

Ref. No. STPI/HQ/TECH/EMC/SCH/2022-2023/1

To,

Dr. P. Anbalagan, IAS

Chief Executive Officer,

M/s Maharashtra Industrial Development Corporation (MIDC),

“Udyog Sarathi”, Marol Industrial Area,

Mahakali Caves Road, Andheri (East),

Mumbai – 400093, Maharashtra

Subject: Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme-Approval for setting up of Electronics Manufacturing Cluster at MIDC-Ranjangaon Phase III, Pune District, Maharashtra -reg.

References:

- EMC 2.0 Scheme Gazette Notification no. 86 [CG-DL-E-01042020-218991] dated 1st April, 2020;
- Guidelines for implementation of Modified Electronics Manufacturing Clusters (EMC 2.0) scheme dated 1st June, 2020 [F. No. W-45/3/2020-IPHW-MeitY];
- MIDC EMC Online application submission dated 9th February, 2022 & 04th March, 2022 along with Detailed Project Report (DPR) and subsequent correspondences thereafter;
- Project Review Committee (PRC) meeting dated 19th July, 2022

Sir,

Reference is invited to application submitted by M/s Maharashtra Industrial Development Corporation (MIDC) as Project Implementing Agency (PIA) cited under reference (iii) above and subsequent communications for seeking financial assistance under the Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme from the Ministry of Electronics & Information Technology (MeitY), Government of India for setting up of **Electronics Manufacturing Cluster project at MIDC-Ranjangaon Phase III, Pune District, Maharashtra**. The said EMC application along with requisite documents submitted by M/s MIDC has been considered in accordance to EMC 2.0 scheme & Guidelines and based on the assurances & commitments made therein, I am directed to convey the approval of Ministry of Electronics & Information Technology (MeitY), Government of India for setting up of Electronics Manufacturing Cluster project over an area of **297.11 Acres** with a project cost of **Rs. 492,85,19,000/-** (Rupees Four Hundred Ninety Two Crore Eighty Five Lakhs Nineteen Thousand Only) [excluding land cost] including central financial assistance of **Rs. 207,98,02,000/-** (Rupees Two Hundred Seven Crore Ninety Eight Lakhs Two Thousand Only) from Ministry of Electronics & Information Technology (MeitY).

2. The parameters of the project are mentioned hereunder:

#	Project Parameter(s)	Details
i.	Project Implementing Agency (PIA)	M/s Maharashtra Industrial Development Corporation (MIDC)
ii.	Location of EMC	Shirur and Karde Village, MIDC-Ranjangaon Phase III, Pune District, Maharashtra (<i>Latitude: 18: 46'45" N , Longitude: 74: 19'45" E; Site Coordinates: 18.7791 74.3291</i>)
iii.	Area of EMC	297.11 Acres <ul style="list-style-type: none"> ▪ Processing Area: 279.87 Acres (94.19%) ▪ Non-Processing Area: 17.25 Acres (5.81%)
iv.	Saleable Area and Ready Built Factory (RBF) Sheds/Plug & Play Facility for allotment to unit(s)	200.05 Acres <ul style="list-style-type: none"> ▪ Industrial Plottable Area: 160.05 Acres ▪ Area earmarked for Ready Built Factory (RBF) Sheds/Plug & Play Facility : 40 Acres
v.	Targeted ESDM verticals in EMC	Industrial Electronics, Consumer Electronics, Solar PV Manufacturing, E-mobility products/components etc.
vi.	Anchor Unit(s)	M/s IFB Refrigeration Limited <ul style="list-style-type: none"> ▪ Committed Area : 40 Acres (~20% of saleable area) ▪ Committed Investment: Rs. 450 Crore ▪ Manufacturing products : Air Conditioner, Refrigerators etc.
vii.	Implementation Timelines	32 months from date of approval

TERMS AND CONDITIONS:

- The approval and financial assistance for this project are subject to compliance by M/s Maharashtra Industrial Development Corporation (MIDC) to the Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme and Guidelines including amendments, if any, issued by the Government of India from time to time and the terms and conditions stipulated hereinafter.
- The financial assistance has been approved on basis of the eligible activities, break-up of project cost, and funding pattern submitted by M/s MIDC, appraised by Project Management Agency i.e. PMA-STPI, New Delhi) and approved by MeitY under the EMC 2.0 Scheme which is provided in the table hereunder. M/s MIDC undertakes to comply with the eligible activities, the break-up of project cost, and the funding pattern as provided herein.

Amount: In Rupees

S.No.	Project Component(s)	Quantity with unit	Per Unit rate	Processing/ Non-Processing Activity	Cost	Central Financial Assistance
A. Vital Services						
A.1	Boundary wall with Entrance Plaza	2.12 Km	1,18,13,889	Processing	2,50,69,000	
a)	<i>Boundary Wall</i>	<i>2.12 Km</i>	<i>81,64,958</i>	<i>Processing</i>	<i>1,73,26,000</i>	
b)	<i>Entrance Plaza</i>	<i>2 No's</i>	<i>38,71,516</i>	<i>Processing</i>	<i>77,43,000</i>	
A.2	Internal roads <i>(Main Road of 45m width Internal Road of 30m width &</i>	7.45 Km	8,52,81,436	Processing	63,53,47,000	

	<i>approach road of 25m width)</i>					
A.3	Storm Water Drains	8.88 Km	4,99,77,520	Processing	44,38,00,000	
A.4	33/22 KV Electrical Sub-station (2*10 MVA capacity) and Power Supply Distribution with electrification work	20 MW	38,37,820	Processing	4,83,57,000	
A.5	Shifting & Erection of HT Lines	3.30 Km	3,12,50,392	Processing	10,32,01,000	
a)	<i>Shifting of HT Lines</i>	Lumpsum		<i>Processing</i>	<i>1,17,92,000</i>	
b)	<i>Erection of HT Lines</i>	Lumpsum		<i>Processing</i>	<i>9,14,09,000</i>	
A.6	UG Cable Trench	8.88 Km	2,63,14,898	Processing	23,36,76,000	
Sub-Total (A)					148,94,50,000	193,21,17,000
B. Essential Services						
B.1	Water Supply network <i>(Including ESR- 1MLD, Pump Room, Sump House, HT Pumps etc.)</i>	7.39 Km	1,11,13,047	Processing	8,21,25,000	
B.2	Street Lighting	600 No's	1,10,990	Processing	6,65,94,000	
B.3	Ready Built Factory (RBF) Sheds / Plug & Play Facility (60 No's)	48,792 Sqm	38,937	Processing	189,98,14,000	
B.4	Fire Fighting and Safety services <i>(Building 01 (Civil & PEB) of 292 Sqm with 3 floors, Building 02 (G+1)-558 Sqm for office & officer quarter, Fire tender parking over 406 Sqm)</i>	1,446 Sqm	41,632	Processing	5,97,84,000	
B.5	Central Truck Parking * <i>(Includes main building of 2,100 Sqm having hall, office, canteen & shop facility (Vehicle parking Capacity-66 No's)</i>	21,500 Sqm	7,552	Processing	16,23,64,000	
Sub-Total (B)					227,06,81,000	
C. Desirable Services						
C.1. Welfare Services						
C.1.1	Landscaping <i>(Green Spaces & Pavers Work)</i>	55,614 Sqm	182	Non-Processing	1,58,65,000	
Sub-Total (C.1)					1,58,65,000	
C.2. Support Services						
C.2.1	Administrative & Support Centre (G+1) <i>(Includes Auditorium Hall, Canteen, video conferencing, business centre, post office, meeting hall/ testing centre, MIDC office, Incubation facility etc.)</i>	1,505 Sqm	66,466	Processing	10,00,31,000	
C.2.2	Miscellaneous (Survey & Demarcation)	Lumpsum	56,05,196	Processing	12,98,000	-
Sub-Total (C.2)					10,13,29,000	
Sub-Total (C)					11,71,94,000	
Sub-Total (A+B+C)					387,73,25,000	193,21,17,000
D	Administrative Expenses	Lumpsum	-	-	23,46,91,000	7,38,42,000
E	External Development Cost (EDC charges)	Lumpsum	-	-	81,65,02,000	7,38,43,000

(Includes Jackwell, Road Crossing, replacement of existing raw water rising main 700 mm Dia. x 24.50 KM, Service Road alongside the raw water rising main, External Road, Valve & Sump etc. laying & jointing of pipe from WTP (Phase-I to Phase-III)			
Grand Total (A+B+C+D+E)			49,285,19,000
			207,98,02,000

* Central financial assistance not applicable for shifting of HT Lines and miscellaneous work

5. The details of funding for the project approved by the competent authority under the Modified Electronics Manufacturing Clusters Scheme are provided in the table hereunder.

S. No.	Funding Sources	Amount (Rs. in Crore)
1	Central Financial Assistance from MeitY	207.98
2	Contribution from PIA (i.e., MIDC)	284.87
Total		492.85

6. **Implementation schedule:** The project components wise implementation schedule for the project is provided hereunder. M/s Maharashtra Industrial Development Corporation (MIDC) will undertake to implement the project within the approved timelines. In the event of considerable and persistent delay in the project, action will be taken in accordance to EMC 2.0 Scheme and Guidelines

(a) Total duration of the project – 32 months from date of approval


(b) Project Component-wise implementation timeline:

S.No.	ACTIVITY	DURATION (in Month)	Project Timeline (in month)																																			
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32				
Stage I: Development activities																																						
1.1	Site survey and boundary fixation	3																																				
1.2	Survey and Demarcation	3																																				
1.3	Contour survey	1																																				
1.4	Boundary fixing with trench and fixing boundary stones	2																																				
2	Plot demarcation	1																																				
3	Boundary Wall for Amenity areas	5																																				
3.1	RCC/ Builtup gutters for stormwater drains and RCC cable trench	19																																				
3.2	Main road	12																																				
3.3	Internal road	14																																				
4	Power supply and distribution	10																																				
4.1	Electric sub station installation & commissioning / Power Distribution network	6																																				
4.2	Remove shifting / Erection of HT lines	2																																				
5	Water supply and distribution	23																																				
5.1	Old 700 mm dia raw water supply main line replacement	15																																				
5.2	Water supply main line laying up to EMC	12																																				
5.3	Storage sump and ESR	12																																				
5.4	Water supply distribution mains on main road and internal roads	14																																				
6	Street lights	12																																				
6.1	Street Lighting on main roads	6																																				
6.2	Street lights on internal road	6																																				
7	Ready-built sheds	9																																				
7.1	Construction of sheds	9																																				
7.2	Concrete roads, street light, cable trench, land scape, compound wall and misc.	9																																				
8	Fire lighting and safety services	12																																				
9	Recreational facility/ playground	13																																				
9.1	Tree plantation along roads and in open spaces	5																																				
9.2	Barbed fencing for open spaces along with gates	12																																				
9.3	Landscaping and aesthetic structures	8																																				
10	Support Services	9																																				
10.1	CFC	9																																				
10.2	Truck terminal	9																																				
10.3	Miscellaneous	5																																				
Stage II: Post Development activities																																						
1	Project Marketing																																					
2	Leasing/Sale of land																																					
Overall Project Timeline and operation																																						
		32																																				

7. The PIA i.e., M/s Maharashtra Industrial Development Corporation (MIDC) shall execute an agreement with the Project Management Agency i.e., Software Technology Parks of India (STPI, New Delhi) for proper utilization of financial assistance wherein it shall undertake to abide by the terms and conditions specified in the approval letter, the terms of the Scheme and guidelines or any instructions issued by the MeitY/STPI from time to time. In the event of failing to comply with any of the conditions; will be treated as a breach of the agreement, and in such condition, PIA i.e., MIDC shall be liable to refund to the President of India through PMA the entire amount of the financial assistance together with the penalties or interest (if any) imposed by the Governing Council on account of breach of the agreement.
8. The PIA shall create an Escrow Account with a Bank (Nationalized or Commercial) and provide the details thereof to the PMA. The PMA shall enter into a Tripartite Escrow Agreement with the PIA, and the Bank, where the escrow account of the PIA is maintained, for proper utilization of the financial assistance.
9. In EMC projects, a minimum 70% of the utilizable land area (excluding internal development for roads, carriageways, green spaces, drainage, sewage etc. and common infrastructure for utilities such as Power, Lighting, Waste Management, Effluent Treatment, Fire Fighting and Safety, etc.) has to be allotted for processing activities and remaining area may be allotted for non-processing activities as included in the list of desirable activities under the Scheme.
10. The disbursement of financial assistance shall be made on pari-passu basis i.e., all proportionate payments to be released after the mobilization of corresponding share/contribution by PIA i.e., M/s Maharashtra Industrial Development Corporation (MIDC) along with other sources and is deposited in the escrow account and other necessary conditions for the release of such payments as prescribed in EMC 2.0 Scheme Guidelines have been complied with. The same is to be applicable to all the installments with effect from the first installment to be released to the PIA. The deposits in the escrow account shall be utilized only for authorized expenditure as per project approval.
11. The first installment i.e., 30% of the financial assistance will be released after compliance of terms & conditions as mentioned in this approval letter and fulfilling of the below mentioned criteria's:
 - i. Execution of agreement with PMA i.e., STPI New Delhi spelling out explicitly the project deliverables and timelines;
 - ii. Execution of Tripartite Agreement for operations of the Escrow account between MIDC, PMA, and the Bank (Escrow Agent) wherein the Escrow account for the project is opened; and
 - iii. Deposition of pari-passu contribution in Escrow Account or submission of sanction order issued by State Government / Central Government for transfer of the pari-passu contribution in favour of MIDC;
12. The second Installment i.e., 40% of the financial assistance will be released on compliance of the following conditions:



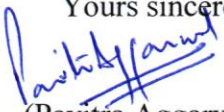
- i. After utilization of 80% of first installment and proportionate contribution of the PIA including other sources;
 - ii. Allotment of land to the Anchor Unit(s);
 - iii. Deposition of pari-passu contribution in Escrow Account or submission of sanction order issued by State Government / Central Government for transfer of the pari-passu contribution in favor of the MIDC;and
 - iv. On recommendations of the Project Review Committee (PRC)
13. The Third (last) Installment i.e., 30% of the financial assistance will be released on compliance of the following conditions:
- i. After utilization of the first and second instalment of financial assistance and the proportionate contribution of the PIA including other sources;
 - ii. Deposition of pari-passu contribution in Escrow Account or submission of sanction order issued by State Government / Central Government for transfer of the pari-passu contribution in favor of the PIA;
 - iii. On completion of the project in line with Clause 9 of EMC 2.0 scheme Guidelines as follows:
 - a) Obtaining of all requisite statutory clearances for the EMC project;
 - b) Commencement of construction activity by atleast one Anchor unit;
 - c) Allotment of atleast 50% of saleable / leasable land area to the manufacturing units within the EMC;
 - d) Commencement of construction activity by atleast 50% of such land allottees;and
 - e) Any other condition as deemed necessary by PRC in the interest of the project.
14. Securing funds for any enhancement in the overall cost of the project will be the responsibility of the PIA. The financial assistance for the project from Government of India shall be limited to the approved amount as per this approval letter.
15. In event of reduction of cost in a project component, the financial assistance shall automatically get reduced on pro-rata basis for the said project component.
16. It shall be the responsibility of the PIA to obtain necessary approvals and clearances required for the project (as applicable) before or during (as the case may be) the implementation of the project but not later than the release of last instalment of financial assistance.
17. The PIA shall submit the "Utilization Certificate" on the basis of audit done by Chartered Accountant in accordance with General Financial Rules (GFR), 2017 and other terms and conditions/rules as prescribed by Ministry of Finance, Government of India from time to time.
18. The PIA shall maintain separate books of accounts of the Government financial assistance and furnish audited statement of accounts to the PMA. These audited statements of accounts should be furnished after utilization of each instalments/ tranche of instalment or whenever called for.
19. The PIA may seek reimbursement of the expenditure made on the approved project / project



components in case the PIA intends to make upfront expenditure on the implementation of the project. However, PIA shall have submitted the application under the Scheme prior to incurring any expenditure on the project. The submission of such application does not guarantee any approval and any such approval will be subject to issue of a formal approval letter in accordance with the scheme parameters. Expenditure made after the issuance of the acknowledgment by PMA shall be eligible for reimbursement.

20. The PIA shall submit Quarterly Progress Reports (QPRs) on Quarterly and regular basis. PIA shall continue to submit the Quarterly Progress Report (QPRs) to PMA for atleast six months after completion of the project.
21. The accounts of PIA shall be open to inspection by the Ministry of Electronics and Information Technology and audit, both by the Comptroller and Auditor General of India under the provision of CAG (DPC) Act 1971 and internal audit by the Principal Accounts Office of the Ministry of Electronics and Information Technology as and when deemed necessary. Ministry of Electronics and Information Technology shall also have the right to appoint an agency for undertaking such audit.
22. The Utilization Certificate should be submitted by the PIA after utilization of funds or the closure of the financial year. Receipt of such certificate shall be scrutinized by PMA. Where such certificate is not received from the PIA within the prescribed time, the MeitY will be at liberty to blacklist such PIA from any future grant, subsidy, or other type of financial support from the Government of India.
23. In case of winding up, dissolution, etc. of the PIA, at any point in time, all assets and any unutilized grant shall automatically vest with the Government of India.
24. In case of any conflict or dispute between PIA and PMA, conflict should be resolved mutually. In case of failure of mutual resolution, the matter will be dealt as per Arbitration clause in Agreement to be signed/signed (*as the case be*) between STPI (PMA) and MIDC (PIA).

Yours sincerely,


(Pavitra Aggarwal)

Director



Copy to:

- i. O/o Secretary, MeitY
- ii. O/o AS (AA), MeitY, O/o JS &FA, MeitY
- iii. EA(SC)/Dir (NK)/SC-D (NKG), MeitY
- iv. Additional Chief Secretary (Industry), Government of Maharashtra, 114 Annex Building, Mantralaya, Mumbai-32.