

## **Circular**

**Circular no – P467399**

**Date -30/05/2025**

**Subject:** As per the Development Control Regulations of the Municipal Corporation, a building completion certificate has been obtained after constructing less than 40% of the plot. In such a case, regarding the development of the remaining area on the plot (with respect to Non-Utilization Charges.

### **References:**

1. Circular No. MAOVIM/M.Vy. (Bhumi)/C05579 dated 21.06.2019
2. Circular No. MAOVIM/M.Vy. (Bhumi)/D22549 dated 02.08.2021

In the industrial areas developed by the Corporation, it is necessary for the plot holder to develop the plot within the prescribed period as per the approved building plan and obtain the Building Completion Certificate (BCC) and commence production. In most industrial areas of the Corporation, vacant plots are not available; therefore, if a plot holder does not develop the idle area, the Corporation, through the relevant circular, has made it mandatory to allocate at least 40% of the Floor Space Index (FSI) for such plots for allocation to deserving entrepreneurs. For those industrial plots where less than 40% construction has been carried out and the remaining area on the plot is vacant, it is mandatory for the plot holder to utilize at least 40% of the total FSI on the plot within 2 years from the date of the relevant circular. If this is not done, Non-Utilization Charges (NUC) shall be levied on the remaining vacant plot area (excluding the area already utilized as per the approved Building Completion Certificate) at the rate of 10% per year of the prevailing rate of that year until the minimum 40% FSI is utilized. Further, after granting a 2-year opportunity to fully utilize the plot, Non-Utilization Charges shall continue to be payable for the subsequent 2 years for the remaining vacant plot. However, it has been observed that plot holders in various industrial areas of the Corporation have approached the Corporation for the development of the plot and issuance of the Building Completion Certificate...

After submitting the application for obtaining the Building Completion Certificate, the plot holder is informed about the payment of Non-Utilization Charges (NUC) based on the above-mentioned guidelines. Consequently, the plot holder is required to pay a dual amount under the Corporation's policy—namely, the additional premium for the extension of time and the Non-Utilization Charges. In fact, the policy issued vide Circular dated 21.06.2019 is intended for those plot holders who have obtained the Building Completion Certificate but have constructed less than 40% of the plot area, leaving the remaining area vacant, for which Non-Utilization Charges are to be levied. Further, in connection with the Hon'ble High Court, Mumbai, Bench at Nagpur, in Writ Petition No. 316/2024, pursuant to the order dated 24.04.2024, a proposal was submitted in the

Hon'ble Board Meeting No. 404 dated 10.10.2024 to provide clarification/amendment regarding the levy of Non-Utilization Charges on plot holders. Accordingly, the Hon'ble Board, vide Resolution No. 6907, has decided to provide the following clarifications/amendments in the Corporation's Circulars No. C05579 dated 21.06.2019 and C22549 dated 02.08.2021.

1. **Corporation Circular No. MAOVIM/M.Vy. (Bhumi)/C05579 dated 21.06.2019**  
The circular dated 21.06.2019 stipulates that Non-Utilization Charges (NUC) shall be levied on the remaining area of plots for those plot holders who, after 21.06.2019, have obtained the Building Completion Certificate (BCC) having constructed less than 40% of the plot area.
2. **Corporation Circular No. MAOVIM/M.Vy. (Bhumi)/D22549 dated 02.08.2021**  
In point no. 1 of the circular dated 02.08.2021, guidance was provided that the use of 40% of the Floor Space Index (FSI) would be allowed without any charges up to 30.06.2022, and Non-Utilization Charges (NUC) would be levied at 10% per year for the subsequent 2 years. However, since the paid period ended on 30.06.2024, from 01.07.2024 onwards, Non-Utilization Charges at the rate of 10% per year shall be levied, and the time period for utilizing 40% of the FSI has been extended up to 30.06.2025.
3. If, even during the extended period mentioned above, the minimum 40% Floor Space Index (FSI) is not utilized, action shall be taken in accordance with point no. 4 of the circular dated 21.06.2019.
4. Further, Non-Utilization Charges (NUC) shall not be levied on those plot holders who still have their original development period or the extended development period remaining.
5. Except for the above amendments, no changes have been made to the circulars dated 21.06.2019 and 02.08.2021.

This circular is being issued with the approval of the Hon'ble Chief Executive Officer, MAOVIM.