

# The Land Market Assessment for Surat city– A Tool for Urban Land Management.

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**Abstract**— Land is a limited resource. Land remains the most critical, valuable and unique resource, gifted by nature to mankind, since it provides the basic amenities of life to all the homosapiens and living organisms existing globally. Land is a originator, promoter and sustainer of human living. Land provides the platforms where all human activity involving living, working, care of body and spirit are performed. Land is major financial resource to a local body in urban areas. Urban land is also a major resource for urban development.

**Index Terms**— Land Management. Town Planning Scheme (TPS), M\* Mix Land use, R\* Residential

## 1 INTRODUCTION

Land is a base for all the development activities. Urban is rapidly increasing with the advancement of science and technological development. The rapid growth of urban population and the standard of urbanized space per head of population have given rise to increased demand for appropriate land in the urban area. The implementation of town planning schemes will require the use of resources of community and as such, optimum cost of town planning can ideally be worked out by relating cost of planning to the benefits derived from planning. It is possible in specific cases such as expansions to existing towns and planning of new towns to relate cost of benefits by measuring land value.

In actual practice, the usual positions that the amount to be spent on planning is decided by the governing bodies or agencies and the town planner is suggest to work out the planning schemes within given limitations. The factors included in such limitations may be:

1. Amount of money which the community is willing to spend on roads, hospitals, park etc.
2. Law relating to town planning.
3. Present pattern of land-use, etc.

Thus, the ideal cost of planning will be the adoption of town plan which will maximize land values within the given limitations. Higher the land values in turn, increase the pressure for economy in land values, and part of the expanded demand for urban land is made by increase the density of activities. Such phenomenon of increase in land prices is present in all developed as well as developing counties in the world; we must be prepared for such price rise. The present study aim to identify

the reasons of the imbalances prevailing in the land market from supply and demand, pricing and allocation of urban land to its proper use with special reference to Surat City.

The Objective of study can be stated as:

1. Land market assessment trend of Surat city, to check its development potential.
2. Identification of the factors influencing the land value in surat city.

Study entitled “land market assessment – surat city context” is a new tool for urban land management may be applied to any other cities of developing world. This is because housing accounts for the largest use of land in cities.

## 2 THE LAND MARKET ASSESSMENT-A NEW TOOL FOR URBAN PLANNING

From the background of the land management tasks, land management practices, land management policies, it is evaluated that under the mounting pressure of urban development, cities of developing world are in vital need of accurate and systematic information about their land markets. Such information is essential to a host of rational economic decisions in both public and private programs. Without it, cities are unable to plan and develop housing and residential plots or the urban infrastructure needed to cope up with their fast growing population. A tool that has been developed to **provide such** information is the Land Market Assessment (LMA).

The landuse survey indicates the following trends of development along the respective corridors of surat city:

1. Udhna corridor -Navasari highway - industrial
2. Udhana - majura -medulla corridor- industrial and residential
3. Dumas road residential
4. Rader – adajan corridor- residential
5. Amroli corridor-residential
6. Nana varachha- kamrej industrial & residential
7. Dindoli corridor industrial & residential

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### 3 ECONOMIC ACTIVITIES

The district of Surat is one of the most industrially developed districts of an advanced state like Gujarat. Large industrial estate at Udhana, Pandesara and Katargam has given a boost to small and medium size industries. The main economic activity of Surat is Jari production. This industry has a great source of household employment in the city. The second industry for Surat is known as 'ART SILK INDUSTRY'. Today about two lacs power looms are working, day in and day out, producing art silk fabrics. To meet with the requirement about 150 processing houses, dyeing, printing on fabrics is working in the city. The auxiliary activities like crimping, texturising, winding, warping sizing etc. are also the main textile manufacturing activities of the city. Other main industry of the city which is flourishing now a day is a diamond cutting and polishing etc. The industrial development taking place in Hazira area is expected more than 30,000 employees in various categories.

### 4 EXISTING ADMINISTRATIVE STRUCTURE

The planning and development are carried out by town planning and valuation department which has a regional office in Surat. It also advises government on the matter relating to slum clearance, housing, traffic and transportation, regional planning etc. including legislating, this department was established in 1914. The Bombay town planning act 1915 made provision for preparation of statutory town planning schemes. Under this act, the local authorities are both initiating and executing authorities and the town planning come in to force from 1st April 1957 has made obligatory upon every local authority to prepare a development plan for entire area within its jurisdiction. The recently enacted town planning and urban development act 1976 of government of Gujarat has made provision for establishment of urban development authorities in the major cities of the state to enable planned systematic development of urban area.

### 5 THE LAND MARKET ASSESSMENT-A NEW TOOL FOR URBAN LAND MANAGEMENT

To discuss the development of any city means to think in advance of the proper planning and implementation of the various programmes for the city affecting the socio-economic fabric of the urban centers. Planning aims at giving and providing comforts to and for the well being of the human being and its urban population in this case. The trend of developments in and around them. city, helps to plan and provide proper infrastructural facilities such as roads; water supplies, drainage; street lighting, maintaining environmental balances by providing proper recreational places, social and educational needs i.e. to plan for montesary to-high school, colleges -and- others relevant technical educational courses required, as per the trend of developing industries etc.

The central concern is to explain importance of LMA in ur-

ban management. It highlights how assessment of land market can be carried out and how it will help in public sector and private sector planning for making the market more efficient.

If you are using Word, use either the Microsoft Equation Editor or the MathType add-on (<http://www.mathtype.com>) for equations in your paper (Insert | Object | Create New | Microsoft Equation or MathType Equation). "Float over text" should not be selected.

Number equations consecutively with equation numbers in parentheses flush with the right margin, as in (1). First, use the equation editor to create the equation. Then, select the "Equation" markup style. Press the tab key and write the equation number in parentheses. To make your equations more compact, you may use the solidus (/), the exp function, or appropriate exponents. Use parentheses to avoid ambiguities in denominators. Punctuate equations when they are part of a sentence, as in

#### 5.1 Need of Land Market Assessment

"LMA - a New Tool for Urban Land Management" is a method for gathering information about the current condition of land and -housing market. The land and housing market assessment is an essential first step towards making local land and housing market more efficient. The information base generated by the assessment can be used to gauge market performance, assess housing affordability, and assess impacts of public policies and actions and also for gathering information about infrastructural development in an area. This information will then be useful to provide information for public sector planning and decision making, the evaluation of Government policies and actions; the structuring of land based taxation systems and private sector investment and development decisions.

#### CASE STUDY

Study area:

Town planning scheme no. 6 (Majura-Khatodra) and town planning scheme no. 32 (Adajan)

TABLE 1: EXISTING LAND USE FOR T.P.SCHEME NO.6 AND 32

TP S No.	Area (Ha)	Lad use	Residential%	Commercial %	Industrial %	Parks %	Roads %	Reservation %
6	232	M*	35.42	3.60	31.7	1.64	16.2	11.5
32	78	R*	53.71	1.12	0	0.5	17.2	10.1

Table: 1 shows the particular land use percentage of both the town planning schemes. There is maximum residential land use covered in t.p.s. 32 and other land use such as commercial-1.12%, recreational having 0.5% and 17.21% allotted for circulation purpose. There are approximately 10.17% areas allotted for the public purpose. And there is large area approximately 31.70% is used for industrial purpose which create the unhealthy environment for living purpose. The basic aim of town planning scheme is to provide healthy environment for human beings with the basic amenities and facilities for residential purpose. So for residential purpose t.p.s. 32 (adajan) is most suitable.

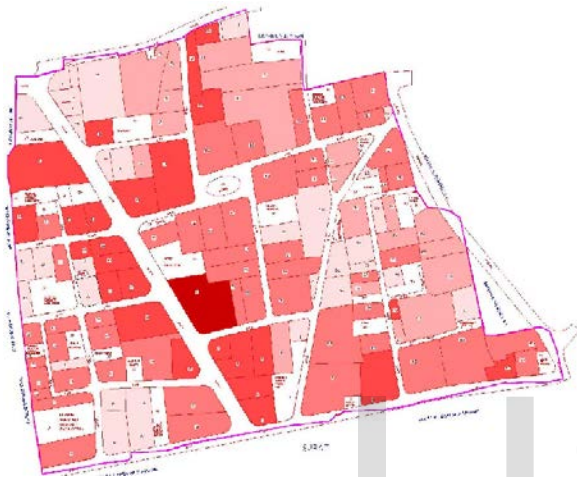


Fig 1 T.P. SCHEME NO. 32 (Adajan)

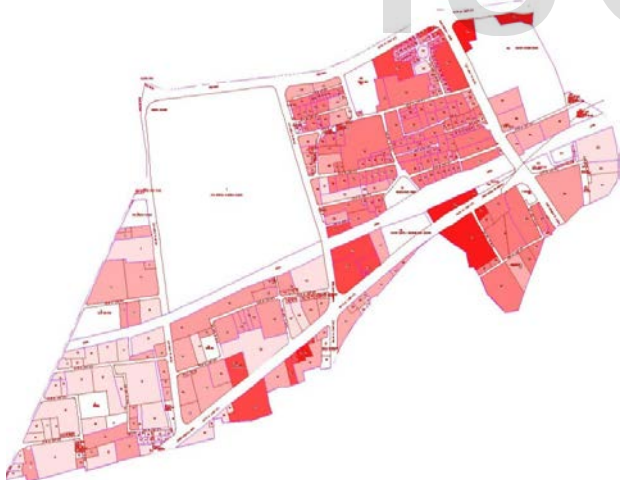


Fig 2 T.P. SCHEME NO. 6 (majura - khtodara)

TABLE 2: LAND MARKET ANALYSIS OF T.P.SCHEME NO.6 AND 32

TPS No.	Area (Ha)	Total Cost (corer)	TotalCost (corer per ha.)
6	232.08	6659	28.69
32	78	3165	40.57

Table: 2 present the market value of both the town planning

schemes. There is highest land price for t.p.s. 32 (adajan) which provide the benefit to developer as well as landuser.

## 5.2 Factor Affecting Land Price

### 1. Supply And Demand Phenomenon:

Population increase in urban areas manifests itself in an increasing demand for land to live and work in economic, social, cultural and technological progress, the rising standard of living, increased mobility, more abundant leisure time and development in administration, education, care and services have generated new and increased need for space. As the limited land reserves get used up, pressure mount bringing into force the economics of scarcity. At the root of urban problems is the fact that land as a resource is an acute shortage of supply in relation to the ever increasing mass of population. And for the multitude of competitive uses, the demand of urban land is escalating. It takes time for any land market to adjust most of the short term shifts in demand or supply result in price changes. Unlike other market depending on the price elasticity of demand for land, increases in the price of land will reduce the demand for it. But for example in Surat city, the price elasticity of demand for residential lots is inelastic, meaning that increases in demand will push up land prices if supply is fixed. In areas with high demand and limited choice of housing, price-inelastic demand can inflate land price to a greater degree than in softer market for those offering a wider set of alternative housing location.

### 2. Urban land policy:

The policy environment on both the demand and supply side of the housing market has been increasingly distorted over the years by onerous legislation and time consuming procedures. Local authorities have imposed their own regulation through municipal and development rules. As a result the inelasticity of supply in the face of greatly increasing demand for residential accommodation has resulted in high and increasing prices of urban property. Urban land policies that restrict the supply of available land for housing constriction, and rent control regulation, have further distorted the supply response. As result, new housing cannot develop, and the existing housing stock remains unutilized for fear of loss of position when required, both exacerbating the supply inelasticity.

### 3. Location:

Centrally located sites accompanied by higher economic value as their locational advantage is continuously increased by their enlarged access to growing number of people. Area near railway station, bus station area having land prices sky rocketed. Road side development, ribbon development is very common phenomenon everywhere. Here the land prices are comparatively very high then the inner area. Riverbank development, environmentally and aesthetically good areas possess

higher land prices only because of good location features. Nobody would prefer to have their residents near slum area or environmentally degraded areas. Thus location of residence places an important role in deciding land prices.

#### 4. Influence of rapid industrialization:

Surat is very famous for its industrial development. Jari production, Diamond cutting and textile and other industrial activities in and around the Surat has attracted numbers of people from the outside of the city. The industrial growth in the surrounding areas like Hazira, Sachin, and other G.I.D.C. like pandesara, katargam, khatodra etc. have caused great influence on the development of the city.

Industrial development provides employment which attracted the workers from Kathiyawad, U.P., and M.P. etc. Due to these migratory flows of population, artificial price rise has taken place because of care city of dwelling unit created by these outsiders.

The industrial development taking place on the out skirts of the city, have large employment potential. These large employment potential generating activities have raised the migratory flow into the city and nearby areas. For this increase of population due to surrounding industries is an additional burden to the city, without any kind of benefit. This additional population is at the cost of available road, traffic, water and other necessities of the citizens of Surat. They share the facilities of the Surat city, without being helpful to the city anyway. Many few industries have the residential facility. However if there is the facility, it is not for all employees.

#### 5. Planning Decision

Planning decision itself the great influence on land price. Once you think for the developing some area, i.e. your planning decision for developing that area itself is enough for creating value of this area. Say for at the many moment government declared intentions for preparing town planning scheme in some area, at that moment only this area will get value than what before. This is the one phase of getting value. Another sudden change in value is at the time of T.P. Scheme sanctioned and the last phase is during implementation time, that area will have its full development value. But still there will be some rise in land values, called phasing value. After implementation of T.P. Scheme in an area, the provision of roads, water supply, sewerage system and other infrastructure facilities would greatly affect the land prices.

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