

## CHAPTER - 2

### **2.0 PARTICULARS OF ORGANISATION, FUNCTIONS AND DUTIES**

#### **2.1 OBJECTIVE / PURPOSE OF THE PUBLIC AUTHORITY**

2.11 The Corporation functions both as a State Financial Corporation (SFC) and as an Industrial Development Corporation (IDC). As SFC, the Corporation acts as a loan-disbursing agency and as IDC, the Corporation is involved in the creation and maintenance of industrial infrastructure. The Corporation has also been involved in setting up of assisted companies and performs agency functions for Government Schemes.

#### **2.2 MISSION / VISION STATEMENT OF THE PUBLIC AUTHORITY**

2.21 To assist, promote, establish and execute industrial projects or enterprises directly or indirectly, so as to advance the industrial development of Meghalaya.

#### **2.3 BRIEF HISTORY OF THE CORPORATION AND CONTEXT OF ITS FORMATION.**

2.31 The Meghalaya Industrial Development Corporation is a Government Company incorporated under the Companies' Act. The Corporation is a Government of Meghalaya undertaking and has been set up primarily as a financial institution for wider industrial development and to create infrastructure necessary for such development to take place.

#### **2.4 DUTIES OF THE CORPORATION**

2.41 To promote, establish and execute industries, projects or enterprises for manufacture and production of plant machinery, tools, implements, materials, substances, goods or things of any description that in the opinion of the Corporation is likely to promote or advance the industrial development of Meghalaya.

2.42 To promote or operate schemes for industrial development of Meghalaya and for that purpose to prepare and get prepared reports, blue prints, statistics and other information.

2.43 To aid, assist and finance industrial undertakings of any size, projects or enterprises, whether owned or run by Government, statutory body, private company, firm or individual, with capital credit, means or resources for prosecution of its works and business.

2.44 To promote and establish companies and associations for the execution of industrial undertakings, works, projects and enterprises of any description, whether of a private or public character, which in the opinion of the Corporation would contribute to the industrial development of Meghalaya and to acquire and dispose off shares and interest in such companies or associations or in any other companies or associations or in the undertakings thereof.

2.45 To procure capital for or to provide machinery / equipment and other facilities to any company, person or association for the purpose of carrying into effect any objects connected with the industrial development of Meghalaya and to subscribe for or underwrite, or otherwise deal with shares, debentures and securities of any such companies or associations.

## **2.5 MAIN ACTIVITIES / FUNCTIONS OF THE PUBLIC AUTHORITY**

- 2.51 Providing financial assistance for setting up industries.
- 2.52 Providing infrastructure for industrial development and growth.
- 2.53 Identifying projects and providing / assisting project technical & economic feasibility report (TEFR).
- 2.54 Equity participation by MIDC on equity share capital of Industrial Projects
- 2.55 Manpower Development under Manpower Scheme.
- 2.56 Entrepreneurship Development under the Entrepreneurship Development. Programme.
- 2.56 Providing assistance to assisted Corporations and other industrial entities.

## **2.6 LIST OF SERVICES BEING PROVIDED BY THE CORPORATION.**

- 2.61 Financial Assistance by MIDC

MIDC Ltd is operating financial assistance scheme under the refinance scheme of Industrial Development Bank of India / Small Industrial Development Bank of India. The limit of financial assistance that MIDC can provide to entrepreneurs by way of term loan is to the tune of Rs 90.00 lakhs. For units where the fund requirement is much more, the Corporation can collaborate with other financial institutions and banks for consortium finance. The entrepreneur can also approach for direct financing from SIDBI / IDBI and NEDFI. For entrepreneurs who are interested in tea plantation, coffee, rubber and other such items they may contact the Meghalaya Co-Operative Apex Bank (MCAB), which gets refinance from NABARD. Entrepreneurs may also approach the State Bank of India – the lead Bank for the State of Meghalaya – for direct finance.

Term loans available from MIDC

(i)	Limit of Term Loan	Upto Rs. 90.00 lakh / unit loan amount	
(ii)	Debt Equity Ratio	Project cost upto Rs.10.00 lakhs	3 : 1
		Above Rs. 10.00 lakhs	2 : 1
(iii)	Processing Fee	Loan	
		(i) Upto Rs. 50,000/-	Rs. 200
		(ii) Rs. 50,001 to Rs. 1,00,000	Rs. 500
		(iii) Rs. 1,00,001 to Rs. 2,00,000	Rs. 1,000
		(iv) Rs. 2,00,001 to Rs. 5,00,000	Rs. 2,000
		(v) Rs. 5,00,001 to Rs. 7,50,000	Rs. 3,000
		(vi) Rs. 7,50,001 to Rs. 10,00,000	Rs. 4,500
		(vii) Rs. 10,00,001 to Rs. 20,00,000	Rs. 7,500
		(viii) Rs. 20,00,001 to Rs. 50,00,000	Rs. 18,000
		(ix) Rs. 50,00,001 to Rs. 90,00,000	Rs. 30,000
		<b>SIDBI FUND – INTEREST RATE</b>	
		(i) Upto Rs. 50,000	11.25%
		(ii) Rs. 50,000 to Rs. 2,00,000	11.75%
		(iii) Rs. 2,00,000 to Rs. 25,00,000	12.25%
		(iv) Above 25,00,000	13.25%
		Interest Tax	0.50%
		<b>OWN FUND INTEREST RATE</b>	
		(i) Upto Rs. 7,50,000	9%
		(ii) Rs.7,50,000 to Rs. 25,00,000	10%
		(iii) Above Rs. 25,00,000	11%

## 2.62 Equity participation by MIDC on equity share capital of Industrial Projects

The Corporation has been participating in the Equity Share Capital of the Industrial projects, promoted either in the Private Sector, Joint Sector, Public Sector or its assisted companies. The schemes have been basically introduced to encourage entrepreneurs and business houses to invest in Meghalaya. The guidelines and eligibility criteria are given hereunder:

### a. Eligibility criteria

- i) New Industrial units set up in the State of Meghalaya will be eligible for share participation from MIDC Ltd.
- ii) Existing industrial units set up in the State of Meghalaya either in the joint sector or in the private sector will be eligible for additional share capital participation from MIDC Ltd. for expansion / diversification purposes.

### b. Quantum of Share Capital Participation

The quantum of share capital participation shall vary from industry to industry according to the size of the industry. MIDC Ltd intends to participate in the industry in the following manner taking into consideration the size of the industry, subject to availability of funds.

- i) If the industry is set up as a subsidiary of MIDC, the capital participation will be 100%.
- ii) If the industry is set up in a private sector SSI Units, the share capital participation should be 10% to 20% subjected to a maximum ceiling of Rs 20.00 lakhs.
- iii) If the industry is set up in private sector as medium scale unit, the share capital participation should be 10% subject to a maximum of Rs 50.00 lakhs.
- iv) If the industry is set up in a joint sector or public sector, the share capital participation should not be more than 26%.
- v) If a sick industrial unit is to be rehabilitated, the capital participation would be determined as per the merits of the case but in no case investment should exceed 49%.

## 2.63 Manpower Development Scheme and Entrepreneurship Development Programme.

- 1) MIDC Ltd. provides stipends for students prosecuting their higher studies in Engineering, Business Management and Accountancy.
- 2) Entrepreneurship development training is being implemented to interested local entrepreneurs. Training programmes are conducted from time to time in all district headquarters and sub-divisions.

3). Project Technical & Economic feasibility Report (TEFR) / Project Identification

MIDC has prepared Techno Economic Feasibility Reports and Detailed Project Reports on mineral based, agro based and other industries in Meghalaya. The list of studies / reports and some projects identified for Meghalaya are given hereunder –

**LIST OF PROJECT REPORTS / DPRS AVAILABLE WITH MIDC**

Sl. No.	Detail Project Reports (DPR)	Sl. No.	Feasibility Reports
1.	DPR for 3600 tonne per annum Ceramic Glazed Tiles Project by M/s. NEITCO.	1.	Project Report for Garo Hills Clinker Project by M/s. Development Consultants (DCL)
2.	DPR for Ceramic Crockery Project by M/s. NEITCO.	2.	Up-dating of capital cost for Garo Hills Clinker Project by M/s. DCL.
3.	DPR for 800 TPA Ceramic LT Insulator Project by M/s. NEITCO.	3.	Project Report on manufacture of Starch from Tapioca (1800 tonne per annum) by M/s. Central Food Technological Research Institute.
4.	DPR for Aerial Ropeway Transportation from Siju to Pathergithim	4.	TEFR on Agro-based Industries in Meghalaya by M/s. Malladi Project Management Centre Pvt. Ltd.
5.	DPR for a 200 tonnes per day Paper Grade Lime Project in Meghalaya prepared by NEITCO	5.	Report on Detailed Evaluation of China Clay deposit at Darugiri in Garo Hills District by M/s. Central Glass & Ceramic Research Institute.
		6.	TEFR on 15000 TPA Vanaspati Plant by M/s. NEITCO.
		7.	TEFR on 25000 sq. m. per annum Granite Slabs & Tiles and Limestone Slabs Project by M/s. NEITCO.
		8.	TEFR on Cement Plant at Lumshnong by M/s. Conscom Engineers Pvt. Limited.
		9.	Feasibility Report for semi mechanised Brick Plant by M/s. DCL.

<b>SL. No.</b>	<b>Feasibility Reports</b>
10	Feasibility Report for 10000 tonne per annum Precipitated Calcium Carbonate by M/s. DCL.
11	Market Survey Cum Pre-Investment Study Report by M/s. DCL Calcutta, for a) Lime Based Industries b) China Clay Based Industries c) Coal Based Industries
12	Pre-Feasibility Report for Cement Grinding Plants 25 tonne per day each at Byrnihat, Mukhla and Mendipathar by M/s. HOLTEC.
13	Industrial Alcohol from Tapioca by M/s. Malladi Project Management Centre Pvt. Ltd. Madras.
14	Bio Fertilizer by M/s. Malladi Project Management Ltd. Madras. (MPMC)
15	Cold Storage: By M/s. NEITCO Guwahati. a) Shillong b) Dainadubi c) Mawiong d) Garobadha
16	Mushroom Project at Shillong and Upper Shillong by M/s. NEITCO Guwahati.
17	Report on Techno-Economic Survey on Leather & Allied Industries in Meghalaya by M/s. Central Leather Research Institute, Chennai.
18	Washing Plant for China Clay by M/s. Geotech & Geomech Compass, Guwahati.
19	Preliminary Study on Polished stone slabs by M/s. GIEM (India) Consortium.
20	Formed coke / low ash coke by Central Mine Planning & Design Institute Ltd. (CMPDI) a Subsidiary of Coal India Ltd.
21	TEFR for calcium carbide project prepared by GIEM (India) Consortium.
22	Status of re-rolling mills in Meghalaya and feasibility of setting up of new ones by NEITCO
23	Perspective plan for Industrialisation of Meghalaya by TCS.
24	Modern Abbatoir at Shillong by M/s Biogene International, Calcutta
25	Detailed Geological Exploration of Borsara Limestone deposits by Cement Corporation of India.

<b>Sl. No.</b>	<b>Feasibility Reports</b>
26	TEFR for production of bleaching powder in Meghalaya by M/s National Industrial Development Corporation, New Delhi.
27	TEFR for production of potato powder prepared by M/s P.R. Dey & Associates, Guwahati.
28	TEFR for production of Refined Oil prepared by M/s P.R. Dey & Associates, Guwahati.
29	Aerated autoclaved concrete block
30	Bitumen Emulsion Plants prepared by Preetam Rajkhowa.
31	TEFR on Agro-Based Industries in Meghalaya, by A.F. Ferguson & Co. Calcutta.
32.	Pre-investment Feasibility Report for the proposed e-learning project in Meghalaya

The Industries Department, Govt. of Meghalaya has appointed the Corporation as a nodal agency for processing and recommending applications from food processing industrial units in Meghalaya who apply for grant-in-aid from the Govt. of India. These applications are forwarded to the Ministry of Food Processing Industries, Govt. of India along with necessary recommendation.

#### 2.64 Development of Infrastructure

Facilities Available in the Industrial Estate | Industrial Area | EPIP | Industrial Growth Center | Allotment of Industrial Plot at Industrial Estate |

To obviate the problems of prospective entrepreneurs in acquiring sites and in developing infrastructure for industries, the Corporation has developed Industrial Estates, Industrial Areas and Growth Centres. The following are the existing Industrial Estates in the State

	<b><u>Industrial Estate</u></b>		<b><u>Area in Acres</u></b>
a)	Shillong Industrial Estate.	-	10.22
b)	Mendipathar	-	7.00
c)	Tura	-	19.83
d)	Jowai	-	14.56
e)	Williamnagar	-	51.30
f)	Nongstoin	-	8.00

#### **Facilities Available in the Industrial Estates**

An Industrial Shed measuring about 20 ft. by 100 ft. is provided on lease basis for a period of 15 (fifteen) years @ Rs 300/- p.m. per shed along with utilities such as power, water and roads. The lease is renewable.

## **Industrial Area, Barapani, Ribhoi**

Barapani Industrial Area, Ri Bhoi District, has an area of about 210 Acres. The following are the infrastructures facilities available:

- (i) All weather roads
- (ii) Power
- (iii) Water
- (iv) Weigh bridge
- (v) Residential quarters.

These buildings are provided on lease for staff and employees of interested industrial units. The lease rent for industrial plots is Rs 5/- per sq.m. per annum to be revised every five years.

The following are the type of quarters along with rate of house rent, power and water tariff.

<u>Type of Qtr</u>	<u>House rent</u>	<u>Power</u>	<u>Water</u>
Type 'A'	Rs.750.00 p.m.	Rs. 360.00 p.m.	Rs. 73.00 p.m.
Type 'B'	Rs. 500.00 p.m.	Rs. 300.00 p.m.	-do-
Type 'C'	Rs. 400.00 p.m.	Rs. 290.00 p.m.	-do-
Type 'D'	Rs. 350.00 p.m.	Rs. 280.00 p.m.	-do-

## **EXPORT PROMOTION INDUSTRIAL PARK (EPIP)**

To promote industries with export potential of at least 25% of the product, an EPIP was established at Byrnihat Ri Bhoi District. It has a total area of about 250 acres.

Infrastructure available in the Park :

1. Water - 5 Nos. bore well and pump houses  
water treatment plant – 2 Nos.  
water reservoir – 2 Nos.
2. Power - 33/11 KV 2 x 5 MVA sub station & one  
132 KV sub station.
3. Common facility building - 1 (one)  
(Post office, bank etc)
4. Guest House - 1 (one)
5. Administrative building - 1 (one)
6. Health center building - 1 (one)
7. Residential buildings  
Type A - 1 (one)  
Type B - 1 (one)  
Type D - 1 (one)  
Labour shed - 1 (one)
8. Land  
Total area - 259.35 acres  
Lease rate - Rs.20.00/Sqm/Annum for developed plot  
- Rs.5.00/Sqm/Annum for un-developed plots
9. All weather roads



### **Industrial Growth Center:**

The Government of Meghalaya has identified an area of 200 hectares at Mendipathar, East Garo Hills District for the Industrial Growth Center. The infrastructure to be provided includes roads, power, water, and communications, housing facilities, common facilities and financial and other service infrastructure.

### **Allotment of Industrial Plot at Industrial Estate:**

Interested entrepreneurs may submit their applications and bio-data on plain paper. A brief project profile-justifying requirement of a plot of land at Industrial Estate /Industrial Area / EPIP should be submitted along with the application to the Director of Industries. Land allotment is done through a Committee comprising the Principal Secretary, Director of Industries and Managing Director, MIDC.

#### **2.70 THE ORGANIZATIONAL STRUCTURE DIAGRAM OF THE CORPORATION IS SHOWN AS ANNEXURE 2.7. THE APEX AUTHORITY OF THE CORPORATION IS THE BOARD OF DIRECTORS.**

#### **2.8 EXPECTATION OF THE CORPORATION FROM THE PUBLIC**

2.81 It is clear that the major activities of the Corporation are geared towards the industrial development of Meghalaya mainly by assisting private initiative. The Corporation is hopeful that with information being made readily available under the Act, the public would utilize the various services being offered by the Corporation. The Corporation would also welcome constructive criticism with respect to its effectiveness and efficiency.

#### **2.9 ARRANGEMENTS & METHODS FOR SEEKING PUBLIC PARTICIPATION**

2.91 The Corporation, from time to time seeks public participation with respect to its schemes / services. This is done through newspaper advertisements, seminars, training programmes and other such means. Further some schemes, for which the Corporation performs agency function, are publicized through the Department of Industries, Govt. of Meghalaya and other State and Central Govt. Departments.

#### **2.10 MECHANISM FOR MONITORING SERVICE DELIVERY AND PUBLIC GRIEVANCE RESOLUTION**

2.101 The service delivery process of the Corporation as a State Financial Corporation, as an Industrial Development Corporation and as an Agency of the Government is constantly being monitored. At present any grievance can be brought to the notice of competent authority dealing with the matter in the Corporation. If such grievance is not resolved, the same can be appealed to the Managing Director and finally to the Board of Directors of the Corporation.

## **2.11 ADDRESS**

Head Office: “Kismat”, Upland Road  
Laitumkhrah, Shillong 3  
Meghalaya

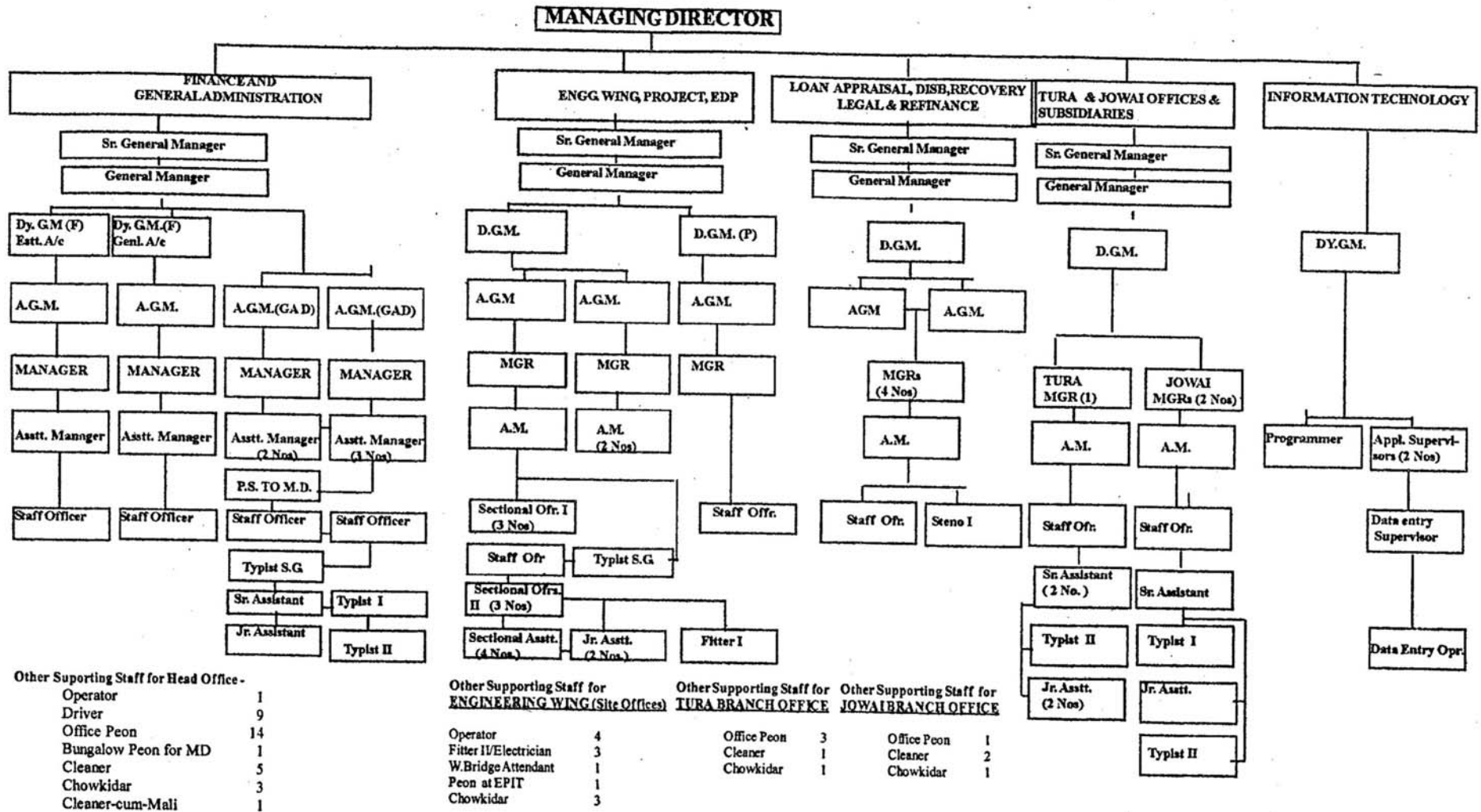
Tura Office: Balading,  
Tura, West Garo Hills District,  
Meghalaya

Jowai Office: Iawmusiang,  
Jowai, Jaintia Hills District,  
Meghalaya

## **2.12 WORKING HOURS**

2.121 Working hours of the Office is the same as that of other offices of the Govt. of Meghalaya

## ANNEXURE 2.7 ORGANISATIONAL CHART OF M.I.D.C. LTD.



NOTE : One General Manager and One Asstt. Gen. Manager are on deputation to MMDC and MEDC respectively.