

## **Reforms initiated by Government of Madhya Pradesh, May 2020**

### **Labour Reforms:**

#### **Background**

State government has amended the labour laws according to the need of the industry. This will create an atmosphere of trust in the industry. Key reforms undertaken can be referred in detail - <http://www.labour.mp.gov.in/KnowledgeSharing/public/AllCirculars.aspx?Sid=0> :

- a. Registration / license in just one day
- b. One register, One return – Electronic filing
- c. Auto extension and auto renewal of permissions
- d. Freedom from multiple inspections
- e. Simplification of labour disputes and court proceedings and provision for Compounding of offences
- f. No interference in wealth and employment creation
  - Threshold of ID act -100 to 300
  - Threshold of ID(Standing orders)-100
  - Compounding of offences
- g. Invisible referee of last resort
  - Exemption of establishment employing 50 workers
  - Relaxed shift timings and overtime hours by extending working hours from 8 to 12
  - Fixed term employment
  - Relaxed operation timings of Shops & Establishments with Night shift allowed and flexibility in rotation of shifts
- h. Waiver of majority of ID act for 1000 days

### **Agriculture Procurement and Marketing Reforms**

Madhya Pradesh has announced large-scale reforms in its Agriculture Produce Marketing Act (APMC) which will enable direct primary procurement from farmers, single license for trading in any mandi within Madhya Pradesh, designating warehouses and silos as new private mandis and facilitating the setting up of additional private mandis. Mandi committees will have no interference in the work of private mandis.

This will enable farmers to sell their produce directly without coming to mandis and will facilitate direct procurement of agriculture produce from farmers' doorstep by food processing companies, exporters, and wholesalers without having to bring them to the mandis.

### **Timely Clearance of Industrial Approvals**

State Government has decided to provide timely clearance of various licences and permissions required for setting up of investment projects in the state of Madhya Pradesh through Public Service Guarantee Act. The licences/ approvals covered will include permissions by any Statutory Board, Corporation, Local Authority, Gram Panchayat, Municipality, Municipal Corporation or other such Agency of the State Government which is entrusted to grant or issue clearances for setting up of industries. A nodal agency, i.e. MPIDC,

has been entrusted to coordinate and create, operate and maintain the required electronic platform to grant these approvals.

The applications for such notified services will be received only the 'Invest Portal' and no parallel system to receive the applications with respect to any such notified service will exist. There will be two kinds of services:

### **1. Instant Issue**

Approvals under this category shall be issued instantaneously by Invest portal on receipt of complete application form. A total of 25 services are covered under this. Some of the key services covered under this Act are Professional Tax Registration, Trade License, Approval of Factory Plan/Layout, Land Allotment, Fire NOC, Consent to Establish under Pollution Control Board amongst others

### **2. Deemed Approval**

If the Competent Authority does not decide within the prescribed timelines to issue/reject any approval covered under this, the Invest Portal shall auto-generate the necessary Deemed Approval on behalf of the Competent Authority. The requisite communication between both the parties will be through the Invest Portal to minimise the physical touch points, provide transparency and ease of use. Total 15 services are covered under this provision with a maximum timeline of 15 days. Some of the key services are New HT Connection (33 KV), Water connection, Boiler registration, Factory Licence, Consent to Operate amongst others.