

CHAPTER : 4

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION

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THE BIRTH OF M.I.D.C.<sup>1</sup>

The then Govt. of Bombay in the Political and services department by its Resolution No. MIS. 1157/76643-B, dated 14th March 1958 appointed a study Group to consider certain problems facing the metropolitan and suburban areas of Bombay city and to recommend specific measures in their connection.

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Ref 1 : An article by Shri M.C. Patel, Manager (Legal)  
Retd. named story of our Birth.

The study Group, in turn, at its meeting held on 21st May 1958, appointed five panels, including an Industrial location Panel, to consider problems relating to congestion of traffic, deficiency of open spaces and playing fields, shortage of housing and over-concentration of industry in the metropolitan and suburban areas of Bombay City and to recommend to the Study Group specific measures in that behalf.

The panel also considered the progress in establishment of industrial estates elsewhere in the State as outlined in the Second Five Year Plan period and problems connected with industrial location as part of licensing powers under the Industries (Development and Regulation) Act, 1951. The panel examined various aspects leading to the development of industries, with far-fetched imagination and recommended to the study Group definite measures, in particular dispersal of industries away from the city of Bombay to overcome the situation then existing, which in a way, was far from satisfactory.<sup>2</sup>

As the initial gesture, the Government in the Agriculture and forests Department by its Resolution No. WET-1060-32680-VI-N, dated 8th August 1960, transferred to the Industries and Labour Department an area comprising of 310 acres, 4 gunthas and 6 annas of land, popularly known as

"WAGEE ESTATE", with immediate effect with the prime objective of utilising the said land primarily for location of industries to be shifted under municipal Regulations out of the city limits and also for setting up new industries.

Shortly after the formation of the Maharashtra State on 1st May 1960, The Govt. by a Resolution No. IDL-2360/140755-IND-1, dated 1st October 1960, Government in the Industries and Labour Department constituted a Board of Industrial Development ( B I D ) headed by late Shri S.G.Barve, ICS, as its Chairman. Meanwhile 'Borkar Committee' was appointed to investigate for the chances of industrial development in Pophli-Chiplun Area, Atale Industrial Area at Nasik, Now the Wagale Estate was handed over to BID and was also asked to bring in to practice the recommendation suggested by the Borkar Committee.

Later on the State Legislature passed the Maharashtra Industrial Development Act 1961. The president of India gave his assent, to the enactment on 1st March 1962 and the legislation became an Act on the list of State statutes. The Act was passed for securing the orderly establishment in industrial areas and industrial estates of industries in the State of Maharashtra and to assist generally in the organisation thereof and for that purpose to establish an industrial Development Corporation and for purposes connected with the matters aforesaid. Pursuant to the provisions contained in Section 3 and 4 of the Act. Government in the Industries and

and Labour Department by a Notification No. IDC-1062/41380 -IND-I dated 31st July 1962 constituted MIDC as from 1st August 1962 and the BID created by the Government (Resolution dated 1st October 1960) ceased to exist. By a separate Resolution No. IDC-1462-Ind-I, dated 2nd August 1962 issued under section 13(3), Govt. formally entrusted all the schemes which were entrusted to the BID for further development and also directed the staff working in BID to be absorbed in the service of M.I.D.C. except those drawn from various other Departments to be on deputation to M.I.D.C., the terms of which were settled later on.<sup>3</sup>

POLICY OF M.I.D.C.

1. In step with planning at the Tahsil/block level industrial areas will have been established in every tahsil for balanced industrialisation.
2. M.I.D.C. will be the torch bearer of environmentalism. Acting in concentration, the public agencies will ensure that industries do not degrade the environment in any manner.
3. Planning will ensure that each industrial area is for the location of industries most suited for the raw materials, Other inputs including skilled/trained labour available locally. Market for the output adequate infrastructure and ancillarisation will also be considerations integral to the location policy.

4. Minerals like coal, limestone and bauxite locally available would be optimally utilised in investments for the maximum beneficial fall outs in the locality.

5. Optimal utilisation of raw materials available from the primary sector for agro-industry will be another cornerstone of the industrial policy with MIDC playing a key role.

6. On the West-coast Ratnagiri will be it is already so to a great extent the major centre for fishing and fish would processing industry. With additional construction Mirkarwada would be made suitable for the berthing of deep sea fishing vessels to land their catch. For each sailing out of such vessels about fifty tonnes of fresh water would be required to be provided by M.I.D.C.

7. With the gas cracker complex at Nagothane fertiliser unit at Thal-Vaishet and more such units based on oil and natural gas from Bombay High, coming up in coastal districts. the scope for down-steam units, large medium and small, would be fully exploited. For this M.I.D.C. would develop custom built servicing.<sup>4</sup>

3. PLANNING OF AREA : EXPERIENCE OF BOMBAY M.I.D.C.

The first step to take the industries outside the city limits was the development of industrial areas in Thane -

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Ref : 4 - An article by J. Innocent, I.A.S. named  
A Scenario from Memories - Page No. 34,  
Published in M.I.D.C. Silver Jubilee.

Belapur belt and at Pimpri-Chinchwad-Bhosari sector. The next vital step was to take the industries to the backward parts of the state. The selection of sites was more or less guided by the statistical information about the population. Crops grown, marketing facilities etc. in the areas nearabout the sites, as brought out by the Economic Geographer and Cartographer of the Corporation. The Architect and Town Planner of the Corporation would then draw out the layouts of the proposed industrial areas to ensure their planned development. The industrial areas planned in this manner were then developed and the plots allotted to the industries thereafter. For inducing the industrialists and the entrepreneurs to set up their industries in the backward regions of the State the tariffs for lands in the under developed and underdeveloped parts of the State was highly subsidised, making the plots for Bombay-Pune Zone considerably expensive.<sup>5</sup>

#### PRESENT POSITION OF M.I.D.C.

Bombay Government set up one study group on 14th March, 1958 to study the problem of congestion affecting Bombay and its sub-urban areas. The study group gave some suggestions.

On 8th August 1960, one order was sent to reserve 310 Acres, and 4 Gunthas land for industrial development in Wagle Estate, Thana, Immediately on 1st October 1960, Board of Industrial Development was set up. M.I.D.C. act prevailing at present received the consent of the President of India.

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Ref : 5 - An Artical by R.A.Borkar former Chief Accounts Officer MIDC named Reminiscences of my service in MIDC , Page - 59.

Out of this process M.I.D.C. came into existence on 1st August 1962. The first land in Wagle Estate was sold in November 1962. It can be said that the credit of establishment of M.I.D.C. goes to the Late Shri S.G.Barve and Shri Y.B.Chavan.

Earlier objectives before M.I.D.C. It was said in the first annual report that Bombay stands first in respect of Industrial Development in whole of India. But excluding Bombay and Pune. No industrialisation is seen in rest of the state of Maharashtra. Hence, facilities will be provided for decentralisation of industrialisation and plan the industrial area in the vicinity of Bombay City. Land, water and roads, electricity will be provided to the entrepreneur at one place. Engineering branch was treated as indivisible section of the M.I.D.C. with a view to ensure self-sufficiency in respect of Power, water, road, etc. in 1961, M.I.D.C. Act was passed to decide the future direction of M.I.D.C. Even during China's aggression in India, M.I.D.C. implemented water supply schemes. and distribution of lands for production of essential military equipments at Pimpri-Chinchwad.

During a period of twentyfive years, M.I.D.C.'s financial position is sound, it has maintained and developed internal income sources. It is a known fact, that alongwith industrialisation, urbanisation takes place. This can be seen from the working of M.I.D.C. in Bombay, Pune, Nagpur, Aurangabad, Nasik, Kolhapur, Jalgaon, Ahmednagar, Nanded etc.

M.I.D.C. has introduced, 'Electronic Zones' in Pune, Nagpur and Aurangabad. These M.I.D.C.'s consist of regular industrial units in general and separate area has been kept for electronic industrial units. The sheds are of 19th metres to 380 metres prices are reasonable. The rates vary from Rs. 198 per square foot at Nagpur and 205 Rs. per square foot in Pune.

In September 1964, Government announced its policy of decentralisation. Out of 14 industrial areas in the possession of M.I.D.C., eight areas were in developed areas and six areas were in developing areas. In 1987, seventy industrial areas were in the possession of M.I.D.C. Out of this 12 areas were in developed areas and 58 industrial areas were in developing areas. Thus the industrial areas in developing regions rose by ten times, and those in developed areas from eight to twelve i.e. by one and half times. The land acquired by M.I.D.C. in developing region was 470 hectares of land in 1962, now in 1987, it has gone upto 16,000 hect. compared to this land acquired in developed regions rose from two thousand hect. to six thousand hect. The same is the situation in respect of plots allotted, and actual production taking place.

#### WATER SUPPLY SCHEMES :

M.I.D.C. started its water schemes from June 1963, with Patalganga river scheme supplying water to Hindustan organic



ltd. upto 1987 M.I.D.C. has implemented 31 water schemes. It spent Rs. 4 crores in the first five years and now it has spent Rs. 135 cr. on water supply. Water supply capacity was 26 mn gallon per day in the first five years. Now it has gone upto 300 mn gallon per day. One grid has connected Baravi ransai, Shahad, Patalganga. Out of this drinking water is supplied to Thane Belapur, Dombivali, Patalganga and Wagale estate. The industrial areas, besides it supplies water to Kalyan, Dombivali, Ulhasnagar, New Bombay, Thane, Corporation. Thus M.I.D.C. has helped a lot to supply water to industrial units and residential areas in metropolitan areas municipal corporation, and villages around the M.I.D.C.

#### ROADS

M.I.D.C. constructs and maintains roads linking national high-ways and industrial areas. So far it has constructed 1036 kilometres roads. The water ways constructed by it come to 1300 kilometres.

M.I.D.C. has classified the entire state of Maharashtra in four zones according to the incentive scheme announced by central and state government. A zone consists of Bombay-Pune B Zone consists of Kolhapur, Nasik, Aurangabad and C and D zones other districts. M.I.D.C. charges Rs. 10 per square metres, to lands in 'D' zone. In developed zones the rates are Rs. 400 per sq.metre. The water charges in 'D' zone are Rs. 1.25 per density metre. In developed they vary from Rs. 3.50 to Rs. 4.50 per sq.metre.

The concept of 'growth centre' was responsible for the speedy growth of Kolhapur, Nasik and Aurangabad. The speedy development of Jalgaon, Nanded, Sangli, Nagpur, Nagar, is due to the decentralisation policy adopted by M.I.D.C. Between 1974 and 1985, there has been a striking rise in the licences and letters of intent received by Maharashtra.

SICOM and Regional Development Corporations supply incentive facilities and concessional rate to the entrepreneurs.

Besides fundamental infrastructural facilities like plots, roads, water, electricity M.I.D.C. has supplied 'facilities for Post, Telephone office, Telephone exchange, Banks dispensaries, police station, Canteens and temporary residential places for technicians coming from outside. Thus common facilities have been provided in each of M.I.D.C. areas.

M.I.D.C. has constructed the entire complex of Santa Cruz Electronics Processing Zone (SEEPZ) at the request of Central Government. M.I.D.C. has decided to set up medium and larger chemical industries by sea-shore to stop water and air pollution. It has constructed such eleven areas like to name a few Roha, Mahad, Lote parasaram, Taloja, Tarapur and Patalganga. Henceforth industrial units will be allotted plots only after getting from them 'No objection Certificate' issued by department of environment/pollution. To avoid air pollution schemes of "Tree plantation" have been undertaken by M.I.D.C. The units will be exempted from water

charges if they maintain the trees properly.

THE MAIN OBJECTIVES OF M.I.D.C.

The main objective of M.I.D.C. is to achieve balanced industrial development of the entire state with particular emphasis on the development of industries in the developing parts, and for this purpose provide at various locations in each District of the state basic infrastructure in the form of developed plots, roads, water supply, drainage and common facilities to facilitate entrepreneurs in setting up his industry at any of these centres with ease and speed.

THE IMPORTANT ACTIVITIES OF M.I.D.C.

- (a) to provide developed plots with clear title to entrepreneurs for setting up their industries in such plots and also to provide plots for Industrial Housing and common facilities.
- (b) to provide basic infrastructure in industrial areas like roads, water supply, drainage, street light etc.
- (c) to provide facilities/amenities such as built up accommodation, for banks, post-offices, telephone/telex exchange, Police stations, fire stations, Employees' state Insurance Scheme, Hospitals/Dispensaries Canteen shops etc.
- (d) to make special efforts for encouraging technicians/ small scale entrepreneurs, by providing readymade sheds/ galas in various industrial areas and help them in setting

up their own industries.

(e) to provide industrial housing by construction of residential buildings.

(f) to establish major water supply schemes for helping industrial and urban growth.

PROGRESS OF MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION

Total land in possession of M.I.D.C. = 22000 hecquator. This land is distributed among 70 industrial centres. 70 Industrial centres. 75% of the above land is near Bombay and Pune.

Total Plots distributed	...	16,400
Total No.of Engi. units	...	9,000
Total Employment	1..	3,15,000

The land is given on lease for 95 years. The rate of rent in developing field is Rs. 10/- per sq.metre. and in fully developed field is Rs. 400 per sq.metre.

M.I.D.C. can supply 300 million gallons of water per day, the length of the supplying pipes is 1,331 KM.

The present Govt. of Maharashtra has adopted a policy of support to electronic industries. In the three industrial estates name Bombay, Pune and Nagpur Govt. has an area for this purpose. Govt. has established mini industrial estates in the backward areas where industrial facilities were not available. Government has also given

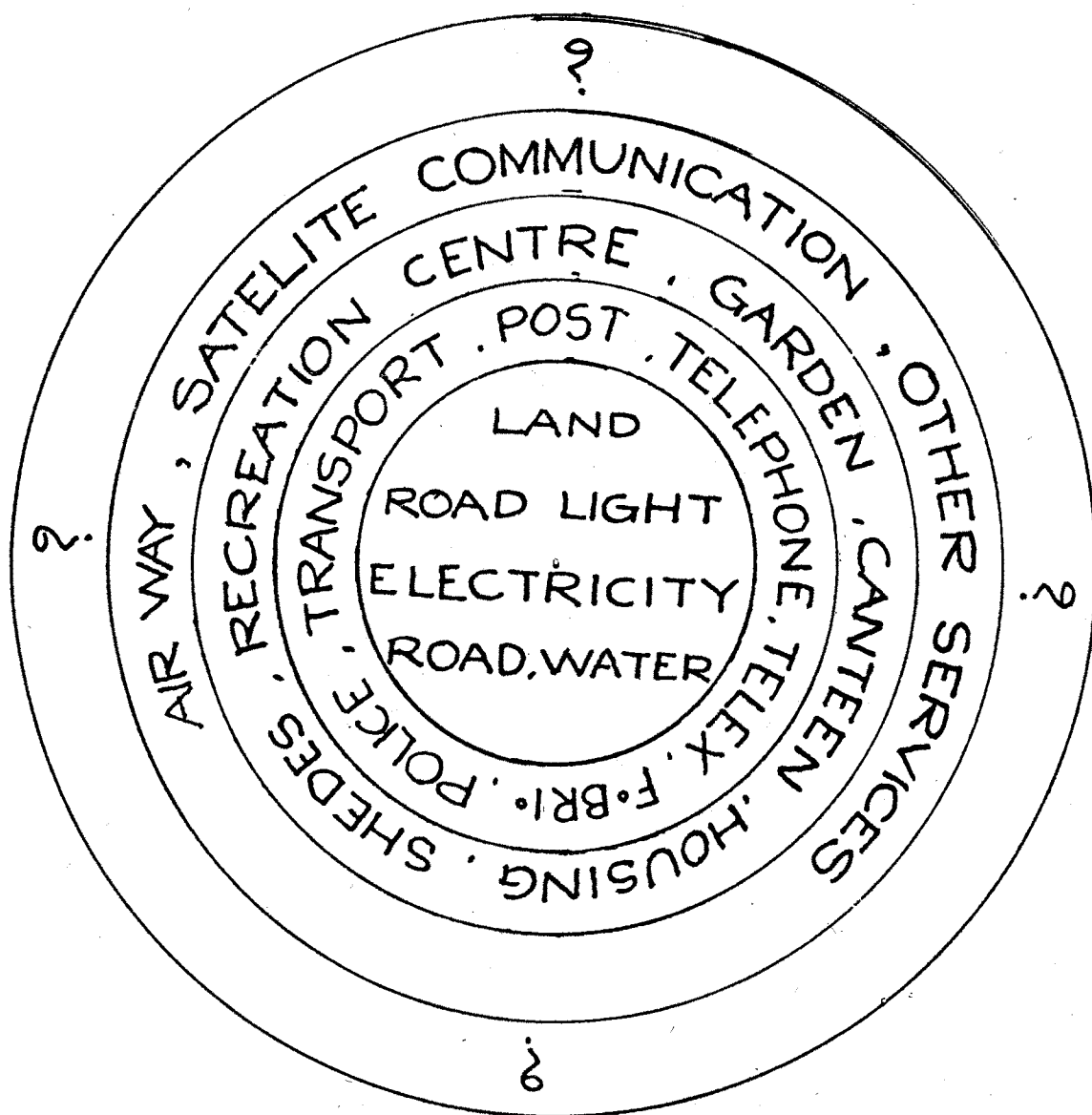
consusion (25%) on capital investment and on Sales tax for seven years.

Year	Developed Plots	Undeveloped plots
1962	6 %	8 %
1967	11 %	9 %
1972	20 %	10 %
1977	35 %	11 %
1982	45 %	12 %
1987	54 %	12 %

Total land in the possession of the M.I.D.C. (In hectars..)

Year	Developed	Undeveloped	Total
1962	2,004	470	2,474
1967	4,249	1,658	5,907
1972	5,167	4,608	9,775
1977	5,968	9,034	15,002
1982	6,017	11,855	17,872
1987	6,080	15,921	22,001

# INDUSTRIAL AREA



PROVISION OF INFRASTRUCTURE