

National Workshop on Sectoral Perspectives & Initiatives: Creating an Enabling Framework for Stimulating Investments in Manufacturing

Recommendations for State

Sr. No.	Recommendations for State	Timelines
Setting up a business		
1	Publish a comprehensive checklist for all requirements for NOCs, licences, registrations, environment clearances and land and building related approvals and certificates.	31st January, 2015
2	Prescribe time-lines for each service delivery including time-lines for seeking clarification/rejection (along with reasons)	31st January, 2015
3	Implement and enforce single window clearance institutional mechanism for starting up of business with all relevant officers (with authority to approve applications) of various departments housed in a single office for providing approvals and clearances	31st March, 2015
4	All clearances and approvals of incentives within existing policy framework to be given by the single window clearance institution.	31st March, 2015
5	<p>Make the single window clearance mechanism online to allow for registration, application, tracking and monitoring of application. Suggestive list of compliances is given below–</p> <ul style="list-style-type: none"> • Registration for Professional Tax • Registration under the Shops and Establishments Act. • Registration under the Employees Family Pension Scheme, 1971 • Registration & renewal of factory license under The Factories Act, 1948 • Registration & renewal of boiler licenses under The Indian Boiler Act, 1923 • Registration of Motor transport undertakings employing five or more transport workers under provision of Motor transport workers act, 1961 • Registration of principal employer's establishment and license for contractors under provision of contract labour Act, 1970 • Registration and approval for setting up of wind power projects in the state • Registration and approval for setting up of Biomass based power projects in the state • Registration and approval for setting up of Solar power projects in the state • Registration under Plastic Manufacture, Sale and Usage Rules, 1999 • Registration Certificate for manufacturing of fertilizer mixtures/micronutrient mixtures • Registration for Tax on luxuries provided in hotels and lodging houses • Registration Certificate issued under Tax on Entry of Goods into Local Areas Act, 1999 • Registration Certificate issued under Value Added Tax Act/Central Sales Tax Act 	31st May, 2015

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6	Single registration and ID for all state taxes	31st March, 2015
7	Ensure registration with VAT and profession tax is completed within one day for non-sensitive goods and prior inspection should be mandatory for sensitive goods only	31st January, 2015
8	Process of registration under Shops and Establishment Acts to be made online and real-time.	31st March, 2015
9	Combine all application forms to require to start a business into one online combined application form (CAF)	31st May, 2015
10	Implement legislation to ensure timely service delivery	31st March, 2015
11	Provisions for deemed approvals for applications on which suitable action is not taken within prescribed time limits, along with penalty on officers failing to dispose of cases in time.	31st March, 2015
12	Create a facilitation mechanism for filling of forms <ul style="list-style-type: none"> • Sample completed forms to be displayed • FAQs to be developed including list of key reasons for rejections • Toll free helpline number 	31st March, 2015
Land and Building		
Availability of Land		
13	Develop a framework to earmark land parcels with kind of industry that can be setup on such land: <ol style="list-style-type: none"> a. No industry b. Green Industry only c. No Red Industry d. All type of industries 	31st March, 2015
14	Develop land bank for ready availability of land for industry	30th June, 2015
15	Develop a comprehensive digitalized GIS enabled land records database in a time bound manner – preferably with information on available infrastructure like water, power, sewerage, highway/ road connectivity, etc.	30 June 2015
16	Develop a time bound and transparent land allotment procedures	15 June 2015
17	Assign timelines for processing of "Conversion of land" and "Change in Land Use" applications by State and local bodies	15 February 2015

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Registrering Propert		
18	Develop standard/ model sale deeds and make the format available online	31st January, 2015
19	Allow online registration of properties/land with online payment	30th June, 2015
20	Introduce online E Stamp facilities across Sub- Registrar Offices (SROs) in the state	30th June, 2015
21	Ensure data is digitized at sub-registrar's office, land records and municipal records for property tax	30th June, 2015
22	Integrate data at sub-registrar's office, land records and municipal records to facilitate property-wise mapping of transactions	30 June, 2015
23	Integrate mutation process with registration process by automatic update of land and municipal records with registration of property.	30 June, 2015
24	Shift from existing system of registration to Torrens system over the long run. Draw up a detailed route map for implementation of these recommendations	31st December, 2015
Construction Permits		
25	Develop an online Common Application Form for all applications for obtaining construction permit (municipal authority, tree authority, storm water and drain department, sewerage department, electric department, traffic and coordination department, and chief fire officer)	31st March, 2015
26	Develop an online Common Application Form for all completion and occupancy related applications	31st March, 2015
27	Allow auto-approval based on third party certification of structural design and architectural drawings by recognized structural engineers and architects respectively. Develop mechanism for penalty to be enforced on the engineer/ architect in case there is a violation on the code	31 March 2015
28	Empanel third parties for site inspection and certifications	31st March, 2015
29	Promote risk based approvals and inspections: No requirement for inspection for low risk structures (e.g. buildings in approved industrial/commercial areas)	31 March 2015
30	Allow online payment of all fees such as layout approval fees etc.	31st March, 2015

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31	Ensure a single joint site inspection is done by the authorities, wherein NOC is conveyed to municipal authority directly and accordingly approval/disapproval relating to construction permit is conveyed by the municipal authority;	31st January, 2015
32	Ensure there is a single completion-cum-occupancy certificate instead of separate completion and occupancy certification	31st March, 2015
33	Ensure there is no requirement of pre-application NOC from zonal planner, tax department and affidavit, and requirement of giving commencement notice;	31st March, 2015
34	Ensure that clear timelines (both customer facing and internal to dept.) are defined for obtaining construction permits. Timelines (related to setting up of business) with provision for deemed approval, should be prominently displayed on the application form itself. An Appellate Authority to be nominated for applicant to reach out to for any delay in processing or any complaints / redressal. In addition, the state must clearly identify responsibility of officers for failure to give approvals in time. Also, the state must clearly identify responsibility of business entities for loss caused to others due to accidents (through a common liability law).	31st March, 2015
Environment Compliances		
35	For registration/ obtaining clearance, categorize industry into Green, Amber, Red to define inspection requirements. Green - no inspection, Amber - self-certification/ third party certification with defined penalties, Red - Compulsory verification and time-bound	31st March, 2015
36	No requirement for environment clearances in case of green industries.	31st March, 2015

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37	<p>Develop and implement electronic consent management systems for all environment/ pollution related approvals –</p> <ul style="list-style-type: none"> • Authorization under Bio Medical Waste (Management & Handling) Rules, 1998 • Consent to Establish under the provisions of Air (Prevention & Control of Pollution) Act, 1981 • Consent to Establish under the provisions of Water (Prevention & Control of Pollution) Act, 1974 • Authorization under Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 • Authorization under Municipal Solid Wastes (Management & Handling) Rules, 2000 • Consent to operate under the provisions of Air (Prevention & Control of Pollution) Act, 1981 • Consent to operate under the provisions of Water (Prevention & Control of Pollution) Act, 1974 • Registration under Plastic Manufacture, Sale and Usage Rules, 1999 • Payment of water cess under the provisions of Water (Prevention & Control of Pollution) Cess Act, 1977 • Environmental Clearance (EC) under Aravali Notification 1992 & 1999 	30 June 2015
38	Develop and implement a common application form catering to various environment related acts with a checklist for all the prerequisites	31st January, 2015
39	Develop standard operating procedures for approval and inspection processes related to Consent to Operate (CTO)	31st January, 2015
40	Promote self-declaration and self-certification along with increase in penalties in case of violation of regulations	31st January, 2015
41	Synchronize multiple inspections under various regulations and promote risk based inspections	31 March, 2015
42	Supplement inspection activity of Pollution control boards with 3rd party Auditors/inspectors	31 May, 2015
43	Explore options for increasing time of renewal of the CTO supplemented by annual declarations	15 February, 2015
44	Remove requirement of pollution control certificates as pre requisites for providing connection for electricity.	15 January, 2015
45	Develop legislations to include environment protection and responsibility as a mandatory part of Corporate Social Responsibility	30 June, 2015
46	For compliance, ensure that there is a single return requirement and a single online register is maintained. Allow inspections by third party and conduct random inspections based on computerized risk assessment.	30 June, 2015

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Labour Compliances		
47	Develop a portal for providing online services for various labour law compliances- registration/ renewal of license related to <ul style="list-style-type: none"> • Factories Act, • Contract Labour (Regulation & Abolition) Act, • Payment of Wages Act, etc. • Shops and Commercial Establishments Act • Principal Employers Establishments • Establishment under the Beedi and Cigar Workers Act • Establishment under the Motor Transport Workers Act • Permission to establishments having more than 50 labours • Industrial Employment (standing Orders) Act, 1946 • Issuance of Licence to Contractor for employment of contract labours 	30 June, 2015
48	Develop standardized formats for minimizing the number of returns required to be submitted for compliance	15 January, 2015
49	Recognize third party service providers to provide certifications and conduct inspection	31 May, 2015
50	Document standard operating procedures for registration, renewal and inspection process and share through the department's website	31st January, 2015
51	Establish labour arbitration courts in industry clusters to expedite dispute resolutions	30 June, 2015
52	Introduce procedural reforms such as self-certification, risk-based inspections etc. to simplify the approval process and reduce costs.	31 May, 2015
53	Exempt small scale industry units from furnishing returns and maintaining registers	31st January, 2015
54	Synchronize multiple inspections under various labor laws	30 June 2015
55	Consolidate and rationalize all State specific labor laws to reduce multiple laws and bring consistency in the definitions and coverage - Industrial Relations; Governing Wages; Social Security; Laws governing Working Conditions & Welfare.	30 June 2015
Infrastructure related utilities		
56	Create a online common application form for obtaining infrastructure related utilities (electricity, water, sewage, gas)	31st March, 2015
57	Online submission of application for obtaining infrastructure related utilities	31st March, 2015

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58	Ensure that clear timelines (both customer facing and internal to dept.) are defined for obtaining Infrastructure related utilities (Electricity, water, sewage, gas). Timelines (related to setting up of business) with provision for deemed approval, should be prominently displayed on the application form itself. An Appellate Authority to be nominated for applicant to reach out to for any delay in processing or any complaints / redressal. In addition, the state must clearly identify responsibility of officers for failure to give approvals in time. Also, the state must clearly identify responsibility of business entities for loss caused to others due to accidents (through a common liability law).	31st January, 2015
59	Streamline and develop the application and approval process to eliminate duplication of formalities	30 June 2015
Getting Electricity		
60	Create a online common application form for obtaining infrastructure related utilities (electricity, water, sewage, gas)	31st March, 2015
61	Online submission of application for obtaining infrastructure related utilities	31st March, 2015
62	Date of inspection (for providing electricity connection) should be fixed within 7 days of application and communicated at the time of applying	31st March, 2015
63	Ensure that there is fixed cost estimate based on load required with no processing charges	31st March, 2015
64	Ensure that time for all permissions (for obtaining electricity connection) is capped at 15 days from date of application	31st March, 2015
65	Ensure that outside installation (for obtaining electricity connection) to be completed within 21 days of approval of application	31st March, 2015
66	Allow third party inspection for internal installations	31st March, 2015
Finance and Tax		
67	Allow online payment of all state levies and taxes	30th June, 2015
68	Allow filing of online returns annually and promote acceptance of returns at service centers	30th June, 2015
69	Provide for simple e-filing, assistance for e-filing at service centers	30th June, 2015
70	Simplify VAT refund by making payment directly into firm's account within 60 days	30th June, 2015

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71	Allow advance ruling for tax for State level taxes on the lines of Income Tax Act.	30th June, 2015
72	Develop Common application form for Value Added Tax, Central Sales Tax, Entry Tax, Luxury Tax	15 January 2015
73	Introduce and mandate e-Registration and do away with manual registration	30 June 2015
74	Phase out of static check posts and substitute with random checking through mobile squads	30 June 2015
75	Promote risk based inspection/audit or on certain information	30 June 2015
76	Set up toll-free helpline providing basic services assisting small taxpayers in preparing and filing returns	30 January 2015
77	Provide pre dispute consultation to the defaulters before issuing a tax demand notice	30 January 2015
78	Allow advance ruling for tax for State level taxes on the lines of Income Tax Act.	30 June 2015
Inspection reforms		
79	Form a Central Inspection Agency responsible for inspections with a network of local branches that report directly to the central agency to synchronize multiple inspections.	30th June, 2015
80	Synchronize multiple inspections under various regulations and risk based regulations	30 June 2015
81	Document and publish the inspection forms and templates by the agency	28 February 2015
82	Develop an online system for generation of list of units to be inspected and allocation of inspectors to conduct the inspections	30 June 2015
83	Allow third party inspections and introduce self-certification for the low risk units and past records, that is, frequency of defaults, consistency in compliance, etc.)	31 May 2015
84	Furnish final report within 72 hours after the inspection to the businesses	28 February 2015
85	Conduct surprise inspections based on the complaints with specific permission from head of the inspectorate.	28 February 2015

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86	Build capacity of the inspectors and inspectorates by introducing trainings for enhancing the skill set. Introduce cross training of the inspectors to optimize use of resources.	30 June 2015
Enforcing contracts		
87	Provide standardized contract templates to reduce ambiguity	31 May 2015
88	Set up specialized courts or commercial divisions in existing courts to resolve commercial disputes	30 June 2015
89	Implement case management Systems in courts to reduce delays	30 June 2015
90	Initiate process of e-filing of proceedings and e-services of court proceedings in districts and High Courts	30 June 2015
91	Appoint more judges	30 June 2015
92	Limit number of adjournments for the cases to avoid long delay in judgments	30 June 2015
93	Fix time limits for disposing of the commercial cases	31 May 2015
94	Mandate mediation/arbitration for commercial cases less than INR10 lakhs	31 May 2015
Exiting a business		
95	Ensure DRTs adhere to disposal timelines of 180 days under Recovery of Debts Due to Banks and Financial Institutions Act (RDDBFIA), especially in high value cases.	28 February 2015
96	Adhere to requirements of Section 19(5A) of the RDDBFIA which restricts adjournments by DRTs to a maximum of 3 or 6	28 February 2015
97	Establish timelines for Official liquidators to settle dues	31 May 2015
98	Develop a single window approval system for state level issues to ensure easy exit of businesses	30 June 2015