

Maharashtra Industrial Development MIDC

(A government of Maharashtra undertaking)

“Udyog Sarathi”, Marol Industrial Area, Mahakali Caves Road, Andheri (East), Mumbai-93

OW No. MIDC/Land Department/Desk-1/A55234

Date : 01/03/2019

Circular

Subject: Regarding allotment of plots under MSME category for micro and small entrepreneurs ...

The Central Government and the State Government of Maharashtra have announced a policy to provide incentives for micro and small entrepreneurs in the State of Maharashtra and to allocate plots on priority and concessional rates by reserving plots accordingly. Maharashtra State has succeeded in achieving competitive position globally by creating conducive environment for industrial growth in the state through various innovative initiatives to achieve industrial development through Maharashtra Industrial Development Corporation. At the same time, the Central Government has prepared an action plan on 16.01.2016 by announcing various concessions to encourage new entrepreneurs. The development of MIDC Corporation especially A and B wards has been done on a large scale and due to financial difficulties / industry competition etc. in this ward it is not possible for the young educated youth / entrepreneurs to get plots or spaces under micro and small scheme. Therefore, there is a demand from the collective group of micro and small entrepreneurs for allotment of plots on priority basis. However, according to the prevailing policy of MIDC, it is not possible to distribute 200 sq. m. of land in the industrial area of A and B wards to such micro and small entrepreneurs separately. Therefore, the policy regarding allotment of plots on priority basis for such a group of micro and small entrepreneurs should be decided. In view of the fact that 32 jobs are created with an investment of Rs. 1 crore under micro and small enterprises and only one employment is created with a fixed capital investment of Rs. 32 crore, the proposal was presented in the meeting with the Hon'ble Board of Directors held on 11.02.2019. The proposal was discussed and Resolution no. 5873 has been passed. In pursuance of this Resolution, the following policy is being formulated regarding allotment of plots to a group of micro and small entrepreneurs.

1. After allotment of plots by a group of micro and small entrepreneurs, it will be necessary to register with the District Industries Centre / Register under the Companies Act.
2. Must have a group of at least 50 micro and small entrepreneurs.

3. At least 60% of the existing / working members of the group of micro and small entrepreneurs must have industries that are operational.
4. No more than 200 sq. m. can be allotted to each member of a group of micro and small entrepreneurs.
5. The investment of the group of micro and small entrepreneurs in the project should be at least Rs 100 crore.
6. Headquarters Land Allocation Committee (LAC) reserves the right to allocate space under priority for a group of micro and small entrepreneurs.
7. Before the HQ allotment committee considers the proposal, it will be necessary for the group of micro and small entrepreneurs (Cluster) to be verified by the Technical Advisor and recognized as a cluster.
8. It should be mentioned in the allotment letter as well as in the preliminary agreement that it is mandatory to get building permission within six months from the time of allotment of plots to the group of micro and small entrepreneurs.
9. The preliminary agreement should provide for a two year plot development period.
10. While allotment of plots, allotment of plots should be made on the condition of establishing Jt SPV between allotment of plots in A and B industrial areas as well as after checking the project reports of the applicants received.
11. Collective groups of micro and small entrepreneurs will not be able to transfer for the next 10 years from the date of initial agreement or possession (whichever is earlier). However, in exceptional circumstances, with the approval of the Chief Executive Officer, MIDC, a decision should be taken to recover 100% of the difference and transfer.
12. It will be mandatory to use the plot for the same purpose for which the plot has been allotted.
13. Preference should be given to Government approved Cluster / Industry Group and similar industries in the industrial sector which falls into C, D and D + category.

14. The terms and conditions which are applicable for allotment of plots in order of priority will be applicable to the allotment of these plots.
15. This policy will be applicable to A and B wards of MIDC.
16. After allotment of plots as above, the prevailing policy of MIDC will be applicable for extension, transfer, sub-rent, sublease, etc.

This Circular is being issued with the approval of the Hon'ble Chief Executive Officer, MIDC.