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**MANAGING COMMITTEE
2020-2021**

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Deepak Goradia

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Nayan A. Shah

PRESIDENT-ELECT
Boman Irani

SR. VICE PRESIDENTS
Harish Patel
Nainesh Shah
Domnic Romell
Bandish Ajmera

VICE PRESIDENTS
Sukhraj Nahar
Jayesh Shah
Ajay Ashar

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Pritam Chivukula

TREASURER
Munish Doshi

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Sandeep Raheja
Navin Makhija
Rasesh Kanakla
Shahid Balwa
Subodh Runwal

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Shailesh G. Puranik
Dhaval Ajmera
Pratik Patel

JT. TREASURERS
Mukesh Patel
Tejas Vyas

CO-ORDINATORS
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Raajesh Prajapati
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Deepak Gundecha

INVITEE MEMBERS
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Sachin Mirani
Nikunj Sanghavi
Rajeev Jain
Shyamal Mody
Digant Parekh
Rushank Shah
Samyag Shah
Jayesh C. Shah
Sunny Bijlani
Sahil Parikh
Naman Shah
Ricardo Romell
Binitha Dalal

PAST PRESIDENTS
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Dharmesh Jain
Vyomesh Shah
Paras Gundecha
Pravin Doshi
Mohan Deshmukh
Mofatraj Munot
Rajnikant Ajmera
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Late Lalit Gandhi
Late Babubhai Majethia

CREDAI-MCHI UNITS

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CREDAI - MCHI

Ref. No. MCHI/PRES/20-21/030

October 13, 2020

To,
Shri. Subhash Desai
Hon'ble Minister for Industries
Government of Maharashtra
Mantralaya, Mumbai 400 032

Sub: Request for Consideration for the Renewed IT/ITES Policy 2020 in view of DPCR - 2034.

Respected Sir,

The IT / ITES Policy 2015 has given a huge impetus under your leadership. With the DPCR - 2034 in force & Commercial & IT / ITES units are treated at par, we request your goodself to consider the following suggestions ensure sustenance continuity of the established IT parks:-

- I) The Premium for Additional FSI be restored to 25%, which was prevalent prior to IT/ITES Policy 2015.
- II) As per Industries, Energy and Labour Department, Govt. of Maharashtra Resolution No. ITP-2015/CR-206 /Ind-2, dated 22.02.2016, definition of Back Office Operation needs amendment. It presently reads as under :-

"The administrative & support staff of a financial institute such as Banks, Insurance Company, Mutual Fund, Non-banking Finance Companies or "any department or office which is responsible for function related to the running of the company such as Settlements, Compliance, Accounting, IT & Other Technology"

Proposed Suggestion

Sir, Definition of Back Offices:- may be suitably amended as under:-

"Corporate Offices of Industries and all service sectors including Banking & Finance, as long as it is not carrying out any retail sales from the office premises", which is responsible for function related to the running of the company such as Settlements, Compliance, Accounting, IT & other Technology.

Sir, we request that the amendment in definition of USERS will go a long way & bring clarity.

- III) A Suitable clause may be please added in DCPR 33(13), by adding clause "k" stating "notwithstanding anything contained above, ongoing private IT parks in industrial / residential zones, who have already utilized additional FSI as per earlier DCR, can utilize the balance permissible additional FSI for commercial development subject to paying 50% of ASR.

Wive
13/10/2020
लिपिक
मंत्री, उद्योग आणि खनिकर्म, मराठी भाषा
वाचे कार्यालय
महाराष्ट्र राज्य,
मुंबई - 400 032.

IV) Exit Policy:

Sir, The IT Parks have come up since last 20 years and to enable have continued Occupation of these developments, they must be given a chance to convert to Commercial Office user especially in light of the DCPR 2034 which has made IT/ITES development at Par with Commercial. A suitable Transition / Exit Policy may be announced, whereby for the IT Parks, the premium proposed to be charged may to avoid non - compliances & ensure their sustainability one time : -

- i. Post completion of 3 years, on payment of 10% premium.
- ii. Post completion of 5 years, 5% premium be charged.
- iii. Requirement of submission of flat yearly statement be done away as long as unit registration is in force.
- iv. Being Registered IT park at all times property tax be charged at Residential rate based on

Beneficial occupation **

- v. In case of IT - ITES unites in any commercial or other developments then concessions in property tax, stamp duty, electricity to be accorded.

**** Beneficial Occupation**

Beneficial Occupation can be defined as: If a hereditament has a yearly rental value i.e. if it is capable of such a value greater than the expenses of outgoings for repairs, insurance etc, in the hand of any tenant, it will have a rateable value and so have a beneficial occupation. A tenant pays rent because his occupation yields benefits worth that much. This is even more relevant in the COVID times & its aftermath where the markets are continuously sliding & vacancies are on the rise & they will be at an all-time High.

The MCGM Officers are insisting for number of times, that "the date of Occupation Certificate / Water Connection / Physical Occupation is considered as the date of assessment, whichever come earlier". This might be the practice of the department for aiming to collect the revenue, but the words - "Occupation Certificate", "Water Connection" or "Physical Occupation" are nowhere mentioned in the MMC Act 1888 in the context of charging property Tax. Hence, we feel that no one shall be penalized by applying such principles for assessment of properties. It is given to be known that assessment of properties is being revised by applying these principles.

Needless to say that the Government shall generate more revenue from: -

- a. Premiums on conversion from IT to commercial users.
- b. High Stamp Duty collection.
- c. Level playing field for existing IT Parks vis-à-vis new commercial development in DPCR 2034

Sir, we would be happy to meet you in person and request you to consider our proposal in the Empowering Committee Meeting at the earliest.

Thanking you,

Yours Faithfully,
For CREDAI-MCHI



Deepak Goradia
President



Pritam Chivukula
Hon. Secretary