# The Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings (Orissa) Rules, 2001

ODISHA India

# The Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings (Orissa) Rules, 2001

## Rule

# THE-INTEREST-ON-DELAYED-PAYMENTS-TO-SMALL-SCALE-AND-AI of 2001

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The Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings (Orissa) Rules, 2001Published vide Notification No. 1564-8-SI-12/2001-1, dated 19th January, 2002Industries DepartmentNo. 1564-VIII-SI-12/2001-I 19th dated January, 2002. - Whereas it is necessary to make rules regarding the composition of the Industry Facilitation Council, the manner of filling up vacancies among and the procedure to be followed in the discharge of their function by the members.Now, therefore, in exercise of the powers conferred by sub-section (3) of Section 7-B of the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1993, the State Government do hereby make the following rules, namely -

#### 1. Short title and Commencement.

(1) These rules may be called the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings (Orissa) Rules, 2001.(2) They shall come into force on the date of their publication in the Orissa Gazette.

#### 2. Definition.

(1)In this Act, unless the context otherwise required(a)"Act" means the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993.(b)"Council" means the Industry Facilitation Council.(c)"Proceedings" means the arbitral/conciliation proceedings of the Council; and(d)"Section" means section of the Act.(2)Words and expressions used but not defined, unless the context otherwise requires, shall have the same meaning as respectively assigned to them

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in the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993 or the Arbitration and Conciliation Act, 1996.

### 3. Composition of the Council.

- The Council shall consist of not less than 9 members and not more than 15 members with the followings:-

(a) Director of Industries, Orissa, Cuttack ... Chairman

(b) Not less than two and not more than four representatives of Bank and Financial Institutions ... Members

(c) Not less than two and not more than four office bearers of representative of State Industry Association ... Members

(d) Not less than three and not more than five persons havingspecial knowledge in the field of Industry, Finance, Law, Tradeand Commerce ... Members

(e) Joint Director of Industries, Orissa, Cuttack

Member
Convenor

#### 4. Term of the Council.

(1)Term of the Council shall be three years.(2)Government may at any time reconstitute the Council before the expiry of its term; Provided that where the Council is reconstituted before the expiry of the term the Council so reconstituted shall function for the unexpired term.

# 5. Sitting of the Council.

- Ordinarily the Council shall meet at its Headquarters :Provided that the council may, at the discretion of the Chairman meet at any other place if considered necessary.

# 6. Manner of Filling Vacancy.

(1)State Government may nominate the name of the Bank and Financial Institution as required under Clause (ii) of sub-section (i) or Section 7-B and the name of State Industry Association as required under Clause (iii) of sub-section (i) of Section 7-B to be the member of the Council.(2)State Government may nominate the name of person having special knowledge in the field of Industry, Finance, Law, Trade and Commerce as required under Clause (iv) of sub-section (i) of Section 7-B to be the member of the Council.(3)After the nomination of the names under sub-section (i) the Bank/Financial Institution/State Industry Association, may select/elect as the case may be, the person to represent the Bank/Institution Association in the Council.(4)If any member of the Council failed to discharge his duty due to death, resignation, transfer or otherwise, another member may be selected/ elected/nominated from that category who shall discharge his function for the un-expired term of the Council.

#### 7. Procedure.

(1)Arbitral/Conciliation Proceeding may be initiated by the Council by a written complaint filed before it by the party indicating the details of claim outstanding along with the documents as per the check list prescribed for the purpose of initiating arbitral/conciliation proceedings.(2)The parties shall be given notice sufficiently in advance by the Council indicating the details of claim, etc. and reasonable time shall be offered to the opposite party to, file a written statement. Each party shall be given full opportunity to present their claim/case.(3)Language of the arbitral/conciliation proceedings shall be ordinarily in English. But, the parties are free to agree upon for any other language to be used in the arbitral/conciliation proceedings subject to approval of the Council.(4)Ordinarily 30 (thirty) days time shall be allowed by the Council within which claimant shall state the facts in support of his claims, points at issue and the remedy/relief sought for and the respondent shall also within a period of 30 (thirty) days state his defence in respect of the particulars, unless the parties have otherwise agreed as to the requirement of short notice. (5) The parties may submit along with their statement all documents considered to be relevant or may add a reference to the documents or other documents as may deem proper. (6) Unless otherwise agreed to by the parties, either party may amend/supplement their claim or defence during hearing of the cases of arbitral/conciliation proceedings unless the Council considers if in appropriate to do so having regard to the delay in making it. (7) Unless otherwise agreed to by the parties, the Council may appoint one or more experts to report to it on specific issues to be determined by the Council and require a party to give the expert any relevant documents/goods or other property for inspection.

## 8. Hearing.

(1)Unless otherwise agreed to by the parties, the Council may hold ora! hearings for presentation of evidence or conduct the proceeding on the basis of the documents and other materials available on record: Provided that the Council shall hold oral hearings at any stage of the proceedings on the request made by a party.(2)The parties shall be given sufficient notice in advance for any hearing/meeting of the Council for the purpose of inspection of documents/ goods any other property as the case may be.(3)If one of the parties having been duly summoned, fails to appear at one of the sittings, the Council may fix another date for hearing and give notice to the defaulting party/parties of its intention to proceed ex parte on a specific date, time and place. If after such notice is given the defaulting party/parties does/do not take part in the' proceedings, the Council may proceed further in his/their absence.(4)Information furnished or application made to the Council by any party shall be supplied to other party and any expert report/eventual document on which Council may rely in making its decision shall also be supplied to the parties.

#### 9. Award.

(1)The decision of the Council shall be made by a majority of the members and an arbitral/conciliation award shall be made in writing and shall be singed by all its members. The reason for omitted signature of any member shall be recorded in the arbitral conciliation award.(2)The arbitral/conciliation award shall state the reasons upon which it is based unless the

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parties have agreed that no reason and to be given or the award is on agreed terms.(3)It is compatible for the Council to encourage settlement of the dispute and with the agreement of the parties, the Council may use mediation, conciliation or other procedure at any time during the arbitral/conciliation proceedings for this purpose.