



### Silvassa Industries Association, Silvassa

### **DNH Industries Association, Silvassa**



### Silvassa Industries and Manufacturers Association, Silvassa

Dt: 15.09.15

To.

The Chief Inspector of Factories and Boilers,

**DNH** Administration

Daman

Subject: Objections and suggestions on notification dated 04.08.15 regarding revision of licence fees under the Factories Act, 1948

Sir.

With reference above cited notification, we submit our objections and suggestions on behalf of all three Associations as under:

- Associations welcome the proposal to enhance the period licence from existing two years to ten years.
- 2. Increase in licence fees has no justification. Cost of manufacturing is increasing day by day and industries are not able to bear any further escalation. Also, there is no expenses by Administration to be incurred in making arrangement of licencing, hence, there is no financial burden on the Administration which is to me met. Hence, licence fees should be continues as it is.
- The principle of adjustment of accrued interest has been over looked in the notification.
  When any payment is collected for longer period, payee is given benefits of adjustment which receiver would get out of interest by early payment. In the instant case, pay due

Mayor Have

#### Coordination Group of



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for 10<sup>th</sup> year would be received by the Administration 9 years in advance. Therefore interest accrued for these nine years should be passed to Factory, if not full, then at least partially. Therefore, fees table should be revised suitably.

- 4. Penalty of 25% on delayed application is very high. In fact, there should not be flat penalty. It must correspond to the various factors...like size of the organization, period of delay, past record of the Factory, and above all manifest of intention of deliberate delay. Therefore, we suggest that it may be reduced to minimum at the bank rate and not exceeding 15% in any case with discretion at appropriate level.
- 5. In addition to above penalty should be only on the fees accrued for delayed years. For example, there is delay and one deposit fees in third year. Therefore, percentage of fees of penalty should be only in respective of fees due for three years and not for other seven years.

We are sure that our above objections and suggestions will be considered suitably at your end and amendments will be revised accordingly.

Thanking you.

Silvassa Industries

Association

Sanjeev Kapoor

President

**DNH Industries** 

Silvassa Industries and

Association

Manufacturers

Association

Aiit Yadav

President

C. M. Parekh

President