Dear Chief Secretary,

Sub: Construction of Ring Roads on Self-Financing basis.

As you are aware that Indian cities have developed mainly from centre to outward in a radial way. Due to rapid unplanned urbanization, commuting from one place to another has become very difficult in our cities. The connecting roads are very narrow and poorly planned. The intercity traffic is also passing through the main city causing lot of congestion in the city. There is a need to provide a ring in almost each and every city in such a way that planned development along the ring road can take place and the provision of ring road is a self-sustainable project. A ring road can be defined as an orbital motorway, beltway, circumferential highway, or loop highway that encircles a town or city.

2. Several cities have already planned ring roads in their cities. Surat has planned a self-financial model of development for their ring road. The salient features of the model are:

(i) The lands within 500 mt. of the proposed Ring Road (90 mts.) are reconstituted to get the final plots which are buildable and regular in shape with approach from defined road.

(ii) About 40% of the land is taken for the purpose of physical and social infrastructures as contemplated in section 40(3)(j) of the Gujarat Town Planning & Urban Development Act (GTPU Act). The allotment of land from the total area covered under the scheme to the extent of:

(a) 15-20% area for roads (including ring road).
(b) 5% for parks, playgrounds, garden and open space.
(c) 5% for social infrastructure such as schools, dispensary, fire brigade, public utility place.
(d) 10-15% for sale by appropriate authority for residential, commercial or industrial uses depending upon the nature of development.

Contd........2
The proceeds from the sale of land referred in para (ii) (d) above shall be used for the purpose of providing infrastructural facilities.

About 60% land is given back to landowners as final plot.

The infrastructure fund will be generated by:

- Permitting chargeable FSI up to 4 within 500 meters.
- Sale of commercial plots.
- Levy of incremental contribution (one time).
- Levy of toll.

Section 48A of GTPD Act allows the development authorities to take the possession of the lands which are proposed for roads just after the draft scheme is sanctioned.

No model can be exactly replicated in other cities of India due to Demographical, Political, Business and Cultural differences etc, but we can always learn from the experience of other cities to draft a city specific financial model. Model of Surat is without any financial assistance of the State Govt/GOI. The value of land increased by the planning of such a project is going to pay for the development of the city and other infrastructure and will save something for the Government also.

Keeping in view the above background, I would request you to issue necessary instructions to all concerned authorities for identifying the possibilities of ring roads on the Surat City Ring Road Model, getting a proper study done on various aspects of Ring Road Development and provide Ring Roads in their cities for overall development of the city.

With regards,

Yours sincerely,

(Sudhir Krishna)

The Chief Secretaries of all States/UTs

Copy to:

1. The Principal Secretaries of all States/UTs, Urban Development Departments.
2. The Principal Secretaries of all States/UTs, Transport Departments.
3. NIC for uploading the advisory on MoUD's web-site.