

Maharashtra Industrial Development Corporation
(A Government of Maharashtra Undertaking)

No. MIDC/CP/1729297/2022

Date: 25/01/2022

CIRCULAR

Subject: Regarding revision in the policy of compounding of offences u/s 143 of MR & TP Act, 1966 by recovering charges for the construction without prior approval of MIDC.

- Ref:** 1. Circular no. MIDC/CP/C68271/2013 dt.10/09/2013.
2. Circular no. MIDC/CP/D65197/2013 dt. 28/11/2013.
3. Circular no. MIDC/CP/A32231/2014 dt. 31/01/2014.
4. Circular no. MIDC/CP/C80282/2014 dt. 25/09/2014.
5. Circular no. MIDC/CP/C97271/2015dt. 22/04/2015.
6. Circular no. MIDC/CP/A66077/2016dt. 04/03/2016.
7. Circular no. MIDC/CP/A92772/2016dt. 29/03/2016.
8. Board Resolution no. 6331 dt. 30/11/2021.

Before starting construction on any plot, it is mandatory for plot holders of MIDC to obtain development permission by following procedure under section 44 & 45 of MR & TP Act, 1966 and also as per Rule no. 3 in the Revised DCR-2009 of MIDC. In this regard, it was noticed that due to urgency of the work, many plot holders start the construction in anticipation that the submitted building plans will be approved. As per provisions of MR & TP Act, construction without prior approval of competent authority is unauthorized construction. However, in order to promote industrial growth, it is not practicable to take coercive action against genuine industrial units and hence, guidelines were issued for recovery of compounding charges vide various circulars under reference. It is later observed that there are no guidelines for recovery of compounding charges for stage wise construction done without prior approval of MIDC. The issue was discussed in MIDC Board Meeting no. 391 dt. 30/11/2021 and it was resolved to issue revised guidelines for recovery of compounding charges for stage wise construction without prior approval which fits within framework of prevailing DCRs as mentioned below-

A. For construction of a building upto plinth level (without beam/column and slab) without prior approval (only for industrial building)

1. **Compounding charges for the construction done upto plinth level without prior approval on plots upto 1000sqm area = 5% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 5,000/-).**
2. **Compounding charges for the construction done upto plinth level without prior approval for construction upto 4000sqm area = 5% X Total plinth**

area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 25,000/-).

3. **Compounding charges for the construction done upto plinth level without prior approval for construction above 4000sqm area = 5% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 50,000/-).**

B. For construction of a building where structural framework (without slab) is done without prior approval (only for industrial building)

1. **Compounding charges for the construction done for structural framework without prior approval on plots upto 1000sqm area = 10% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 10,000/-).**
2. **Compounding charges for the construction done for structural framework without prior approval for construction upto 4000sqm area = 10% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 50,000/-).**
3. **Compounding charges for the construction done for structural framework without prior approval for construction above 4000sqm area = 10% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 100,000/-).**

C. For construction of a building where almost complete construction (interior work is pending) is done without prior approval (only for industrial building) (Checklist for such cases is enclosed at Annexure A).

1. **Compounding charges for the construction done for structural framework without prior approval on plots upto 1000sqm area = 15% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 15,000/-).**
2. **Compounding charges for the construction done for structural framework without prior approval for construction upto 4000sqm area = 15% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 75,000/-).**
3. **Compounding charges for the construction done for structural framework without prior approval for construction above 4000sqm area = 15% X Total plinth area of unauthorised construction done without prior approval X Land Rate (subject to minimum amount of Rs. 150,000/-).**

D. For construction entirely done without any building permission.

1. **Compounding Charges for the unauthorized construction on plots up to 1000 sqm area** = 20% X Total Area of unauthorized construction done without prior approval X Land rate (subject to a minimum amount of Rs. 20,000/-).
2. **Compounding Charges for the unauthorized construction area up to 4000 sqm**= 20% X Total Area of unauthorized construction done without prior approval X Land rate (subject to a minimum amount of Rs. 100,000/-).
3. **Compounding Charges for the unauthorized construction area above 4000 sqm** = 20% Total Area of unauthorized construction done without prior approval X Land rate (Subject to a minimum amount of Rs.200,000/-).

E. For construction of a building with substantial deviation from approved building plan.

1. **Compounding Charges for the unauthorized construction on plot up to 1000sqm area** = 10% X Total Area of unauthorized construction done without prior approval X Land rate (subject to a minimum amount of Rs.10,000/-).
2. **Compounding Charges for the unauthorized construction area up to 4000 sqm** = 10% X Total Area of unauthorized construction done without prior approval X Land rate (subject to a minimum amount of Rs. 50,000/-).
3. **Compounding Charges for the unauthorized construction area above 4000 sqm** = 10% X Total Area of unauthorized construction done without prior approval X Land rate (subject to a minimum amount of Rs.100,000/-).

F. Compounding Charges in case of post facto extension of time limit.

1. **When the allottee has obtained building permission and constructed the building with minor changes and unit has gone into production**-In cases where the total construction carried out by the allottee is more than 10% or less than 10% of the approved plan and any internal changes which also are as per the DCR and total constructed area is more than 20% of FSI, in that case, compounding charges shall be recovered for extra constructed area as per category (D) 1,2 & 3 and 60 days time limit shall be given to obtain BCC.
2. In cases where total construction is carried out without approval and unit gone into production, both compounding and extension charges shall be applicable.

Note:

- The above stated compounding charges are applicable for industrial buildings only.

- For residential buildings, the compounding charges will be 1.5 times of compounding charges applicable for industrial building.
- For commercial building, the compounding charges will be 2.0 times of compounding charges applicable for industrial buildings.
- The procedure of levying compounding charges will be applicable if and only if the construction is within framework of revised DCR otherwise demolition needs to be initiated.
- Land rate mentioned above is the prevailing industrial land rate of MIDC on the date of compounding in that particular industrial area.

All concerned officers are hereby directed to take a note of the same and further necessary action shall be taken accordingly.

This circular is issued with the approval of CEO, MIDC.

Encl: Annexure A



(Ajit Patil)
Joint Chief Executive Officer
MIDC, Mumbai-93

Copy submitted to Hon. CEO, MIDC for information please.

Copy FWCs to Jt. CEO (SP) / Jt. CEO (K) for information.

Copy to all HoDs for information.

Copy to all ROs / EEs / SPAs for information and necessary action.

Annexure A
(Checklist for SPA for 'C' type of cases)

The structure will fall in category 'C' as mentioned in circular no. MIDC/CP/2022 dt. /01/2022, if marginal open spaces are as per DCR and all the construction of building is complete (i.e. RCC, brickwork) but openings are not fixed nor the plumbing, electrical work and other interior work is completed.

Verification list:

Sr. No.	Details	Remarks of SPA
1	Whether marginal open spaces are as per DCR.	Y/N
2	Whether all the construction of building is complete in structural form.	Y/N
3	Whether openings i.e. door and window are fixed.	Y/N
4	Whether plumbing, electrical work is completed.	Y/N
5	Enclosed photographs.	Y/N

This is to certify that, building is completed structurally only interior works are to be completed. Above furnished details are correct.

Asstt. Planner /Asstt. Architect /Dy.
Engineer /Dy. Planner/Dy. Architect
/Ex. Engineer.