

Rules & Regulations for Industrial Township

The Government of Maharashtra has decided to have the Industrial Township in various industrial areas as per the Resolution passed at the Assembly in the year 1994. The Urban Development Department has declared 12 industrial townships in MIDC industrial areas. Also MIDC has recommended 66 existing industrial estates. The proclamations for establishing industrial township are issued in pursuance of Section 348 of Maharashtra Municipal Council, Nagar Palika and Industrial Township Act, 1965. In order to establish the Industrial Township for these areas.& as per the Section 341 (M) of the said Act, various functions and duties are required to be performed by the Industrial Township Authority. To perform their statutory functions and duties laid down under the Section 341 (M), Model Rules & Regulations are prepared as per the provision of Section 340(O).

We are enclosing the Draft Rules for your suggestions and comments within 30 days. So that these Draft Rules can be finalized at the earliest. Your suggestions may be sent by E-mail to this office.

Shri Sanjay D. Patil,
Chief Planner,
MIDC "Udyog Sarathi",
Mahakali Caves Road,
Andheri(East), Mumbai-400 093.

Tel. No. 2687 00 93 E-mail:- sdpatil@midcindia.org
Mobile No. 982 11 07 579

Draft Rules and Regulation for Industrial Township

Pursuant to Section 341-F of the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Township Act, 1965. The Government of Maharashtra had notified the Industrial Township at the places mentioned in Annexure `A`.

As per section 341-M of the Maharashtra Municipal Councils Act, 1965 various functions and duties are required to be performed by the Industrial Township Authority. With a view to enabling these Industrial Township Authorities to perform their statutory functions and duties as led down under section 341-M, model regulations have been formed as per provisions of Section 341-O.

1. Short title and Commencement :
 - (1) These regulations may be called Industrial Township Authority (functions and duties under Sec. 341-M) regulations 2003.
 - (2) They shall come into force on the day of
2. Definitions :
 - (1) In these regulations, unless the context otherwise, requires -
 - (a) "Act" means the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Township Act, 1965.
 - (b) "Authority" means the Industrial Township Authority constituted under the Act.
 - (c) "Authority Area" means the area within the limits of the authority.
 - (d) "Section" means a section of the Act.
 - (d) "Tax" means any tax imposed by the authority under various regulations.
 - (e) "Fees" means any fees charged / levied under any of these regulations.
 - (f) "Authorised Officer" means the Chief Executive Officer or any other officer authorized in writing by the Chief Executive Officer of the Authority.
 - (g) "Licensing Authority" means an officer authorized by the Industrial Township Authority.
 - (h) "Licensee" means a person who has been granted the license under any of these regulations.

- (j) "Form" means Form appended to these regulations.
 - (k) "Schedule" means the schedule appended to these regulations.
 - (l) "Factory" means a factory as defined in the Act, workshop or place of business in which it is intended to employ steam, electricity, water or other mechanical power.
 - (m) "Licensed Surveyor" means a Surveyor Architect / Engineer or any other person possessing the qualification mentioned in regulations and licensed under these regulations.
 - (n) "Document" means any document forming part of the records of the Authority including original papers produced by the parties.
 - (o) "Records of the Authority" means the records pertaining to the affairs of the Authority on its proceedings held in connection with the discharge of its functions.
 - (p) "Employees" means the employees and servants of the Authority.
 - (p) "Civil Service Rules" means the Bombay Civil Services Rules, 1959 as amended from time to time.
 - (r) "Collector" means collector of the district.
- (2) Words and expressions used but not defined in these regulations, shall have the meanings respectively assigned to them under the Act.

Notwithstanding anything contained in these regulations, the provisions of the MMC Act 1965 as amended from time to time will supercede the regulations contrary to the spirit of the provisions of the act.

3 (1). Constitution of Industrial Township Authority :

As per section 341 H(a) chairperson shall be nominated by the Maharashtra Industrial Development Corporation (MIDC) or the cooperative society formed for developing Industrial Estate in that Industrial Township by issuing notification to effect from time to time who shall be a non-official member.

As per section 341 H(b) two members nominated on the Authority by the Maharashtra Industrial Development Corporation or the Co-operative Society formed for developing a Co-operative Industrial Estate, in that Industrial Township, one of who shall be a Chief Executive Officer (CEO) of the Industrial Township Authority.

As per section 341 H(c) the association of the Industrial Units situated in the Industrial Township shall nominate two persons to be the members of the Authority.

As per section 341 H(d) the Collector of the District in which Industrial Township is situated shall nominate one member to the Authority.

As per section *341 H(e) the concerned Municipal Corporations, Municipal Councils, Municipalities shall depute one officer on the Industrial Township Authority.

3 (2). Term of the Chairperson and members :

Term of the Chairperson and members nominated under clauses (b) and (c) of Section 341 H shall, unless earlier withdrawn by the concerned nominating bodies mentioned in clauses (b) and (c) of Section 341 I(1) shall be five years.

- (1) Any non-official member may resign his office by writing under his hand addressed to the Chairperson. The Chairperson may resign his office by writing under his hand addressed to the Collector. The resignation shall be effective from the date of its receipt by the Chairperson, or as the case may be by the Collector.
- (2) Any casual vacancy arising out of such resignation or for any other reason, such as death or disablement of the Chairperson or a member, shall be filled in by nomination as provided in Section 341 H.
- (3) Any member so nominated under sub-section (3) shall hold office only for the remainder of the term for which the member, in whose place he is nominated, would have held such office.

3 (3). Procedure for conducts of Business of Industrial Township Authority (ITA):

- (1) The Collector shall convene the first meeting of the ITA after constitution.
- (2) The ITA shall meet at least once in a month – 341 K(i).
- (3) The day time and place of meeting shall in every other case be fixed by the chairperson. The chairperson may also call additional meeting as he deems necessary.
- (4) At least seven clear days notice shall ordinarily be given of every meeting specifying the date, time and place at which such meeting is to be held and the business to be transacted there and shall be served upon the members of ITA by the Chief Executive Officer.

* This requires amendment to the sec. 341 H of Maharashtra Municipal Councils, Nagar Panchayat and Industrial Township Act, 1965

- (5) No business shall be transacted at a meeting of Authority unless 3 members are present from beginning to the end of the Authority Meeting – 341 K(2).
- (6) Every question shall be decided by the majority of votes of the members present and voting on the question the chairperson have a second or casting vote when there is an equality of vote – 341 K(3).
- (7) No act or proceeding of the Industrial Township Authority shall be questioned or shall be invalid on the ground merely of the existence of any vacancy in or defect in the constitution of the Industrial Township Authority or any defect in the nomination of a person acting as the Chairperson or a Member or any irregularity in the procedure of the Industrial Township Authority including in issuing of notice for holding of meeting, not affecting merits of the matter.
- (8) Every meeting of the Authority shall be presided over by the chairperson and in the absence of the chairperson by one of the members of the Authority may be chosen by the meeting to preside and such chairperson shall exercise there at the power vested in Chairperson.
- (9) A minute shall be kept by Chief Executive Officer of the name of the member present and of the proceedings at each meeting of the ITA in a book to be provided for the purpose which shall as far as practicable be signed at and by the Chairperson at the next meeting.
- (10) The minutes of the previous meeting shall be previously circulated and every minutes so circulated be treated as read in the meeting.
- (11) If any member present draws the attention of the meeting to any errors or omissions in the minutes of the previous meeting, such amendments shall be made as the presiding authority after taking the sense of the meeting deems fit.
- (12) Any meeting may with the consent of a majority of the members present adjourned from time to time to a later hour on the same day or any other day but no business shall be transacted at any adjourned meeting other than that left undisposed of the business from which the adjournment took place.
- (13) A member shall be disqualified to the office if at any time during his term of office he absents himself during three successive months from the meeting of the Authority except with the leave of absence granted by the Authority by a resolution on his written application for such leave.

- (14) After proposition has been proposed and seconded any members may propose an amendment thereto. An amendment must be seconded or it falls through. Any number of amendments may be moved before the meeting at the same time.
- (15) Any member who desires at any meeting to bring forward any proposal shall give written notice to Chief Executive Officer at least three clear days before the day fixed for the meeting.
- (16) No question once disposed by the ITA shall be reopened unless at least one half of the members present at the meeting vote in favour of the proposal for re-considering the question.
- (17) It shall be duty of the Chief Executive Officer to prepare the Agenda of the ITA and circulated to the members of ITA.

As per section 341 H of the Act

All documents of ITA shall be authenticated by the signature of the Chairperson of the Authority or any other officer authorised by the Authority in this behalf.

- 4(1) Constitution of Special Committees and Terms, Sphere & Business of the Committees :
The ITA may by Resolution appoint the following Special Committees as it may deem necessary.
 - (1) Planning and Development Committee.
 - (2) Environment and Social Committee.
- 4(2) Composition of Planning and Development Committee :
 - (1) Each Planning and Development Committee shall consist of six members.
 - (2) Member nominated under Section 341 H(c) shall be the Ex-officio Chairman.
 - (3) Five officials / members to be appointed by the MIDC having expertise in the field of Industrial Development.
- 4(3) Terms of the Committee :
Special Committee shall continue for a period of five years.
- 4(4) Terms of the Chairperson :
Terms of the Chairperson of Committee shall be two and half years.

4(5) Sphere & Business of Planning and Development Committee :

To study the issue relating to the Development of the area of the Township Authority.

To prepare layouts or ITA as per DC rules.

To prepare the plan for Township.

Make suggestion relating to repairs of roads.

To prepare and approve the plan and estimates for the development of ITA relating –

341 M (vi) constructing, altering and maintaining public streets, culverts, boundary marks, markets, slaughter-houses, latrines, privies, urinals, drains, sewers, drainage works, sewerage works, baths, washing places, drinking fountains, tanks, wells and the like.

4(6) Planning and Development Committees Procedure Rules :

1. There shall be one ordinary meeting in each month.
2. First meeting after the constitution of Planning and Development Committee shall be held as early as conveniently may be in same month or day and at a time and place to be fixed by the Chairperson of ITA.
3. The day, timing, place of meeting shall in every other case be fixed by the Chairperson of the committee.
4. At least three clear days notice shall be given by the Chief Executive Officer of the meeting specifying the date, time and place at which such meeting is to be held and business to be transacted thereat shall be served upon the members of Committee.
5. No business shall be transacted at the meeting of the Committee unless 3 members are present from the beginning to the end of the Committee.
6. Every meeting shall be presided by the Chairperson, and in absence of the Chairperson by one of the members of the Committee may be chosen by the meeting to preside.
7. The minutes shall be kept by the Chief Executive Officer of the names of the members present and proceeding at each meeting of the Committee in a book to be provided for the purpose which shall as far as practicable be signed at and by the chairperson of the next meeting.

8. The minutes of previous meeting shall be previously circulated and any minutes so circulated be treated as read in the meeting.
 9. If any member present draws the attention of the meeting to any errors or omissions in the minutes of the previous meeting. Such amendments shall be made as the presiding authority after taking the sense of the meeting deems fit.
 10. Every question shall be decided by the majority of the votes of the members present and voting the chairperson having a second or casting votes in all cases of equality of votes.
 11. Any meeting may with the consent of the majority of the members present be adjourned from time to time to a later hour on the same day or to any other day but no business shall be transacted at any Adjourned meeting other than that left undisposed of the at the meeting from which the adjournment took place. A notice of such Adjournment pasted up at Head Office shall be deemed to be sufficient notice of the adjourned meeting.
 12. After the proposition has been proposed and seconded, any member may propose an amendment thereto. An amendment must be seconded or it falls through. Any number of amendments may be moved before the meeting at the same time.
 13. Any member who desires at any meeting to bring forward any proposal shall give written notice to Chief Executive Officer at least seven clear days before the day fixed for the meeting.
 14. No question once disposed by the Committee shall be reopened unless at least one half of the members present at the meeting vote in favour of the proposal for re-considering the question.
 15. It shall be duty of the Chief Executive Officer to prepare the Agenda of the Planning & Development Committee and circulated to the members of Planning & Development Committee.
 16. The Chief Executive Officer shall unless prevented by reasonable cause be present at every meeting of the Committee.
- 4(7) Composition of Environment and Social Committee :
- (1) Each Environment and Social Committee shall consist of six members.
 - (2) Member nominated under Section 341 H(c) shall be the Ex-officio Chairman.
 - (3) Three officials / members to be appointed by the MIDC having expertise in the field of environment and social and one Police Officer of that township area and one District Labour Officer as a Ex-officio Member of the Committee.

4(8) Term of the Committee :

Environment and Social Committee shall continue for a period of five years.

4(9) Term of the Chairperson :

Term of the Chairperson of Committee shall be two and half years.

4(10) Sphere & Business of Environment and Social Committee :

- (1) Make suggestions relating any amendment to D.C. rules.
- (2) To study issues related to the environment and to prepare environment report.
- (3) Policy decisions on issues under section 341 M (iii) cleaning public streets, places and sewers, removing noxious vegetation and abating all public nuisances.
- (4) To decide on the issues under section 341 M (v), acquiring and maintaining, changing and regulating places for the disposal of the dead.
- (5) To study the social issues involved in the development of Township and redressal of the grievances of labour, problem of Township Authority relating to welfare of the labour in the Township.

5. ♦The Chief Executive Officer shall before 31st July of every year place before the Industrial Township Authority a report on the status of environment with the Township in respect of the last preceding financial year. Covering such matter and manner as may be specified by the State Govt. from time to time.

6. Contract entered into by the Chief Executive Officer on behalf of the Industrial Township Authority.

Where any such contract if entered into by the Chief Executive Officer would require to be under seal, the same shall be sealed with a common seal of Industrial Township Authority. No contract which will involve an expenditure exceeding Rs.1 lakh and upto Rs. 5 lakh shall be made by the Chief Executive Officer unless the same is previously approved by the Planning and Development

♦ This required amendment to Maharashtra Municipal Councils, Nagar Panchayat and Industrial Township Act, 1965

Committee. In case expenditure is to be incurred for the purpose of Environment & Social aspects.

When the proposal is so brought before the Planning and Development Committee for seeking its provision / approval, the Planning and Development Committee shall consider and dispose the proposal made by the Chief Executive Officer in that behalf within 30 days from the date on which the item is included in the Agenda of the Meeting of that Committee failing which previous approval of such contract shall be deemed to have been made by the committee and report to that effect shall be made by the Chief Executive Officer to ITA.

Restrictions

7. As per section 341 Q
 - (1) If, in the opinion of the Collector, the execution of any order or resolution of the Industrial Township Authority or the doing of anything which is about to be done or is being done by or on behalf of the Authority is causing or is likely to cause injury or annoyance to the public or is against public interest or to lead to a breach of the peace or is unlawful, he may by order in writing under his signature suspend the execution or prohibit the doing thereof.
 - (2) When the Collector makes any order under his signature, he shall forward to the Authority affected thereby a copy of the order indicating therein the reasons for making it and also submit a report to the Director, alongwith a copy of such order.
 - (3) Within twenty days from the receipt of such order of the Collector, the authority shall, if it so desires, forward a statement to the Director indicating therein why the order of the Collector should be rescinded, revised or modified. If no such statement is received by the Director within that time, the Director shall presume that the Authority has no objection if the order of the Collector is confirmed.
 - (4) On receipt of such report from the Collector and the Authority's statement referred to in sub-section (3), if any, the Director may rescind the order or may revise or modify or confirm the order or direct that the order shall continue to be a force with or without modification :
Provided that, the Director shall take into account the statement of the Authority if received, before such an order is made by him.

8. As per section 341R - If in the opinion of the State Government, the Industrial Township Authority is unable to or has failed to perform its duties or to carry out its functions, properly and satisfactory, the State Government may, after giving the Authority a reasonable opportunity of being heard, by an order in writing published in the Official Gazette, appoint a Government Officer as an Administrator of the said Township, for a period specified in the order.

9. As per section 341S - The town planning matters in the Industrial Township shall be governed by the provisions of the Maharashtra Regional and Town Planning Act, 1966 and the rules framed thereunder.
10. Finance, Budget, Accounts and Audit :
- (1) The Chief Executive Officer shall each year before the 31st day of December prepare, under the direction of the Chairperson, the annual budget containing –
- (i) a statement showing the income and expenditure of the Authority for the previous financial year;
 - (ii) a statement showing the income and expenditure of the Authority from the 1st day of April to the 30th day of November of the financial year then current and an estimate of the income and expenditure for the remaining portion of the current year;
 - (iii) an estimate of the income and expenditure of the Authority during the ensuing financial year and an estimate of the closing balance in the Authority's fund at the end of the current year; Provided that a separate estimate of the income and expenditure of the Authority during the ensuing financial year in respect of the services, under 341 M of the ITA shall be prepared;
 - (iv) proposals for any change in the taxes, fees or other charges to be levied for the ensuing year.

(1A) The Chief Executive Officer shall, while preparing the statement referred to in clause (i) of sub-section (1) append thereto a report indicating whether the following services were being provided in a subsidised manner and, if so, the extent of the subsidy, the source from which the subsidy was met and the sections or categories of the local population who were the beneficiaries of such subsidy, namely :-

- (a) water supply and disposal of sewage,
- (b) scavenging, transporting and disposal of wastes,
- (c) street lighting.

Explanation – A service shall be construed as being provided in a subsidised manner if its total cost, comprising the expenditure on operation and maintenance and adequate provision for depreciation of assets and for debt servicing, exceeds the income relatable to the rendering of that service.

- (2) Such statements and estimates shall be prepared under such heads of account in such form as may be prescribed under the Municipal Account Code framed under sub-section (1) of section 102.

(2A) The chairperson shall on or before the 31st day of December place before the Authority the budget prepared and call a meeting of the Authority on or before the 15th day of January to consider the said budget. No business other than consideration of the budget shall be transacted at such meeting which shall be continued, if necessary, from time to time, upto the 31st day of January.

- (3) The Authority shall consider the estimates prepared by the Chief Executive Officer and adopt the budget estimates with or without modifications not later than the 28th day of February :

Provided that, when a Authority is indebted to Government or Government has guaranteed any loan raised by a Authority in the open market or otherwise the budget of the Authority shall be adopted only with the previous sanction of the Collector who shall accord such sanction strictly in accordance with the general or special directions of the Director in this behalf :

Provided further that nothing, in the proviso shall be deemed to prevent the Authority during the first quarter of the financial year or till the budget is sanctioned whichever is earlier, from paying from its fund, cost of the sanctioned establishment and contingencies :

Provided also that, if the Authority fails to adopt the budget on or before the 28th day of February, the Chairperson shall forthwith submit the budget to the Collector for his approval. The Collector shall, within thirty days from its receipt, approve such budget with or without modifications, or return it to the Chairperson, with such direction as he may think fit to give, for reconsideration. When any such budget is approved by the Collector it shall be deemed to have been duly sanctioned.

- (4) No budget shall be approved by the Authority unless provision is made therein –
- (a) for the payment as they fall due of all sums and of all installments of principal and interest for which the Authority may be liable under this Act or any other law for the time being in force;
 - (b) for the payment of contributions to the special funds constituted under this Act such as the Salary Reserve Fund and Water Supply Reserve Fund;
 - (c) for the payment of salaries and allowances of the officers and servants working under the Authority;
 - (ca) for an amount equal to such percent of the estimated current revenues of the Authority as the State Government may, by general or special order, directs for improving the living and working conditions of its sanitary staff;

(d) for a minimum cash balance at the end of the year (exclusive of the balance, if any, in any statutory fund) of such amount as may be prescribed by rules by the State Government.

(5) The budget so sanctioned may be varied or altered by the Authority, from time to time, as circumstances may render desirable :

Provided that, no such reappropriations shall be done from the amounts earmarked towards the repayment of any loan and interest thereon and towards contributions to any fund or funds constituted under the provisions of this Act.

(a) Save in an emergency, no sum shall be expended by or on behalf of any Authority unless such sum is included in the budget for the time being in force.

(b) If any sum which is not so included in the budget, is expended in an emergency, the circumstances in which such sum was expended shall forthwith be reported by the Chairperson to the Authority and the Collector, with an explanation of the way in which it is proposed to cover such extra expenditure.

(6)

(a) Accounts of the receipts and disbursements of every Authority shall be kept in accordance with the rules contained in the Municipal Account Code prescribed by the State Government and shall be placed before the Authority in the prescribed manner.

(b) After the end of each official year the Chief Executive Officer shall arrange to get prepared, and if so required by section 104 get audited by the Auditor of the Authority, the accounts of the Authority for the year and shall place them before the Authority not later than the 30th day of June of the following year.

(c) An abstract of the annual accounts as passed by the Authority showing the receipts and disbursements of the Authority's fund under each head of receipt and disbursement, the charges for establishment, the balance, if any, of the fund remaining unspent, and such other information as may be required by the State Government shall be forwarded by the Authority to the Director, not later than the 31st day of July of the next financial year.

(d) The quarterly and annual accounts, receipts and disbursements, and the budget when sanctioned, shall be open to inspection by any adult inhabitant in the area. A note to that effect that a statement of such accounts and the budget are so kept for inspection shall be published in the local newspapers.

(7)

- (a) The provisions of the Bombay Local Fund Audit Act, 1930, shall apply to the audit of accounts of every Authority, subject to the modification that the powers conferred and duties imposed by that Act on the Commissioner may in regard to such audit be exercised and performed also by the Director.
- (b) In addition to the audit provided for under the provisions of the said Act –
- (c) Authority shall make arrangements for the audit of its accounts by its own Auditor at such intervals and in such manner as may be prescribed.
- (d) The auditor shall, for the purposes of audit have access to all the accounts and relevant records of the Authority.

11. Town Planning in the Industrial Townships :

As per section 341-S of the Act, read with amendment in Section-40 of the Maharashtra Regional & Town Planning Act, 1966, Maharashtra Industrial Development Corporation (MIDC) is a “Special Planning Authority” for the Industrial Townships. Till such time, as the Government considers it necessary, Development Control Rules for MIDC will be made applicable to the Industrial Townships muttadis muttandis. Consistent with these Development Control Rules for MIDC (effective from 21st January, 1999), the Authority may from time to time, frame the operative guidelines if needed. These will be operative only after the approval of the Chief Executive Officer of the MIDC.

12. Operation of the Functions and Duties of the Authority under Section 341-M.

Till the Authority develops its own infrastructure for operation and maintenance of the delivery system for providing the services mentioned under Section 341-M of the Act or till such time it considers it convenient;

- 1. The Authority may enter into an agreement with MIDC for the supply of water / protecting drinking water to the inhabitants of the Industrial Township subject to such Rules & Regulations and subject to such conditions which are consistent or do not vary materially under which the MIDC is supplying water in the adjoining region. The arrangement may provide for direct water supply to the Residential and Non-residential users / consumers; with further arrangement of issue of bills & collection of the charges by the MIDC as the case may be. Unless otherwise specifically mentioned and communicated by the Authority, MIDC Water Regulations for this service.

2. The Authority may enter into an agreement either with the MIDC / CETP Association or the adjoining (Municipal) local authority for operation and maintenance of drainage system within the "Authority Area" on the terms & conditions mutually decided upon.
3. The Authority may contract out or outsource to any local authority or capable private party for carrying out the following functions and duties in the Authority Area :
 - (a) Lighting public streets, places and buildings.
 - (b) Cleaning of public streets, places, removing noxious vegetation and abating all public nuisances.
 - (c) Extinguishing fires and protecting life and property when fires occur.
 - (d) Constructing, altering and maintaining public streets, culverts, boundary marks, markets, slaughter houses, latrines, privies, urinals, drinking fountains, tanks, wells and the like.
4. The Authority may enter into an agreement with the adjoining Municipal Authority for carrying out the following functions and duties in the Authority Area :
 - (a) Registering Births & Deaths.
 - (b) Disposal of the Dead.
 - (c) Establishing and maintaining primary schools.
 - (d) Establishing and maintaining public dispensaries and providing public medical relief and organising family welfare centres.
 - (e) Providing special medical aid and accommodation for sick in time of outbreak of dangerous or communicable disease and taking such measures as may be required to prevent the outbreak or to suppress and prevent the recurrence of such disease.

The model regulations for all above functions and duties under (2), (3), & (4) above [carried out by the MIDC, Municipal Authority or Private Party on behalf of the Authority] applicable to any Municipal Councils as per the Act will apply muttadis muttandis in the Authority Area subject to any specific variations mutually agreed consistent with the legal, MIDC DC Rules, environment regulations, MPCB norms and public health requirements.

13. Taxation :

Till such time, the State Government change the policy for the Industrial Townships, provisions under Chapter IX and X and relevant regulations will be applicable to the Authority Area [where the Chief Executive Officer of the Authority will be the Assessing Officer].