



ABSTRACT

Urban Development – Development of Special Economic Zone – SEZ Act 2005 – Handing over of Open Space Reservation and Roads by SEZ Developers – as per the Development Control Regulations under the Tamil Nadu and Country Planning Act, 1971 – Orders Issued.

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HOUSING AND URBAN DEVELOPMENT (UD4(1)) DEPARTMENT

G.O.(Ms).No.23

Dated: 24.01.2012

Read:

1. G.O.Ms.No.192, Housing and Urban Development Department, dated 8.9.2010.
2. From the Member Secretary, Chennai Metropolitan Development Authority, Letter No.C3-420/2009, dated 19.7.2011.
3. From the Industries (MIE-2) Department, letter No. 11370/MIE-2/2011-6, dated 26.7.2011.
4. Government Letter No.15017/UD4-1/11-2, Housing and Urban Development Department, dated 4.8.2011

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ORDER:

Under the SEZ Act 2005, the developers are not permitted to sell or convey any part of the notified lands and the developer who violates the act is liable for penal action.

2. As per the SEZ Act, 2005 and Rules, the developers of the Special Economic Zone are required to maintain the infrastructure within the SEZ during the entire period of notification of the SEZ.

The 10% reservation of land as Open Space Reservation and its handing over are insisted as per Development Regulation under the Second Master Plan in respect of the Development in Chennai Metropolitan Area and as per Development Control Regulations in Town and Country Planning area under the Tamil Nadu Town and Country Planning Act, 1971.

3. The Special Economic Zone Developers have represented that the roads and Open Space Reservation within the declared SEZ areas could not be handed over to local bodies as the SEZ areas are access controlled since they are customs bounded areas and further SEZ Act does not provide for such transfer.

4. Based on the decisions taken in the Chief Secretary's Meeting, held on 14.7.2010, the Government have issued orders in G.O.Ms.No.192, Housing and Urban Development Department, dated 8.9.2010 that the Director of Town and Country Planning

shall accord approval for the proposals of layout submitted by the Special Economic Zone developers, on fulfillment of the usual conditions stipulated for such approval as employment generation and economic development of the state need to be encouraged and at the same time, proper road connectivity for better circulation in the local area and Open Space Reservation spaces required to, and to be ensured to serve the interests of the public. Such approval shall be subject to the condition that the open space reservations and roads shall be handed over to local bodies by the Special Economic Zone developers and the local bodies in turn, shall give such open space reservations and roads immediately on lease to respective Special Economic Zone developers subject to the following conditions:

- Nominal value shall be collected as lease charges;
- Lease period shall not exceed 30 years with right to enter upon and inspect and cancel in case of violation."

5. However, the above directions have not given desired relief to the SEZ developers, as gifting of land to the local bodies is not permissible under the SEZ Act and Rules and hence certain decisions were taken during the meeting held on 05.08.2011.

6. The Government after careful consideration of decisions taken in the High Level meeting held on 05.08.2011 in consultation with Director of Town and Country Planning and Chennai Metropolitan Development Authority issue the following orders under Section 113 of the Town and Country Planning Act, as it involves exemption of Development Regulations for Chennai Metropolitan Area / Development Control Regulations of the Director of Town and Country Planning.

A In respect of existing SEZs.

- a. The mandatory requirements of the open space such as park / playground in a SEZ development site or the roads provided on the advice of Chennai Metropolitan Development Authority / Director of Town and Country Planning for connectivity in the locality shall be transferred to the local body / local planning authority concerned as the case may be by a registered deed of lease for a nominal value (of 1 rupee per acre or part thereof) per year, for a period of 99 years. The deed shall be duly signed by both the Lesser (i.e the SEZ Developer who has right over the land) and the Lessee (the Local Body or the planning authority). It shall be irrevocable, and shall not be modified without the Government Orders obtained from the concerned Department (viz. Municipal Administration and Water Supply / Rural Development). The leasing shall continue as long as the SEZ status continues, irrespective of the subsequent transfer of the company's holdings.
- b. Maintenance of Open Space Reservation Area and Roads leased out to the local body / the planning authority in SEZs shall be undertaken by the respective SEZ developer. The Local body / local planning authority shall have every right to ensure the use of the Open Space Reservation / road spaces only for the purposes approved and take action against any deviations as per law.
- c. In case, SEZ loses its status as SEZ during the lease period, then the Open Space Reservation Area and roads shall become the properties of the local body / local planning authority concerned, and the lease deed shall provide for the same.

B. For the new and upcoming SEZs:

- a. It shall be mandatory that they shall abide by the local Acts regarding provision and handing over of Open Space Reservation space and road connectivity to local body, by keeping land equivalent in extent outside the custom bound SEZ (Internal roads of the SEZ can be maintained by the SEZ developers themselves).
- b. In specific cases of SEZ developments, where already decisions have been taken in the Chief Secretary's Meetings earlier, the specific decisions arrived therein shall be followed,

7. The Director of Town and Country Planning and the Member Secretary, Chennai Metropolitan Development Authority are directed to pursue action accordingly.

8. The Works Manager, Government Central Press, Chennai – 79 is directed to publish the appended Notification in the next issue of Tamil Nadu Government Gazette and send ten copies of the Gazette notification to Government.

(BY ORDER OF THE GOVERNOR)

K. PHANINDRA REDDY,
SECRETARY TO GOVERNMENT.

To

The Works Manager, Government Central Press, Chennai – 79.

The Director of Town and Country Planning, Chennai – 2.

The Member Secretary, Chennai Metropolitan Development Authority, Chennai – 8.

Copy to:

The Personal Secretary to Chief Secretary to Government, Chennai-9.

The Personal Secretary to Principal Secretary to Municipal Administration and Water Supply Department, Chennai-9.

The Personal Secretary to Principal Secretary to Government, Rural Development and Panchayat Raj Department, Chennai-9.

The Personal Secretary to Principal Secretary to Government, Industries Department, Chennai-9.

The Senior Personal Accountant to Minister(Hg&UD), Chennai – 9.

The Law Department, Chennai – 9.

Sf/Sc.

//FORWARDED BY ORDER//

SECTION OFFICER.

APPENDIX.

NOTIFICATION

In exercise of the powers conferred by section 113 of Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 35 of 1972), the Governor of Tamil Nadu hereby exempts the SEZ Developers from Regulation 29 (7) (a) of Development Regulations of Master Plan 2026 for Chennai Metropolitan Area and Regulation 9 (3) (ii) of Development Control Rules of Master Plan of other areas regarding handing over of Open Space Reservation and Roads subject to the following conditions:-

A In respect of existing SEZs.

- a) The mandatory requirements of the open space such as park / playground in a SEZ development site or the roads provided on the advice of Chennai Metropolitan Development Authority / Director of Town and Country Planning for connectivity in the locality shall be transferred to the local body / local planning authority concerned as the case may be by a registered deed of lease for a nominal value (of 1 rupee per acre or part thereof) per year, for a period of 99 years. The deed shall be duly signed by both the Lesser (i.e the SEZ Developer who has right over the land) and the Lessee (the Local Body or the planning authority). It shall be irrevocable, and shall not be modified without the Government Orders obtained from the concerned Department (viz. MAWS / RD). The leasing shall continue as long as the SEZ status continues, irrespective of the subsequent transfer of the company's holdings.
- b) Maintenance of Open Space Reservation Area and Roads leased out to the local body / the planning authority in SEZs shall be undertaken by the respective SEZ developer. The Local body / local planning authority shall have every right to ensure the use of the Open Space Reservation / road spaces only for the purposes approved and take action against any deviations as per law.
- c) In case, SEZ loses its status as SEZ during the lease period then the Open Space Reservation Area and roads shall become the properties of the local bodies / local planning authorities concerned, and the lease deed shall provide for the same.

A For the new and upcoming SEZs:

- a. It shall be mandatory that they shall abide by the local Acts regarding provision and handing over of Open Space Reservation space and road connectivity to local body, by keeping land equivalent in extent outside the custom bound SEZ (Internal roads of the SEZ can be maintained by the SEZ developers themselves).
- b. In specific cases of SEZ developments, where already decisions have been taken in the Chief Secretary's Meetings earlier, the specific decisions arrived therein shall be followed.

K. PHANINDRA REDDY,
SECRETARY TO GOVERNMENT.

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SECTION OFFICER