

MINUTES OF THE NINTH MEETING OF THE BUSINESS FACILITATION COUNCIL (BFC) HELD ON 17TH AUGUST, 2011 AT 4.00 P.M.

Ninth meeting of the Business Facilitation Council (BFC), constituted to facilitate entrepreneurs in obtaining clearances from various departments / agencies for setting up industrial enterprises in the NCT of Delhi, was held under the Chairmanship of Hon'ble Minister of Industries, Government of NCT of Delhi on 17th August, 2011 at 4.00 p.m. in Hall No. 3, Level 2, Delhi Secretariat, I.P. Estate, New Delhi. The list of members/participants who attended the aforementioned meeting is enclosed herewith as **Annexure – I**.

At the outset, while welcoming the members and other participants to the ninth meeting of the Business Facilitation Council, Hon'ble Minister of Industries emphasized the need for senior level participation from various departments / agencies to ensure meaningful discussion in the meetings of B.F.C. He also expressed his concern over absence of Addl. Commissioner (Engg.)-MCD in the meeting. The Hon'ble Minister directed that the displeasure may be communicated to the HoD in this regard.

Thereafter, with formal introduction by the participants, Secretary-cum-Commissioner (Industries) and Chairman-cum-Managing Director, DSIIDC apprised Hon'ble Minister of Industries and other participants that Business Facilitation Council comprising members from industrial associations, Industries Department, DSIIDC, DDA, MCD, DPCC etc. had been established, with the approval of Delhi Cabinet, in December, 2009 to facilitate entrepreneurs in obtaining clearances from various departments / agencies for setting up of industrial enterprises in the NCT of Delhi. He further informed that various problems being faced by the industries in Delhi were being discussed and resolved in the meetings of the BFC. He also informed that he had discussed the issues which needed intervention at the senior level with the Hon'ble Minister of Industries who was kind enough to hold a meeting of the Business Facilitation

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Council at his own level. Thereafter, agenda points were discussed as per details given below:-

Agenda Item No.1: Grant of Factory Licence at all floors by MCD:

Representatives of associations of industries stated that the issue regarding grant of factory license at all floors in industrial use premises by MCD had been discussed in various meetings of Business Facilitation Council from time to time in the past but the M.C.D. is not granting factory licenses for floors other than ground floor inspite of the fact that regulations and guidelines for redevelopment of existing planned industrial areas notified by the DDA envisage that industrial activity shall be permissible on all floors of the plots.

Representatives of Factory Licensing and also of the Town Planning Departments of M.C.D. clarified that as per opinion given by the Building Department of MCD, factory licence can be granted only on the floor specifically mentioned as working hall / work room in the sanctioned building plan of industrial buildings. The building plans earlier sanctioned for ground floor only need to be got re-sanctioned to include other floors as working hall / work rooms to enable the industries to obtain factory license for the same.

Representative of the Building Department of M.C.D. informed that while submitting building plans for approval of the Building Department, the users have to specify the use of each floor and the said plans are sanctioned in terms of the applicable building bye-laws. The Building Department, however, is according sanction to the cases as per provision of Building Bye-laws as and when the application is received by MCD.

Representatives of the associations of industries requested that in the meantime prosecution for carrying out manufacturing activities at floors other than ground floor should be stayed. The representatives of MCD, however, could not give any commitment in this regard.

Hon'ble Minister of Industries desired that a note in this regard be submitted to Hon'ble Lt. Governor requesting him to hold a meeting at his level to sort out the issue.

Agenda Item No. 2: Grant of Consent to establish / operate an industrial unit:

Representative of DPCC gave the progress of disposal of Consent applications as under:-

- (1) That disposal of applications for Consent to establish and Consent to operate falling under green category industries is complete and there is no pendency.
- (2) That disposal of applications for Consent to establish falling under orange category industries is complete upto 30th April,2011.
- (3) That disposal of applications for Consent to operate falling under orange category received after 12.8.2009 was upto date.
- (4) That disposal of applications for Consent to operate falling under orange category received prior to 12.8.2009 are pending for the last about three years.

(5) That in order expedite disposal of applications for Consent to operate, weekly meetings of the Committee are being held under the Chairmanship of Secretary (Environment) /Chairman-DPCC.

Representatives of associations of industries stated that the issue regarding grant of Consent to establish / operate an industrial unit had been discussed in various meetings of the Business Facilitation Council but the progress of disposal of consent applications by the DPCC was very slow. They also informed that in the absence of Consent to establish / operate, the industries were not able to avail any assistance e.g. Acknowledgement number of having filed Entrepreneurs Memorandum (EM) under MSME Act, 2006, installation of additional power load, Export Code etc. from the Government sources. The associations of industries requested that the provision of deemed consent as per the environment laws should be invoked if the DPCC fails to grant consent within the prescribed time frame.

Hon'ble Minister of Industries observed that the DPCC has neither given consent nor taken any action against the defaulting industries who are not in possession of consent. He, therefore, desired to hold a separate meeting with the Secretary (Environment), to discuss the matter and explore the possibility of invoking the provision regarding deemed consent and inform the industries accordingly through a press note.

Agenda Item No. 3: Repeal of Bombay Welfare Fund Act, 1953 as extended to Delhi:

The Bombay Labour Welfare Act, 1953 was extended to the establishments in the NCT of Delhi w.e.f. 15 August, 1998. Accordingly, the employers and employees are required to make six monthly contributions to the Fund.

The PHD Chamber of Commerce & Industry stated that the employers are lately feeling harassed as the Labour Department has sent notices to every establishment in Delhi for production of records for contributions to the Fund for the last 12 years.

Hon'ble Minister of Industries informed that the objective as envisaged in the said Act is to generate welfare fund for the workers and as such repealment of the said Act would defeat the very purpose for which it was enacted. He further informed that only about 24,000 industries were contributing to the fund and an amount of Rs.3.5 crore only had been collected so far. He desired cooperation from the industries to rather increase the contribution. He invited suggestions from the associations of industries regarding proper implementation of the said Act to enable him to get the matter examined by the Labour Department.

Agenda Item No. 4 : Overtime working in factory:

PHD Chamber of Commerce & Industry stated that the Economic Survey released prior to the 2008-2009 Budget in Parliament, the Government had clearly spelt out the need for the Factories Act to be amended "to increase workweek to 60 hours (from 48 hours) and daily limit to 12 hours to meet seasonal demand through overtime". The current Factories Act recognizes the need for overtime both for seasonal demand or to meet essential requirements which is particularly important for Export oriented Industries with deadlines to meet but states that special permission is required in each case. The PHDCCI has requested that the amendment for overtime working needs to be incorporated on an urgent basis.

Representative of Labour Department stated that the working hours have been restricted to 48 hours to ensure efficiency and to avoid accidents. He further informed that any change in this regard may, require amendment in the

said Act and any amendment in the Act may require approval of the Govt. of India being a Central Act.

Hon'ble Minister of Industries informed that the matter would be examined in the Labour Department. He desired that associations of industries may offer their suggestions in this regard. He also assured that a separate meeting to discuss the issues mentioned in the agenda item nos. 3 & 4 would be taken by him after these issues are examined by the Labour Department.

Agenda Item No. 5 : Circle Rates for Registration of Industrial Property at DSIIDC, Narela Industrial Park:

Apex Chamber of Commerce & Industry of NCT Delhi represented that circle rates fixed for Narela Industrial Park, developed by the DSIIDC, fixed at Rs.54,800/- sq. mtr. are very high. The Chamber further mentioned that the area is far away and lacks infrastructure in terms of sewerage, roads, drinking water and connectivity to the nearest / adjoining state highway. The Chamber, therefore, requested for getting the circle rates for Narela Industrial park reviewed.

Deputy Commissioner (East) and Special Inspector General (Registration) stated that circle rates had been fixed in respect of various categories of areas adopted in the scheme for calculation of property tax under unit area method. He suggested that the association of industries can file well reasoned representation for examination by the Revenue Department.

Additional Items:

(1) **Defunct CETP Societies:** Representative of Apex Chamber of Commerce and Industry of NCT of Delhi stated that CETP Societies are being run by the Societies and are handling public funds. He further informed that some

newly formed Societies had not held elections and were not transparent in giving accounts to their members. He suggested that Appropriate Authority to withdraw authorization of such Societies.

After a brief discussion, it was decided that the Chamber may give a detailed note on the subject for discussion in the next meeting of the Business Facilitation Council.

(2) **Constitution of Special Task Force (STF):** The associations of industries mentioned that the visit of STF in industrial areas is causing harassment to Small Scale Industrialists. Hon'ble Minister of Industries informed that the primary objection of constituting the STF was to ensure safety and security of workers and employees working in industries. STF which comprises of officers from various departments / agencies e.g. Labour Department, MCD, Fire Department, DPCC etc. as its members is to ensure that requirements of various Law were being complied. No individual Officer from any Department would be visiting industries separately. Hon'ble Minister of Industries informed that if any member of Task Force visits any industry separately the same may be brought to his notice and suitable action would be taken against such Officers.

After detailed discussion, it was decided that representatives of local associations would be associated by the Task Force at the time of visit to industries. It was also decided that a circular containing objectives of constituting the STF and its terms of reference may be sent to the associations for creating awareness among the industries functioning in the NCT of Delhi.

(3) **Encroachments in Okhla Industrial Areas:** Representative from Okhla Industrial Area raised the issue of non-maintenance of civic services, encroachment on Govt. land, bad condition of roads and street light etc. in the Okhla Industrial Area. Secretary & Commissioner (Industries) and CMD-DSIIDC informed that the conditions of industrial areas was very neglected

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because there were multiple agencies incharge of maintenance and lack of funds. He further informed that a law has been enacted vide which DSIIDC has been designated the agency of the Govt. of NCT of Delhi for development and maintenance of industrial areas in Delhi. However, the MCD is yet to handover the industrial areas to DSIIDC for their maintenance. The DSIIDC shall start maintenance of industrial areas immediately after these are transferred to the DSIIDC.

The meeting ended with a vote of thanks to the Chair.

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List of officers/participants who attended the Ninth Meeting of the Business Facilitation Council (BFC) held under the Chairmanship of Minister of Industries, Govt. of NCT of Delhi on 17.8.2011 at 4.00 p.m. in the Conference Hall No. 1, Level 2, Delhi Secretariat, I.P. Estate, New Delhi

ATTENDANCE SHEET

Sl.No.	Name & Designation of the Officer	Contact Phone No.	Department	Signature
1	DR. M. P. George Secy 'D'	9717593520	DPCE	
2	B. L. CHAWLA Secy	9717593516	DPCC	
3	Amitabh R. Rhoads Asst. Comm.	9818965498	Industries	
4	C. Arvind, cm	9899004199	DSIIDC	
5	Narinder G. G. G. G.	9810041690	M.P.I. A D.H.I.	
6	ASHOK ALAGH.	9811232270	H.I.A. Phase I	
7	Ramkhal	9818520600	General Secy. Asst. Factory Incharge	
8	T. C. Nautiyal	9968263738	DC, H.O. Deptt of Forest	
9	Vikram Bishet	9818010979	Deptt of trade & tax	
10	Rajender, M. L. I. C.	9818411220		
11	Suchi Chandhok	23226301	MED, Town Planning	
12	P. D. GUPTA	9999347400	APEX chamber of PATRAGRANT Trade Assn.	
13	Vijay Sharma HOD-CEM	9971393809	NOPL	
14	Rajsookham.	9810160285	Asst. Comm.	
15	R. S. Singh C/F Labour Deptt.	9891313604	Labour Deptt.	
16	Harish Tyagi, Asst Comm.	9818318102	Food & Supplies	

17	I. G. Gupta	9810655280	Education PFI DCCI	I. G. Gupta
18	Vinay Jain	9312218808	President Narela Reloc. Ind. Assoc.	Vinay Jain
19	Samir Nayyar	9810135426	Har Sect. Delhi Fed. Owners Federation	
20	R. N. GROVER	98-100-64335	President	D F C T
21	D. K. Kapur	9810512826	P & S Chamber	Comm. & C. of Industries
22	S. K. NARUCA	9811039270	Acci	
23	R. Anand	9810029290	Apex Chamber	
24	Deepak Kumar	9717788230	MCD	
25	J. D. Singh	9650798666	MCD	
26	KAKOLI MATHI	23378288	DDA	
27	M. K. Guleri	9810046819	GP	
28	H. D. JOSHI	971737606	Gen Secretary Fedaa	
29	R. M. DHINGRA	9810807370	Apex Chamber	
30	R. K. Misra	965027101	DC (Enr) / Spl. In-charge Regid. Div.	

31. KAPIL CHOPRA 9811792342 Apex Chamber (H. M.)
32. GYANESH CHAUDHARY 9811047474 Apex Chamber (Gen)
33. J. K. Baul 9811025308 J. K. Baul
Wazirpur
34. J. S. Swicki Addl CI Industries
35. Rajesh Khanna SE (Narela) / mcd
36. R. K. Saroha EE/B (Narela) / mcd
37. TILAK RAJ, Genl. Secretary Okhla Entrepreneurs Association
89 DSIDC Comp. Sch.-I
Okhla Ind. Area Ph-II, N. Delhi
38. J. S. Mahant
39. GURISH BHATNAGAR Apex Chamber
Apex Chamber
South Zone