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Harish Patel  
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**HON. TREASURER**  
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I.A.S. (Retd.)

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Lakshman Bhagtani  
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Munish Doshi  
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Pratik Patel  
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Jitendra Jain  
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Rajesh Prajapati  
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**PRESIDENT, NAVI MUMBAI**  
Prakash Baviskar

Ref. No. MCHI/PRES/18-19/178

To,  
Hon'ble Shri Devendra Fadnavis  
Chief Minister  
Government of Maharashtra  
Mantralaya,  
Mumbai - 400032

मुख्यमंत्री सचिवालय  
महाराष्ट्र शासन  
मंत्रालय, मुंबई - ४०० ०३२  
दिनांक ५/३/१९

March 5, 2019

**Sub: Fungible Area permitted under Regulation 31(3).**

Respected Sir,

Reference is requested to the above subject. In this regard it is submitted as follows:

- 1) As per regulation 31(3), notwithstanding anything contained in DCR 30, 32, and 33, the Commissioner may by special permission, permit fungible compensatory area, not exceeding 35% for residential/Industrial/Commercial development, over and above admissible FSI/built up area by charging a premium at the rate of 50% for Residential and 60% for Industrial and Commercial development at applicable RR rate.
- 2) Reference is also requested to the Regulation 33(13) under which additional FSI is permitted for Information Technology Establishment subject to payment of a premium equivalent to 50% of the RR rate. Reference is further requested 33(13)(A), under which additional FSI for Smart Fin Tech Centre is permitted beyond the Zonal FSI by charging a premium of 40% of the land rate. Similarly, under Regulation 33(17) buildings of Biotechnology Establishment are permitted additional FSI by charging of premium at the rate of 50% of the RR rate. On the same lines as per regulation 33(19), additional FSI is permitted on payment of 50% of the RR rate beyond the zonal FSI for office buildings.
- 3) As can be seen from the above, the Government has taken a conscious decision to permit additional FSI for IT parks, Smart Fin Tech Parks, Biotech Parks and Office Parks beyond the permissible zonal FSI by charging a premium at concessional rate ranging between 40% to 50% of the RR rate depending on the user.
- 4) As submitted above, regulation 31(3), permits fungible area equivalent to 35% of the permitted built up area/FSI. Therefore in cases of development of IT parks Under DCPR 33(13), Smart Fin Tech Parks under DCPR 33(13)(A), Bio Tech Parks under DCPR 33(17) and Commercial Office parks under DCPR 33(19), further fungible area equivalent to 35% of the permitted FSI under the above regulations is permitted subject to payment of premium at the rate of 65% of the RR rate. As submitted above, the base FSI is permitted at a concessional rate by the Government to boost employment in certain sectors by charging premium ranging from 40-50% of the RR and therefore it

is necessary that the Government clarifies that the fungible area will also be charged at a concessional rate at which FSI is charged and not at the full rate of the RR. In other words, for the zonal FSI the fungible FSI would be 65% of the land rate and for the additional FSI permitted under regulation 33(13), 33(13)(A), 33(17) and 33(19), fungible FSI shall be charged at the reduced RR rate. That is to say for example if the RR rate is Rs. 10,000 per sq.mtr and the developer is developing an IT Park the additional FSI under DCPR 33(13) will be charged at Rs.5000 per sq.mtr. (i.e. 50% of the RR rate) and the Fungible compensatory area shall be permitted at 65% of Rs.5000/- per sq.mtr.

In view of the above, it is necessary that the above is clarified at the earliest so that development of IT Parks, Smart Fin Tech Parks, Biotech Parks and Office Parks undertaken by the members of our association can continue smoothly and are viable.

Thanking you,

Your sincerely,  
For CREDAI-MCHI



**Nayan A. Shah**  
President



**Bandish Ajmera**  
Hon. Secretary



**Sanjiv S. Chaudhary MRICS**  
Chief Operating Officer