

Circular No.APIIC/IALA/HO/Guidelines/2013, -200.

Dt. 10.10.2013.

Sub:- APIIC-LAC-Communication of revised guidelines on the functioning of IALAs and Service Societies-Reg.

Ref: 196th APIIC Board Meeting Minutes dt 04.10.2013

The Government have transferred certain powers and functions of Local Bodies, duly amending the necessary acts to APIIC Ltd to exercise the same in the Industrial Parks/SEZs.

On the Local Authority matters, various instructions/guidelines were issued from time to time to the Commissioners/Eos to follow the same. During 2007, some of the powers and functions were transferred to Commissioners/Eos, duly placing the matter in the Board meeting.

Certain representations have been received from the Industrial Areas Service Societies to review the functioning of IALAs. Accordingly, VC&MD had conducted a meeting on 19.6.2013 with some of the Chairmen of the Service Societies and Commissioners/Eos of twin cities and discussed the issues. Subsequently, a statewide IALA convention was conducted by FAPSIA jointly with APIIC on 12.08.2013. Basing on the above convention and panel recommendations, revised guidelines for the functioning of IALA and Services Societies were framed in partial modification of the existing one.

The revised /modified guidelines for the functioning of Industrial Area Local Authorities and Service Societies have been placed in the APIIC Board in its 196th Board Meeting and the board has approved the same. The new revised/modified guidelines come into force with immediate effect.

Sd/-

Vice Chairman & Mangaing Director

To

The Executive Directors/CE-I,CE-II,CGM(F),CGM(AM), CGM(Internal Audit),CGM(Projects),CGM(Engg), H.O.

All the GMs in Head Office.

All the Zonal Managers/ IALA Commissioners/Eos

All the Service Societies

Copy to VC&MD Peshi.

//Attested//


EXECUTIVE DIRECTOR

REVISED GUIDELINES FOR THE FUNCTIONING OF INDUSTRIAL AREA LOCAL AUTHORITIES (IALAs) AND SERVICE SOCIETIES

I.Preamble:

The local body functions within an Industrial Park/ Industrial Estate/ Special Economic Zones established by APIIC are being performed by IALAs. The IALAs are exercising the functions of a Municipal Corporation / Municipality/ Grampanchayat with a condition that 35% or 50% of the property tax collected is remitted to the parent local body.

To promote the practice of self-governance, the concept of service societies has been introduced by involving the industrial units located in the Industrial Parks in various management aspects. In view of the practical experience of the last many years, it is necessary to modify some of the guidelines.

II.Role of APIIC:

Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIIC) is organised in the form of Zonal Offices which are headed by Zonal Managers. The activities of all the Zonal Offices are coordinated from the APIIC Head Office which is headed by the Managing Director. APIIC Head Office plays the following role with regard to IALAs and Service Societies.

1. Appointment of Commissioner/ Executive Officer for each IALA with the powers to transfer based on administrative necessity
2. To take disciplinary action against any Commissioner/ E.O. for any irregularity or breach of law.
3. To overrule any decision taken by IALA / Service Society if it is found to be against existing law/ rules or if it violates any established procedure.
4. To provide directions/ guidance to IALAs/ Service Societies for taking up any new initiative meant for industrial development.
5. To provide funding support to the IALAs/ Service Societies for taking up any priority work as per mutual agreement.

III.Role of Nodal Officer:

APIIC has appointed Senior Officers of Head Office as Nodal Officers @ one for each zone. The Nodal Officers should review the functioning of each IALA during their inspection visits to the zone and offer their remarks with a copy to the Zonal Manager, Commissioner/ EO and Chairman of the Service Society so that immediate remedial action, if any, can be taken.

IV. Role of Zonal Manager:

1. Zonal Manager shall supervise, review, guide and advise overall functioning of the IALA and Service Society.
2. Zonal Manager is responsible for proper reconciliation and accounting of the revenues generated by IALA and the expenditure incurred.
3. Zonal Manager will monitor the transfer of the due share of IALA revenue to the respective local body.
4. Zonal Manager shall nominate Election Officer for conducting elections to the Service Societies and supervise the conduct of elections.
5. Zonal Manager will recommend the proposals for nomination as well as withdrawal of the Service Societies\
6. Zonal Manager will maintain an Enforcement Cell which will provide assistance to IALAs/ Service Societies for protection of assets, removal of encroachments etc.
7. Zonal Manager will conduct review meeting of all IALAs and service societies in his jurisdiction once every quarter on a fixed date.
8. Tenders shall be called on yearly basis for maintenance works such as garbage lifting / sweeping / streetlights.

V. Role of Commissioner/ Executive Officer:

1. Commissioner/ Executive Officer is responsible for proper maintenance of all civic services in IALA area.
2. Commissioner/ EO is the competent authority for approval of building plans, assessment, levy and collection of property taxes as per the existing Government Orders.
3. Commissioner/ EO is responsible for maintenance of all records for the IALAs and service societies as prescribed by APIIC.
4. Commissioner/ EO is responsible for furnishing periodical reports to Zonal Office/ Head Office as prescribed.
5. Commissioner/ EO will be the convenor for all meetings of the service societies namely EC meeting, general body meeting and sub-committee meetings. It is his responsibility to ensure that the minutes of these meetings are correctly recorded and circulated to all the members.
6. Commissioner/ EO will be the PIO under the provisions of RTI Act and Rules for the IALA area.
7. The Commissioner/ EO will be responsible for implementing the citizens charter as prescribed.

8. The Commissioner / EO should furnish building plan approval details to the Managing Committee.
9. Commissioner should ensure that trade licence is issued to each industry.
10. The commissioner should enter into MOU with Local Body concerned regarding (i) providing trunk infrastructure i.e. lifting of garbage collection, sharing of central / state government grants.

VI. Structure of the Service Society

The Service Society will comprise of all the industrial units which have been formally allotted plot by APIIC within the limits of the Industrial Park/ Industrial Estate/ SEZ. The service society will elect Managing Committee having 5 office bearers namely

1. Chairman
2. Vice Chairman
3. Secretary
4. Joint Secretary
5. Treasurer
6. Members not exceeding 10% of the number of units in that IALA.

The term of the Managing Committee will be for three years from the date of approval of the election results by the Zonal Manager concerned.

VII. Role of the Service Society

The Service Society's main role is to promote the concept of self-governance, i.e. they should participate in all decisions with concern them, in order to coordinate the functioning of the IALA, to involve the constituent industrial units in different development activities within the IALA area and also to bring transparency in the working of the IALAs.

The service society will form the following Sub Committees. One of the office bearers from the Management Committee will be the Head of the Sub Committee. The Management Committee may nominate other members also on the Sub Committee. In case there is more interest in joining a particular Sub Committee, the procedure of elections can also be followed. Commissioner/ EO of the IALA will be the Convenor in each of the Sub Committee.

1. Works Committee

The function of the Works Committee is as follows:

- i) The Committee will identify important developmental works to be taken up on a priority basis in the IALA. The Committee will participate in examining the estimates prepared by the technical staff. The Works Committee will select those works for which budget is available for execution.
- ii) The Commissioner/ EO will accord administrative sanction only to those works which have been recommended by the Works Committee and approved in the Management Committee. The total process of preparation of estimates, its approvals in managing committee, calling of tenders by competent authority i.e. Zonal Manager / Chief Engineer and commencement of work, should be completed within a period 60 days.
- iii) The Committee will supervise quality of works taken up by the Contractors and recommend corrective action in the quality of work, if not found satisfactory. The Managing Committee is authorised to engage a 3rd party inspection depending upon the nature of works., A provision should be made for this purpose while preparing the estimate.
- iv) The Committee will monitor payments made for the works done.
- v) The estimate of execution of works on nomination basis without following tender process is dispensed with. Each and every work whatever be its value will have to be taken up through tender process. The powers of technical sanction upto Rs.25 lakhs is delegated at the Zonal office level.
- vi) The system of e-procurement will be followed in all the Zonal Offices for calling for tenders. Under exceptional circumstances when there is a dire necessity to deviate from any of these procedures, namely taking up works on nomination or inability to call tenders through e-procurement, express prior permission from the Head Office will have to be obtained.
- vii) In case of paucity of funds for up-gradation of IALAS, the followings norms are required for sanction of funds from APIIC .

Age of IALA.
Funds availability
Shelf of works pending.
Percentage of P. Tax collection.

2. Resource Committee

The functions of the resource committee are as follows:

- i) Support and advise Commissioner/ EO in the collection of property tax from all the assessees.
- ii) To identify unassessed / under assessed units and bring to the notice of the Commissioner/ EO and the Managing Committee.
- iii) To place the list of property tax defaulters in the Management Committee meetings
- iv) To support and advise Commissioner/ EO in taking up penal methods like disconnection of services, attachment of property, issue of distraint warrant etc., from wilful defaulters.
- v) The resource committee will formulate annual budget for proper upkeep and maintenance of the IALA area.
- vi) The resource committee will be responsible for maintenance of layout open spaces and CFC area. They should bring awareness among the units for proper use and maintenance of common facilities for common benefit.
- vii) The resource committee will make use of the Enforcement Cell available at the zonal office for protection of open spaces and preventing encroachments etc.
- viii) The committee will monitor unauthorised construction and deviations against approved building plans and support and advise Commissioner/ EO in taking penal action.
- ix) ZM shall disburse the share amounts to the concerned IALAs/Local Bodies Grandalaya samasta etc within 30 days after receipt of monthly account statement from the Commissioner/EO.
- x) The committee shall monitor the issue/collection of trade licence to each industry in improving the revenue to the IALAs

3. Human Resource Committee

The functions of the human resources committee are as follows:

- i) To conduct recruitment through a transparent and objective process of the IALA staff as per the prescribed staffing strength, whenever any vacancy has arisen.

- ii) To supervise and monitor the performance of IALA staff.
- iii) To recommend to Commissioner/ EO and Management Committee to initiate action against non-performing IALA staff.
- iv) The enforcement cell is to be constituted by the Zonal Manager with the members, of Service Society, Commissioner, Security person engaged on outsourcing basis having experience in security, local MRO, and police department.
- v) The enforcement cell should attend the following.
 - To avoid unauthorized construction without permission from APIIC.
 - To protect open land, left over plots of APIIC-IALA.
 - To remove unauthorized encroachments like tea stalls, liquor shops and illegal activities etc.
 - Stoppage of hazardous wastage on roads, nalas and open places.
 - Avoid illegal parking of vehicles such as autos, lorries etc., at road sides of Industrial parks.

4. Environment Sub Committee

The functions of the environment sub committee are as follows:

- i) To plan and implement various environment improvement initiatives like
 - a) Retro-fitting of existing buildings as green buildings
 - b) Taking up recycling and reuse activities.
 - c) Tree plantation in open spaces and within the premises of all industrial units
 - d) Construction of water harvesting structure
 - e) Safe disposal of electronic waste
 - f) Energy efficiency programmes in each industrial unit as well as energy efficiency in street lights etc.
 - g) Special programmes like cycle to work, health and sanitation programmes etc.
- ii) Environment sub committee will be responsible for monitoring the day-to-day sanitation work in the IALA.
- iii) The sub committee will advise the Commissioner/ EO in finalising the sanitation arrangements through a transparent and objective process.
- iv) The sub committee will supervise the function of the sanitation agency and recommend for remedial action if the performance is not satisfactory.

VIII. Meetings of the Service Society

1. Managing Committee will meet once in every month. As far as possible this will be on a fixed day/ date (for example first Monday of every month or 5th of every month etc).
2. Each of the sub committees should also hold their meeting once in every month, preferably on the same day as the Managing Committee meeting. The sub committee meetings should proceed the management committee meeting. The management committee can discuss the points raised by the sub committees.
3. Once the system of meeting on fixed day/ date of every month gets streamlined, there will be no requirement to give 7 days prior notice to the members.
4. The General Body should be conducted once in every 6 months duly giving 14 days notice to all the members
5. In case of urgency, the General Body or Managing Committee or Sub Committee Meeting may be conveyed at short notices also with the approval of Chairman.
6. Once every Quarter a common meeting of all IALAs and Service Societies will be conducted by the Zonal Manager at the Zonal level.
7. A fixed calendar of dates will be prescribed every year for these meetings also.
8. Once every year there will be a State level convention of IALAs and Service Societies which will be organised by APIIC.

IX. Elections of Service Society

The Service Society shall conduct Annual General Body Meeting to finalize the date of elections to the Service Societies before expiry of term (i.e.3years). Each member of the Managing Committee can hold the given post for a maximum period of two terms and after that a gap of one term should be maintained for becoming eligible to contest the same post again. Tax defaulters are not eligible to contest in the Service Society elections. If the Service Society fails to conduct the elections within the expiry of the term, APIIC shall initiate action to denotify the Service Society.

The following procedure is to be followed while conducting elections to the Service Societies.

- a) The membership is open and compulsory for all the units located in the Notified Industrial Areas under the purview of the Service Societies. However, for the purpose of elections, at least 60% of membership/renewal shall be required where cent percent of the membership is not possible due to one reason or the other.

- b) All the Managing Committee members including the office bearers of the Service Society should be elected directly by the eligible voters.
- c) In respect of Proprietary concerns, Proprietor himself has to cast his vote in the election and he is not entitled to authorize another person on his behalf to cast his vote.
- d) In case of partnership firms, the Managing Partner or any other partner authorized by the partnership firm has to cast vote on behalf of the firm and no other person is entitled to cast vote.
- e) In respect of Public limited Companies/Govt Undertakings, the Managing Director or any other Director authorized by the Board of the Company/Head of the Organization(Govt Undertakings) has to cast vote on behalf of the Company. They cannot delegate the power to any employee of the Company.
- f) Under no circumstances, proxy voting shall be allowed except through postal ballot by the authorized voters as aforesaid.
- g) The tax payers those who are not defaulters in payment of property tax are eligible to contest for the post of Managing Committee including office bearers in the elections to the Managing Committee of Society.
- h) The elections shall be conducted through election notification and specified election procedure only and the elections in the General Body meeting will not be accepted.
- i) The Service Society should conduct the elections before expiry of the present term. If, they fail to conduct the elections within 3 months time, the ZM concerned may submit proposals to Head Office to denotify the Service Society. All the Service Societies should conduct elections during June once in 3 years.
- j) Any Managing Committee Office bearer or Member who is unable to attend 3 consecutive meetings of the Society will have to relinquish his position from the body. A new member can be taken in his place by majority opinion of the remaining members.

- k) No Managing Committee Office bearer or member is allowed to contest again if he has tax arrears of more than half year at any point of time.
- l) No Managing Committee Office bearer or member is allowed to contest if he is absent for more than 7 meetings or 35% of the meetings, during the 3 year period of the body, whichever is higher.

X. GRADING OF IALAs:

The IALAs will be graded into Grade I, II and III categories based on the following parameters.

- a) Area
 b) Number of Tax payers
 c) Demand & Collection of property tax

Grade-I	Grade-II	Grade-III
a. Area-1000Acres and above or b. Number of Tax payers-1000 Nos. or c. Demand of Property tax above Rs.5.00 crores	a. Area-500-999 Acres or b. Number of Tax payers 500-999 Nos. or c. Demand of Property tax Rs.2.00 to Rs.5.00 crores	a. Area below 500Acres or b. Number of Tax payers below 500 Nos. or c. Demand of Property tax below Rs.2.00 crores.

For Grade I IALAs, exclusive Commissioner will be posted to exercise the powers and functions of the Local Bodies as far as possible, depending on manpower availability in APIIC.

XI. STAFFING PATTERN OF IALAs:

Each IALA shall take permission of APIIC for their staff, which will be examined by APIIC as per norms.

XII. JOB CHART OF STAFF:

S.No.	Name and designation of the employees engaged on outsourcing	Work allocation
1.	Office Manager	<p>He should assist the Commissioner/EO in all IALA matters and also custodian of all the following records i.e.</p> <ol style="list-style-type: none">1. Receipt books2. Bank remittance slips3. Cash books and bank statements4. DCB register5. Tax assessment register6. Building plan approval register7. Mutation register8. Trade license register9. Administrative sanction register10. Technical sanction register11. Maintenance of circular files12. Furnishing of RTI Act information <p>Any other work entrusted by the Commissioner/EO</p>
2.	Accountant	<ol style="list-style-type: none">a) Entering day to day receipt in the Computerb) Maintenance of Cash Bookc) Reconciliation of Accounts with Chartered Accountant every monthd) Transfer of due share amount to Local Bodiese) Crediting of cheques/Cash into Bankf) Preparation of DCB statement every monthg) Any other work entrusted by the Commissioner/EO
3.	Bill Collector	<ol style="list-style-type: none">a) Collection of Property taxb) Inspection of Industrial park every day and identify of un-authorized constructions and encroachments and intimate the same to the Commissioner/EO and Service Society membersc) Maintenance of Receipt Book

		d) Any other work entrusted by the Commissioner/EO
4.	Attender	a) Basing on the exigency b) Any work entrusted by the Commissioner/EO

The out sourcing IALA Staff shall avail 12 public holidays in every calender year.

XIII.FINANCIAL POWERS:

Sl.No	Description of powers of execution of work	Particulars of expenditure to be incurred	Remarks
1	<p>Maintenance of civic amenities in the Industrial Parks</p> <p>Civic amenities means providing additional infrastructure facilities such as providing Roads, storm water Drains, culverts, Providing street lights, providing water supply. Expenditure under this head is of capital nature.</p>	<p>1. Execution of works will be taken up by APIIC only as deposit work after receipt of amount to APIIC along with administrative Sanction proceedings. The amount should be kept in fixed deposit till the amount is spent.</p> <p>2. Admn. Sanction shall be accorded by Commissioner/Executive Officer with approval of Managing Committee/ Works Committee.</p> <p>3. Technical sanction for the works up to Rs.25 Lakhs shall be accorded by Zonal Manager and by CE/ENC for the works above Rs. 25 Lakhs.</p> <p>4. For awarding the work, procedure of APIIC shall be followed duly involving the Works Committee.</p>	<p>On completion of work Zonal Manager should render Account by way of Completion Report/ Statement of expenditure.</p> <p>Balance amount available should be remitted to IALA and close the account work wise.</p>

<p>2.</p>	<p>Annual Maintenance Following works are covered under this head and these are Revenue expenditure of IALA.</p> <ol style="list-style-type: none"> 1) R& M Roads 2) Garbage clearing 3) R&M Street lights 4) Water supply system. 	<ol style="list-style-type: none"> 1. Execution of works will be taken up by APIIC only as deposit work, after receipt of estimate amount to APIIC along with administrative sanction proceedings from the Commissioner. 2. Adm. Sanction shall be accorded by Commissioner/Executive Officer with approval of Managing Committee/ Works Committee. 3. Technical sanction for the estimate amount up to Rs. 25 Lakhs shall be accorded by Zonal Manager and above Rs.25 Lakhs by CE/ENC 4. The Admn. & Tech. sanction will be valid up to 31st March of the financial year for which the Annual maintenance works are related for eg. Technical sanction & Administrative sanction of the Annual maintenance works for 2013-14 will be valid up to 31.03.2014. 5. For awarding the work, Tender procedure of APIIC will be followed. 6. The works like sweeping of roads, collection and disposal of garbage/ scavenging, drainage clearing etc., may be got 	<p>On completion of work Zonal Manager should render A/c. by way of CR / Statement of expenditure. Balance amount available should be remitted to IALA and close the account work wise.</p>
-----------	--	---	---

		done through Agency/ Self-help DWACRA groups/ contract basis. These items may be awarded to Contractors/ Self-help DWACRA groups, duly following the Tender procedure as per recommendations Environment Committee	
3	Admn. Expenditure	<ol style="list-style-type: none"> 1. Salaries to Outsourced Employees 2. Printing and Stationery 3. Postage & Telephone Bills 4. Furniture 5. Maintenance of computers 6. Electricity charges 7. Auditor fee 8. Legal expenses (with the approval of Legal wing) 9. Expenditure for public functions viz. Flag hosting on August 15th and January 26th. 10. Meeting expenses of Managing Committee/ Advisor Committee. 11. Drinking water for office purpose. 12. Misc. items. 	The total expenditure on the head should not exceed to 20% of Total revenue generated i.e. on share of IALA or Rs.20 lakh whichever is less, per year.

XIV. AWARDS AND INCENTIVES:

IALA Service Societies will constitute suitable rewards for the staff working in IALA whose performance exceeds the prescribed target. APIIC will also give awards to different IALAs and Service Societies based on their performance.

XV. SCOPE OF GUIDELINES:

All instructions contained in these guidelines will superced all earlier instructions on the concerned subjects. However, if the present guidelines do not cover any particular subject, the instructions already existing on that subject will continue to remain valid.

Sd/-

VICE CHAIRMAN & MANAGING DIRECTOR