

## I. UD & MA Department

### 1. Improvement in look and feel of Kolkata.

A Show Window is very important to attract customers in Shop. A nice, tidy, well decorated Show Window will attract the shoppers inside the shop. In the like manner, a big city, if developed nicely with cleanliness, good roads and infrastructure will attract investment in the State. Kolkata is the Show Window for West Bengal. We need to dress up this Show Window to attract investment in West Bengal and for that the Government needs to take some hard decisions, such as,

- 1) Regulate the encroachment. They are increasing like a virus and soon the entire city will be crippled with this virus.
  
- 2) Improving existing road infrastructure, widening roads, particularly which are connecting the important districts, such as D.H Road in South 24 Parganas, Basanti Road which is a state highway, roads connecting to North 24 Parganas, G.T Road etc.

In many places such as D.H. Road, Madhyamgram road, Basanti Highway and other state highways, the open water canal which was meant for carrying storm water during the monsoon is being encroached by constructing shops over the same, resulting in no water flow which in turn resulting in floods.

In fact D.H Road is being declared as NH 117A. It is possible to get huge funding from NHAI if the State Government collaborates with NHAI for widening the same and developing it as 'National Highway'.

## **2. Urban Land Ceiling-**

(1) Urban Land Ceiling Act was enacted, with the intent to have proper distribution of land, for larger good of society and to regulate construction of buildings on vacant lands and matters connected to Urban Development. It was introduced 45 years back when pressing needs of Urban infrastructure and housing was not felt.

(2) As per the Act, a family can hold maximum 500 sq.mtr (5380 sft.) which is equivalent to 7.5 Kattah vacant land. According to present bye-laws around 16000 sft, Or equivalent to 12 to 16 residential apartments, can be constructed on 500 sq.mtr, therefore for each apartment 30 to 40 sq.mtr of land is only required, far lesser than 500 sq.mtr. As per present Scenario large scale Commercial Development is the need of the hour. As on an average, 100 sft of built area creates one job. This restrictive law does not support the present requirement.

(3) The company is a judicial person and as per opinion of Advocate General, it is lawful, if a Developer forms 100 companies, buying 500 sq.mtr in each and thereby taking development on land measuring 50000 sq.mtr (500 sq.mtr x 100 companies) Presently this is the only legal way for taking up large developments.

(4) Small plots, with provision of 4/5 storied developments, without much facilities, open space, greenery, and infrastructure increase dependency on public Infrastructure.

Whereas, tall buildings using full potential of precious urban land, with a lot of green and open space, car parking, proper infrastructure, such as, Sewage and water treatment plants, garbage handling system, electrical substation, solar power can only be developed In large plots reducing load on public infrastructure.

(5) Large plots are necessary for planned and organized development, for affordable housing, and also for job oriented developments, such as Industrial estates, logistics parks, warehousing, commercial complexes etc. The preference of individuals and companies are also larger and Mixed use Developments which can offer a quality life style.

(6) Presently, it is very difficult to do the large developments involving hundreds of companies, resulting a lot of unproductive paper work and which is not investors or banking friendly. This policy change will facilitate international funds and national corporate developers to come to invest in West Bengal. This policy change is required facilitate national-international funds and national corporate developers to come to invest in West Bengal. Even it is difficult for Government to acquire land for public purposes and allow the private concerns to undertake charge for development of projects as per Government schemes.

(7) Larger developments always provide much higher revenue to exchequer, as rate of various fee charged for approval such as land conversion charges, Fire Dept approval charges, Sanction fee charged by ULBs, RERA registration charges are much higher for large Developments, compared to stand alone smaller developments. Larger developments are much more, Transparent, compliance friendly, environment friendly and are of much better quality, compared to standalone smaller developments.

(8) With the multiple companies, name of all those needs to be appeared on R.O.R of land Dept., municipal record of land rights etc, increasing cumbersome and huge work load on administration.

(9) Without scrapping the ULC law, some enabling provisions may be considered. There can be a legal framework whereby the developers can be allowed to hold the land beyond Ceiling limits, prior to land acquisition based on the project report filed by the Developer only for the purpose of development for a limited period with the condition that ultimately the transfer of land per family will be less than 500 sq.mtr for residential development.

However, in case of non-residential developments, the Developer/ investor entity should be allowed to retain the land subject to doing the development as the same are job oriented with contribution to economy as larger public benefit which is as per spirit of Urban Land Ceiling Act.

### **3. Sector V /IT & ITeS industry**

EASE OF DOING BUSINESS AT SECTOR – V, for MSME companies.

(1) Majority of Sector – V land and buildings are now being used for development of industry related to IT, ITeS, Many start ups, micro, small companies does start their venture here taking space on rent to provide services to end users. These companies require ready, furnished offices on rent, on plug and play basis in Grade-A, buildings with good infrastructure, such as, proper electrification, 100% power back up, 100% Air-conditioning, robust fire safety arrangements and properly maintained by the developers. Many of our members are developing, managing the IT parks and also marketing Sector – V as a destination for IT & ITeS companies.

(2) Due to the conditions in the Lease Deed, executed by Urban Development Department or WEBEL for such land, there are few issues:

a) Permission from UD or Webel authorities of mortgage for the purpose of raising a loan, required either to develop such IT Parks or for purchasing the space by end users.

b) There are restrictions on transfer of space or property also. Before such transfer, permissions from the Urban Development Department or WEBEL are required which is cumbersome and time consuming.

The process of aforesaid permissions can be made online, based on self declarations in a time bound manner.

(3) The property Tax in Sector-V is much higher ranging around Rs, 7/- to Rs 15/- compare to other cities like Bangalore, Hyderabad, Pune where it is between Rs.1/- to 4/-for various types of users. Even after proposed Unit area assessment system the impact of tax on all classes of uses say, IT, general office, Restaurant, hotels is high. The same is needed to be rationalized.

(4) IT & ITeS industry is highly competitive. We can attract more investments for such IT & ITeS business in Sector-V, by bringing, "Ease of doing business".

For various Permissions, approvals, Certifications as IT/ITeS uses, We request for simple process with a self-declaration form by applicants to be submitted 'on line' or thru 'E-process'

to the authorities concerned along with requisite fee and the permissions are granted in a time bound manner on the basis of self-declaration form.

(6) Currently, 4 million sqft is lying vacant, which can be sold at a price of around Rs. 3800/-. Unfortunately, the circle rate is around Rs 4500/-. The valuation needs to be rationalized.

(7) Growth in small start ups, medium IT & ITes companies in the Sectors will boost other businesses like housing, retail, education, hospitality and healthcare.

The steps taken above by the Government will boost the business friendly image of the State.

#### **4. Abnormal high Municipal tax by KMC- Amendment required in UAA system**

It may be noted that major cities are competing with each other to attract investments in various types of economic activities so as to generate income and employment, not only for the people at large but also accrue enhanced revenues to local Governments. Municipal taxes constitute an important element of operational cost to investors. Kolkata needs to be competitive in comparison to other cities but the high municipal taxation is making the cost of space very high to the corporate and business houses as well as retail and entertainment business operators. The commercial offices, retail entertainment establishment not only generates huge employment but also brings revenue in terms of GST, income tax etc.

It is need of the hour, that we make cost of space competitive by reducing the huge burden of municipal tax.

Currently, the unit value as proposed in the scheme of KMC are highest in the country, as found in the CBRE study on UAA involving the major cities of India. A detailed presentation on this has already been submitted with the KMC authorities including the Municipal Commissioner. Further, the multiplicative factors for the non-residential properties are the highest in Kolkata when compared to other metro cities in India, with the commercial properties being hit the hardest. These need to be reduced; as such we are suggesting some reduction in values of Multiplicative Factors. On one hand, this will reduce the burden of tax on properties which are located in a very narrow lane & narrow roads and on the other hand this will reduce the burden on properties which are normally located on the broader road.