CREDAÎ - MCHI

Ref. No. MCHI/PRES/23-25/188
Date: 10/1/2024

Shri Deependra Singh Kushwah (I.A.S.)
Development Commissioner, Industries
Directorate of Industries
New Admn. Bldg., 2nd Floor,
Opp.Mantralaya, Mumbai 400032

Subject: New I.T. Policy 2023 - Clarification about some of the provisions in the Regulations of new policy for Information & Technology introduced by State Government

Dear Sir,

As you are aware, in the year 1998, Maharashtra Government introduced I.T. Policy for growth of I.T. Sector & implementation of said policy was successfully done in Maharashtra particularly in Mumbai, New Mumbai, Thane, Pune City & Nagpur. Due to growth of I.T. Sector nos. of well-known I.T. companion settled in Maharashtra & Lakhs of Engineers, Technicians and obtained got jobs in I.T. and it also help to growth of I.T. allied sector i.e. industries, construction, hoteling, transport etc. and now Maharashtra State is one of the Global Hub to attract, well-known I.T. companies in world as most qualified and experience engineers are available in Maharashtra. This is only happened because policy of State Government, changes in many regulations and infrastructure available in Maharashtra State, for which we are very thankful to State Government Authorities.

In the meantime, Government in Urban Development Department introduced Unified Development Control & Promotion Regulation 2020 which brought uniformity in construction industry throughout Maharashtra, as well as brought transparency and ease of doing business in Maharashtra State particularly in Authorities / Local Authorities.

Considering the future growth, importance, capacity of I.T. Sector to provide jobs, export and import of I.T. Sector and further importance of A.I. (Artificial Intelligence) State Government has introduced new I.T. policy in which guidelines for various State Government Department are issued and it will help to fast growth of I.T. Companies.

After going through the new I.T. Policy, we would like to seek your clarification and submit our suggestions on certain provisions of the new policy as under;

1. **Clarification about provision in the regulations of new policy for information and IT technology by the GoM :**

   a) **Additional FSI and space utilization of IT parks** - earlier IT/ITeS policy always mentioned 200% to 300% additional FSI. It is suggested to follow the same language in the new IT policy. It should be 400% of Base FSI.

   b) **CBD FSI** - CBD policy allows FSI to be used over and above base and additional FSI, under CBD premiums. In TOD zone also, CBD FSI is available over and above TOD FSI. Likewise, in IT policy, CBD FSI shall be allowed over and above the IT/ITeS FSI.

   c) **Rate of Premium** - As per UDCPR and special planning authority DCRs, the additional FSI shall be permissible to all public and private IT parks by levying a premium at the rate of 50% of prevailing rate of premium for areas. However, it is suggested that rate of premium of IT / ITeS policy to be directly mentioned as 10% of RR.

d) **No additional cost/rate/premium on conversion** - IT parks are permitted for mixed use under the land use percentage, where 60% IT and ITeS units including 2% BUA for incubation centers and 40% for allied services which shall include residential and commercial activities except polluting activities - It is suggested that it should be mentioned that there shall be no additional cost / rate / premium / duty etc. to convert this 40% for non IT usage, i.e. - commercial and residential activities.

2. **Premium for fungible and ancillary FSI**

   In order to make BU space affordable, additional FSI is permitted as outlined in clause 8.1.1 of the policy. Similarly, as per clause 8.1.2, concerning the premium for additional FSI in BMC, allows inclusion of additional FSI by charging a premium at 50% of prevailing rates. FSI premiums shall be flat 20% for IITT projects for additional FSI, including residential areas sold under crossed subsidy outside IITT. This provision to be included for fungible, ancillary FSI at rates equivalent to residential areas.

3. **Development charges**

   It is requested to reconsider the application of development charges under clause 124 of MRTP act. Given that a portion of cost for additional FSI is already earmarked for critical infrastructure, it is proposed exempt the IT/ITeS establishments from these charges.

4. **Open Space as per height of the building**

   In light of commonly adopted glass facade design for IT / ITeS buildings, we propose that open space requirement be adjusted by considering 6 m of OS for buildings above 70 m and 3 m of open space for building below 70 m.

5. **Staggered project completion duration as per plot area**

   The current policy states that the completion of IITT project should be within 7.5 years for a plot area ranging from 10 acres to 25 acres and 10 years for a plot exceeding 25 acres. We propose to extend the project completion period from 7.5 to 10 years and from 10 to 15 years to promote IITT projects. We also propose that the policy should cover the completion of projects in a phased manner, wherein buildings with partial OC shall continue to benefit from ITeS policy.
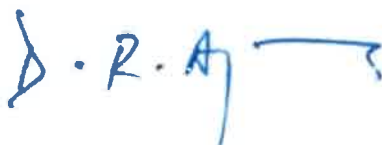
CREDAI-MCHI Prayer:

It is our humble request to kindly consider the abovementioned suggestions, clarifications and issue necessary directions to this regard, which will definitely accelerate the sanctioning process and get more clarity and uniformity.

Thanking you,

Yours sincerely,
For **CREDAI-MCHI**

Domnic Romell
President

Dhaval Ajmera
Hon. Secretary