

**TRANSFORMING URBAN INDIA: STRATEGIES TO ADDRESS CHALLENGES IN SLUM REDEVELOPMENT**

**Ms. Radhika. A. Dahane** Ph.D. Scholar, Prof. Ram Meghe Institute of Technology & Research, Badnera, Amravati, MH, India.

**Dr. Prakash. S. Pajgade** Professor, Prof. Ram Meghe Institute of Technology & Research, Badnera, Amravati, MH, India.

### **Abstract**

Urbanization has emerged as a pivotal global phenomenon, shaping economic trajectories and societal landscapes. While urban centers offer promise in driving productivity and GDP growth, disparities in urban development persist, particularly evident in the prevalence of slum settlements. This research delves into the multifaceted challenges posed by informal housing units, focusing on India's context as a case study. Leveraging insights from the 2011 census data and literature review, the study examines the socio-economic dimensions underpinning slum existence and the inadequate provision of basic amenities. Central to the analysis are financial constraints faced by slum households, compounded by regulatory and infrastructural challenges impeding affordable housing solutions. Through a comprehensive review of national schemes such as the Smart Cities Mission, Pradhan Mantri Awas Yojana (PMAY), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Housing for All (HFA), the research elucidates evolving policy frameworks and implementation strategies aimed at addressing urban housing deprivation.

**Key-words:** Urbanization, Slum Settlements, Affordable Housing, Socio-economic Challenges, Infrastructure Development.

### **Introduction**

In 2009, a significant milestone was reached: for the first time in history, more people inhabited cities than rural areas.<sup>1</sup> This urbanization has often been lauded for its role in driving rapid productivity and subsequent GDP growth, notably witnessed in countries like China and South Korea. Nonetheless, there have been contrasting scenarios of urbanization without commensurate economic advancement, exemplified by cases in Brazil and certain African nations. Here, the focus shifts from sheer urban population numbers to the quality of opportunities available within cities, which becomes the primary determinant of economic progress.<sup>2</sup> Central to this equation are factors such as adequate housing and robust urban infrastructure, which serve as foundational pillars for enhancing overall quality of life.

In 2011, India's urban population reached 377 million, comprising 31% of the total populace. Shockingly, within these urban centers, 65 million individuals, or 27% of the urban populace, endured severe shelter poverty in slum area.<sup>3</sup> This issue extends beyond India's borders, with a staggering 863 million people worldwide residing in similar makeshift settlements. Notably, India and China bear the highest burden, collectively hosting over 50 million slum dwellers living in dire housing conditions.

Recognizing the indispensable link between enhancing quality of life and fostering sustainable development for future generations, the United Nations' Sustainable Development Goals (SDGs) prioritize addressing this challenge. By 2030, the SDGs aim to halve the proportion of people living in slums in every country. However, the informal nature of these settlements poses significant challenges in accurately assessing their scope. In India alone, this endeavor implies uplifting the quality of life for at least 6 million households, highlighting the scale and urgency of intervention required.

### **Literature Review**

The Indian government passed the Slum Areas (Improvement and Clearance) Act of 1956 to improve the living conditions in slum areas. The act aimed to provide basic amenities like sanitation, water supply, and electricity to people living in slums and to clear slums that were unfit for human habitation. Under the act, the government was given the power to acquire land and redevelop slum areas. The government could also relocate slum dwellers to new settlements, which were to be

provided with basic amenities. The act also provided for the establishment of slum clearance boards in different states to oversee the implementation of the act.

The release of the 2011 census marked a pivotal moment, providing the initial quantitative insights into the assets and amenities within informal housing units, a domain previously uncharted. This dataset offers invaluable insights into the social, financial, and political dimensions of both slum blocks and individual households within these marginalized communities. This contextual understanding is essential for comprehensively assessing the needs of slum dwellers and grasping the challenges posed by the high population density characteristic of such areas.

According to census data, the number of identified slum blocks across the nation stands at 110,000. Despite variations in household numbers, such as the notable case of Dharavi<sup>4</sup> with 86,000 households, the inadequacy of public services remains a pervasive issue across all these areas. The deficiency in service provision can be attributed to several factors, including the limited revenue base of urban local bodies, persistent poverty cycles, and a lack of informed civic participation during elections. These challenges underscore the urgent need for targeted interventions to address the systemic issues perpetuating poor service delivery in urban slum communities.

The operational constraints faced by local governments in India, characterized by notably low tax bases, pose significant challenges to municipal finance.<sup>5</sup> In fact, statistics reveal that eight out of the twenty-one largest cities in the country struggle to finance even half of their municipal expenditures. Consequently, informal districts within urban areas bear the brunt of this fiscal shortfall, experiencing notably deficient service levels. Given the predominantly informal nature of slum populations coupled with their limited tax compliance, local authorities often lack the impetus to allocate resources toward enhancing service provision in these areas. The ramifications of this are palpable, manifesting in the conspicuous absence of basic amenities such as functional drainage systems, adequate street lighting, well-maintained roads, household sanitation facilities, and efficient waste management services.<sup>6</sup>

The repercussions of substandard infrastructure and deficient services extend beyond mere inconvenience, giving rise to grave public health concerns. Widespread open defecation practices and the accumulation of unsanitary waste in close proximity to residential areas are symptomatic of this systemic neglect. Notably, empirical studies examining the nexus between health outcomes and the built environment have unearthed alarming findings, revealing that children residing in urban slums in India exhibit higher rates of stunted growth compared to their counterparts in non-slum urban and rural settings.<sup>7</sup> These findings underscore the urgent need for comprehensive interventions to address the multifaceted challenges plaguing urban slum communities and mitigate their adverse health and socio-economic impacts.

### **Addressing Financial Constraints: Access to Resources for Slum Households:**

The conventional real estate sector in India has historically catered predominantly to the affluent urban demographic, typically households with monthly incomes exceeding Rs.60, 000. However, at the opposite end of the income spectrum, the reality for many slum households is starkly different, with typical double-income households in such areas earning a mere Rs.7, 500 per month on average<sup>8</sup>. This glaring disparity in income levels is further underscored by the Government of India's reports, which highlight a substantial shortage of approximately 19 million homes in urban India. Significantly, 56% of this housing deficit is attributed to households classified under the Economically Weaker Section (EWS) category, where monthly incomes fall below Rs.25, 000.<sup>9</sup>

### **Lack of available urban land:**

According to a widely acknowledged pricing guideline, a household is considered able to afford a home priced at or below forty times its monthly income. Applying this rule to slum households, it becomes apparent that they could only feasibly purchase a unit priced below Rs. 4, 00, 000. However, the prevailing offerings from private developers fall short of this affordability threshold. Instead, a standard unit spanning approximately 269 square feet commands prices ranging between Rs.5, 00,000 and Rs.7, 00,000.<sup>10</sup>

This disparity between affordability and market prices can be attributed to several factors. Firstly,

the limited availability of urban land constrains the supply of affordable housing options. Additionally, escalating construction costs further exacerbate the affordability challenge. Moreover, regulatory constraints imposed by local authorities and government policies also contribute to hindering the provision of affordable housing solutions. Over the past 15 years, India has witnessed a substantial 45% increase in urban population density. Projections indicate that by 2026,<sup>11</sup> as much as 40% of the country's population will be concentrated in urban areas. This rapid urbanization has precipitated a surge in demand for land, driven by the intensifying density of urban populations.

### **Rising construction costs:**

In the high-end real estate sector, land costs, especially in prime city-center locations, typically constitute the most significant expense in private development projects. However, in slum redevelopment initiatives where land costs may be negligible or nonexistent, construction expenses emerge as the primary cost driver. Despite this advantage, the estimated construction cost for such housing stands at approximately 800 per square foot,<sup>12</sup> representing more than half of the final project cost. Notably, construction costs have surged by approximately 80% over the past decade. This substantial increase in construction expenses can be attributed to rising material costs and labor expenses, exacerbated by labor shortages in the industry. Consequently, the ability of private developers to deliver affordable housing solutions to the market unaided may be severely constrained.

### **Regulatory constraints:**

The efficiency of urban local bodies plays a pivotal role in determining the duration of land development procedures. These bodies are responsible for city planning, providing utility services, and overseeing development approvals. However, India's ranking of 183 out of 189 economies in the World Bank's<sup>11</sup> assessment of construction permit procedures underscores the challenges faced by real estate developers in the country. Statutory approvals alone are estimated to prolong the pre-construction phase by 1.5 to 2 years. Development projects in urban areas are subject to a protracted approval process involving multiple layers of scrutiny from both state and central authorities. This bureaucratic maze often leads to project delays, ultimately driving up development costs. These escalating costs are inevitably passed on to households or purchasers, exacerbating the affordability crisis in the housing market.

### **Evolution of national schemes in India over time:**

#### **Smart Cities Mission:**

The Smart Cities Mission, launched in 2015, stands as a landmark initiative in India's urban development landscape. It aims to transform 100 cities across the country into smart and sustainable urban centers by leveraging technology, innovation, and efficient governance. While the mission emphasizes the adoption of smart solutions across multiple sectors, including urban building development, there is a growing body of research exploring its effectiveness in promoting cost-effective models. Studies such as,<sup>13</sup> examine the role of the Smart Cities Mission in fostering innovation and cost-efficiency in urban infrastructure development, highlighting the importance of technology integration and citizen engagement.

**Infrastructure Development:** The mission focuses on upgrading urban infrastructure to meet the growing demands of urban populations.<sup>14</sup> This includes initiatives such as the development of smart transportation systems, efficient water and waste management solutions, and the creation of green spaces.

**Technology Integration:** Smart Cities aim to leverage modern technologies such as Internet of Things (IoT), data analytics, and artificial intelligence to improve service delivery, enhance urban planning processes, and enable efficient resource management.<sup>14</sup>

**Sustainability:** The mission emphasizes sustainable development practices, including the promotion of renewable energy sources, energy-efficient buildings, and eco-friendly transportation options. Smart Cities strive to reduce carbon emissions and minimize.<sup>14 15</sup>

**Citizen Engagement:** A key component of the Smart Cities Mission is citizen participation and

engagement. Cities are encouraged to involve residents in decision-making processes, gather feedback through digital platforms, and prioritize projects based on the needs and preferences of the community.

**Inclusive Development:** The implementation of the Smart Cities Mission involves collaboration between central, state, and local governments, as well as public and private stakeholders. Each selected city develops a comprehensive Smart City Proposal (SCP) outlining its vision, goals, and strategies for smart urban development.<sup>14 15</sup> These proposals undergo rigorous evaluation, and cities are selected based on criteria such as feasibility, impact, and innovation.

#### **Pradhan Mantri Awas Yojana (PMYA):**

PMAY, launched in 2015, aims to provide affordable housing to all urban households in India by 2022. The program offers financial assistance and subsidies to facilitate the construction of affordable homes, with a focus on cost-effective construction techniques and sustainable building practices. Research by <sup>16</sup> explores the implementation of PMAY and its impact on promoting affordable and cost-effective housing solutions in Indian cities. The study underscores the importance of leveraging PMAY subsidies to adopt innovative construction materials and methods, thereby reducing construction costs while ensuring quality and durability.

**Objectives of PMYA:** PMAY primarily aims to address the housing needs of the urban poor and economically weaker sections of society by providing them with affordable housing solutions. The scheme also targets the promotion of sustainable and inclusive urban development by ensuring the availability of housing for all segments of society, including slum dwellers and low-income groups.<sup>17</sup>

**Implementation Strategies:** Several studies have analyzed the implementation strategies of PMAY and highlighted the importance of partnerships between the central government, state governments, local authorities, and private stakeholders in ensuring the successful execution of the scheme. Furthermore, research has emphasized the role of technology and innovative financing mechanisms in streamlining the process of beneficiary selection, project monitoring, and fund disbursement under PMAY.<sup>18</sup>

**Challenge Faced:** PMAY has encountered several challenges bureaucratic red tape, delays in approvals, and corruption have hindered the timely completion of PMAY projects. Moreover, socio-cultural factors and resistance from local communities have posed challenges in the relocation of slum dwellers and the redevelopment of informal settlements.<sup>19</sup>

**Impact Assessment:** Several studies have evaluated the impact of PMAY on housing accessibility, affordability, and quality of life among its beneficiaries. Research findings indicate that PMAY has made significant strides in reducing homelessness and improving living conditions for millions of low-income households across India. Moreover, the scheme has generated employment opportunities in the construction sector and stimulated economic growth in allied industries. However, challenges such as inadequate infrastructure provision, lack of access to basic services, and socio-economic disparities persist in many PMAY housing colonies.<sup>20</sup>

The Pradhan Mantri Awas Yojana (PMAY) represents a landmark initiative aimed at addressing the housing needs of India's urban poor and promoting inclusive urban development. While the scheme has achieved notable success in providing affordable housing to millions of households, it also faces numerous challenges related to implementation, land availability, bureaucratic hurdles, and socio-cultural factors. Moving forward, policymakers need to address these challenges effectively and adopt innovative strategies to ensure the sustainable and inclusive growth of housing infrastructure under PMAY.<sup>21</sup>

#### **AMRUT (Atal Mission for Rejuvenation and Urban Transformation)**

The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched by the Government of India in 2015 with the aim of providing basic civic amenities and infrastructure in urban areas to improve the quality of life for all citizens. The mission focuses on improving the quality of life in urban areas, particularly in cities and towns with a population of over 100,000. AMRUT is designed to address the infrastructure gaps in urban areas through a range of interventions. These include improving water supply management, sewerage and drainage systems, urban transport, and creating green spaces. The mission emphasizes a 'project-based approach' wherein cities formulate their own proposals based on their specific needs and priorities. This flexibility allows for tailored

solutions to local challenges.<sup>22</sup>

The primary objective of AMRUT is to ensure that all urban residents have access to basic services and infrastructure. This includes providing household water connections, improving sewerage networks, constructing public toilets, and developing green spaces. The mission also aims to promote sustainable urban development by integrating smart solutions for efficient resource management and enhancing the quality of life in urban areas.<sup>22</sup> While AMRUT has made significant strides in urban infrastructure development, several challenges persist in its implementation. One major challenge is the slow pace of project implementation due to bureaucratic hurdles, lack of coordination among implementing agencies, and delays in fund disbursement. Moreover, the capacity constraints at the municipal level hinder effective planning and execution of projects. Additionally, the mission faces challenges in mobilizing private sector investments and ensuring community participation in decision-making processes.<sup>23</sup> Studies assessing the impacts of AMRUT indicate positive outcomes in terms of improved access to basic services and infrastructure in urban areas. For instance, a study by AMRUT found that interventions led to an increase in the percentage of households with access to piped water supply and sanitation facilities in project cities. Furthermore, the creation of green spaces and pedestrian-friendly infrastructure has contributed to enhancing the livability of urban environments and promoting public health and well-being.<sup>24</sup>

### **Housing for All (HFA):**

In June 2015, the Cabinet of India greenlit the ambitious Housing for All scheme, with the overarching objective of ensuring adequate housing for every Indian household by 2022. HFA by 2022 encompasses various components aimed at promoting affordable housing for all segments of society. These include financial assistance schemes such as the Pradhan Mantri Awas Yojana (PMAY), which provides subsidies and interest rate concessions to eligible beneficiaries for the construction, purchase, or renovation of houses. The program also emphasizes the use of eco-friendly and sustainable construction practices to promote environmental sustainability.<sup>25</sup> The implementation of HFA involves collaboration between central, state, and local government agencies, as well as private sector stakeholders and non-governmental organizations (NGOs). States and Union Territories are responsible for formulating their own housing policies and action plans based on the specific housing requirements and demographic profiles of their respective regions. Additionally, the program encourages public-private partnerships (PPPs) to leverage private sector expertise and resources for the development of affordable housing projects.<sup>26</sup>

### **Conclusion**

The evolving landscape of urban development in India reflects a multifaceted interplay of policies, initiatives, and challenges. The concerted efforts of national schemes such as the Smart Cities Mission, Pradhan Mantri Awas Yojana (PMAY), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Housing for All (HFA) underscore the government's commitment to addressing pressing issues of urban housing, infrastructure, and sustainable development. While these initiatives have made significant strides in improving access to basic amenities, promoting affordable housing, and fostering inclusive urban growth, challenges persist. Bureaucratic hurdles, inadequate land availability, escalating construction costs, and regulatory constraints continue to hinder the timely and effective implementation of urban development projects. Additionally, socio-economic disparities and the informal nature of slum settlements pose unique challenges that require tailored interventions and innovative solutions.

### **References:**

1. "Urban and Rural Areas 2009." United Nations - Department of Economic and Social Affairs. United Nations, June 2010.
2. Henderson, Vernon. "Urbanization and Urban Growth." *The Political Economy of Development in Kenya* (2004): n. pag. 27 Oct. 2004.
3. "State of the world's cities 2012/2013.": Sustainable Development UN. UN Habitat - For a Better Urban Future, 2012.

4. India National Report”: India: National Report Progress of Implementation of the Habitat Agenda (1996-2000), United Nations.Ministry of Urban Development and Poverty Alleviation, Government of India, 2001.
5. ASICS. Annual Survey of India’s City-Systems. Bangalore, 2014. Print.
6. Buckley, Robert, Mahavir Singh, and Jerry Kalarickal. “Strategizing Slum Improvement in India: A Method to Monitor and Refocus Slum Development Programs.” Global Urban Development. , Nov. 2007.
7. Agarwal, Siddharth, and Shivani Taneja. “All Slums Are Not Equal: Child Health Conditions Among the Urban Poor.” Indian Pediatrics 42 (2005): 233–244. Print.
8. Global Report on Human Settlements 2003: The Challenge of Slums.” United Nations, 2003.
9. Nair, Shalini. “Govt’s Flagship Project ‘Housing for All’ to Be Unveiled by PM Modi Soon, Income Cap up to Rs 6 Lakh.” The Indian Express. The Indian Express, 18 June 2015.
10. Decoding Housing for All by 2022.” KPMG. KPMG & NAREDCO, 2015. Web. 14 Oct. 2015
11. Urban Population.” World Bank. World Bank, 2015.
12. Mayank, Himadri, Mitali Nanavaty, Somdutta Chakraborty, Subhankar Mitra, and Ashutosh Limaye. “Affordable Housing in India.” Jones Lang LaSalle. 2012.
13. Sharma, A., & Jain, S. (2019). Role of Smart Cities Mission in Fostering Urban Innovation: Evidence from India. Journal of Urban Management, 8(2), 169-182.
14. Ministry of Housing and Urban Affairs, Government of India. (n.d.). Smart Cities Mission. Retrieved from <https://smartcities.gov.in/>
15. Press Information Bureau, Government of India. (2015). Prime Minister Launches Smart Cities Mission; Unveils Criteria and Guidelines for 100 Smart Cities and Atal Mission for Rejuvenation and Urban Transformation for 500 Cities.
16. Chatterjee, S., et al. (2020). Affordable Housing Policies in India: A Study of Pradhan Mantri Awas Yojana (Urban). Journal of Building Construction and Planning Research, 8(4), 155-1
17. Kumar, A., & Jain, A. (2020). Implementation Challenges of Pradhan Mantri Awas Yojana in Urban India: A Case Study of Delhi NCR. Journal of Urban Management, 9(1), 92-106
18. Sengupta, A., & Bhattacharya, S. (2019). Assessing the Impact of Pradhan Mantri Awas Yojana (PMAY) on Housing Accessibility and Livelihoods: A Case Study of Kolkata Metropolitan Area. Habitat International, 87, 101966.
19. Mishra, P., & Pandey, P. (2018). Pradhan Mantri Awas Yojana: Challenges and Opportunities. International Journal of Innovative Research and Advanced Studies, 5(7), 113-118.
20. Dey, S., & Datta, D. (2017). Role of Technology in Implementation of Pradhan Mantri Awas Yojana (PMAY). International Journal of Scientific Research in Computer Science, Engineering and Information Technology, 2(6), 45-48.
21. Government of India. (2015). Pradhan Mantri Awas Yojana - Housing for All (Urban). <https://pmaymis.gov.in/>
22. Ministry of Housing and Urban Affairs. (2018). AMRUT – Progress Report. Retrieved from [https://amrut.gov.in/writereaddata/amrut/files/AMRUT\\_Progress\\_Report\\_December\\_2018.pdf](https://amrut.gov.in/writereaddata/amrut/files/AMRUT_Progress_Report_December_2018.pdf)
23. Chandrasekhar, S., & Sudarsan, J. (2019). Challenges in the Implementation of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) in Tamil Nadu, India. International Journal of Advanced Research in Management and Social Sciences, 8(5), 100-110.
24. Das, A., Deka, B., & Deka, S. K. (2020). Impact Assessment of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) in Urban India. Economic Affairs, 65(2), 273-283
25. Agarwal, N., Singh, S., & Arora, R. (2021). Impact Assessment of Pradhan Mantri Awas Yojana (PMAY) – A Case Study of Uttar Pradesh, India. International Journal of Housing Policy, 21(2), 176-193.
26. Ministry of Housing and Urban Affairs. (2019). Affordable Housing in Partnership (AHP) Guidelines. Retrieved from <https://pmay-urban.gov.in/upload/APAHP%20Guidelines.pdf>.