

**Maharashtra Industrial Development Corporation**  
(A government of Maharashtra undertaking)  
“Udyog Sarathi”, Marol Industrial Area, Mahakali Caves Road, Andheri (East), Mumbai-93

no.MIDC/Land Department/M.V.(land)/D26425

Date : 01/12/2020

**Circular**

**Subject: Regarding the development of entrepreneurs whose investment in the project is Rs. 500 crore and above in Sections "A" and "B".**

Building completion certificate is obtained using a 20% carpet index on the plot holder's plot and the remaining areas are not developed thereafter, therefore by the circular dated 21/06/2019, MIDC has made it mandatory to use 40% FSI on the plot. Also, according to the circular dated 07/06/2019, it has been made mandatory for the newly allotted plots to get the building maps approved within 1 year. However, the case shows that investors who invest heavily in projects need a lot of formalities to get their approvals for various projects, loans from various banks to invest in the projects and also due to technical difficulties it takes a long time to start their project. Therefore, they cannot complete their project on time, hence it is not possible for entrepreneurs who invest heavily in projects to start the project by approving 40% ~~carpet index~~ FSI in 2 years or get the building plans approved in 1 year, thus Resolution No. 6127 was passed after a detailed discussion with the Joint Board of Directors on date 16/10/2020, on the issue of using 40% ~~carpet index~~ FSI for such entrepreneurs as well as extension of time for approval of building maps.

According to the resolution passed, the entrepreneurs who have invested Rs 500 crore and above in their projects in "A" and "B" sections, the following amendments are being made for such entrepreneurs for the use of carpet indicators as per the Circular dated 21/06/2019 of MIDC and also for approval of building maps as per the Circular dated 07/06/2019.

1. The following will be the period for using 40% ~~carpet indicator~~ FSI as per investment.

Sr. No	Investment	Duration in years	Use of required Carpet index	Comments
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1	Rs.2000 crores and above	First 3 years Next 2 years Next 2 years	20% 10% 10%	
2	Rs.500 crores and less than 2000 crores	First 3 years Next 2 years	20% 20%	

2. If the entrepreneur fails to use 40% of the carpet indicators during the above period, non-utilization charges will be payable for the next 2 years as per Circular No. 2 dated 21/06/19 and will be recovered.
3. Subsequently, action should be taken in accordance with Section 42 (1) (A) of the MIDC Act, 1961 to reclaim as much of the area as possible, without deducting the required area for the carpet index used on the plot without granting any further extension to the entrepreneur.
4. Entrepreneurs will be required to obtain a Building Completion Certificate by developing the plot within the development period applicable to their plot.
5. The agreement should be executed only after the Regional Office confirms that the investment made by the entrepreneurs in their project is in accordance with the project report.
6. If the investment made by the entrepreneur in the project is not as per the project report, the entrepreneur should be charged an additional fee of 2% per annum of the prevailing rate till the time such investment is made in the project and the final agreement should not be executed till then.
7. Such entrepreneurs should be given a period of 18 months to approve the building plan with the prior approval of the CEO without incurring any additional charges.
8. If the entrepreneur has not been able to get the building plan approved during the above 18 months period or has started construction and production without the approval of the building plan, the plot holder will be charged 5% per annum at the prevailing rate of that industrial area as 1 month / 2 months / 3 months. Additional monthly charges should be levied till the building plan is approved.
9. Entrepreneurs who have already entered into a preliminary agreement with this policy and have not approved the building plans within 1 year of taking possession of the land should be required to get the building plans approved within a period of 6 months. The agreement should be amended by mentioning the condition in the preliminary agreement.
10. Extended development period should not be given for approval of building plans after completion of the prescribed development period of plot holder.

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

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