

COPY OF:

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries and Commerce Department -Small Scale Industries - Development and promotion of registered SSI Units - Measures for simplification of Government procedures and to abolish "Inspector Raj" - Orders - Issued.

INDUSTRIES AND COMMERCE (SSI) DEPARTMENT

G.O.MS.NO. 372.

Dt. 29-10-1998.

Read the following:-

D.O.Lt.No. 3419/SSI/A1/96,Dt. 23-7-98, addressed to concerned Principal Secretaries / Secretaries, Heads of Departments of Government of A.P and Government of India (at Hyderabad).

ORDER:

Government has received several representations from the Small Scale Industries Associations and also from individual SSI units stating that due to a multiplicity of laws and regulations impinging upon Industries and excessive bureaucratic red-tapism, The growth of Industries in the State is being hampered. The SSI Associations have said that that SSI units are being inconvenienced by frequent inspections by Officials of different Government departments. They have suggested that the State Government setup an Industrial Law Commission to simplify the laws and to the extent possible to draft a single law relating to small scale Industries. They have also requested that the number of returns and registers to be maintained to be filed can be reduced simplified and the schedule of inspections streamlined.

2. Measures to simplify Government procedures and to abolish the "Inspector Raj" which were formulated in consultation with the concerned Government departments were finally discussed with Government officials and representatives of the various small scale Industries's Association which are the members of the Advisory Board.
3. Keeping in view the recommendations made by the AP. Small Scale Industries 'Advisory' Board the measures proposed to simplify the Government procedures and to abolish "Inspector Raj" prepared as annexed to this order are, hereby, approved.
4. All the Departments of the Secretariat and the Heads of Departments concerned are requested to take appropriate action to implement the measures, if necessary, by amending the Rules and executive instructions.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Sd/-K.MADHAVA RAO,
CHIEF SECRETARY TO GOVERNMENT

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ANNEXURE

Measures proposed to simplify Government Procedures and Abolish "Inspector

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1. Statutory Inspections : The Departments which are involved in inspections of industries should carry out only one annual statutory inspection. An Inspector can be authorised to carry out inspection under more than one Act to minimize number of inspections.

2. Annual Schedule of inspections : The Departments shall prepare an Annual Schedule of inspections for specific industrial areas in advance so that the industries are aware of the dates of inspection.

3. Inspections on the basis of written complaints : Inspections, other than the statutory inspections, will be permitted only on the basis of written, signed and verifiable complaints of violation of any rule or regulation by a unit. Such inspections will have to be authorized by an Officer not below the rank of an Assistant Director or equivalent post. A copy of the written complaint will have to be given to the management of the unit at the time of the inspection and the observations relating to the complaint made by the inspecting officer will have to be written in the register to be maintained by the unit immediately after the inspection. If the entrepreneur / Manager does not produce such a register or refuses to accept a copy of the inspection report, the inspection report shall be sent by the inspecting officer by registered post acknowledgment due to the entrepreneurs, and to the Head of the Department.

4. Observers from SSI Associations during inspections : In the case of inspections on the basis of written complaints, SSI Associations of the area concerned will be invited to send an observer if they so chose during such visits so as to ensure that uniformity of the standards is applied to all the units.

5. Surprise inspections : Surprise inspections will be permitted only by an officer not below the rank of an Assistant Director or of an equivalent rank with the prior authorization of the Head of the Department or Regional or Zonal Officer in case there is sufficient reason to believe that the unit has violated any rule or regulation and the reasons are recorded in writing by such authorizing agencies. The inspecting officer shall send an inspection report within two days of conducting inspection to the Head of the Department or regional or Zonal officer. In case prior permission of the Head of the Department or Regional or Zonal officer is not possible. The inspecting officer shall send a report to the Head of the Department or Regional or Zonal officer within two days of the conducting the inspection explaining the reasons as to why prior permission could not be taken along with the findings of the inspection. The Head of Department shall monitor the conduct of surprise inspections by the departmental staff and shall ensure that there is no harassment.

With a view to ensure that welfare of Labour is achieved surprise inspections will be conducted by all Gazetted Inspectors under Child Labour (P & R) Act 1956 and minimum Wages Act, 1948 with a written permission of immediate superior officer. After conducting the inspection the inspecting officer will submit his inspection report to the same superior office.

6. Accredited Agencies : Accredited Agencies will be appointed to carry out statutory inspections on payment of fees in technical areas. The concerned Departments will prepare a panel of reputed private concerns who are appointed as Accredited Agencies for carrying out statutory inspections of a technical nature. The panel will be valid for one year. Small Scale entrepreneurs can get such statutory inspections done by any of the concerns included in the panel on the payment of the fees prescribed. If an accredited agency has

inspected and given a certificate of approval, statutory inspections by the departmental staff will not be necessary. In case a dereliction of duty is established in the case of an accredited agency, the law will provide for severe punishment of such an agency. The Principal Secretaries / Secretaries of the concerned departments will take action in suitably amend the laws.

7. Common Annual Return : The common annual return which has been introduced to cover the returns to be filed under the extends to cover the returns to be filed under the various laws of the Department of Labour and Factories will be extended to cover more number of departments. The Commissioner will take up the task in consultation with the concerned departments and SSI Associations. Efforts will be made to keep the Common Annual Return as simple as possible to reduce the burden of paper work by the entrepreneur.

8. Common General Register:- Under various Central and State Laws similar type of information is to be maintained in various registers prescribed under different laws. The Commissioner of Industries in consultation with the SSI Associations and concerned Departments will prescribe a Common General Register which will cover the basic data that is required under several acts and rules. Once this is done, it will not be necessary for the SSI units to maintain separate registers under various laws as prescribed.

9. Time limit for approval / Clearances : A time limit of one month shall be prescribed for giving a final decision on various applications for approvals / Clearances / Permissions / No objection certificates required to be taken by SSI units from State Government Departments / agencies.

10. License : Licenses shall be given, on a permanent basis. The License can be cancelled for any violation of the laws of any of the terms and conditions of the license including non-payment of fees after issuing a notice to the Licensee.

11. Complaint Cell: A complaint cell will be set up in the offices of the Chief Minister and of the Minister (SSI) to receive complaints from registered SSI Associations against any Government officer indulging in unwarranted harassment of an S.S.I. entrepreneur. The complaint must be sent on the official letter head of S.S.I. and must be signed by an office bearer of the Association and it must contain full details of the incident. Such complaints will be got examined immediately either by the concerned Head of the Department or by any senior Government Official and necessary action will be taken. The complaints received and action taken will be monitored every month by Minister (SSI) and every quarter by the Chief Minister. The Industries Department will maintain the records.

Sd/-K.MADHAVA RAO,
CHIEF SECRETARY TO GOVERNMENT

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