

Mumbai 15th May Morning session
EXPLORING AMARTYA SEN'S DEVELOPMENT FRAMEWORK AND THE INDIAN ALLIANCE.

13-16 MAY 2003.

Romi Khosla, Jane Samuels, Nick Hall, Alison Barret, Smita Biswas, Michael Mutter, BK Agarwal, Sheela Patel, Celine D'Cruz, Sundar Burra, A. Jockin, and people from the alliance of SPARC, Mahila Milan and NSDF.

Day 3 Morning Session
Dharavi, Rajiv Indira

MD 10 a

Sundar - *they have come for a workshop. Day before yesterday morning we had gone to Byculla, yesterday we went to Mankhurd to look at the resettlement, today we will see your Rajiv Indira and then they want to go to the Pilot .. the big one.* Like we have been explaining in the last few days, we have these different Federations depending upon the land owners. So we have the Railway slum Dwellers Federation, Pavement Dwellers Federation, Airport's Authority Slum dwellers Federation. Dharavi is a peculiar mix of land owners. The idea actually of having this Federations around land owner was so that you have to negotiate with the land owner for resettlement, for getting land, for compen.. whatever, you know.

In Dharavi there is a mixture of land owners. Some land is owned by the municipal corporation, some land is owned by the state government, and so what they have done is .. there are also lots of private lands here.

(Celine enters)

.. In Dharavi what was formed is something called Dharavi Vikas Samiti, representing slum dwellers in Dharavi. Now, Celine would you like to say something about our involvement in Dharavi and Dharavi in general before we ask Shanmugam and Mutthu to ..

Celine - I think we located Dharavi soon after we did ,, we were working with the Pavement Dwellers, so the Railway group and the Dharavi group we realized, was very important for us to get involved with because they were going to be the crucible, where we could actually have these precedent setting projects for the city to have a look at. Because the city then was not at all ready to look at Pavement Dwellers and they were not ready to look at any solution that we .. that came from Pavement Dwellers. And because of that we realized that if we were able to do things with other groups of slum dwellers in the city ... (is everybody on board) ... so that was the next logical outcome. That if we worked with the other group of slum dwellers our ability to negotiate for the Pavement Dwellers was better, and it coincided at the same time with the Prime Minister's Grant project. it was a political scheme that brought in 100 crores for the city of Bombay of which 39 crores was for Dharavi. Right Muttu? 39 crores of the 100 crores was Dharavi's development.

That is when we realized that there was no common voice or no organization inside Dharavi to actually sit with the State and tell the State, this is what we want to do with the 39 crores. And for the first time the Federation did a survey of all the hutments in Dharavi, and it was interesting that the figures of what the Federation did and the state did, were two different figures. Because the State did the satellite survey, which cost crores of rupees, where the figures were

completely distorted. While the federation went on the ground, door to door, checked out every single structure, looked at the Pongal houses. A Pongal house is a place that has bunks, where people live in it, three shifts during the day. So if you actually go three times a day, your whole statistics change. Which a satellite survey can't do.

.. - when this was done?

Celine - this was in 90 or 91. when did we do the Dharavi?

... - 85..

Celine - with annamalai, 87... 91, 91 was the survey. And that's when we figured out there were 85,000 families but the state figures said what .. what were the government figures? 55,000. so there was a big discrepancy. And this is what helped us to rally people around and say that if the State underestimates you, this is a politics of numbers, then you are going to get less resources. And why it is important therefore to have accurate figures. If you want to negotiate for the resources that you need for Dharavi. And for the first time the residents of Dharavi started coming together.

Romi - how many.. the federation count showed how many families?

Celine - 85,000 families. Which was about one lakh, whatever population. Multiplied by five.

So what were your main demands Mutthu? At Dharavi vikas Samiti what were your main demands in 91?

Mutthu - in 91, our main demand is land tenure and some basic amenities, like water and identical for ownership. That means land tenure, land lease.

Celine - then you also looked at the other details of the commercial structures that the government wanted to throw out a lot of people because of it's being hazardous to health. So what was ...

Basically what the Federation did was be the intermediary body with government to say - you can't have a general policy and say all occupations are hazardous to health. Let us sit together and we will decide, which are really hazardous, we are ready to get out. What are not hazardous, which can stay on here, because work and shelter are closely related. Those guys should continue to stay on here. So those nuances, I think that's what the Federation brought into these negotiations. Mutthu why don't you continue and say what.

Mutthu - when the PMGP scheme started the government took a survey and according to their survey the government decided to shift at least 20,000 families from Dharavi to another place, another area. But from our side SPARC, NSDF and Vikas Samiti, against this policy because they are the owner of this land and they put their earning money to build their house in Dharavi. They have to live in Dharavi only, they have not to go outside. So this is our main demand. At last the government agreed. So then the government make a circular - if those people form cooperative society the government will give land tenure to the society. So, so many societies came up that time. There are hardly .. under Dharavi Vikas Samitii, SPARC. NSDF there are 40 cooperative societies at that time. But there was some problem. Because (a) if we want to construct multi-story building there have to be sewerage line and approach, everything. Inside Dharavi there is no sewerage line, approach road etc. So the government took the road side only, like

60 feet road, and 90 feet road and 100 feet road. They developed the roadside only. In that time, these buildings had come in 1995. these buildings had come under Rajiv Gandhi project. they started in 86.

Agarwal – these four stories buildings behind, you see, they were to resettle the slum dwellers here. And then it started with those at Mankhurd, they were at the Railway alignment. Here the tenements here were allotted to them. The PMGP which Celine mentioned. Part of that 39 crore.

Mutthu – that time so many societies came up. One of the society now we are going to develop with Nirman. Bharat janta society. Their society also came in PMGP scheme but there is no approach road, there is no sewerage line, so the government is not ready to give approval. Now the municipal corporation make an approach road to these society and after making that road, the government give permission to develop that society. So now we are going to develop that society.

This is the main problem, there is no road, sewerage line, the government not ready to give permission to make construction.

Celine – meanwhile the schemes of the government also kept evolving and changing. From the PMGP it moved on to Slum Redevelopment, Sunder you want to talk about that. And today it is slum rehabilitation. And what were the nuances of those three schemes.

Sundar – yeah. Actually what happened was the Prime Minister's Grant Project was based upon a mix of loan and subsidy. But the money soon got expended and they could not continue because the large amount of subsidy. So over a period of time the Slum Redevelopment Scheme came into being. And that is the predecessor of the current scheme of the SRA or The Slum Rehabilitation Authority. And the idea was basically the same that you will allow people to build something extra, to sell in the market in order to subsidize the dwellings for the poor. But the difference was that in the Slum Redevelopment Scheme, there was each scheme was sort of looked at individually. The finances of the scheme, what are the profits of the developer, what are the profits and the municipal corporation – there was a committee, it was a very detailed kind of bureaucratic exercise for each individual scheme, putting a cap on how much profit and so on and so forth. That slum Redevelopment Scheme hardly took off, in terms of numbers and so on it was a non-starter. Then in 1995, the previous government that ruled this State which was of this Hindu Right Wing BJP ad this Shiv Sena government, they actually came to power on an election promise, that they would give free houses to 800,000 slum families in Bombay, at that time. When they came into power, they appointed a committee under a senior bureaucrat known as Afzalpurkar. So the committee is known as the Afzalpurkar Committee. Which was supposed to draw up the guidelines and the road map had to be prepared by them for giving 800,000 families free houses. Sheela Patel was a member of that committee, and one of the consequences of the report of that committee, one of the recommendations, was that for the first time Pavement Dwellers were given the same rights as slum dwellers. Until 1995 Pavement Dwellers had no rights in policy, in program, in law. There was nothing except demolitions. That was an important feature of this committee recommendations. So this committee suggested the setting up of the slum Rehabilitation Authority, and here in the Slum Rehabilitation Authority they did not try to go into the micro-level details of each individual scheme, but formulated broad general principles on the basis of which this the concept was .. this concept of TDR or Transfer of Development Rights was a central part of this whereby people could either build more at the same site and see that extra space in the market, or they could use it at other

locations, northwards. Because the idea was – that the island city should not be.. I mean development should be towards the north because the South is already developed and infrastructure and so on are problematic.

Alison – this is more than the regulated floor...

Sunder – exactly. What they call the floor space index here.

Alison – what is it?

Sunder – FSI.

Agarwal – 1.33 for island of Bombay. And suburbs is one.

Celine – Dharavi was 1.33 because it was treated As a special case, because the densities are very high here.

Nick – 1.33 being 1.33 per sq meters per..

Every meter of land.. if you have 1000 sq meters, multiplied by 1.33 you would be allowed to build.

Alison – I thin it included the common areas.

Agarwal – the built ups. Common areas like lift well and stair well etc, balcony. But not the compound.

Alison – so it's the perimeter area of the building.

Agarwal - We have two concepts, one is the built up area, which is the boundary of the building. And we have carpet area which is the inside of the flat.

Alison – this is 1.33 of the built up area. So you have these buildings as close together as you wish.

Agarwal – no, there again for sunlight, air, other ...

Celine – you have 30% land that you have to keep vacant around things like that
Agarwal – you have set backs from the road, main road there is a bigger set back.

Alison – so this is 1.33 just on the built up.

Sunder – 15.46 I think at this stage we should introduce this question of the room design, Celine? The house design and what has been ..

Celine – we will be going to have a look at the houses and it's basically the concept that the pavement women designed for their first pavement house, which the residents of Dharavi chose to use for their building structure. So it's a 14 feet house. It

S a norm that normally the rest of the city doesn't have anymore. It means you can put up a mezzanine inside the house do you have more space for a family that is growing or a married son or whatever. This was something that the first housing society, the Markandeya Housing society, where we actually began construction took about 3 or 4 years to get permission to do that and that was a real struggle.

Sunder – because the earlier regulation was that the height should be 9 feet only.

Celine – maybe if we have a look, let's go there now or ...

Sunder – I think we can go there and now and continue the ...

Smita – can I just ask. Who is building this and what is that process?

Celine – Ok. Shanmugam. You want to talk about your Rajiv Indira just now.
Speak. In Tamil, in Hindi, in English

Shanmugam – *I will speak in Hindi. Rajiv Indira Society was started by all of us in 1995. we all took a members meeting.*

Celine – why did you name it Rajiv Indira?

Shan – *In Rajiv Indira because Rajiv Gandhi had given some funds first in 1984 to improve Dharavi. So people wanted to keep Rajiv Gandhi's name. But there are a lot of society in the name of Rajiv Gandhi. That is why we joined the name Indira with it.*

Sunder – what he says that in 1995 they got together and decided to have this society which we will see and Celine was asking him why they called it Rajiv Indira. So what he says is that because Rajiv Gandhi invested some money in Dharavi lots of societies here wanted to put Rajiv's name in the name of the society, but since you can't have the same name for all societies, they added on Indira and made it Rajiv Indira. But the thing is, I think all over India you see, and perhaps in other countries as well, I don't know, this is a common technique in slums to use the names of big leaders to protect their slums in case of demolition and so on. You can say – no. Hoping that that would act as a sort of disincentive for the authorities to demolish the slums. *Speak*

Shan – *in 1995 we came to know that there is a free government scheme, under which we will get a house. When we form a society the government will give. Show them a society you have formed and they will build a house in free. So we formed a society. Then we wanted to know who will work in Dharavi. We checked with all the societies and we did not find any proper private builder. We came to know that SPARC and Jockin and all had come to a meeting at the Poonawala Chawl in 95. Sir had come to a meeting. Somebody told us that if we meet him then they could show us the way – how to do things, what to do, and they would help us.*

Sunder - actually, what he says is that when they formed this society, because the government had started this free housing under Sra, the Sra scheme. They looked around for private builders in Dharavi, but could not find anybody who was willing to take up the task. And then they heard about Jockin and SPARC and so on and that is how the contact began.

Shan – *when they came to the meeting at Dharavi, we went and told them and they came and saw everything here. Jockin sir said we should all come together and ready the proof of 1995 and before that and we will help you build...*

(Jockin enters)

Agarwal – also SPARC was already here because of those – rehabilitated the Mankhurd people. That is why also they ..

Sunder – actually sir, that rehab... as far as, correct me if I am wrong. The rehabilitated Mankhurd people were at Mankhurd itself. The PMGP, under the same program but the houses were built right there. Not here. But you are right, we were already here in the sense that the Markandeya Housing cooperative Society was under way.

Nick – how was the contract then later awarded for the works? Or, how was the procurement process undertaken for the first part?

Sunder – for the markandeya Housing cooperative or Rajiv Indira.

Jockin – Rajiv Indira.

Sunder – Jockin

Jockin – yeah. Rajiv Indira, the society - particularly in Dharavi any builder or a contractor come, first they don't want to take a job here because there is a problem, Can't deal with the community. You know, all kind of crisis. So that was the first priority. Who could do a job here with the co-operation of the people. Who will listen to this society. Normally every builder will like to listen to somebody who gives money and doesn't do anything with the society. In this case, we said, complete management of the construction – financial management will be done by the community. So Falak Construction who was the one completely comfortable with these people. And second was the quality . Nobody was ready to work with the engineer, which is the very famous Shirish Patel. He is very very strong. Quality means – I remember one incident. One of the second floor slab – they waiting for 15 days before casting because the engineer to come and check if the steel enforcement, everything was right. This fellow was delaying so one Saturday I came in, I got so angry, I told the contractor you don't wait for any engineer, you just cast. So Sunday they finished casting. The engineer came next day and he saw they had already casted the... so he told – either you break the whole slab, which is something around 5-10 lakhs rupees, or, I will withdraw from the contract. So I have to personally go to Mr. Shirish Patel, request him, instead of taking such a big stand, why don't you test it out. Sample. Then he agrees, he developed – any place, you set about 2 sq feet and break that, you see, if you find anything wrong, whatever decision you take is acceptable to us. So he really did it and they found that it is much more than the requirement. So we... this is the kind of strong quality person. Everybody asked me, are you building a railway bridge or a something or building a house. So this contractor was able to work with him. That was the criteria, so therefore we give it to ...

Celine – Jockin I think the question is – how did the government decide they want to give it to the society to construct and not the routine of getting a builder in and ...

Jockin – there is no question of government giving. That's where we fought out – not the government should do it. Government should just facilitate. And it is the job of the co-operative society people to find out the builder, people should find out the contractor, people should do everything. This is what the demonstration. Otherwise the government form the society. Find the contractor, even bidding everything is done by them. The society is like a joker. They don't know anything at all. Just get the key, and move in the house. In this society, we said, nothing doing. You have to work hard. You have to work, you have to supervise, you have to minimum quality control. So the government also took time, 'how can we give it to you.' I said – this is what the policy says. Policy very clearly says – it is people should form the society, and the people should find the contractor, developer and they should do it. Instead of that the government have a

community development wing, which goes to the settlement, forms the society, and make the chairman, Secretary, everything. But they don't know anything at all and the government on its own invites tender, selects people, give the contract ...

Alison – the slum Rehabilitation Authority?

Jockin – slum rehabilitation authority. In this case we said 'no'. the community will do it.

Romi – as a society you engaged the contractor, the architect, the engineer.

Jockin – everything.

Romi – now when you were designing what kind of building, how did you decide that?

Jockin – We sat with all of them, our first demand was that. If you want us to involve, bring all of them and they will sit and see what kind of house you want. Where is this window, what kind of a building, why 14 feet height. Why not normal 9 feet height. All was discussed, then even they also felt that this cost is going to be heavy. I said, the amount of money, what we can get here, you can bear the cost of that cost also. You should not think first about the cost. First think about the design. So everybody, they say their concern everything. But most of the time they are saying – we have been living in such a bad condition, you see that that condition was there. We'll show some of it. You can't even walk to the houses. So they were trying to say – forget it, forget it, all these things. we'll go ahead. But we delayed the whole process of design for six months. Then made an architect to sit here, listen to all these things. I think we changed the design for about five to six times. And the last design was I the 7th time. I think it was about a year and a half. Then the design went to the department. There also we brought change. No engineer or architect will go to the engineering department on behalf of the people. We said the people had to go . Because the minute the architect or the engineer goes, they have their settlements. Before getting approval. And the people don't know anything and they will just come and tell – we have to pay Rs 50,000, we have to pay Rs. 1,000,000. these people don't know anything, SPARC will also say give it. We said no. for this also it took time, to convince the department that you could talk to the community. Then we said – o our engineer will come to talk about technical but getting approval and all is to be done by the community.

Romi – so all agreed that there was one particular type of a house which was to be built. It's all identical but you agreed in the meeting that this was the kind of house, with the loft and all..

Jockin – only thing is that – you have no other choice, you have to build 225 sq feet only! You can not go one foot here, you cannot go one foot here.

Nick – but the mezzanine is in addition to that

Jockin – yes, this mezzanine was additional as a kind of new idea, new approach which we have managed to persuade them. But people didn't believe that this is possible. Every contractor, every builder would come and say 'arre, why are you putting so much money to give the 14 feet height. Should not give'. And then contractors went to the government, if this SPARC does this kind of activity nobody will come to us therefore we will lose our business. Therefore they put the seal, saying that hereafter nobody should be permitted to go for 14 feet height.

And whereas the DC rule permits that you can go for 14 feet height. So the government called us and luckily Mr Agarwal was there that time, Secretary. I went and told them – why do you put pressure on us. We are ready to do it. You can not tell us not to give 14 feet. It is permitted on the rule, we are giving it. so lot of constraint, it took a longer time for them to put pressure on us to say – you don't do that.

Michael – but in fact the top two floors are 9 feet. And they are the ones you are selling.

Jockin – yeah, that is the ones to sell. What we decided at that time was that the community took...

Celine – that was because the FSI calculation, we had to restrict our height there, we couldn't continue.

Jockin – that is also one reason and also we try to see – all those who are living on the land should get this extra benefit. All those who are coming from not living on the land will not get the benefit of extra space.

Sunder – those are the units that are going to be sold in the open market.

Jockin – IN fact, today, in another hours time, all the structure we are sitting at, in the slum they will be given keys on the top today.

Romi – have the flats been allocated to the people?

Jockin – yes, yes, they went into the lottery, the system has been worked out, just now I think after we go there, they are going to request you only to give the key to them. Those people squatting here. This road has been held up for 15 years. The municipal corporation, the government could not clear this road. This hutment. Only in this society, this is called Sion-Mahim Link road. The bridge has come, the road has been done, cementing has been done. They could not remove these hutments. In this society we saw it that people also get house, and the road is also cleared. In fact what we are going to do today, these hutment dwellers, 23 of them are getting a new house there.

Celine – and they are Pavement Dwellers

Jockin – they are Pavement Dwellers and we literally had to fight with the municipality and the government that these rooms should be only given to them, not to anybody. And that is also, everybody is debating..

Alison – so who is actually paying for those rooms, the government is paying or..

Jockin – no, it's not government is paying. The society in it's design whatever saleable portion which we are getting, we are the (laughs) .. the land which we have, we could develop 104 rooms. But the people living there were only 54. The remaining apartment ..

Alison – you sell on the open market...

Jockin – no. We created these people as the PAP's. As a people. For this land what we are getting here, we are getting TDR. So these people automatically become eligible.

Alison – and that TDR money will pay for those houses. Ok. So they get free houses. They are not themselves paying, they get free houses because of the TDR.

Agarwal – this is the TDR concept, after they announced it, it took a beating because the property market fell. there was not enough profitable schemes where they could earn so much more in the commercial sector to subsidize the free house. That's why only 8,000 have come up.

Sunder – 19,000 or so Vs. the original target of 800,000.

Alison – the amount of TDR is determined by the land area or is it determined by the number of families?

Jockin – land area. See the TDR is simple as .. as much you construct, if you construct 1000 feet, you get 1.33 time of the thousand sq feet.

Alison – and that 1.33 is somewhere further north.

Jockin – where. Here is also we have done something. We have used something .. we are building a commercial building which will be sold, that compensates the whole building. And that is where..

Michael – that's the issue on refinancing. So financing isn't a one off thing. But it becomes staged events and some money is found at some initial stage and work can start. Whilst negotiations are still continuing work actually starts.

Romi – CLIFF is not engaged in this particular one.

Michael – yes, but because CLIFF's only just started. Where we have come in now is on picking up from where the bridging loan .. picking from the .. fund. But then, after completion the whole project will be available for refinancing. Which would then release the CLIFF funding for further bridging finance in other places.

Romi – so they can not access the finance in their present stage of development..

Michael – not on a long term basis.

Romi – you have the building then they go for the long term financing. Free up your fund..

Michael – you need money at the very beginning to start the operation.

Romi – then it's a revolving fund essentially you have...

Alison – but the TDR money you have got now.

Jockin – no, no. One portion of TDR we have got it. We still have to get the three portion. When these people move in next week we will get the TDR, which will give some money.

Michael – but any subsidy comes at the end as well, not in the beginning.

Alison – and it's also the delay issue. This is the same place, the complete housing industry has said – TDR is Rs.400 you can't get anything. Dharavi is absolutely bad place, you can't sell it. This is not viable, and in fact we had a big debate with .. Thinking CLIFF will come earlier, we already completed one building and inaugurated, people started living there and still we didn't have

money. the Citibank which signed three years before an agreement to give loan – they never gave. Till today, building is completed then also they didn't give. And it was a big struggle to keep up because the people are living in transit camp. The construction doesn't go, the cost goes up and it's all deeply constrained. And finally now, I think this is the first month, the Citibank is going to release the first bill for the construction.

Alison – for the next one?

Jockin – the next one. Rajiv Indira 2 and Suryodaya. Till then we are running from here and there. Wherever, I don't know how all possible to catch us.

Nick - ...

Jockin – In fact a number of conditions the Citibank put in. Which for another 20 years can't be fulfilled. Btu they are not ready to agree to see what the larger conclusion – we are looking out for it. This building is over, next building is starting, after the building this is the money will come. They said – your money will not come. We already received the money by selling TDR, they said Rs400 we sold that Rs 812! Which is completely covering our construction cost.

Anyway lets go to the site.

END OF RECORDING.