

CIRCULAR

Subject: Regarding revision in development period for plot allotted in various industrial areas of MIDC

As per the current norms of the corporation, plot owners are required to go in to the production after development of plots and obtaining building completion certificate within the designated timeframe. However, it has come to our attention that several plot owners, due to various reasons, not develop the plots within the specified period mention in Agreement to Lease, or even within the extended timeframe granted. Some plot owners keep the plots undeveloped for years with assumption that they will get the extension of time limit. Furthermore, some entrepreneurs commenced production activities after doing some construction as per approved plans but does not take the building completion certificate. Additionally, acquiring approvals from multiple authorities and seeking financial support from financial institutions or banks for plot development and associated formalities often consume a significant amount of time. Moreover, technical challenges further contribute to substantial delays in initiating their projects. The current global industrial economic slowdown and its impact on the industrial sector underscore the need to revision in the guidelines for development of plot and obtaining the Building Completion Certificate.

In light of this matter, a proposal was presented during the 395th meeting of the corporation's members on 23.03.2023. Following a comprehensive discussion, resolution number 6577 was passed,.

Following changes in guidelines has been made for obtaining Building Completion

Certificate after development of plot:

(1) The below circulars issued by the corporation stand cancelled herewith:

- Letter number MIDC/KA-3/Time Extension/389, dated 17.08.2004
- Letter number MIDC/Land Division/C05008, dated 21.06.2019 and,
- Letter number MIDC/Land Division/G.M.(Land)/D26425, dated 10.12.2020.

(2) The following changes in development period (completion of construction as per approved plans, obtaining the Building Completion Certificate (BCC), and commencing production) has been made by MIDC:

Sr. No.	Category	Development Period	Utilization of necessary Floor Space Index
(A)	Online direct allotment and E-bidding allotment		
1	“A” and “B”	First 3 years Next 2 years (Total 5 years)	20 percent 20 percent
2	“C”	First 4 years Next 2 years (Total 6 years)	20 percent 20 percent
3	“D” and “D+”	First 5 years Next 2 years (Total 7 years)	20 percent 20 percent
(B)	For plots allotted under priority category and for expansion	First 2 years Next 2 years (Total 4 years for all categories)	20 percent 20 percent
(C)	For plots allotted on a priority for projects with foreign investments (FDI).		

1	“A” and “B”	First 3 years Next 2 years (Total 5 years)	20 percent 20 percent
2	“C”, “D” and “D+”	First 4 years Next 2 years (Total 6 years)	20 percent 20 percent

- (3) Plot holder should obtain BCC after utilising 20% FSI as per the first development period mentioned in the above table.. If the plot holder fails to obtain the BCC in first development period by utilizing the 20% FSI, MIDC should initiate process of granting extension of time by payment of required charges. However, additional development period mentioned in above table will not be applicable to such plots.
- (4) The plots allotted after MIDC circular number MIDC/GM (Land)/C-05579, dated 21.06.2019, whose development period is expired and if they have utilized a minimum of 20% of FSI. Additional period of 2 years from the issuance of this circular is applicable for utilization of additional 20% FSI. for a development period of 2 years.
- (5) Entrepreneurs require to go in to the production after obtaining of BCC within applicable development period.
- (6) The final agreement should only be executed after the regional office ensures that the investment made in the project by the entrepreneur aligns with the project report.
- (7) Except for changes related to the development period mentioned in the letter dated 22.01.2013, no other amendments have been made.

The current letter is being issued under the authority of the honourable Chief Executive Officer, MIDC.