

Maharashtra State Electricity Distribution Co. Ltd.  
(A Govt. of Maharashtra Undertaking)  
CIN: U40109MH20005SGC153645

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**COMMERCIAL CIRCULAR No. No.00318**

**Subject:** Procedural guidelines regarding IT-ITES Park and IT Units.

**Ref:** 1) IT-ITES Policy 2003 dt. 12.07.2003, IT-ITES Policy 2009 dt. 29.08.2009.  
2) IT-ITES Policy 2015 dt. 25.08.2015 & GoM G.R dt. 17.02.2017  
3) Commercial Circular No.212 dt.01.10.2013.

The Government of Maharashtra announced its first IT Policy in 1998. It was followed by the IT and ITES Policy-2003, 2009, 2015 and GoM G.R dated 17.02.2017. In accordance with the IT-ITES Policy 2009, necessary guidelines were issued as per Commercial Circular No 212 dated 1.10.2013.

Now, in view of the IT-ITES Policy 2015 and subsequent GoM G.R dated 17.02.2017, following revised guidelines are as below,

#### **1. Background of applicability of tariff as per IT-ITES Policy & MERC Orders**

- a. As per the IT-ITES policy, Industrial tariff is applicable to the IT-ITES Consumers since inception of the IT-ITES policy 2003 (dt.12.07.2003).
- b. Further, MERC in its MYT Order in Case No.121/2014 clarified that the Industrial tariff shall be applicable to these consumers after receipt of permanent registration Certificate and till it is valid as below,

##### ***HT I (A): Industry – General tariff***

*This tariff category shall be applicable for use of electricity / power supply by an Information Technology (IT) or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITes Policy of Government of Maharashtra. Where such Unit does not hold the relevant permanent registration Certificate, the tariff shall be as per the HT II category, and the HT I tariff shall apply to it after receipt of such permanent registration Certificate and till it is valid.*

Also these provisions are continued by the Commission in MYT Orders in Case No.48/2016 & 195/2017.

#### **2. Methods of giving connection ( as per GoM G.R dt.17.02.2017):**

In the multiple unit Private IT Park, the power supply can be provided to the unit/s in following three ways;

- a. **Franchisee Model :** Developer of the Private IT park shall become a franchisee of MSEDCL for distribution of power to the individual IT/ITES unit located in their park. Separate electricity meter will be provided to each unit. The electricity bills will be issued by the MSEDCL in the name of the electricity meter holder.



- b. **Individual Consumer Model:** MSEDCL will give individual meter to each IT/ITES unit in the park. Electricity bills will be issued to each IT/ITES unit. The developer of the IT park will make provisions for necessary wiring.
- c. **Multi-party Model:** Wherein the developer of the park will be the Principal Consumer. The power is supplied to the IT/ITES units through the Principal Consumer. Individual electricity meter is provided to each consumer. Electricity bill will be issued to individual consumer. Loss of electricity units will be paid by the Principal Consumer to the MSEDCL and recovered from the IT/ITES units in the IT park on pro-rata basis.

After receipt of application and fulfillment of documents required for release of connection concerned competent authority will sanction and release connection with above option.

### 3. Guidelines as per GR dated 17.02.2017 in respect of issuance of LoI / Registration certificate :

- a. Based on delegation of powers, the Directorate of Industries and its field offices grant Letter of Intent (LOI) to the developers of Private IT Parks for setting-up a Private IT Park and notified Public IT Park. After the construction of the park is completed and other requisite facilities are created and the project gets Occupation Certificate (OC) from the local planning authority, IT/ITES units can occupy the space in the Park. The Private IT park is given registration by the Directorate of Industries or its field offices after IT / ITES units are set-up over the requisite area in the Park.
- b. The proposed IT/ITES units are given Letter of Intent (LOI) by the Field Offices of Directorate of Industries or the Technical Advisor of MIDC (for IT/ITES units located in MIDC areas in Mumbai).
- c. After the IT/ITES unit is set-up and starts commencement of production / activity, it is eligible for getting registration from Field Offices of Directorate of Industries or the Technical Advisor of MIDC (for IT/ITES units located in MIDC areas in Mumbai). The LoI / Certificate from respective authority as mentioned above will be considered by MSEDCL for release of connections / tariff change.

### 4. Connection release and applicability of Tariff:

- a. Based on LOI, power supply will be released by MSEDCL to the applicant IT/ITES unit and power supplied will be charged at commercial rates till the unit goes into production / commences activity.
- b. After the unit goes into production / commences activity, and obtains registration, and submits it to MSEDCL, the power supplied shall be charged at industrial tariff from the date of commencement of production / activity.
- c. Registration of the private IT park will not be insisted for supply at industrial tariff to IT / ITES units. However, it should be ensured that the premises where the applicant IT / ITES unit is located has obtained occupation certificate from the local body which has sanctioned the building plans and has given the Building Commencement Certificate.
- d. Power consumed will be charged at industrial rate for the common facilities in the IT Park (such as lobbies, central air conditioning, lifts, escalators, effluent treatment plant, wash rooms etc.) which are used by the units, excluding support service areas, after the registration is granted to the IT park by the Directorate of Industries and Development Commissioner of the SEZ for an IT



**SEZ.** A separate meter will have to be provided by the developer to the Individual IT / ITES units in the IT parks for leased or purchased premises.

**5. Electricity duty exemption as per GR dated 17.02.2017**

- a. New IT / ITES units i.e. units which have commenced their operation on or before 1 Jul 2015 till the information Technology and Information Technology Enables Services (ITITES) Policy 2015 is in force, registered with Directorate of Industries will be exempt from payment of Electricity Duty from the date of commencement of production / activity for a period of 10 years for unit in private IT parks and public IT parks (including IT hardware and Telecom hardware manufacturing units), in A and B areas and for 15 years in other areas of the state classified as per the prevailing package scheme of Incentives of the State at the time of commencement of production / activity of the unit.

Units which have commenced operation on or after 1 Jul 2015 will be New units. Also units established by an entity for the first time in a Taluka will be treated as New Unit and subsequent unit (s) will be treated as expansion(s).

The Electricity duty would be exempt for IT parks developed by IT companies for their own use i.e. single unit parks for the period mentioned above except for the support services. The new IT / ITES units in IT SEZs, new IT / ITES units in IT parks in Special Economic Zones (SEZs) and 100% exporting IT / ITES under registration of Software Technology Parks of India (STPI) or other designated competent authority shall be exempted permanently from paying Electricity Duty.

- b. In A and B areas of the State (as classified as per the prevailing Package Scheme of Incentives at the time of commencement of production / activity of the unit), only the IT/ITES units set-up in IT parks are eligible for Electricity Duty exemption benefits (except Data Centers in these areas which are eligible even if they are located outside the Private IT parks). In other areas of the State, units located anywhere (either in park or outside) are eligible for Electricity Duty exemption benefits.

Provision for uploading of the permanent registration certificate through online system will be made available to consumers, after scrutiny of the same benefit in tariff as well as electricity duty exemption will be passed on to eligible consumers through centralised billing. Tariff benefit and electricity duty exemption will be available till the date of validity of the certificate.

This Circular will supersede the earlier Commercial Circular No.212 dt.01.10.2013

  
**Chief Engineer (Commercial)**

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