CHAPTER 6

CURRENT STATUS OF DEVELOPMENT PLANS AND DEVELOPMENT
CONTROL REGULATIONS IN TERMS OF THE URBANIZATION OF
POVERTY

Introduction
The principal objective of this chapter is to examine how the Development Plans of cities and their development control regulations have treated the issue of urban poverty and whether they have been able to provide adequate answers to the problem. It touches upon the definition of poverty, the urbanization of poverty and the differences between rural and urban poverty. It looks at slums, the shelter scenario in India and policies in regard to shelter, informal settlements, street vendors and DPs and DCRs vis a vis the urban poor.

6.1. Poverty
6.1.1. Definition
Poverty has been defined by the Planning Commission as “Basic minimum income required to meet minimum calorie requirement”. This minimum income formulated by using a consumption basket and referred to as the poverty line, has been set for all urban India at Rs. 454.11 per capita per month (1999-2000). Poverty lines vary by the size of class of the city and cost of living. For example, in megacities of Delhi and Mumbai, poverty lines are set as Rs. 505.11 and Rs. 539.71 per capita per month respectively, higher than the country average; whereas in metro cities such as Agra and Indore etc, poverty lines are near the state norm. In smaller cities they are invariably below the state norm.

According to the Planning Commission of India, poverty on the whole in the country has been showing a downward trend. This is attributed to the rapid growth of the national economy raising levels of income of individuals and families. The following chart tabulates poverty figures over several decades.
## Table 6.1: Estimates of Incidence of Poverty in India

<table>
<thead>
<tr>
<th>Year</th>
<th>Poverty Ratio</th>
<th>Number of poor (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rural</td>
<td>Urban</td>
</tr>
<tr>
<td>1973-74</td>
<td>56.4</td>
<td>49.0</td>
</tr>
<tr>
<td>1977-78</td>
<td>53.1</td>
<td>45.2</td>
</tr>
<tr>
<td>1983</td>
<td>45.7</td>
<td>40.8</td>
</tr>
<tr>
<td>1987-88</td>
<td>39.1</td>
<td>38.2</td>
</tr>
<tr>
<td>1993-94</td>
<td>37.3</td>
<td>32.4</td>
</tr>
<tr>
<td>1999-00</td>
<td>27.1</td>
<td>23.6</td>
</tr>
<tr>
<td>2007*</td>
<td>21.1</td>
<td>15.1</td>
</tr>
</tbody>
</table>

*Poverty Projection for 2007

**Source:** Tenth Five Year Plan, Vol. 1, Planning Commission.

### 6.1.2 Tendulkar Committee

There was, however, widespread criticism that unrealistically low poverty estimates were being generated by Planning Commission whereas in actuality "the unemployment situation was getting worse, food grain consumption and cloth consumption were falling, average calorie intake as well as protein intake showed decline and there was considerable agrarian distress" (Usha Patnaik, 2010. This led to the setting up of the Tendulkar Committee in 2009 to look into the methodology for estimating poverty and to make realistic poverty estimates afresh. As per the findings of the Tendulkar Committee Report on Poverty Estimation (Nov 2009), India's poverty rate is estimated at 37.2% of the total population. This implies an increase in the number of BPL households from 66.2 m to almost 80 m. The Committee worked on a poverty line of Rs 18 per day and urban nutrition standard of 1795 calories. (Tendulkar, 2009)

### 6.2. Urbanization of Poverty

In terms of poverty in the urban areas, over the past several decades, emerging trends in most developing countries have firmly established that poverty is rapidly acquiring an urban face, recognized as the phenomenon of the 'urbanization of poverty'. This is very starkly visible in the larger cities of the developing world. In India, this phenomenon went unheeded for quite some time. For close to sixty years since independence, all poverty was largely seen in the country as rural poverty. However, urbanization of poverty frighteningly developed into a huge Indian reality. It is now recognized that urban areas have huge degrees of poverty that must be tackled. It is accepted that this has been primarily a consequence of rural populations opting out of the rural choice in search of
survival, employment, better livelihood and brighter future. Rural poverty strategies have largely been unable to stem this exodus, not merely because of a failure of rural interventions but because of the inevitability of urban dynamics, so emphatically surfacing across the developing world and already fully manifested in the developed world.

6.2.1. Informalization of Urban Poverty
There are two important dimensions to this urbanization of poverty. Deprived of a proper urban habitat, the poor are being pushed into slums in order to find a residential foothold. And in their search for employment and enterprise, they have been forced to find survival in the informal sector. Urbanization of poverty has thereby been accompanied with the informalization of poverty. The ever expanding slum populations in cities, many of them living in sub-human conditions and the escalating informal sector have been issues that increasingly confront city administrations and governments.

6.3. Rural and Urban Poverty
In very simple terms, the prime difference that marks rural poverty from urban poverty is that the former is mainly about the lack of income whereas the latter is about living conditions.

6.3.1. Lack of access to Basic Services
Much more than the rural poor, lack of access to basic services puts the urban poor at a tremendous disadvantage. For instance, in terms of security of tenure, the urban poor is infinitely worse placed. For many of these unfortunate men and women, apart from the threat of eviction, the nature of shelter that they manage for themselves and their children is extremely hazardous and highly insufficient for decent human living. In terms of sanitation and infrastructure, most urban poor are unacceptably worse off. Lack of toilet facilities especially for women, lack of potable water and sanitation and lack of clean air and ventilation make living conditions terribly deprived. Problems of transport and traffic hazards, perils of working condition and exposure to high levels of pollution and the resultant proneness to disease make life extremely demeaning and dangerous. These difficult conditions are further exacerbated by extortion and vulnerability to crime. All such negatives put together take heavy toll on family relationships and family cohesion. The slight gains made in terms of a higher income by the urban poor are negated by realities of urban poverty – additional costs for shelter, transport, water and sickness to name a few. These are aspects of urban life that do not get captured by any current definition of poverty and are consequently left unattended and uncared for.
6.3.2. Quality of Life

Two additional differences in the two kinds of poverty are worth note. Within the rural society, the standards of living of all village folk across the economic spectrum are far less stratified than in cities. Consumption patterns are likely to be less dissimilar since the variety of products available in a village is narrow. Such differences, however, rise in cities and apparently become more marked as the cities expand. Examples could be in food, in clothing, in health and education, in public goods such as air, water and sanitation, where the rich have far better availability, both in quality and quantity compared to the poor. In many rural areas, heath, education and other public goods are difficult to get, because they are either not there, or poor governance in these services leads to poor delivery. That makes them inaccessible to all village folk, whether poor or rich. In urban areas, such services are available, but the poor get priced out.

6.4. Slums

The 2001 Census described slums to broadly constitute (1) all specified areas in a town or city notified as ‘Slum’ by State/Local Government and UT Administration under any Act including a ‘Slum Act’; (2) All areas recognized as ‘Slum’ by State/Local Government and UT Administration which may have been formally notified as slum under any act; and (3) a compact area of at least 300 population or about 60-70 households of poorly built congested tenements in unhygienic environment usually with inadequate infrastructure and lacking in proper sanitary and drinking water facilities. (Census of India, 2001). Under the NSSO definition the size of temporary dwelling (housing structures) was decreased to 25 albeit it has retained the attributes of “practically no access to or inadequate access to latrines and water facilities.”

Of late, the Pranab Sen Committee, appointed by the Ministry of Housing and Poverty Alleviation to come out with “reliable and realistic” slum data defined a slum as “a compact settlement of at least 20 households with a collection of poorly built tenements, mostly of temporary nature, crowded together usually with inadequate sanitary and drinking water facilities in unhygienic conditions.” (Pranab Sen, 2010). On the basis of the above definition, it sought to revise the criterion for identification of slum areas. All clusters of 20 or more households that fitted the definitional attributes cited above having were to be enumerated. Earlier, the cluster size for identification of slums was 60 households. Government of India felt that it was important to count the slum population even in cities having less than 20,000 population. The Sen Committee, accordingly, applied its statistical model in all 5,161 urban areas of the country, including 3,799
statutory towns. The Census 2001 took into account only notified slums in 1,764 towns across the country.

As reported by the Office of Registrar General of India (ORGI), Census 2011 has used the same definition as used by Census 2001 for delineating the slum blocks in the notified, recognized and identified slum areas of each statutory town. However, in addition, the House listing and Housing Census data will be used for earmarking the “slum like” clusters uniformly through the country. The ORGI will also identify all the House-listing Blocks (HLBs) where at least 20 households satisfying the set criterion, as recommended by the Pranab Sen Committee.

As per the report of Pranab Sen Committee, the country’s slum population had grown by 17.8 m in the last decade. The Committee, headed by Pranab Sen, principal adviser to the Planning Commission and former chief statistician, projected the slum population in 2011 at 93.6 m, up from 75.26 m in 2001. The 2001 census figures pegged the slum population at 52.4 m. The expert committee said the country’s slum population had grown by 17.8 million people in the last decade. The Committee, projected the slum population in 2011 at 93.06 million, up from 75.26 million in 2001 as per the new methodology. The 2001 census figures pegged the slum population at 52.40 million.

6.4.1. Slums in India, Maharashtra and Research Cities

According to Census 2001, Maharashtra's slum percentage was the highest at 25.9 per cent of the State's urban population. The latest preliminary study by the National Sample Survey Organisation (NSSO) has revealed that Maharashtra continues to head states in slum population. The NSSO report pegs the current slum population in the state at 1.81 crore, an increase of 38 lakh in one decade. In Mumbai too, there has been a marked rise the 58 lakh slum population in 2001 has crossed the 70 lakh mark as of March 2011. The slum population numbers of other cities and states is much lower – while Delhi stands at 31.63 lakh, Karnataka is 36.31 lakh, Gujarat 46.62 lakh, Madhya Pradesh 63.93 lakh. UP 1.08 crore and West Bengal 85.46 lakh. The total slum population of the country which was 7.52 crore in 2001, is 9.3 crore today. (Times of India, 6 May 2011)
### Table 6.2: Slum Population of Major Cities of India

<table>
<thead>
<tr>
<th>State</th>
<th>2001</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharashtra</td>
<td>1.43 Cr.</td>
<td>1.81 Cr.</td>
</tr>
<tr>
<td>UP</td>
<td>85.27 L</td>
<td>1.08 L</td>
</tr>
<tr>
<td>WB</td>
<td>75.20 L</td>
<td>85.64 L</td>
</tr>
<tr>
<td>MP</td>
<td>51.07 L</td>
<td>63.93 L</td>
</tr>
<tr>
<td>Gujarat</td>
<td>37.08 L</td>
<td>46.62 L</td>
</tr>
<tr>
<td>Karnataka</td>
<td>29.51 L</td>
<td>36.31 L</td>
</tr>
</tbody>
</table>

The more recent Sen Committee continues to put Maharashtra at the top of the chart with around 18.15 million living in slums in 2011, followed by UP (10.87 million), TN (8.60 million), West Bengal (8.50 million) and Andhra Pradesh (8.10 million). According to the committee’s estimates, Maharashtra’s slum population in 2001 was 14.30 million, followed by UP (8.50 million), West Bengal (7.50 million), Tamil Nadu (7.30 million) and Andhra Pradesh (7.20 million), while 2001 census figures showed that 11.20 million of the total slum population of the country was in Maharashtra followed by Andhra Pradesh (5.20 million), UP (4.40 million) and West Bengal (4.10 million).

### 6.4.2. Slums in Research Cities

The provisional figures released by Census 2011 show that about 90 lakh Mumbai residents or 60 percent of the city now live in slums. The Pranab Sen Committee comes up with a similar figure of 8.68 m for Mumbai slums, followed by Delhi with 3.16 million people estimated to be living in slums by 2011, compared to 2.3 million in 2001. Among metros, Kolkata will have around 1.78 million people living in slums by 2011 as against 1.57 million in 2001, followed by Chennai with 1.02 million as against 0.86 million.

In Pune, the slum population stood at 13.75 lakh persons in 2001 forming 57.83 percent of the total population. In Nashik, in a survey carried out by the Municipal Corporation the slum population was 2,14,769 in 168 slums, approximately 19 percent. Kolhapur's slum population stood at 56235 or about 12 percent and Baramati's slums at 3774 persons in 8 slums, forming 7 percent of the total population. These figures state that the bigger the city, the percentage population in slums of that city is larger.
6.4.3. Basic Services in Slums

In terms of the provision of basic services, Government of India has set certain norms for the provision of basic services in slums. These are shown in the following table.

Box No 6.1 Minimum Basic Services for a Slum by GoI Norms

<table>
<thead>
<tr>
<th>Service</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water supply</td>
<td>One regular size tap for 150 or less persons or for 30 or less families has to be there. Stand posts are made.</td>
</tr>
<tr>
<td></td>
<td>40-70 lpcd where there is water supply is through stand posts and not piped supply to individual houses.</td>
</tr>
<tr>
<td>Community latrines</td>
<td>One latrine/One seat for 20 to 25 persons or for below 10 families. One toilet seat for 60 persons is the standard of PCMC, which is also not followed.</td>
</tr>
<tr>
<td>Community baths</td>
<td>One bath for 20–50 persons (women priority). There is no record of community baths construction by PCMC. The households themselves construct the bathrooms.</td>
</tr>
<tr>
<td>Widening and paving</td>
<td>Making it pucca lane. Both concrete and paving roads are constructed and tried to widen wherever possible.</td>
</tr>
<tr>
<td>Storm water drain</td>
<td>For quick draining. Needs to be identified.</td>
</tr>
<tr>
<td>Sewer</td>
<td>Open drains for normal outflow to avoid water accumulation. Open gutters are constructed and old gutters are also repaired.</td>
</tr>
<tr>
<td>Street lighting</td>
<td>Two poles 30 mtr. apart. These are minimum basic standards. This is tried to be followed, but as the roads in slums are not as regular (zigzag), it is very difficult to follow basic standard.</td>
</tr>
<tr>
<td>Minimum can be increased</td>
<td>As per availability in small/medium towns.</td>
</tr>
</tbody>
</table>

It would be difficult to identify cities where slums are provided these basic services as per prescribed norms though some cities could have partially serviced some of the slums through some of these norms.

6.5. Shelter Scenario in India

Slums throw the poor to live in such demeaning and terrible physical and environmental conditions that such surroundings gave them little scope for life as normally understood. Families of five or above, quite often live in a single room tenement, of a dimension below 150 sq ft. and built of material that can barely withstand rain and cold and heat. They are perched on land or in a riverbed or on a hillock that is hazardous for shelter. In terms of basic services, several slums have no toilet to visit, no water to drink or wash.
within a normally walking distance. They have their workplace separated by an unreasonable distance from their homes, and in general have no security to even such shelter and face the constant threat of extortion, physical harm and crime, disease and death and exploitation by middlemen.

An analysis of many of these issues would be seen converging on the point of the non-availability of land as the crux of the problem. The poor cannot get decent shelter because land costs are prohibitive and they cannot buy urban land from the market. The poor cannot get a decent piece of land for running their own business/informal employment because they cannot afford such land. They cannot break out of the vicious circle of poverty because they would have no access to credit, no access to life beyond nomadic survival. They cannot live in clean surroundings because there is little land for waste management, for building toilets, for recreation and community life and for minimum family privacy.

“Today, about 25 million households in India- 35 percent of all urban households- cannot afford housing at market prices and around 17 million of these households live in slums. With a further 250 million people expected to join the rank of India’s urbanites over the next 20 years, this number could increase to 38 million households. Unless new affordable housing is developed, new low income migrants, like their predecessors, are likely to settle in slums. Today, access to affordable housing is an acute problem among India’s lower income groups. Households in the deprived category (annual income of less than 90,000 rupees) are unable to access basic housing across urban India. We estimate that 25 million households- 35 percent of all urban households and 94 percent of the households in the bottom of two income segments- cannot afford a house at market prices. As India urbanizes, migration into urban India will continue and more than 70 percent of migrants are expected to belong to the lowest income group that are least likely to be able to afford a house at market prices.” (McKinsey & Company, 2010).

6.5.1 Debilities a Factor of Land Tenure
The combination of urbanization of poverty and its informalization impose overwhelming legal and institutional constraints on it. These limitations negatively impact the poor woman’s and man’s quality of shelter, livelihood, health, education, human dignity, access to basic services, credit, and any chance of integration into the city and upward mobility in life. In many fundamental ways, almost all these infirmities turn out in some important measure to be a factor of land tenure. Precisely for these reasons, and in view of its global nature, security of tenure and improving the lives of slum dwellers figure
among the Millennium Development Goals and targets. Goal 8, target 11 speaks of having achieved “by 2020 a significant improvement in the lives of at least 100 million slum dwellers” (Millennium Development Goals).

6.5.2 Centre, States and ULBs
Under the Indian Constitution, the current role of the Central Government in regard to urban issues is to encourage, exhort and advise states and to provide policies and a model legislative framework that the states could adopt for their own use. The prime examples are the Land Acquisition Act, Transfer of Property Act, Town Planning Act and Slum (Improvement and Clearance) Act. In addition, through its financial incentives such as those in the Jawaharlal National Urban Renewal Mission and Rajiv Awas Yojana, Government of India could encourage reforms. The principal urban function, however, rests with the States under Article 246 of the Constitution. States can adopt their own policy and enact legislation. The landmark 74th Constitutional Amendment suggests a larger role for the urban local bodies. This role comprises ‘urban planning including town planning, regulation of land use and construction of buildings’ and ‘safeguarding the interests of weaker sections of society’, ‘slum improvement and up gradation’ and ‘urban poverty alleviation’. Such a role has still not become a complete reality on the Indian urban scene, although it could be said that the municipal bodies in western India, especially the larger ones, exercise more authority. Elsewhere, state governments retain their primary role in conjunction with their parastatals.

6.5.3 Evolution of Policy on Tenure
Despite the fact that tenure has been a subject of much debate, no national policy has been stated on land tenure. For the first time, the “Model Slum Areas (Improvement and Clearance) Act of 1956 provided the statutory basis and guidelines and was adopted by most states”. While there was no explicit expression of tenure in the Act, it did through notification restrict eviction without approval of the competent authority. It was an indirect endorsement of some kind of recognition of tenure. (Banashree Banerjee)

In 1972 the first scheme for slum improvement titled “Environmental Improvement of Urban slums” was launched by Government of India under the Slum Act. The central scheme in which the state was also to contribute was designed to provide basic services to slums notified under the Slum Act. A precondition was that the urban local body had to provide an undertaking that the slum that was going to be the recipient of basic services will not be demolished in the next ten years. In terms of urban land, the Urban Land (Ceiling and Regulation) Act (ULCRA) in 1976 saw the first signs of governmental
readiness to address the issue of scarcity of land availability for the urban poor. The Act mandated a redistribution of surplus vacant urban land held by individuals for public use and low-income housing. The pathetic performance of the Act, the malfeasance that it generated and the constrictions that it brought to the supply of urban land led to its abolition by Government of India in 1998 and most states thereafter, including Maharashtra.

Subsequent policy documents (in the 1980s and 1990s) wanted the Slum Act to move beyond their current concern and move towards providing security of tenure to slum dwellers. In the 1980s, as urban populations rose and as the importance of urban poor as vote banks began becoming critical in several larger cities, State Governments, especially in the west and south of the country, hurried to pass laws to regularize the tenure of squatters on government land. Apart from political compulsions, several other factors intervened to push the agenda of tenure for the poor. Internationally, agencies of the United Nations have been favouring more pro-poor policies at the national level. In 2000, Government of India also partnered UN-HABITAT in the launch of the Global Campaign on Secure Tenure in Mumbai. International opinion has consistently backed the formulation of a national housing policy, the recognition of the importance of the urban land issue and a positive view of irregular settlements.

The pro-active role of international advocacy for housing rights has been matched by civil society organizations since the 1980s. These have been most evident in the mega cities of India, and apart from lobbying with Government and parastatals, they have been instrumental in several landmark public interest litigations. The predominant judicial view through 80s and 90s was that evictions and displacement needed to be avoided unless there was a very strong public interest to do so. However, of late, several citizen’s organizations have argued in courts against the proliferation of slums.

6.5.4 Five Year Plans
Several of the national Five Year Plans and policies have been arguing in favour of tenure. The Seventh Five Year Plan recommended steps “to provide security of tenure to slum dwellers so that they can develop a stake in improving and maintaining their habitat” (GOI, 1985). The Eighth Five Year Plan reiterated that providing tenure rights “is a precondition for success of any environmental improvement in slum areas”. The Ninth Five Year Plan further specified the facilitator role of public institutions and identified certain disadvantaged groups for direct land and shelter provision. The Tenth Five Year Plan admitted that “around 90 per cent of housing shortage pertains to the
weaker sections. There is a need to increase the supply of affordable housing to the economically weaker sections and the low income category through a proper programme of allocation of land, extension of funding assistance and provision of support services”. It warned that with the anticipated entry of FDI into the real estate sector, care has to be taken that the needs of the urban poor and marginal sections are not ignored”. The 11th Five Year Plan pointed out to the “divide within urban areas which is growing”.

6.5.5 Draft National Slum Policy

One of the important steps of Government of India was to declare a draft National Slum Policy. In its Governing Principles, the Policy states that “it does not advocate the concept of slum clearance” and that “households in all urban informal settlements should have access to certain basic minimum services irrespective of land tenure or occupancy status”. However, it accepts that the long-term vision should be “cities without slums”. It advocates that “town planning, land management, poverty alleviation, basic service delivery and capacity building” should be major areas of attention. Strikingly, it advocates that “all public land not identified for specific government use should be vested with the ULB”.

In regard to tenure, the Policy admits that the lack of security of tenure is one of the major reasons why poor households are unable or unwilling to engage in shelter upgradation. It supports the grant of tenure to all residents on tenable sites owned or acquired by Government. The Policy advocates avoidance of resettlement and its use only as a last resort when other alternatives are not available. The Policy calls for a modification of existing planning framework, rationalization of construction standards, creative unit design and layout patterns, a stronger role for the private sector, community participation, improved market information, cost effective technologies and capacity building. Many of these suggestions are radical and extremely salubrious. Government of India followed these pronouncements up with programmes such as VAMBAY (Valmiki-Ambedkar Awas Yojana), introduced in 2001-2002 and the JNNURM (the Jawaharlal Nehru National Urban Renewal Mission) launched in 2005-2006. The objective of VAMBAY was to provide shelter or upgrade existing shelter of people living below the poverty line in urban slums. The JNNURM seeks to scale up delivery of civic amenities and provision of utilities with emphasis on universal access to urban poor. The latest GoI scheme, Rajiv Awas Yojana, aims at providing central support to states that are willing to assign property rights to slum dwellers. A preparatory phase began in March 2010 with a release of 60 crores to 20 states.
Unfortunately, there have been several subsequent developments that do not make the question of tenure easier. The draft Slum Policy has not reached any stage of finality over a period of several years. There is as yet no national policy on tenure. Other factors such as globalization, recent judicial rulings, emphasis on upgradation of urban infrastructure and the push for speedier economic growth are making inclusiveness in cities extremely difficult.

6.5.6 Maharashtra
Maharashtra has pioneered, over several decades, a number of innovations in regard for tenure to slum dwellers. The Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act of 1971 was the oldest in a series of legislations in the country and provided for protection against eviction. It allowed notification and recognition of slums, and defined the nature of improvement works to be undertaken. A census of huts was also carried out in 1976 and identity cards were issued to slum dwellers. 1985 was a turning point in tenure regularization in the country and began with the slum upgrading programme (SUP). Under the programme, tenure was granted to registered cooperative societies of slum dwellers. Little progress, however, was made and the tenure regularization programme could not become applicable to a very sizeable chunk of slum dwellers. In the 1990s, the private sector was roped in to provide housing with secure tenure to slum dwellers. In 1991 the State Government initiated the SRS for slums on private land. This gave way to the Slum Redevelopment Scheme (SRD) in 1995, essentially an improved version of the SRS. Under the SRD, highly subsidized tenements for members of registered slum or pavement dwellers’ cooperatives were to be provided on part of the land. The developers could recoup their costs and additional profits out of the remaining released land, helped by the additional FSI. Modifications to the Slum Act, MR &TP Act and Municipal Act were made to enable the participation of slum dwellers, NGOs, developers and landowners. This scheme has only been partially successful.

Of recent, Government of Maharashtra has finalized a State Housing Policy with the overall objective of ‘Shelter for All’. Its specific objectives speak of facilitating i. ‘affordable housing’ and creating ‘shelters for the poorest of the poor on ownership or rental basis’; ii. Pursuing ‘the target of cities without slums through equitable slum redevelopment and rehabilitation strategy and shelters for the poor’. The Policy talks of providing lands for the poor in proximity of cities, towns and rural areas. It advocates ‘inclusionary zoning provisions for low income group housing in private layouts’. It emphatically states that security of tenure would be ‘the basis of all rehabilitation/redevelopment options’ and that government lands would be offered ‘after
redevelopment to cooperatives on occupancy or lease-hold basis’. (Housing Department, Government of Maharashtra).

In Mumbai, the Slum Rehabilitation Authority (SRA) was created to rehabilitate slum dwellers, primarily in Mumbai. Since the setting up of the SRA, it has constructed 1.47 lakh tenements and 1.7 lakh are under construction. But these have been woefully inadequate in the face of the growing slum population. In 1995, the State Government promised free housing to the 60 lakh slum dwellers registered on the electoral rolls till January 1, 1995. It was assumed that no new slums would be created in the metropolis. However, the slum population continued to rise.

Pune’s past efforts in regard to slum development have been considerable. The latest major announcement was made by the Standing Committee Chairman in 2009 whereby PMC intended that it would like to make the city slum free by 2012. (Times of India, 28 Feb 2009). The project for the purpose was named as Rajmata Jijau Gharkul Yojana. Those falling in category A were to be provided tenements free of cost; those in category B were to pay Rs 1 lakh and category C Rs 1.5 lakh over ten years. All categories will be provided a 25 sq mt tenement. The PMC hoped to earn Rs 3,157.50 crore through the sale of TDR of 37.5 lakh sq mt from category A households and Rs 4,000 crore from category B and C households. Around Rs 3,157.50 crore expenditure was expected. The objective was to make the project self-sustaining. From latest reports, it appears that the project scarcely took off and slums continued to grow.

In Nashik, 13000 tenements are being built under BUSP on relocation sites. Most slums in the city have been provided with community toilets and some have been covered under individual toilets under the VAMBAY scheme. Water is also provided in slums either through handposts or through individual connections ranging from 30 to 70 percent in slum families. About 60 slums have gutters. (Shelter Associates, 2011).

In Kolhapur, KMC has completed the construction of 730 units and handed these over to slum dwellers. Each unit is of 269 sq ft and has cost upwards of 2 lakhs. Central grants were limited to Rs. 80,000 and the rest of the money was provided by the KMC. In Baramati, which has 8 slums and a population of 3774 slum dwellers, there is no specific provision for slums in budget. Through the Budget heads of water supply, sanitation, solid waste, street light, roads and public toilets etc., the Municipal Council spends moneys for the slums pockets. A housing Scheme under I.H.S.D.P for 259 dwelling units is also being implemented in two slums pockets. The Council has provided one toilet seat
and one water stand post for 30 and 70 persons respectively. (Data obtained from Municipal Corporation Kolhapur and Municipal Council, Baramati Sep 2011).

6.5.7 Positives Emerging out of Past Initiatives
An analysis of the preceding initiatives shows that several positives in favour of tenure have emerged. Firstly, we have moved quite far in recognizing that the poor are valuable city assets and eviction or dislocation of slum dwellers is not the first option. Secondly, policy statements, initiatives and programmes of governments, interventions by civil society organizations and international bodies have led to an attitudinal change that is more sympathetic towards the urban poor. While solutions for secure tenure are yet not settled, tenure regularization undertaken in various states have led to the enhancement of security of tenure for large poor populations in Indian cities. They have legitimized the occupation of space in the city and provided access to development rights.

6.5.8 Negatives Affecting Tenure
Despite these efforts, the issue of land tenure is getting more complicated, especially in the larger cities. The pressures of globalization are getting largely translated into pressures on land for swanky offices, malls, star hotels and similar demands of the global market. Such ‘commodification’ of urban land is pressurizing cities to divert huge amounts of land for global commercial, residential and entertainment uses, making land availability for all sections of citizens ever more difficult. Since land is a finite commodity, such large diversion of land to cited uses invariably leads to a price spiral, increasing the mismatch between wages earned and housing costs generated by the market.

In towns, where the provision of housing is almost completely reliant on market mechanisms, huge housing problems appear to emerge. Access to housing is predicated on people’s ability to pay the price resulting from the dynamics of supply and demand. If demand does not generate sufficient profit, suppliers will make rational decisions to seek higher returns on their investments elsewhere. Hence households without adequate incomes, that cannot translate their real housing needs into an effective market demand, find themselves at risk of homelessness. It is clear that markets have not eliminated and cannot be expected to eliminate homelessness.

While there is greater acceptance that the poor need tenure in cities, decision-makers are still groping in the dark on how to tackle this contentious issue. The questions confronting them are the availability of land, the costs at which they should be allocated, how big
should the pool of such housing be, who meets the costs of infrastructure, to what extent do we use FSI, what alterations do we bring about in the land use planning process, building regulations and building permissions. And after having done all this, how do we continue to deal with this issue in the face of relentless urbanization. There has also been no real effort at looking at the legal and institutional factors that informalize the poor and prevent their integration into cities. The current city planning does not seem to take into account the needs of the urban poor and find a place for them within the city plan by devising mechanisms through which the poor would have access to land. Additionally, as cited earlier, the emerging sympathetic attitude towards urban poverty is being challenged by a strong antipathy towards ‘slumization’ of cities and the destruction of city environment. After early humanistic judicial interventions, Courts are moving towards a strictly legal interpretation of urban land. This is obviously making it harder to work outside the formal confines of law, making ‘informalization’ difficult and in turn providing security of tenure to informal growth thorny.

“India has not addressed the economics of affordable housing adequately. The government has not systematically thought through the combination of incentives, subsidies and beneficiary contributions to bridge the gap between affordability and market cost. For example, to encourage creation of affordable housing stock, the government extended a 100 percent income tax exemption to affordable housing projects. However, this incentive on its own addresses only 5-10 percent of the gap and is therefore not sufficient to stimulate creation of the necessary affordable stock. Also the reality is that taxes account for more than 25 percent of the final cost to households of affordable housing. Yet the government has not put in place a tax regime that effectively incentivizes the creation of affordable housing stock.” (Mckinsey & Company, 2010).

India’s overall record in government participation in the affordable housing sector is weak. Until recently, funding allocations by the government had not taken into account the necessary scale of the exercise. Even in comparison with other emerging economies, this spending on affordable housing has been very low. As recently as 2005, government spending on urban affordable housing was about 30 million rupees per year. At that rate, it would take a century to address even today’s need for affordable housing. Further, schemes has not provided for adequate funding. For example; India’s VAMBAY scheme provided for only 20 percent of the true redevelopment cost of slums. Nor have state housing boards delivered on the scale required. In Mumbai, where 2.4 million households cannot afford formal housing, the housing board has constructed only 0.2 million
affordable units over the last 30 years, an annual construction rate of just 6700 units per year. (Mckinsey & Company, 2010).

6.6 Informal Sector
The informal sector comprises persons engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. These units operate at a low level of organization. Labour relations are based mostly on casual employment, kinship or personal relations rather than contractual arrangements. (International Labour Office, 1987). The informal sector is characterized by under capitalization, lack of skills, and the small size of enterprises. It denotes certain kinds of economic activities that are outside the realms of formal business practices established by the state. It includes the production and exchange of legal goods and services that involve the lack of appropriate business permits, violation of zoning codes, failure to report tax liability and non-compliance with labour regulations governing contracts.

The informal sector in many urban centers is assuming proportions that are larger than the formal. As globalization is pressing developing countries to restructure their national economies to make them more competitive in the global market, governments are being forced to resort to downsizing, privatizing the public sector and cutting government expenditures. Many of these have adverse implications for the urban poor. There is growing evidence in Asia to suggest that the capacity of the formal sector to generate employment has weakened in recent years (Sethuraman 1997). As a consequence more urban workers would be pushed into the informal sector to find employment and sustenance. Figures in regard to Mumbai (population above 10 million) reveal that the share of employment in the informal sector jumped from 67.5 per cent to 70.3 per cent between 1993 and 1998. In Chennai, it increased from 60.6 to 64.8 and in Indore from 63.7 to 72.7 during the same period. Quite clearly, the informal sector in the future must accept a larger role in finding space for more entrants within its fold. (GoI Urban Indicators).

6.6.1 Constraints for the Informal Sector
If urban poverty alleviation is to be seriously attempted, the informal would have to generate more employment and allow the poor to work themselves out of the vicious cycle of poverty. The current scene, however, is replete with several constraints that disallow the informal sector from playing such a role. One of the chief constraints in the sector is the availability of capital. This is despite the fact that capital required is quite
small, since micro units are the essential nature of businesses in the sector. However, formal institutions are chary of lending money and it is only informal mechanisms that generally provide financial assistance. Prime examples are the Grameen Bank in Bangladesh or the Self-employed Women’s Association (Sewa) in India, SUPF in Cambodia and ENDA in Vietnam. These credit providing institutions, based on the cooperative model have demonstrated that not only are the poor bankable, but they are also much more likely to repay their loans than the high-income borrowers. But these institutions are few and far between. Technical know-how is equally difficult to acquire. Governmental institutions providing capacity inputs have not been very helpful. In the absence of satisfactory access to credit and training, those in this sector are forced to remain content with simple technology, to profile their scale of operations close to the minimum, evade rent by opting for unauthorized locations and circumvent regulations to cut costs.

The informal sector enterprises face serious location disadvantages. They operate in temporary structures and have no access to land. To add to the woes, a host of regulations about land, rentals, labour, registration, licensing and bookkeeping and several others put up traumatic barriers. The consequences of non-compliance with regulations may result in penalties, confiscation of assets or closure of business. Hence just as such men and women are reluctant to invest in improving their housing stock for fear of eviction and consequent destruction of their investment, a similar fear inhibits them from investment in business. These constraints translate into a perpetual prescription to prevent the poor from breaking the shackles of poverty by wedding them to the status quo.

In regard to land and infrastructure, few cities have provided within their plans adequate space for informal activities. Mention, however, must be made that some countries and cities have had mounting pressure from organized informal sector groups such as hawkers in Kolkata and Mumbai and interventions by courts that have forced cognizance of some informal sector actors. These developments have crafted a ‘semi-formal’ economy in such places comprising activities that are recognized, partly regulated and sanctioned a certain degree of operational freedom. These include street vendors, garbage collectors and collective taxis. Similarly, countries like Thailand and Malaysia have facilitated street vending by allocating space for vendors. In other places, ways have been found of incorporating informal sector waste collection and recycling into the formal waste collection system, and setting up decentralized community-based waste collection and disposal mechanisms through partnerships among waste-pickers, communities and local government.
6.6.2 Street Vendors

National Policy on Urban Street Vendors

A National Policy on Urban Street Vendors prepared by Government of India was first formulated in 2004 and was later revised in 2009. Along with the 2009 Policy, a model bill on Street Vendors (Protection of Livelihood and Regulation of Street Vending), 2009 has been circulated for the States to adopt and provide the legal framework for implementing the policy recommendations.

The Policy (2009) defines a street vendor as "a person who offers goods or services for sale to the public without having a permanent built up structure'. Different names are used to signify a street vendor. They comprise "hawker, pheriwalla, rehri-patri walla, footpath dukandars, sidewalk traders, etc." (National Policy for Urban Street Vendors 2004). The Policy estimated that the street vendors count for about 2 percent of the population. The policy, much like the previous one, recognises the positive role of street vendors ‘in providing essential commodities at affordable prices and at convenient places’.

6.6.3 Policy Recommendations

The policy recommends that streets within each city be classified as ‘restriction-free vending, restricted-vending and no-vending zones’ and registered vendors be allowed to go about their business without harassment. A Town Vending Committee is proposed to identify these zones, register vendors, issue them identity cards and monitor the functioning of the vending zones. About 40 per cent of the members of this committee will be from street vendors associations. If the recommendations are implemented, statutory plans such as master plans of the existing and new areas of each city will have a provision for vending zones and the norms for allocating space will be put in place. The recommendations also include provision of space for temporary markets and mobile vending in all areas excluding the non-vending zone.

The issue of street vending has been a matter of prolonged litigation. The matter ultimately reached the Supreme Court. The Apex court of India in a landmark judgment, (Sodan Singh & Others versus New Delhi Municipal Council, 1989) stated the following: “if properly regulated, according to the exigency of the circumstances, the small traders on the sidewalks can considerably add to the comfort and convenience of the general public, by making available ordinary articles of everyday use for a comparatively lesser price. An ordinary person, not very affluent, while hurrying towards his home after a day’s work, can pick up these articles without going out of his way to find a regular market. The right to carry on trade or business mentioned in Article 19 (1) g of the
Constitution, on street pavements, if properly regulated, cannot be denied on the ground that the streets are meant exclusively for passing or re-passing and no other use.”

The 2004 Vendor Policy relied on a study that found Mumbai having the largest number of street vendors numbering around 250,000, while Delhi had around 200,000. Calcutta had more than 150,000 street vendors and Ahmedabad around 100,000. The total number of street vendors in the country was estimated at around 1 crore. Pune has on official list 20,000 unauthorised hawkers., whereas a survey conducted by the Janiv Hawker Union in 2000 put the number at 37,000. Pune prepared a Hawkers Policy in 2007 based on the National Hawkers Policy of 2004. With an allocation of Rs.27 crore under the JNURM, implement of Phase 1 of the rehabilitation of hawkers was undertaken. 45 major roads were to be cleared of hawkers and four designated areas in Kharadi, Kothrud, Warje and Baner were to have Hawkers malls wherein 10,262 hawkers were to be rehabilitated.

Following the Supreme Court orders, some cities drafted guidelines for regulating urban vending activities. The Delhi Master Plan proposed to incorporate certain norms in this regard, such as allowing some hawking units in the CBD, in shopping centres, government and commercial offices, hospitals, bus terminals, schools, parks and in residential and commercial areas.

6.7 Development Plans vis a vis the Urban Poor

6.7.1 Deficits in Urban Planning vis a vis the Urban Poor.

City planning in respect of the urban poor has generally followed the policies, guidelines and directions of the centre and the State. Hence, in a situation where there have been large deficits in respect of urban poverty planning at the levels of the Centre and the States, it would be presumptuous to believe that cities would take any large scale initiatives. This is more so since city initiatives would fall outside the purview of planning and municipal laws and municipalities could be hauled up for stepping to do things for those outside the formal city. Development Plans and Development Control Rules are in any case approved by the State. The Constitution, it is true, puts certain poverty-related services in the Twelfth Schedule that fall within the domain of the municipal bodies. But even these need to be followed only when the States allocate such functions to the ULBs.

In the cited context, "India’s cities have not planned for affordable housing or incorporated necessary space demand in urban areas. No Indian city actively forecasts demand for affordable housing, let alone creates mechanisms to allocate the necessary
space. Affordable housing has not been a key focus in the development plans of municipalities or the regional plans of metropolitan areas. Cities have not allocated land through their planning processes or zoning norms. Even when cities have allocated for affordable housing, poor governance has too often meant that land or housing units have been diverted to high income beneficiaries or for commercial use.” (Mckinsey & Company, 2010).

6.7.2 Absence of Poverty Planning
A more virulent criticism of the current planning process states, "The planning approach and processes as of now have neither any way of including spaces for living, working and mobility of the bottom half of the city populations nor any participatory processes built into the system to include their aspirations. Clearly, everything else rather than the Urban Planning helps the poor in stabilizing in the urban system and hence other socio-political processes emerge as the paradigm of urbanization in India and not the Urban Planning.” (Darshini Mahadevia, Rutul Joshi, December 2009).

The essay further concludes, "This is because the City Master Plans, as they are made, do not have any financial plan attached to them and have very poor reflection of socioeconomic concerns on one hand and hence integration of these concerns on the other hand. The Master plans have nearly no relationship with the governance structures. Hence, the City Master Plans have very poor implementability. In essence, preparation of City Master Plans become a statutory exercise that freezes lands and makes them unavailable for development and by that declaring large parts of city activities and large parts of city population ‘illegal’ or ‘informal’.” (Darshini Mahadevia, Rutul Joshi, December 2009).

6.7.3 EWS Housing Reservations in DP
As has been seen, since land is the fulcrum on which poverty alleviation in cities revolve, the task becomes extremely difficult if adequate land is not allocated for shelter to the poor. Development Plans have provided shelter reservation for the urban poor under EWS Housing. These reservations have been miserly; and even those lands reserved have not been used for the purpose reserved. They have been encroached, their use altered or just deleted. These inadequacies are reflected in the proliferation of slums.
6.7.4 Urban Transport

In the area of mobility, there has been inordinate emphasis on facilitating free movement of vehicles, primarily cars through measures such as road widening, viaducts and such transport facilities. Public transport has been a much neglected subject and finds little treatment in Development Plans. This is evident from the fact that at the beginning of 1950s, 11 percent of all vehicles were buses. This fell to less than 1 percent by 2005. Of late, however, Rapid bus transit systems are being aided under JNNURM and several larger cities are gearing to put up a rail-based metro system in place. Badami (2009) has argued that among all the options for public transport, enhancing pedestrian accessibility is the beginning and most equitable approach for ‘sustainable transport’ approach in Indian cities. This obviously means that the poor need to find space within the cities near their place of work. (Badami, 2009). In this context, it is important that cities imbibe planning ethos that build cities on a mixed use pattern that combine living, working, shopping and recreation in reasonably close proximity so that there is more city efficiency, more pedestrianization and the needs of long distance commuting is reduced. However, the opposite seems to be happening as linear urban development is pushing distances higher.

6.8 DCRs vis a vis the Urban Poor

Since the Development Plans have scant consideration of the needs of the poor, it only follows that the development control regulations (being part of the Development Plan) would not have specific tools of implementation that would be customized for the poor. Their concerns with proper planning and the need for avoiding undue congestion have led to regulations that disallow very small constructions or activities such as hawking. Slums are, therefore, not allowable under DCRs of cities. Neither is hawking, since it does not find reflection in Development Plans. Whatever infrastructure/service provisioning happens in slums is under the Slums Acts and not under the MR&TP Act, where slums remain outside plan. Similarly all hawking in the cities happen outside the provisions of the DP and DCRs. Hence in a sense, slums and hawking are activities violate the DP/DCRs and find little place in the urban rule book.

Under pressure from the Judiciary and Policy pronouncements of GoI and the States, however, there has been some positive movement to find space for the poor. The Municipal Corporation of Greater Mumbai, for instance, has proposed amendments to the DC Rules that would allow the creation of food plazas, night time food courts, weekly and weekend food courts, pitches on private premises and in municipal markets for selling vegetables, fruits, eggs and milk. Some of these amendments are already being
opposed by housing societies and the legality of reservations in private premises is being questioned. On the housing side, concepts of FSI and TDR have been pressed into service to provide housing for the poor. Other cities have also shown signs of moving towards the need for accepting changes to accommodate the poor in cities.

However, the overall conclusion would be that the efforts in this direction are too weak, too slow and too fragmented to make any dent in the sphere of urban poverty. Slums are growing, the hawkers are struggling, transport remains predominantly car driven and social infrastructure generally denies the existence of the poor. The Report on Indian Urban Infrastructure aptly summarizes the poverty deficits of urban planning. It states, "The master planning system has not focussed on spatial planning for the urban poor to provide them ‘a place to live’, ‘a place to work’, ‘a place to sell’, and public transport to move from one place to another."

The failures of urban planning in the developing world are reiterated by UN-Habitat in their recent study. The study states that “modern urban planning has failed to integrate the urban poor in the socioeconomic fabric of the city....the poor have survived despite master planning. Understood primarily as a technical tool, planning has been unable to address the power relations that have been at work to the detriment of the great majorities of urban populations”. (Source: UN-HABITAT, 2012)

Summary
Urban poverty, unlike rural poverty, is more about shelter and dismal quality of life than about employment. It is evident that poverty in India is urbanizing and in cities it is being informalized. Slums and hawking are the result. This is on account of serious gaps in planning for urban poverty in the urban planning process. These gaps are in the areas of shelter, in the huge lack of a place to work and sell and in transport allowing the poor to move from home to work.
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