

No.I.E. / Scheme / Norms-Guide Lines / 3058 /
Directorate of Industries,
New Administrative Bldg;
Bombay - 400 032
Dated: 16-5-1983.

To,

- 1) The General Manager,
District Industries Centre (all).
- 2) The District Dy.Registrar, Co-operative Societies (all)
- 3) The Superintending Industries Officer,
Bombay / Pune / Nasik / Aurangabad / Nagpur
Region, / Bombay / Pune / Aurangabad / Nagpur.
- 4) The Jt.Director of Industries,
B.M.R., Worli, Bombay.

**Sub : Scheme of Establishment of Indl.Estate -
Norms & Guide Lines.**

1. A copy of the scheme of Indl.Estate containing norms and Guide lines in the matter forwarded for reference and record.
2. The District Dy.Registrar, is requested to bring the contents of the scheme to the notice of the Taluka Dy / AssttRegistrars of the district.

Sd/-

Jt.Registrar, Co-Op.Societies (ICE)
For Development Commissioner (IND)

Copy together with a copy of the scheme forwarded to -

1. The Chairmam, Maharashtra State Coop. Indl. Estate Federation Ltd; C/o, Sangli Industrial Coop. Estate, Sangli, (with compliments)
2. The Commissioner for Cooperation & Registrar, Coop. Societies, Maharashtra State, Pune.
3. The Divisional JtRegistrar, Coop. Societies, Bombay/Pune/Nasik/Aurangabad/ Amaravati/Nagpur. Region, Konkan-Bhavan, New Bombay/Pune/Nasik/Aurangabad/ Amaravati/Nagpur.
4. Jt.Director of Industries, (H.O.), All.

INDUSTRIAL ESTATE

INTRODUCTION :

- 1.1 The Growth of Indl.Estates in India is most concentrated in big cities. People from the rural area come to the big cities to seek employment in these cities. This exodus from rural to the urban area results in - Problems of housing, Primary Services, such as water, Sanitation, Transport, Electricity and other social amenities, while the development of rural area suffers due to such emigration. It is important therefore that this imbalance in the level of development is progressively reduced, subject to over-riding technical consideration by evenly spreading industries in less developed areas. This would reduce the migration of rural population to cities and provide employment opportunities in the rural and semi-urban areas.
- 1.2 It is in this context that the idea of Indl.Estate originated. It was realised that the establishment of Indl.Estates could be an effective method of fostering the Indl.development on a centralised pattern and thus relieve congestion in the big cities. An Indl.Estate is a cluster of factories constructed on an economic scale on suitable site with facilities of water, transport, electricity, bank, post-office, canteen, Watch & Ward and special arrangements for technical guidance and common service facilities wherever needed.
- 1.3 It envisages to secure suitable land having the potential for growth of new Small Scale Industries & possibilities of attracting those which are located in the unregulated or congested areas in the towns.
- 1.4 Coop.Society of enterpreneurs of Small Scale Industry Sector undertaking development of Indl.Estate may undertake to function as a registered stockist of controlled & scarce material for the benefit of the members.

IDENTIFICATION OF NEW INDLGROWTH CENTRE:

2. A Techno-Economic Survey of the place shall be carried out by the District Industries Centre, and the feasibility & viability of an Indl.Estate be assessed and his report alongwith findings and recommendation shall be submitted to the Directorate of Industries for consideration.

ESTABLISHMENT OF INDL ESTATE UNDER THE SCHEME OF INDL.ESTATE:

- 3.1 Industrial Estate under the Scheme of the State Govt. shall be established at the place / locations approved by the State.Govt. The proposals for Indl.Estates in Co-op Sector at the new growth Centre are considered by Govt if :-
 - (a) It is established through a Techno Economic Survey that the Indl.Estate is feasible and viable and
 - (b) the District Planning Development Council has accorded consent for the establishment of Indl.Estate.
- 3.2 The Industrial Estate Scheme envisages acquisition of private land by the Industries Department and / or transfer of Govt. lands for the purpose for being leased out to Indl Co-op. Estate, registered under the Maharashtra Co-op. Societies Act.

- 3.3 The Co-op. Indl. Estate Society approved by the Govt. under the Scheme is held eligible to raise funds for execution of its scheme, which comprises of costs of levelling, roads, drainage, water supply, street lighting, administrative bldg., & Common amenity Bldg., and Indl. Sheds. The Co-op. Society shall have to raise 20% of the project cost as members' redeemable share contribution, Govt. will make available equal (20%) contribution as Govt. Share contribution and 60% of the project cost is to be made available as long term loan on Govt. guarantee.

I. ORGANISATION OF CO-OP. INDL. ESTATE:

Under the Maharashtra Co-op. Societies Act, a Co-op. Society, with limited liability can be organised with a membership of not less than 10. An Indl. Estate Co-op. Society shall, however, be organised which fulfills the following conditions :-

- a) Viability of establishment of an Indl. Estate will be on the basis of Techno Economic Survey report. No Objection Certificate from the Directorate of Industries shall be necessary.
- b) Where the Indl. Estate is proposed to be established under the Scheme of the Indl. Estate of the Govt., the approval of the Govt. shall be necessary.
- c) Minimum of 2.02 Hectares of land and enlistment of minimum 30 entrepreneurs and initial membership Share Capital of 15,000/- and collection of Rs.15,000/- towards cost of common development works shall be necessary.
- d) Communication about availability of minimum 10 Hectares of Govt. land from the Collector and / or documents relating to the purchase transaction of land (at least 10 Hectares) for the purpose of Indl. Estate should be produced.
- e) Certificate from the Municipality about the location of the proposed site of Indl. Estate falling within the Indl. Zone should be produced or else the availability and suitability of the land of the proposed Indl. Estate should, be certified by the Town Planning and Valuation Department of the District, and such certificate should be produced.
- f) Communication relating to availability of water supply, and of the electricity supply to the Indl. Estate should be produced from concerned authorities.
- g) A scheme details explaining how the working of the Society will be economically sound and the description of immovable property proposed to be purchased, acquired, or transferred to the Society should be enclosed.
- h) Application for registration of the Co-op. Indl. Estate Society shall be in the form prescribed under the Maharashtra Co-op. Societies Rules and shall be subject to the rules and regulations laid down by the Govt.

5. BYE-LAWS OF INDL. COOP. ESTATE SOCIETY:

Model Bye-laws of primary Indl. Estate Coop. Society can be had from the Maharashtra State Coop. Indl. Estates Federation Ltd., C/o Sangli Indl. Coop. Estate, Sangli.

6. REGISTRATION OF COOP. INDL ESTATE SOCIETY:

- 6.1 Under the scheme of delegation of powers under the Maharashtra Coop. Societies Act and Rules thereunder, the Taluka Assistant / Dy. Registrar, Coop. Societies, is empowered to register, the Indl. Coop. Estate Societies within the Taluka Jurisdiction. Application for registration shall be accompanied by the particulars and information contained under the caption 'Organisation Of Indl. Coop. Estate.' Where the Indl. Estate Coop. Society is being promoted under the scheme of the Govt. or otherwise. The No Objection Certificate from the Directorate of Industries shall be necessary. The No Objection Certificate for the Industrial Estates under the Scheme shall be closely related to the budgetary outlays under the Five-Year Plans for the Scheme. If a Coop. Society is prepared to finance the project from its own resources and outside the Scheme of assistance of the Govt., the Directorate of Industries may issue No objection Certificate, provided the location affords promise for development of Small Scale Industries and the individual schemes for Industries are approved by the Directorate. Communication from the Financing Agency agreeing to provide funds should be made available to the satisfaction of Registering authority.
- 6.2 Where the promoters desire to invest their own funds for purchase of lands for the Estate, they may do so provided (a) they resolve to purchase the land with their own funds, (b) they produce agreement to sell to them the land.

7. MODIFIED SCHEME OF IN PL. ESTATE APPLICABLE TO GREATER BOMBAY:

Since the scheme of Indl. Estate is used as an effective instrument for dispersal of Industries in the State, the modified pattern of assistance is made applicable to the Co-op. Indl. Estates in Greater Bombay area. Such Indl. Co-op. Estate should be approved by State Govt. Such Societies should acquire land; and raise 40% members' capital towards redeemable construction shares for the establishment of Indl. Estate. Such societies are eligible to raise 60% of the project scheme cost as loans from the financing institution against Govt. Guarantee. Organisation of New Industrial Estates under the scheme of Ind. Estate as applicable to Greater Bombay area is not encouraged since last few years in the context of Indl. location policy.

8. PREPARATION OF LAYOUT & PROJECT SCHEME OF INDL. ESTATE:

- 8.1 The layout of Indl. Estate shall be prepared in consultation with the Directorate of Industries. The norms prescribed and suggested for a layout for Indl. Estate are as under:

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|------------------------------|-----------------------------|
| 1. Under Factory Plots | 65% of the Total land area. |
| 2. Under Roads . | 20% of the Total land area. |
| 3. Under Open Space | 10% of the Total land area. |
| 4. Under Other Amenity Bldg. | 5% of the Total land area. |

The final approval of the layout is accorded by the Town Planning and Valuation Department/Town Planner of the Municipality concerned.

- 8.2 Estimated cost of the project scheme of the Indl. Estate shall be worked out on the basis of rates of District Schedules of the Public Works Department by the Co-op. Indl. Estate Society and submitted to the Directorate of Industries, for scrutiny and Technical approval of the Industries Commissioner. The scheme of Indl. Estates envisages levelling, construction of roads, drainage, water supply, street lighting common amenity building, and construction of Indl. sheds This programme may

be executed in a phased manner by the Indl.Estate Co-op.Society and should be completed as early as possible. The society shall be required to revise the costs of the scheme after every 3 years provided the Estate could not be established during the last period.

9. PROCEDURE FOR SECURING FINANCIAL ASSISTANCE UNDER THE SCHEME OF THE STATE GOVT.:

9.1 On securing technical approval for the project scheme of the Indl.Estate, the Co-op. Indl.Estate shall be eligible to apply for Govt. Matching Share Contribution equal to the members' redeemable Share Capital collection. The application for Share Contribution shall be in the form prescribed alongwith its accompanying statements regarding the particulars of members' collections and estimates of phase of works to be undertaken for completion. Application shall be submitted to the Industries Commissioner through the Taluka Assistant / Dy.Registrar, Co-op.Societies and the District Dy.Registrai, Co-op.Societies. The application for more than Rs.One lakhs shall be submitted in duplicate to the Industries Commissioner.

**NOTE: Revision of form of application is under consideration,
present form of application in vogue is enclosed:**

9.2 Application for grant of loan on Govt. guarantee from L.I.C. / M.S.F.C., should be submitted through the Taluka Assistant / Dy. Registrar, Coop. Societies and the District Dy.Registrar, Co-op. Societies, to the Industries Commissioner, together with the Board's Resolution, financial and other statements, details of estimates and utilisation of funds from different sources therefor, relating to completed items of phased works, the works in progress, and the phase of works to be executed with the loan applied,for. The application for loan should be submitted to the Industries Commissioner for consideration and further processing. The application should contain member-wise position of loans outstanding, of which the amount of overdue loan and steps taken for ensuring recovery of overdues in each case.(Form of application prescribed by L.I.C. of India is attached).

9.3 The Society shall abide by the terms and conditions laid down by the Maharashtra Govt. for the grant of Share Capital Contribution for the indl.Estate Co-op. Society.

9.4 The Society applying for loan on Govt. guarantee shall abide by the terms and conditions prescribed by the Financing Institution and act as per instructions of the State Govt. as Guarantor.

9.5 The Govt. of Maharashtra is eligible to charge guarantee fee for the guarantee given to the principal and interest of the loan at prescribed rates.

9.6 Where the land has been given on lease basis to the Industrial Co-op. Estate, the Society is liable to pay the lease rent at the prescribed rates.

10. ALLOTMENT OF PLOTS/SHEDS SPL DESIGNS OF FACTORY PLANS:

- 10.1 Industrial Coop.Estate shall aim at accommodating more number of S.S.I. Units within its area.
- 10.2 Indl.Estate Coop. Society is permitted to allot upto two plots area (Normal plot size 6000 to 8000 Sq. Ft), in SICOM area subject to the certification of space requirement for the Industry by the General Manager, District Industries, District Industries Centre. Proposal requiring space of more than two normal plots area should be submitted to the Directorate of Industries, for approval by the District Industries Centre.
- 10.3 The Society may recommend special design Factory Plan for approval by the Industries Commissioner. The Plan for construction of Administrative Building, Common Amenity Bldg., Godowns, Showrooms, Community Halls etc., shall be submitted for approval by the Society after securing approval of the General Body to the design and cost estimates.

11. REFERENCE TO INDUSTRIES DEPT.MANUAL:

For further information, guidance, various forms, attention is invited to the Chapter on Industrial Estates contained in the Manual of Industries Department.