

SIKKIM

GOVERNMENT



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No.

GOVERNMENT OF SIKKIM
DEPARTMENT OF COMMERCE AND INDUSTRIES

No. 2/C&I/2019-20

Dated: July, the 22nd, 2019

NOTIFICATION

In exercise of the powers conferred by section 16 read with section 4 of the Sikkim Industries Licensing Act, 1982 (1 of 1983), the State Government hereby makes the following Rules, namely:-

Short title and
Commencement

1. (1) These rules may be called the Sikkim Industries Licensing Rules, 2019.
- (2) They shall extend to the whole of Sikkim.
- (3) They shall come into force on the date of their publication in the Official Gazette.

Definition

2. (1) In these rules, unless the context otherwise requires:-
- (a) "Act" means the Sikkim Industries Licensing Act, 1982;
- (b) "applicant" means any person who represents an industrial unit or corporate and acts on its behalf to obtain an industrial licence under these rules;
- (c) "Director" means an officer designated as the Director of Industries;
- (d) "form" means any form appended to these rules;
- (e) "Government" means the State Government of Sikkim;
- (f) "industrial activity" includes any manufacturing process or manufactured product;
- (g) "licensee" means a person or corporate or industrial unit which has been granted a licence under these rules;
- (h) "Memorandum of Agreement" means a document to be signed by the applicant and a representative of the Government where the conditions and liabilities to be adhered to by the applicant are set out and agreed to by both the signatories;
- (i) "State" means the State of Sikkim.

- (2) Words and expressions used in these rules and not defined but defined in the Act,

shall have the same meaning as respectively assigned to them in the Act.

Persons to apply for consent to establish industrial unit

3. Any person who wishes to set up an industrial unit in Sikkim shall apply in Form A (application form for issue of "consent to establish") together with the documents mentioned in the form to the Director Industries who shall issue letter of consent to establish in Form B, if the application and documents are found to be complete.

Persons to apply for industrial licence

4. An application for grant of industrial licence under the Act shall be made in Form C to the Director together with the documentation as specified in the form on payment of such fee as specified under section 4 of the Act or such fees as may be notified by the State Government from time to time.

Scrutiny of the application by Director

5. The Director on receipt of the application mentioned in rule 4, shall scrutinize the same to establish that the details of the industry for which the licence is sought are true shall issue a Licence in Form D:

Provided that the Director or his subordinate officers may inspect the premises of the industry concerned and call for any documents before taking any decision on the application submitted.

Applicant to execute a Memorandum of Agreement

6. After the scrutiny of application which shall be completed within 30 (thirty) days of receipt of the application, if it is found that all required documents have been appended along with the fees as prescribed, the applicant shall execute a "Memorandum of Agreement" in the format as prescribed at Annexure I.

Government approval to be obtained

7. After the "Memorandum of Agreement" is executed between the applicant and the Government, the Director shall forward the application and the Memorandum of Agreement to the Government for according approval, to issue a licence to the applicant:

Provided that the Director may reject or return the application within 30 (thirty) days, duly recording his reasons in writing, if in his opinion the applicant has not completed the application with regard to the information provided or documents to be attached or fees to be paid or he is otherwise not eligible to set up an industry in the State;

Provided further that the applicant may resubmit the application within 30 (thirty) days after completing or rectifying it as per the process as specified in rule 4.

Director to issue licence

8. After obtaining the approval of the Government, the Director shall issue a licence to the applicant in Form D.

Provided that if the licensee wishes to change the scope of his industrial activity he may apply for a fresh licence as provided in rule 4.

Conditions of licence

9. The Licensee shall fulfil all the conditions as provided in sub-sections (2) and (3) of section 3 of the Act and the conditions listed in the Memorandum of Agreement to be executed under rule 6:

Provided that the Government may impose any conditions or vary any conditions that it deems fit in the public interest at any time during the operation of the licence and the licensee shall be obliged to comply with them and a modified licence in Form E shall be issued for the remaining period of validity of the original licence issued in Form D after following the process as mentioned in rule 6.

Renewal of licence

10. If a licensee wishes to renew his licence on expiry of the validity of the licence issued to him under rule 8, he shall submit an application in Form C on payment of fee as specified under section 5 of the Act or such fees as may be notified by the State Government from time to time.

Penalty for violation of the Rules

11. Violation of any of the provisions of these rules shall be construed as violation of the Act and the offender shall be liable to be penalized as provided under section 15 of the Act:

Provided that the Licensing Authority may suspend or revoke the licence as provided in sub-section (3) of section 6 of the Act in Form F or Form G respectively after a show cause notice is issued to the holder of License in Form H and on consideration of explanation tendered, by a High Level Committee consisting of the Chief Secretary, Development Commissioner and Secretary of Commerce and Industries Department:

Provided further that the said committee shall decide either for suspension or revocation of licence having regard to the seriousness of the offence and obtain Government approval for the same.

Saving

12. All Memorandums of Agreement, Memorandums of Understanding, directions or orders relating to functioning of industries made or issued prior to commencement of these rules shall be deemed to have been made or issued under these rules and action for non-compliance of the same shall be taken under these rules.

DR. THOMAS CHANDY
ADDITIONAL CHIEF SECRETARY
COMMERCE AND INDUSTRIES DEPARTMENT

