) Such account shall be operated upon by such officers of the Corporation as may be authorised by regulations.

20. The State Government may make such grants, subventions, loans and advances to the Corporation as it may deem necessary for the performance of the functions of the Corporation under this Act and all grants, subventions, loans and advances made shall be on such terms and conditions as the State Government may after consulting the Corporation determine. Grants, Subventions, loans and advances to Corporation.

21. (1) The Corporation may, subject to such conditions as may be prescribed in this behalf, borrow money in the open market or otherwise with a view to providing itself with adequate resources. Power of Corporation to borrow.

(2) All moneys borrowed under sub-section (1) may be guaranteed by the State Government as to the repayment of principal and the payment of interest at such rates and such conditions as the State Government may determine at the time the moneys are borrowed.

<sup>2</sup>[Explanation.—The expression "to borrow money" with all its grammatical variations and cognate expressions includes, acceptance of deposits (not being deposits accepted under section 22) from the public for a specified period and on payment of interest thereon to the depositors at specified rates].

22. The Corporation may accept deposits on such conditions as it deems fit from persons, authorities or institutions to whom allotment or sale of land, buildings or sheds is made or is likely to be made in furtherance of the objects of this Act. Deposites.

23. (1) The Corporation shall make provision for such reserve and other specially denominated funds and in such manner and to such extent as the State Government may, from time to time, direct. Reserve and other funds.

1. Section 16A was inserted, by Guj. 16 of 2007, s.3.

2. This Explanation was inserted by Guj. 11 of 1986, s.17.

(2) The management of the funds referred to in sub-section (1), the sums to be transferred from time to time to the credit thereof and the application of money comprised therein, shall be determined by the Corporation.

(3) None of the funds referred to in sub-section (1) shall be utilised for any purpose other than that for which it was constituted, without the previous approval of the State Government.

Expenditure  
from funds.

24. (1) The Corporation shall have the authority to spend such sums as it thinks fit for the purposes authorised under this Act from out of the general fund of the Corporation referred to in section 19 or from the reserve and other funds referred to in section 23, as the case may be.

(2) Without prejudice to the generality of the power conferred by sub-section (1), the Corporation may contribute such sums as it thinks fit towards expenditure incurred or to be incurred by any local authority or statutory public undertaking in the performance, in relation to any of its industrial estates or industrial areas, of any of the statutory functions of such authority or undertaking, including expenditure incurred in the acquisition of land.

(3) No expenditure other than capital expenditure shall be incurred by the Corporation out of moneys borrowed or received by way of deposits.

Budget and  
programme of  
work.

25. (1) The Corporation shall, by such date in each year as may be prescribed, prepare and submit to the State Government, for approval an annual financial statement and the programme of work for the succeeding financial year.

(2) The annual financial statement shall show the estimated receipts and expenditure during the succeeding financial year in such form and detail as may be prescribed.

(3) With the approval of the State Government the Corporation shall be competent to make variations in the programme of work in the course of the year :

Provided that all such variations and reappropriations out of the sanctioned budget are brought to the notice of the State Government by a supplementary financial statement.

(4) A copy each of the annual financial statement and the programme of work and the supplementary financial statement, if any, on submission to the State Government as soon as may be, shall be placed before the State Legislature.

Accounts and  
audit.

26. (1) The Corporation shall maintain books of account and other books in relation to its business and transactions in such form and in such manner, as may be prescribed.

(2) The accounts of the Corporation shall be audited by an auditor appointed by the State Government, in consultation with the Comptroller and Auditor General of India.

(3) As soon as the accounts of the Corporation are audited, the Corporation shall send a copy thereof together with the copy of the report of the auditor thereon to the State Government.

(4) The State Government shall cause the accounts of the Corporation together with the audit report thereon forwarded to it under sub-section (3) to be laid annually before the State Legislature.

Concurrent  
and special  
audit of  
accounts.

27. (1) Notwithstanding anything contained in section 26, the State Government may order that there shall be concurrent audit of the accounts of the Corporation by such person as it thinks fit. The State Government may also direct a special audit to be made by such person as it thinks fit of the accounts of the Corporation relating to any particular transaction or class or series of transactions or to a particular period.

(2) The State Government may pass such orders on the report of the special audit and the Corporation shall be bound to comply with such order.

(3) The report on the special audit shall be laid before the State Legislature.

(4) When an order is made under sub-section (1), the Corporation shall present or cause to be presented for audit such accounts and shall furnish to the person appointed under sub-section (1) such information as the said person may require for the purpose of audit.

## CHAPTER V.

### <sup>1</sup>[<sup>2</sup>\*\*\*] NON-APPLICATION OF RENT CONTROL ACTS TO CORPORATION PREMISES.]

<sup>3</sup>[28. In this Chapter,—

Definitions.

(a) "competent authority" means the <sup>4</sup>[Managing Director] of the Corporation and includes such other officer of the Corporation as the State Government may by notification in the *Official Gazette*, authorise to perform the functions of a competent authority under this Chapter for such area as may be specified in the notification;

(b) "corporation premises" means any premises belonging to or vesting in the Corporation or taken on lease by the Corporation or entrusted to the Corporation under the Act for management and use for the purposes of this Act ;

(c) "premises" means any land, building or part of a building and includes a hut, shed or other structure or part thereof.

[28A. Power to evict certain persons from Corporation premises.

28B. Power to recover rent or damages as arrears of land revenue.

28C. Appeal.

28D. Bar of jurisdiction of Civil Courts.], ]Repealed by Guj. 12 of 1973, s.19.

29. The Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, or any other law corresponding thereto for the time being in force in any part of the State—

Non-application of Rent Control Act to Corporation premises.

(a) shall not apply to any premises belonging to or vesting in the Corporation under or for the purposes of this Act;

(b) shall not apply as against the Corporation to any tenancies, or like relationship created by the Corporation in respect of any such premises;

(c) but shall, apply to any premises let to the Corporation.

## CHAPTER VI.

### ACQUISITION AND DISPOSAL OF LAND.

30. (1) Whenever any land is required by the Corporation for any purpose in furtherance of the objects of the Act, but the Corporation is unable to acquire it by agreement, the State Government may, upon an application of the Corporation in that behalf, order proceedings to be taken under the relevant land acquisition law for acquiring the same on behalf of the Corporation as if such lands were needed for a public purpose within the meaning of the relevant land acquisition law.

Compulsory acquisition of land for Corporation.

1. This new heading was substituted for the original by Guj. 14 of 1968, s. 4.

2. The words "POWER TO EVICT PERSONS FROM AND" were expressly repealed by Guj. 12 of 1973, s. 19.

3. These sections were substituted for the original section 28 by Guj. 14 of 1968 s.5.

4. These words were substituted for the words "Chief Executive officer" by Guj. 11 of 1986, s. 18.

(2) The amount of compensation awarded and all other charges incurred in the acquisition of any such land shall be forthwith paid by the Corporation and thereupon the land shall vest in the Corporation.

Amendment  
of section 17  
of land  
Acquisition  
Act for  
purposes of  
Act.

31. Where in pursuance of section 30 any proceedings are taken for acquiring any land for the Corporation, then in respect of such proceedings—

(1) section 17 of the Land Acquisition Act, 1894 as in force in the Bombay and Kutch 1 of 1894. areas of the State, and

(2) section 17 of the Land Acquisition Act, 1894 as applied to the Saurashtra area of the 1 of 1894. State,

shall have effect as if the words "waste or arable" were deleted from sub-section (1) thereof.

Government  
lands.

32. (1) For the furtherance of the objects of this Act, the State Government may, upon such conditions as may be agreed upon between it and the Corporation, place at the disposal of the Corporation any lands vested in the State Government.

(2) After any such land has been developed by, or under the control and supervision of the Corporation, it shall be dealtwith by the Corporation in accordance with the regulations made, and directions given by the State Government in this behalf.

(3) If any land placed at the disposal of the Corporation under sub-section (1) is required at any time thereafter by the State Government, the Corporation shall replace it at the disposal of the State Government upon such terms and conditions as the State Government may after consultation with the Corporation determine.

#### <sup>1</sup>[CHAPTER VI-A.

#### LEVY OF DEVELOPMENT CHARGES.

Levy of  
development  
charges.

32A. Where any land is developed or any scheme or work is undertaken by the Corporation under the provisions of this Act and any other land not vesting in or under the control of the Corporation is benefited or is likely to be benefited by such development, scheme or the work, the Corporation may, by resolution, determine the development charges and levy and collect the development charges on such land in such manner as may be prescribed by regulations.

Appeal

32B. (1) Any person aggrieved by the order of the Corporation levying the development charges under section 32A, may prefer an appeal to the State Government within such period, accompanied by such fees and in such manner as may be prescribed.

(2) The State Government may, after giving an opportunity of being heard to the appellant and the Corporation, pass such order thereon as it deems fit and proper.

(3) The decision of the State Government on such appeal shall be final.]

#### CHAPTER VII.

#### SUPPLIMENTARY AND MISCELLANEOUS PROVISIONS.

Powers of  
corporation in  
case of certain  
defaults by  
owner of  
land in  
industrial  
area.

33. (1) If the Corporation after holding a local inquiry, or upon a report from any of its officers or other information in its possession, is satisfied that the owner of any land in an industrial area has failed to provide any amenity in relation to the land which in the opinion of the Corporation ought to be provided or to carry out any development of the land for which permission has been obtained under this Act the Corporation may, after giving the owner a reasonable opportunity of being heard, serve upon the owner a notice requiring him to provide the amenity or carry out the development within such time as may be specified in the notice.

1. Chapter VIA was and was deemed always have been substituted by Guj. 15 of 2007, s.3.

(2) If any such amenity is not provided or any such development is not carried out within the time specified in the notice, the Corporation may itself provide the amenity or carry out the development or have it provided or carried out through such agency as it deems fit:

Provided that, before taking action under this sub-section, the Corporation shall afford reasonable opportunity to the owner of the land to show cause why such action should not be taken.

(3) All expenses incurred by the Corporation or the agency employed by it in providing the amenity or carrying out the development together with interest, at such rate as the State Government may by order fix, from the date when a demand for the expenses is made from the owner until payment, shall be recoverable by the Corporation from the owner.

(4) An owner aggrieved by a notice issued to him under sub-section (1) may within a period of sixty days from the date on which the notice is served on him file an appeal to the President of the Gujarat Revenue Tribunal notwithstanding anything contained in the Bombay Revenue Tribunal Act, 1957.

(5) In deciding an appeal under sub-section (4), the President of the Gujarat Revenue Tribunal shall exercise all the powers which a court has and follow the same procedure which a court follows in deciding appeals from a decree or order of an original court under the Code of Civil Procedure, 1908.

(6) A decision in such appeal shall be final and conclusive.

34. (1) Where the erection of any building in <sup>3</sup> [an industrial estate, commercial centre or] industrial area has been commenced, or is being carried on, or has been completed, or any existing building is altered, in contravention of the terms on which such building or the land on which it stands is held or granted under this Act any Officer of the Corporation empowered by it in this behalf may, in addition to any prosecution that may be instituted under this Act make an order directing that such erection shall be demolished by the owner thereof within such period not exceeding two months as may be specified in the order, and on the failure of the owner to comply with the order, the Officer may himself cause the erection to be demolished and the expenses of such demolition shall be recoverable by the Corporation from the owner:

Order of  
demolition of  
building.

Provided that, no such order shall be made unless the owner has been given a reasonable opportunity to show cause why the order should not be made.

(2) Any person aggrieved by an order under sub-section (1) may appeal against that order within thirty days from the date thereof to a Committee of the Corporation set up for the purpose by regulations made in this behalf. Such Committee may after hearing the parties to the appeal either allow or dismiss the appeal or reverse or vary any part of the order.

(3) The decision of the Committee on the appeal subject only to such decision the order made by the officer under sub-section (1) shall be final.

35. (1) Where the erection of any building in <sup>2</sup> [an industrial estate, commercial centre or] industrial area has been commenced, or is being carried on, or has been completed, or any existing building is altered, in contravention of the terms on which such building or the land on which it stands is held or granted under this Act, any officer of the Corporation empowered in this behalf may, in addition to any prosecution that may be instituted under this Act, make an order requiring the building operations in relation to such erection to be discontinued on and from the date of the service of the order.

Power to stop  
building  
operations.

(2) Where such building operations are not discontinued in pursuance of the requisition under sub-section (1), the Corporation or the officer empowered as aforesaid may require any police officer to remove the person by whom the erection of the building has been commenced and all his assistants and workmen from the place of the building within such time as may be specified in the requisition, and such police officer shall comply with the requisition accordingly.

1. These words were substituted for the words "an industrial estate or" by Guj. 11 of 1986, s.19.

2. These words were substituted for the words "an industrial estate or", *ibid*, s. 20.

(3) After a requisition under sub-section (2) has been complied with, the Corporation or the officer empowered as aforesaid may depute by a written order a police officer or an officer, or employee of the Corporation to watch the place in order to ensure that the erection of the building is not continued.

(4) Any person failing to comply with an order made under sub-section (1) shall, on conviction, be punished with fine which may extend to two hundred rupees for every day during which such non-compliance continues after the service of the order.

(5) No compensation shall be claimable by any person for any damage or loss which he may sustain in consequence of any order made under this section.

(6) The cost of employing any police officer under this section shall initially be borne by the Corporation but it shall be recoverable from the person who failed to comply with an order made under sub-section (1).

Penalty for construction or use of land and buildings contrary to terms of holding.

36. (1) Any person who whether at his own instance or at the instance of any other person undertakes or carries out construction of or alterations to any building in an industrial estate or industrial area contrary to the terms under which he holds such building or land under this Act shall, on conviction, be punished with fine which may extend to ten thousand rupees, and in the case of a continuing contravention, with a further fine which may extend to five hundred rupees for every day during which such offence continues after conviction for the first commission of the offence.

(2) Any person who uses any land or building in an industrial estate or industrial area contrary to the terms under which he holds such land or building under this Act, or in contravention of the provisions of any regulations made in this behalf shall, on conviction, be punished with fine which may extend to five thousand rupees.

Power to lay Pipelines, etc.

37. <sup>1</sup>[(1) (a) For the purpose of,—

(i) carrying gas, water or electricity within any area taken up for development under paragraph, (b) of clause (ii) of section 13 (hereinafter referred to as "the said area") ; or

(ii) constructing any sewers or drains necessary for carrying off workings and waste liquids of an industrial process through the said area,

the Corporation may, after giving reasonable notice to the owner or occupier of any building or land in the said area, lay down, place, maintain, alter, remove, or repair any pipes, pipelines, conduits, supply or servicelines, posts or other appliances or apparatus in, on under, over, along or across any land in the said area.

(b) For the purpose of,—

(i) carrying gas, water or electricity from a source of supply to an industrial estate, commercial centre or industrial area, such source of supply being in an area outside such estate, centre or area (hereinafter referred to as "an outside area") ; or

(ii) constructing any sewers or drains necessary for carrying off workings and waste-liquids of an industrial process to or through an outside area,

any person empowered in this behalf by the State Government by notification in the *Official Gazette* (hereinafter referred to as "the authorised person"), may after giving reasonable notice to the owner or occupier of any building or land in the outside area, lay down, place, maintain, alter, remove or repair any pipes, pipelines, conduits, supply or service lines, posts or other appliances or apparatus in, on, under, over, along or across any land in the outside area.]

1. This sub-section was substituted for the original by Guj. 11 of 1986, s. 21 (i).

(2) The Corporation or as the case may be, the authorised person may at any time enter upon any land in any such area and in such event the provisions of section 38 shall *matatis mutandis* apply.

(3) While exercising the power conferred by sub-section (1), the Corporation or the authorised person shall—

(i) where the land affected is a street, bridge, sewer, drain or tunnel, comply *mutatis mutandis* with the relevant provisions of the Gas Companies Act, 1863, notwithstanding the fact that the Act is not in force in the area or that the State Government has not issued a notification extending such provisions to such land,

(ii) cause as little damage as possible to property.

Compensation to all persons interested for extinguishment or modification of rights in property and any damage sustained by them in consequence of the exercise of such powers as aforesaid <sup>1</sup>[shall be paid by the Corporation irrespective of whether the area is the said area or the outside area] :

Provided that the amount of compensation in *lump sum* or in the form of annual rent according as the circumstances of the case may require, shall be fixed and where necessary apportioned by the Collector in accordance with the provisions of the relevant Land Acquisition law.

(4) Nothing herein shall authorise or empower the Corporation or the authorised person to lay down or place any pipe or other works into, through or against any building or in any land not dedicated to public use without the consent of the owners and occupiers thereof, except that the Corporation or such person may at any time enter upon and lay or place any new pipe in place of an existing pipe in any land wherein any pipe has been already lawfully laid down or placed in pursuance of this Act and may repair or alter any pipe so laid down:

Provided that, nothing in the aforesaid provision shall be construed to mean that the Corporation or other person is forbidden from having the said land acquired at any time by the State Government in the normal course.

<sup>2</sup>[(5)(a) Where the owner or the occupier of any building or land does not reply in writing to the Corporation or the authorised person within a period of fifteen days from the date on which the consent referred to in sub-section (4) is sought, or refuses to give such consent to laying down or placing any pipe or other works into, through or against such building, the Corporation or the authorised person shall forthwith make a report in writing of the fact to the Collector.

(b) On receipt of the report, if the Collector, after making any inquiry and after giving the owner and the occupier of such building or land, as the case may be, an opportunity of stating his objection to give such consent is satisfied that for ensuring the full and efficient development of the industrial estate, commercial centres, or as the case may be, industrial area it is necessary to permit the Corporation or the authorised person to lay down or place any pipe or other works into, through or against the building or in the land as contemplated by the Corporation or the authorised person, the Collector shall, notwithstanding anything contained in sub-section (4) by an order in writing, grant the requisite permission to the Corporation or the authorised person.

1. These words were substituted for the words "shall be paid, as the case may be, by the corporation, or, in the case of the authorised person, by the State Government" by Guj. 11 of 1986, s.21 (ii).

2. This new sub-section was inserted, *ibid.*, s.21 (iii).

(c) When such permission is granted, it shall be lawful for the Corporation or the authorised person to lay down or place any pipe or other works into, through or against such building or in such land, as if the necessary consent under subsection (4) has been given.]

Power of  
entry.

38. Any officer of the State Government, any <sup>1</sup>[Director], of the Corporation and any person either generally or specially authorised by the Corporation in this behalf, may enter into or upon any land or building with or without assistant or workmen for the purpose of--

- (a) making any inspection, survey, measurement, valuation or enquiry or taking levels of such land or buildings ;
- (b) examining works under construction and ascertaining the course of sewers and drains ;
- (c) digging or boring into the sub-soil ;
- (d) setting out boundaries and intended lines of work ;
- (e) marking such levels, boundaries and lines by placing marks and cutting trenches ;
- (f) doing any other thing necessary for the efficient administration of this Act:

Provided that,--

(i) no such entry shall be made except between the hours of sunrise and sunset and without giving reasonable notice to the occupier, or if there be no occupier, to the owner of the land or building ;

(ii) sufficient opportunity shall in every instance be given to enable women (if any) to withdraw from such land or building ;

(iii) due regard shall always be had, so far as may be compatible, with the exigencies of the purpose for which the entry is made, to the social and religious usages of the occupants of the land or building entered.

Officers of  
the  
Corporation  
may be vested  
with other  
powers.

39. The State Government may, by notification in the *Official Gazette*, nominate any officer of the Corporation to be a controller or licensing authority under any law for the time being in force relating to the procurement or distribution of any commodity in respect of the industrial undertakings <sup>2</sup>[or commercial establishments] established or to be established in <sup>3</sup>[the industrial estates, commercial centres or] industrial areas entrusted to or developed by the Corporation and no such nomination shall be called in question merely on the ground that such officer is not an officer of the State Government.

Over-riding  
powers of  
Government to  
issue directions  
to local  
authorities.

40. Notwithstanding anything contained in any other law, or in any licence or permit, if the State Government is satisfied either on a recommendation made in this behalf by the Corporation or otherwise, that the setting up of an industrial undertaking <sup>4</sup>[or a commercial establishment within an industrial area or outside] is impeded by a local authority's refusal to grant, or by such authority's insistence on conditions, which the State Government considers unreasonable for the grant of any amenity, the State Government may direct the local authority to grant the said amenity on such conditions as it considers fit and thereupon the amenity shall be granted:

Provided that, the charge to be paid for granting or continuing such amenity to the local authority concerned is not less than the cost to the local authority or licensee concerned for providing such amenity :

1. This word was substituted for the word "member", by Guj. 11 of 1986, s.22.

2. These words were inserted, *ibid*, s.23(1).

3. These words were substituted for the words "the industrial estate or" *ibid*., s. 23(2).

4. These words were substituted for the brackets and words "(whether within an industrial area or outside)", *ibid*., s.24.

Provided further that, no such direction shall be made by the State Government unless the local authority shall have been given a reasonable opportunity to show cause why any such direction should not be made.

<sup>1</sup>[40A. Where any land is leased by the Corporation, the lessee shall, pay to the Corporation before such date or dates as may be prescribed, an amount equal to the land revenue, rent, cesses, rates, and other taxes, if any, payable in respect of such land, which would have been payable by the Corporation had the land not been leased,]

Liability of lessee to pay taxes, etc..

41. All sums payable by any person to the Corporation or recoverable by it by or under this Act and all charges or expenses incurred in connection therewith shall, without prejudice to any other mode of recovery, be recoverable as an arrear of land revenue on the application of the Corporation.

Recovery of sums due to Corporation as arrears of land revenue..

42. (1) All notices, orders and other documents required by this Act, or any rule or regulation made thereunder to be served upon any person shall save as otherwise provided in this Act or such rule or regulation, be deemed to be duly served-

Services of notices, etc.

(a) where the person to be served is a company the service is effected in accordance with the provisions of section 51 of the Companies Act, 1956 ;

(b) where the person to be served is a firm, if the document is addressed to the firm at its principal place of business, identifying it by the name or style under which its business is carried on, and is either—

- (i) sent under a certificate of posting or by registered post, or
- (ii) left at the said place of business ;

(c) where the person to be served is a statutory public body or a corporation or a society or other body, if the document is addressed to the secretary, treasurer or other head officer of that body, corporation or society at its principal Office, and is either—

- (i) sent under a certificate of posting or by registered post, or (ii) left at that office;

(d) in any other case, if the document is addressed to the person to be served and—

- (i) is given or tendered to him, or
- (ii) if such person cannot be found, is affixed on some conspicuous part of his last known place of residence or business or is given or tendered to some adult member of his family or is affixed on some conspicuous part of the land or building to which it relates, or
- (iii) is sent under a certificate of posting or by registered post to that person.

(2) Any document which is required or authorised to be served on the owner or occupier of any land or building may be addressed "the owner" or "the occupier" as the case may be, of that land or building (naming that land or building) without further name or description, and shall be deemed to be duly served—

(a) if the document so addressed is sent or delivered in accordance with clause (d) of sub-section (1); or

(b) if the document so addressed or a copy thereof so addressed, is given or tendered to some person on the land or building or, where there is no person on the land or building to whom it can be delivered is affixed to some conspicuous part of the land or building.

(3) Where a document is served on a firm in accordance with this section, the document shall be deemed to be served on each partner.

(4) For the purpose of enabling any document to be served on the owner of any property, the occupier (if any) of the property may be required by notice in writing by the State Government or the Corporation, as the case may be, to state the name and address of the owner thereof,

Public notices how to be made known.

43. Every public notice given under this Act or any rule or regulation made thereunder shall be in writing over the signature of the officer concerned and shall be widely made known in the locality to be affected thereby by affixing copies thereof in conspicuous public places, within the said locality, or by publishing the same by beat of drum or by advertisement in a local newspaper, or by any two or more of these means, and by other means as the officer may think fit.

Notices, etc. to fix reasonable time.

44. Where any notice, order or other document issued or made under this Act or any rule or regulation made thereunder requires anything to be done for the doing of which no time is fixed in this Act or the rule or regulation, the notice, order or other document shall specify a reasonable period of time for doing the same or complying therewith.

44A. [Quinquennial valuation of assets and liabilities of the Corporation] Deleted by Guj. 3 of 1994, s.2.

Furnishing of returns, etc.

45. (1) The Corporation shall furnish to the State Government such returns, statistics, reports, accounts and other information with respect to its conduct of affairs, properties or activities or in regard to any proposed work or scheme as the State Government may from time to time require.

(2) The Corporation shall in addition to the audit report referred to in section 26 furnish to the State Government an annual report on its working as soon as may be after the end of each financial year in such form and detail as may be prescribed, and a copy of the annual report shall be placed before the State Legislature as soon as may be after it is received by the State Government.

Withdrawal of area or estate or part thereof,

46. Where the State Government is satisfied, that in respect of <sup>1</sup>[any particular industrial estate, commercial centre or] industrial area, or any part thereof, the purpose for which the Corporation was established under this Act has been substantially achieved so as to render the continued existence of <sup>2</sup>[such estate, centre or] area or part thereof under the Corporation unnecessary the State Government may, by notification in the *Official Gazette*, declare that or <sup>3</sup>[such industrial estate, commercial centre or] industrial area or part thereof has been removed from the jurisdiction of the Corporation. Thereupon the State Government may after consulting the Corporation pass such orders in respect of consequential financial arrangements with the Corporation, and the transfer or apportionment of any assets and liabilities of the Corporation as it may deem fit. The State Government may also make such other incidental arrangements for the administration of <sup>2</sup>[such estate, centre or] area or part thereof as the State Government thinks fit.

Default in performance of duty.

47. (1) If the State Government after giving the Corporation an opportunity to render an explanation is satisfied that the Corporation has made a default in performing any duty or obligation imposed or cast on it by or under this Act the State Government may fix a period for the performance of that duty or obligation and give notice to the Corporation accordingly.

(2) If in the opinion of the State Government the Corporation fails or neglects to perform such duty or obligation within the period so fixed for its performance, it shall be lawful for the State Government, after having given the Corporation to show cause against such order, by order supersede the Corporation and thereafter reconstitute the Corporation, as it deems fit.

1. These words were substituted for the words "any particular industrial estate or" by Guj. 11 of 1986, s. 25 (1).

2. These words were substituted for the words "such estate or", *ibid.*, s. 25 (2).

3. These words were substituted for the words "such industrial estate or", *ibid.*, s. 25(3).

(3) After the supersession of the Corporation and until it is reconstituted in the manner laid down in Chapter II, the powers, duties and functions of the Corporation under this Act shall be carried on by the State Government or by such officer or officers or body of officers as the State Government may appoint for this purpose from time to time, and the cost thereof shall be met from the funds of the Corporation.

(4) All property vested in the Corporation shall, during the period of supersession vest in the State Government.

48. (1) The State Government if satisfied that the purposes for which the Corporation was established under this Act have been substantially achieved so as to render its continuance unnecessary, it may by notification in the *Official Gazette* declare that the Corporation shall be dissolved with effect from such date as may be specified in the notification, and thereupon the Corporation shall stand dissolved accordingly. Dissolution of Corporation.

(2) From the said date—

(a) all properties, funds and dues which are vested in, or realisable by, the Corporation shall vest in, or be realisable by, the State Government; and

(b) all liabilities which are enforceable against the Corporation shall be enforceable against the State Government.

49. Unless otherwise expressly provided no Court shall take cognisance of any offence relating to property belonging or vested by or under this Act in the Corporation punishable under this Act, except on the complaint of, or upon information received from the Corporation or some person authorised by the Corporation by general or special order in this behalf. Authority for prosecution.

50. (1) The Corporation or any person authorised by the Corporation by general or special order in this behalf may, either before or after the institution of the proceedings, compound any offence made punishable by or under this Act. Compositions of offences by Corporation.

(2) Where an offence is compounded, the offender, if in custody shall be discharged and no further proceedings shall be taken against him in respect of the offence compounded.

51. (1) Whenever an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of or was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly. Offences by Companies.

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment under this Act if he proves that the offence was committed without his knowledge and that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*— For the purposes of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director" in relation to a firm, means a partner in the firm.

Penalty for  
obstruction.

52. Any person who obstructs the entry of a person authorised under section 38 to enter into or upon any land or building or molests such person after such entry or who obstructs the lawful exercise by him of any power conferred by or under this Act shall, on conviction, be punished with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Penalty for  
obstructing  
etc. persons  
performing  
duty under  
contract.

<sup>1</sup>[ 52A. If any person obstructs or molests any person with whom the Corporation has entered into a contract in the performance or execution by such person of his duty or of any thing which he is empowered or required to do under this Act he shall, on conviction, be punished with imprisonment for a term which may extend to three months or with fine which may extend to five hundred rupees, or with both.

Penalty for  
removing  
marks ect.

52B. If any person removes any mark set up for the purpose of indicating any level, boundary, line or direction necessary to the execution of works authorised under this Act, he shall, on conviction, be punished with imprisonment for a term which may extend to three months or with fine which may extend to five hundred rupees, or with both.

Penalty for  
obstructing  
exercise of  
powers under  
Chapter V.

52C. Any person, who obstructs the lawful exercise of any power conferred by or under Chapter V shall, on conviction, be punished with fine which may extend to one thousand rupees.]

Power to  
make rules.

53. (1) The State Government, after consultation with the Corporation in regard to matters concerning it, may, by notification in the *Official Gazette*, make rules to carry out the purposes of this Act :

Provided that, consultation with the Corporation shall not be necessary on the first occasion of the making of rules under this section, but the State Government shall take into consideration any suggestions which the Corporation may make in relation to amendment of such rules after they are made.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide for all matters expressly required or allowed by this Act to be prescribed by rules and fees which may be charged by the Corporation.

(3) All rules made under this section shall be laid for not less than thirty days before the State Legislature as soon as possible after they are made and shall be subject to rescission by the Legislature or to such modification as the 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  
make  
regulation.

54. (1) The Corporation may, with the previous approval of the State Government make regulations consistent with this Act and the rules made thereunder, and to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such regulations may provide for all matters expressly required or allowed by this Act to be provided by regulations.

(3) All regulations made under this section shall be published in the *Official Gazette* and shall be laid for not less than thirty days before the State Legislature as soon as possible after they are made, and shall be subject to rescission by the Legislature, or to such modification as the 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.

Protection of  
action taken  
in good faith.

55. No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any rule or regulation made thereunder.

1. Sections 52A, 52B and 52C were inserted by Guj. 14 of 1968, s. 9.

<sup>1</sup>[55A. (1) No person shall commence any suit against the Corporation or against any officer or servant of the Corporation or any person acting under the orders of the Corporation for anything done or purporting to have been done in pursuance of this Act, without giving to the Corporation, officer or servant or person, as the case may be, two months previous notice in writing of the intended suit and of the cause thereof, not after six months from the date of the act complained of.

Notice of suit against Corporation.

(2) In the case of any such suit for damages if tender of sufficient amount shall have been made before the action was brought, the plaintiff shall not recover more than the amounts so tendered and shall pay all costs incurred by the defendant after such tender.]

56. All <sup>3</sup>[Directors], officers and servants of the Corporation shall, when acting or purporting to act in pursuance of any of the provisions of this Act be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

<sup>3</sup>[Directors], officers and staff of Corporation to be public servants.

57. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.

Effect of provisions inconsistent with other laws.

58. If any doubt or difficulty arises in giving effect to the provisions of this Act the State Government may, by order, make provision or give such direction not inconsistent with the express provisions of this Act as may appear to it to be necessary or expedient for the removal of the doubt or difficulty, and the order of the State Government, in such cases, shall be final.

Power to remove doubts and difficulties.

59. In the Gujarat Legislative Assembly Members (Removal of Disqualifications) Act, 1960, in the Schedule after entry 13 the following entry shall be inserted, namely :—

Amendment of Schedule to Guj. I of 1960.

"13A. The office of a member of the Gujarat Industrial Development Corporation nominated under clause (b), (c) or (d) of sub section (1) of section 4 of the Gujarat Industrial Development Act, 1962, by reason only of his holding such office".

60. The Gujarat Industrial Development Ordinance, 1962 is hereby repealed and the provisions of sections 7 and 25 of the Bombay General Clauses Act, 1904 shall apply to such repeal as if that Ordinance were an enactment.

Repeal of Guj. Ord. No. IV of 1962.

1. Section 55A was inserted by Guj. 14 of 1968. s. 10.
2. This word was substituted for the word "members" by Guj. 11 of 1986, s.26 (1).
3. This word was substituted for the word "members", *ibid.*, s. 26 (2).