



# PMAY AND HOUSING FOR ALL IN SMALL AND MEDIUM SIZE TOWNS OF GUJARAT

An analysis of existing progress of PMAY and Legal Framework for Land Rights in Small  
Towns of Gujarat

## Acknowledgments

Informal housing caters to over one-third of the population in our cities, who cannot afford formal housing. Cities are known as engines of economy and this economy consists of over 90 per cent informal sector workers. However, housing requirements for these people have never got utmost priority by governments, post-independence. Presently, it has become a major challenge to rehabilitate these settlements, which have grown organically over the time. However, the situation of these settlements in small- and medium-sized cities is quite different in comparison to large cities due to various reasons such as land prices, availability of land, economic activities, community aspirations, urban fabric, etc.

Unfortunately, slum rehabilitation programmes do not recognize these differences yet. Hence, these programmes have always focused on policy interventions focusing on metro cities, leaving the issue unresolved in small cities. In the last five years, no slum rehabilitation project has been executed in Bhuj, a city having a strong network of civil society organizations (CSOs) existing under the umbrella Homes in the City (HIC) programme. Therefore, it was thought to understand the issues and progress of slum rehabilitation projects under the Pradhan Mantri Awas Yojana (PMAY) across various Municipalities, except Municipal Corporations. This study is result of such curiosity.

We are grateful to Prof. Amita Bhide, School of Habitat Studies, TISS, Mumbai who visited Bhuj in 2019 and explained the Odisha Land Rights to Slum Dwellers Act of 2017 in a meeting with slum dwellers and CSOs working in Bhuj on housing issues. Since then, she has always generously guided and openly shared her experiences on land rights and housing to slum dwellers. She again visited Bhuj in August 2021 for a national-level workshop wherein participants from Odisha, Punjab and Maharashtra shared legislations/notifications that enabled the poor to access land where they do reside. It was decided to conduct a study to understand slum redevelopment projects undertaken in the recent years in small- and medium-cities of Gujarat. She was requested to guide this study and generously accepted the request by many CSOs present in that workshop, working on housing across the cities of Gujarat. We acknowledge her contribution, as this study was impossible without her guidance.

We would also like to thank Mr. Venugopal Agrawal who contributed significantly to complete this study with literature review, data analysis, interactions with officials of Affordable Housing Mission (AHM), Gujarat and Revenue Department in Gandhinagar and helped in writing an analytical report.

In between, Mr. Ravi Sannabhadti, Faculty of Planning and Public Policy, CEPT University was also engaged with this study and contributed his vast research experience on informal housing in different cities of Gujarat. His contributions are acknowledged here.

We thank Ms. Shehnaz Ansari, Human Development and Research Centre (HDRC) for helping us access PMAY progress reports and data from various government departments. We also thank AHM and Revenue Department officials at Gandhinagar for their time and clarifications on several points which came forth in course of this study.

We also express our gratitude to the slum dwellers, slum leaders and CSOs such as Saath Charitable Trust, UNNATI, Centre for Development, HDRC, Navsarjan Trust, St. Xavier's Social Services Society, Ahmedabad for their time and support which encouraged us to complete this study.

Last but not least, we thank Mr. Sandeep Virmani, the mentor of HIC programme, for encouraging us to continuously strive towards improving the housing and slum development concerns as well the lives of communities in Bhuj.

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# 1 Importance of Housing Issues in Small and Medium Towns

## 1.1 Urbanization Trends in India

India has a legacy of what has been known as top-heavy urbanization that neglects the traditional diversity and depth of its settlement pattern. Since colonial times, large urban centres have been the focal point for investment for development of industry, infrastructure, and services. As a result, we have developed large mega cities like Mumbai, Delhi and many others. By 2011, there were 53 million plus urban agglomerations in India and by 2021 this number may have increased to 63. While this growth in large cities is important, it is often overlooked that the number of small towns – towns with populations ranging from 5,000 to 3,00,000 persons, has also been growing steadily. This can be seen in following table, which shows the number of towns by population from 1961 to 2011.

City Size	1951	1961	1971	1981	1991	2001	2011
10 million or more	0	0	0	0	2	3	3
5 to 10 million	0	1	2	3	2	3	4
1 to 5 million	5	6	7	7	20	30	41
500 000 to 1 million	4	4	13	31	30	37	43
300 000 to 500 000	9	18	21	28	40	43	53
1,00,000 to 2,99,999	58	73	105	149	206	277	324
50,000 to 1,00,000	91	129	173	270	345	401	474
20,000 to 49,999	327	437	558	743	947	1151	1373
10,000 to 19,999	608	719	827	1059	1167	1344	1683
5,000 to 9,999	1124	711	623	758	740	888	1749

Table 1 - Number of Cities in Different Population Classes (Source: Census 2011, United Nations Population Division<sup>1</sup>)

## 1.2 Housing Issues in Small Towns

It has been further overlooked that housing has been a major issue for not just big cities but also these small towns. The proportion of slum population in smaller and medium size towns was found to be larger than that in larger towns (Yadav, et al., 2021). The following charts, based on analysis by Yadav et al, show the comparative picture between large and small towns regarding the issue of slums.

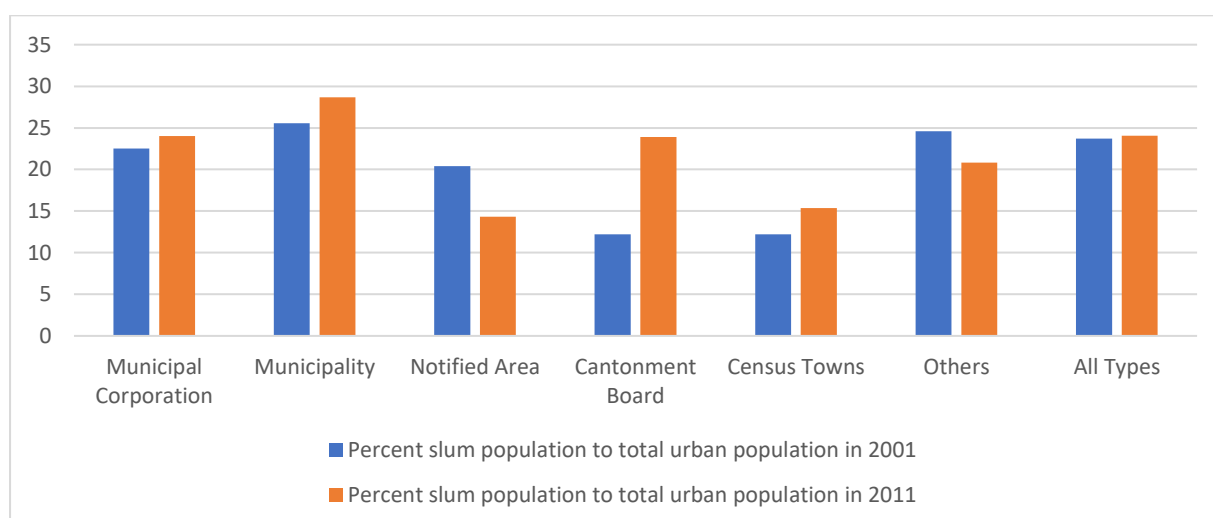


Chart 1 - Percent Slum Population to Total Population by Type of ULB<sup>2</sup> (Source: Yadav et al, 2021)

<sup>1</sup> Classification for cities above 1,00,000 sourced from UN Population Division World Urbanization Prospects: 2018 Revision.

<sup>2</sup> Others Includes Notified Area Committee (NAC), Municipal Council (MCI), Municipal Committee (MC), Municipal Board (MB), Town Panchayat (TP), Nagar Panchayat (NP), Town Municipal Council (TMC)

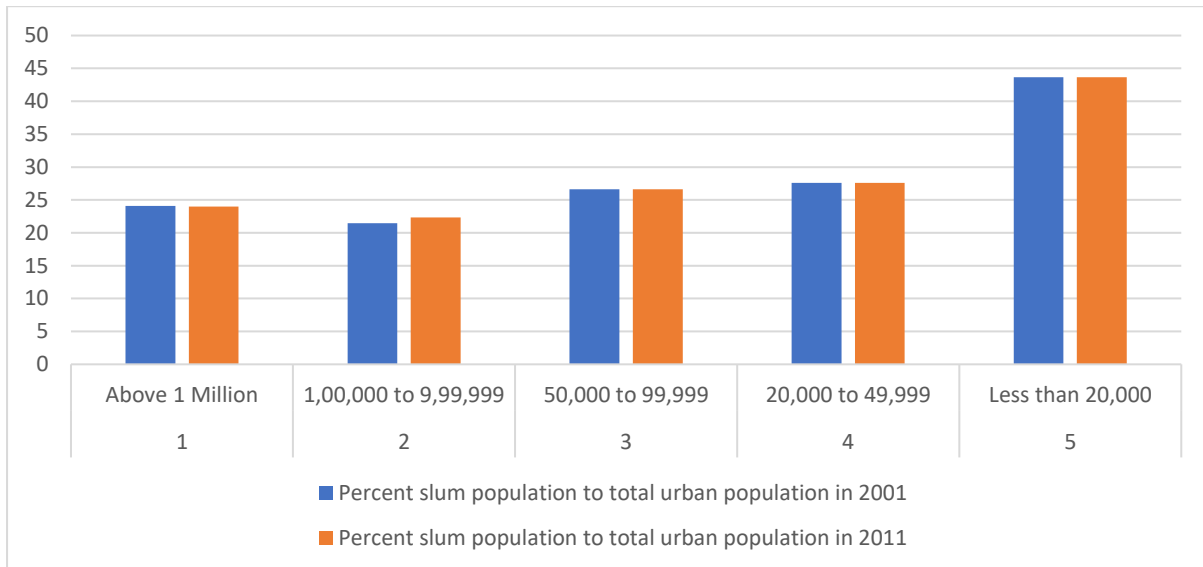


Chart 2 - Percentage Slum Population to Total Population by Size of City (Source – Yadav et al, 2021)

Both these charts show that there is a significant rise in population that stays in slums in all sizes of urban areas, while the policy focus has so far remained only on slums in large cities. The significant presence of slums in small and medium sized towns of the country has significant implications for housing policies at large and demands a distinct attention to slum and housing policies in these towns.

### 1.3 PMAY

Pradhan Mantri Awas Yojana (PMAY) was launched in 2015 with a vision to provide housing for all urban residents by 2022. The scheme was designed around 4 verticals:

1. Credit Linked Subsidy Scheme: Interest subsidy for EWS, LIG and MIG home buyers if they finance their homes through a bank or Housing Finance Company
2. In Situ Slum Rehabilitation: Rehabilitation of slums within the same location with participation of private developers, using the value of land as a resource to leverage project cost
3. Affordable Housing in Partnership: Development of subsidized housing units with contributions from various partners such as state government, ULBs and Central Government. This vertical also has provision for participation of private developers.
4. Beneficiary Led Construction: Central and State Government grant to families who own plots to construct new houses.

In addition to these schemes, PMAY consists of a technology sub-mission to try to bring in new technologies for affordable housing construction and a new scheme for Affordable Rental Housing Complexes for providing affordable rental housing which was launched during the height of the Covid-19 Lockdowns.

- PMAY is a scheme focused on **increasing formal housing supply through construction of more houses either by the public or the private sector**. It is mainly a supply side intervention.
- Except for the BLC vertical, all houses built through PMAY are flats or apartments.
- Along with incentives being offered under section 80 IBA of the income tax act, PMAY has enabled developers to increase the supply of housing.
  - Section 80 IBA incentivizes affordable housing construction by developers by offering income tax relief for affordable housing projects.
  - CLSS enables the buyers to subsidize loans that they take for the house.

- Therefore, there is both supply and demand side relief for certain types of affordable housing projects.
- One of the verticals that has received significant response is the BLC; however, this vertical has reached the poor only in cities and states where the slum dwellers are given land rights.

The TG (Technical Group)-12 report (Kundu, et al., 2012) on housing shortage in India estimated that there **was a housing shortage of 178 Lakh units in urban areas** in India in 2012, of which more than 90% belonged to economically weaker sections and lower income groups. Further, the data above illustrates the significant magnitude of slums – a metaphor for inadequate housing in small and medium towns. An important dimension of evaluating the effectivity of the scheme is to keep in mind these aspects. An insight into how PMAY has performed in improving the issues of housing in small and medium towns can help us understand what needs to be done to make sure that future housing schemes work better. This is the purpose of this report. It assesses the progress of the PMAY in small and medium towns with a focus on Gujarat. It especially seeks to understand whether the PMAY has been able to benefit the slum dwellers in these towns.



## 2 PMAY: Demand and Progress in Gujarat

This part of the report analyses the data from the “Housing for All Plan of Action Slum and Non-Slum Demand Survey Reports” prepared under the PMAY program in 2015-2016. In a way, these plans of action give an insight into the housing and slum situation in the cities. There are 83 such reports available in the public domain. All these are analysed in the sections ahead.

### 2.1 Sample Description

The details of the sample used for the research are given below:

1. Total number of Nagarpalikas in Gujarat : 156
2. Total number of Reports Analysed : 83

In Gujarat, Nagarpalikas are classified in 4 categories. The details of the proportion from each category are given in chart no. 3 below:

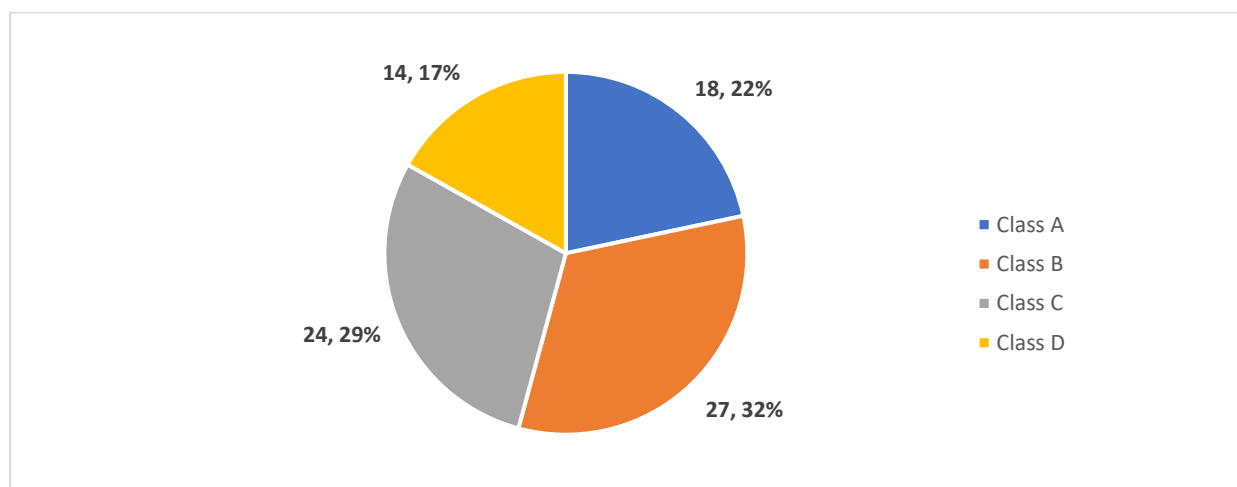


Chart 3 - Percentage of Small Towns by Category in the Sample (Source : Authors)

Therefore, a sample from each class of Nagarpalika was taken to generate an accurate picture of the progress of PMAY in each size of town.

### 2.2 Broad Structure of the HFAPoA Slum and Non-Slum Demand Survey Report

The HFAPoA slum and non-slum Demand Survey report consists of the following parts:

1. Analysis of slums<sup>3</sup>
  1. Tenure Status
  2. Land Ownership
2. Non-Slum Demand Survey
3. Analysis of slum and Non-Slum Demand
4. Way Forward for each slum – ISSR or AHP or BLC
5. Project Phasing – Slum and Non-Slum Project
6. Grant Requirement

Out of the above sections, at present only part 4, 5 and 6 have been made public, therefore the following analysis is based on these parts only.

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<sup>3</sup> The slums selected were based on slums present in Census 2011. In some cases, additional slums that were notified or identified after 2011 were also considered. The data of slums was taken from SFCPoA report where available. Where not, fresh survey was conducted.



### 2.3 Slum Demand Assessment in Nagarpalikas

The details of the demand assessment in the sampled Nagarpalikas is given below. The following tables and charts show the total demand under different verticals and in different classes of towns. The following data is based on the sampled cities. The summary of slums and Slum HHs is as follows:

1. Total Number of Slums : 1534
2. Number of Tenable Slums : 1274 (83%)
3. Number of Untenable Slums : 230 (17%)
4. Number of HHs as per SFCPoA Survey<sup>4</sup>/New Survey : 2,16,351
5. Number of Eligible HHs : 1,96,381 (90.7%)

Class of Nagarpalika	Sum of No. of HH for BLC	Percentage of Total	Sum of No. of HH for AHP	Percentage of Total	Sum of No. of HH for ISSR	Percentage of Total	Total
Class A	33,220	42%	15,259	19%	30,726	39%	79,205
Class B	35,838	58%	13,626	22%	11,971	19%	61,435
Class C	13,121	34%	5,387	14%	20,491	53%	38,999
Class D	12,053	69%	2,706	16%	2,640	15%	17,399
<b>All Classes Combined</b>	<b>94,232</b>	<b>48%</b>	<b>36,978</b>	<b>19%</b>	<b>65,828</b>	<b>33%</b>	<b>1,97,038</b>

Table 2 - Total Demand Assessed for Slum Households - By Vertical and Class of City (Analysed from HFAPoA Documents)

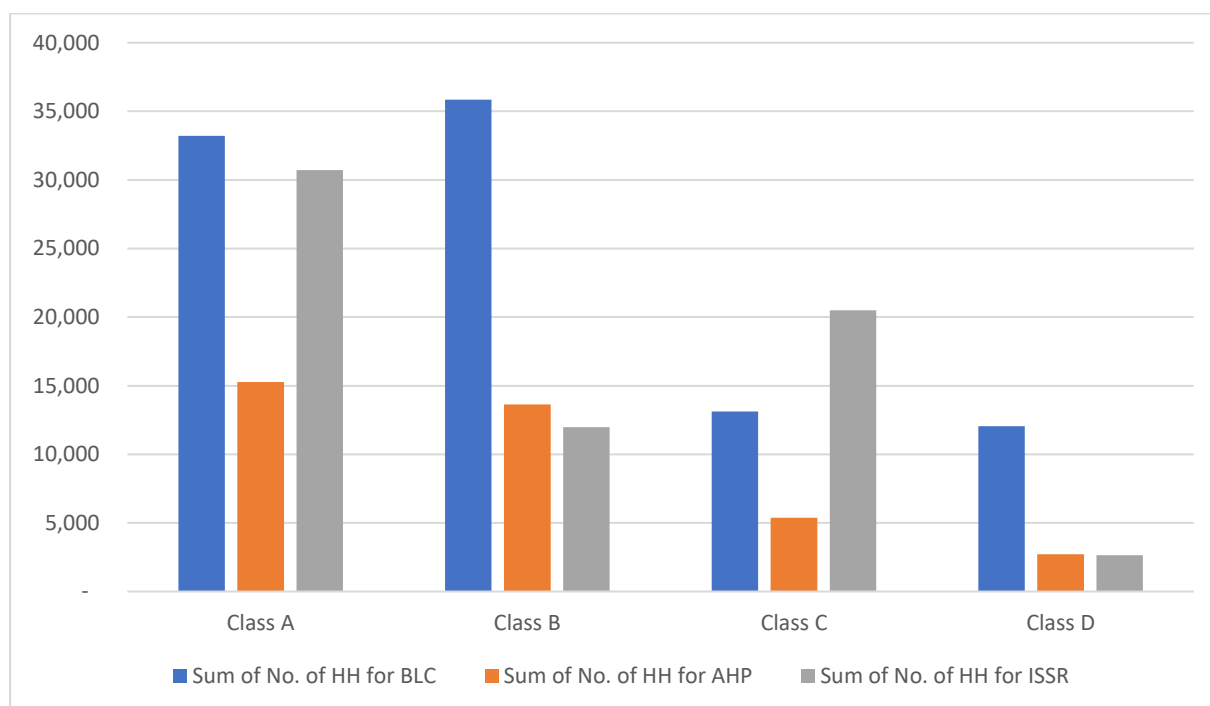


Chart 4 - Demand Assessment in Sampled Nagarpalikas

<sup>4</sup> The data of slum households was taken from the survey conducted for the Slum Free City Plan of Action (SFCPoA) prepared under RAY in 2012-2013.

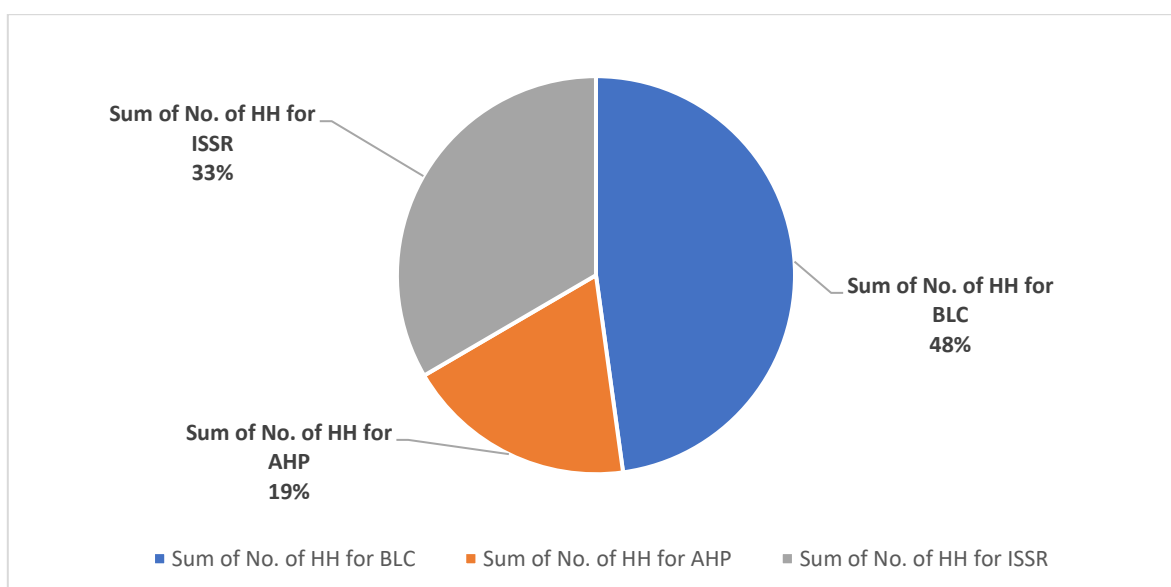


Chart 5 - Total Demand by Different Verticals

## 2.4 Key Learnings from the Demand Survey

1. In each class of town, demand under BLC vertical is highest, compared to all other verticals. It ranges from 34% in Class C towns, 42% in Class A towns, 58% in Class B towns and 69% in Class D towns.
2. An average of 48% (Total 94,232 units) of the assessed demand was classified under the BLC vertical
3. Slums regarded as non-tenable have been placed in AHP vertical which totals 19% of the total slum demand. Under AHP (non-tenable) the funding criteria were to be as follows:
  - a. Central Grant : 1.5 Lakh
  - b. State Grant : 4 Lakh
  - c. Beneficiary Contribution : Up to 1 Lakh
4. 33% (Total 65,828 Units) of the assessed demand was classified under the ISSR vertical.
5. In the reports, many of the consultants have proposed that in slums where land tenure is not regularized, "BLC with Tenure Regularization" can be carried out (Seen in Figure 1 below).
  - a. However, AHM officials confirmed that no further efforts/progress has been made by AHM on the proposal for "tenure regularization" mentioned in these reports.
  - b. Thus, while BLCC appears as a significant demand in all the sampled municipalities, there has been no efforts to operationalise the same by removing the key barrier to BLC viz: lack of legal tenure.
6. Major part of the demand in slums is for the BLC vertical.

Slum No	Name of Slum	Area of Slum in Sqm	Total No of Households	Eligible Slum Dwellers	Proposed Intervention Strategy	Whether "In Situ Redevelopment with Private Participation	Required Area for In Situ Redevelopment in Sqm	FSI/FAR		Name of other Slum if Proposed for Resettlement	Proposed Year of Intervention
								Existing	Proposed		
1	Dinpensari road	50000	29	29	Beneficiary Led Housing with Tenure Regularization	Yes	NA	0.017	NA	NA	2018-19

Figure 1 - Sample of Table in Housing for All Plan of Action Report

## 2.5 Slum + Non-Slum Demand for BLC in Sampled Nagarpalikas

It can be seen from the table below that there is considerable non-slum demand for houses under BLC in the sampled Nagarpalikas. This demand includes urban poor households living in non-slum areas where they may have the ownership rights to the land on which their houses are built.

Class of Nagarpalika	Non Slum BLC Demand	Slum BLC Demand	Total
Class A	13,772	33,220	46,992
Class B	16,639	35,838	52,477
Class C	11,179	13,121	24,300
Class D	5,409	12,053	17,462
<b>All Classes Combined</b>	<b>46,999</b>	<b>94,232</b>	<b>1,41,231</b>

Figure 2 - Slum v/s Non Slum Demand for BLC in Sampled Nagarpalikas

The following chart also represents the same data. It can be clearly seen that slum demand far outweighs the non-slum demand in the BLC vertical, based on the demand survey reports.

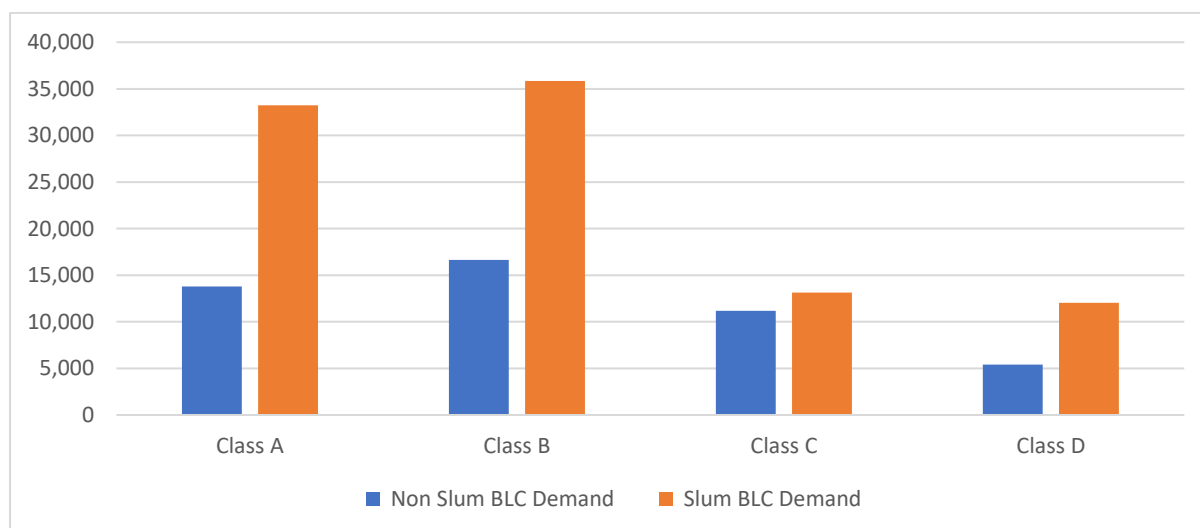


Chart 6 - Slum v/s Non-Slum BLC Demand

## 2.6 PMAY Progress<sup>5</sup> in Sampled Nagarpalikas

The following table shows the vertical wise progress of PMAY in the sampled Nagarpalikas.

Vertical	Assessed Demand		Constructed Houses		Percentage Demand to Supply
	Number of Slums	Number of HHs	Number of Slums	Number of Houses Constructed	
ISSR	470	65,828	0	0	0.00 %
AHP	225	36,978	33	522	1.41 % <sup>6</sup>
BLC	802	94,232	0	0	0.00 %
<b>Total</b>	<b>1,497</b>	<b>1,97,038</b>	<b>33</b>	<b>522</b>	<b>0.26 %</b>

Table 3 - Vertical Wise Demand v/s Constructed Houses in Sampled Nagarpalikas (Source: Analysed by Authors from Available HFAPoA Documents and Monthly Progress Report)

<sup>5</sup> Progress is based on progress report until September 2016 shared by Affordable Housing Mission

<sup>6</sup> AHP for untenable slums was carried out in Keshod and Kalol NP as per Sep-2021 Monthly Progress Report

As can be clearly seen, as per the PMAY progress report, there has been very little progress in terms of new houses constructed or upgraded in any of the slums in small towns. Only 522 units under AHP have been built for slums in any Nagarpalika. Progress in BLC and ISSR for slums in small towns is 0.

## 2.7 BLC Progress in Non-Slum Areas of Sampled Nagarpalikas

Table 2 below shows the details of overall progress on BLC in Nagarpalikas.

Class of Nagarpalika	Number of Houses for which application made	Non-Starter Units	Percentage of Grant Applications	In Progress Units	Percentage of Grant Applications	Completed Units	Percentage of Grant Applications
Class A	15,533	5,414	35%	5,364	35%	4,755	31%
Class B	15,495	5,434	35%	6,328	41%	3,733	24%
Class C	17,914	4,815	27%	8,227	46%	4,872	27%
Class D	8,302	2,705	33%	3,745	45%	1,852	22%
<b>All Classes Combined</b>	<b>57,244</b>	<b>18,368</b>	<b>32%</b>	<b>23,664</b>	<b>41%</b>	<b>15,212</b>	<b>27%</b>

Table 4 - Non-Slum Progress for BLC in Sampled Nagarpalikas (Source: Analysed by Authors from Available HFAPoA Documents)

Class of Nagarpalika	Non Slum BLC Demand(%)	Slum BLC Demand (%)	Total Slum + Non-Slum Demand	Total Applications	% of total Demand	Total Houses Competed	% of total Demand
Class A	13,772 (29.3)	33,220 (70.7)	46,992	15,533	33%	4,755	10%
Class B	16,639 (31.7)	35,838 (68.3)	52,477	15,495	30%	3,733	7%
Class C	11,179 (46)	13,121 (54)	24,300	17,914	74%	4,872	20%
Class D	5,409 (31)	12,053 (69)	17,462	8,302	48%	1,852	11%
<b>All Classes Combined</b>	<b>46,999 (33.3)</b>	<b>94,232 (66.7)</b>	<b>1,41,231</b>	<b>57,244</b>	<b>41%</b>	<b>15,212</b>	<b>11%</b>

Table 5 - Slum + Non Slum Demand for BLC in Sampled Nagarpalikas (Source: Analysed by Authors from Available HFAPoA Documents)

From the two tables above, it can be seen that:

1. Of the total demand for BLC, slums comprised 66 percent of the demand. It touches nearly 70 percent in Class A, B and D towns. Most of this demand remains unfulfilled as of now.
2. 32% of all BLC households in Sampled Nagarpalikas are non-starter units. The monthly progress report does not give any reason for why these units are non-starter units. All that is mentioned is that in some cases, the tripartite agreement between beneficiary, consultant and Nagarpalika is in process.
3. Only 27% of the non-slum units under BLC have reached completion as of September 2021.
4. When we compare this progress with the overall slum and non-slum demand as shown in earlier tables, we can see that only 41% of the total demand have applied for house construction and even lower percentage – only ~ 11% of the total (slum + non slum demand) have been constructed.
5. It is thus clear that BLC is the clearest demand of slum dwellers in small and medium towns in Gujarat and that this demand remains unmet. In short, while Gujarat may be a leading state in

performance with respect to PMAY (U). However, it has not been able to meet the needs of slum dwellers in small and medium towns . Bypassing this need has implications for further quality of life in these slums; it also has implications for future housing schemes by contributing to a pent-up demand.

## 2.8 Issues in Accessing PMAY in Small Towns

The following table describes the various issues being faced in the implementation of PMAY in small towns of Gujarat.

<b><u>BLC</u></b>	<b><u>AHP</u></b>	<b><u>ISSR</u></b>
Potential Beneficiaries in slums do not hold land rights	Low initiative shown by ULBs in developing DPRs for AHP (Untenable) Vertical	Low Land value and non-feasibility of projects for developers in small towns
Non-Starter Houses	Developers find AHP non tenable especially in small and medium towns	Unwillingness of local administration for in situ development
Inadequate gap funding – beneficiaries cannot fund the remaining amount by themselves	AHP schemes where constructed are not suited to the socioeconomic needs of slum dwellers	

*Table 6 - Issues with Different Verticals in Small Towns*

During the stakeholder consultation organized to disseminate this research and receive feedback on the work, the following issues related to the implementation of PMAY in small towns were also shared:

1. Participants agreed that the issues of small towns and housing and land rights have been the same for a long time.
  - a. ISSR is financially unviable
  - b. Residents do not want to move to apartment style housing
2. It was highlighted that slum dwellers have not been consulted for any of the few ISSR or AHP schemes that were even proposed.
3. Small ULBs have a low expertise and low priority in undertaking any type of housing schemes
4. Ownership issues in houses built under earlier schemes like BSUP have not been addressed, many of the people who received houses under BSUP have still not got the proper title to the houses
5. Cases such as BSUP housing in Porbandar, where the residents were not willing to move to a location that was far away from their existing place of stay and work

## 3 Existing Frameworks and Systems for Land Rights

Recently, land regularization has been carried out in 4 major cases. These cases are:

1. Land Regularization and Titling being done in Odisha
2. Land Regularization and Titling being done in Punjab
3. Land Regularization and Titling being done in Nagpur, Maharashtra
4. Regularization of lands falling under ULC lands in Gujarat, India

### 3.1 Ongoing Land Regularization Programs

#### 3.1.1 Odisha Land Rights to Slum Dwellers Act 2013

The act enabled in-situ settlement of land rights of tenable slums and development of new habitat for untenable slums. These are permanent transfers of property to the household with an entry in the record of rights and are heritable, mortgageable for housing loans but non-transferable. Commercial units have been kept outside the purview of land rights entitlements. The law was enacted in Municipalities and NACs while excluding the 5 Municipal Corporations of the state.

Key Features of the Act:

1. Decentralisation and organization: All the residents of the slums were constituted into a Slum Dwellers Association for decentralised decision making.
2. Household Survey: The survey created a unique ID for each slum household and the data for the household was collected on a mobile based app, Urban Slum Household Area (USHA) Survey and all the settlements were drone mapped and geo-tagged.
3. Details of Title Awarded
  - a. For the urban poor: 30 sq. mts. was given free of cost and above 30 sq. mts. land title had to be purchased at 25% of the benchmark value of land.
  - b. For non- poor, the entire land had to be purchased at 50% of benchmark value.

#### 3.1.2 Punjab Slum Dweller (Proprietary Rights) Act, 2020

This act provides for *'a sustainable growth of basic civic services in slum areas in urban towns and cities by conferring proprietary rights of land to the slum dwellers and ensuring their development through optimal utilisation of resources.'* Under this act, rules for providing land rights were developed and another scheme-Chief Ministers Slum Development Scheme-BASERA was initiated to operationalise this act. The act includes all the slums in the state irrespective of their status.

Key Features of Act:

1. Act created the Slum Area Redevelopment and Rehabilitation Committee (SARRC) with district collector as its head to manage day to day implementation and verification of slum dwellers entitlement forms.
2. City Technical Unit (CTU) was formed which included city officials and elected representatives of ULBs to assist in implementation of the act.
3. Punjab Municipal Infrastructure Development Company (PMIDC) Chandigarh was appointed as nodal agency to facilitate policy decisions and budgetary outlays.
4. To identify slum dwellers a large-scale drone survey and household survey covering all slums in the state was conducted.
5. Household survey a cut-off date was established as 1<sup>st</sup> April 2020
6. Land rights were only provided to those who did not possess land anywhere in the state

### 3.1.3 Tenure Regularization taking place in Nagpur

After a long campaign by CSOs in Nagpur, a resolution of providing tenure security to slum dwellers on the Nagpur Improvement Trusts (NIT) lands was passed in 2002. Further advocacy and protests also forced the government to pass another General Resolution in 2017 to entitle land rights to all families with names in electoral roll as of 01/01/2000 as eligible for land property rights. This cut off date was further extended to 01/01/2011 including many more families into entitlement for land rights. In 2019, another GR extended these provisions to all cities of the state except Mumbai and Pune.

Key Features of the Program:

1. Lease rights are provided, not freehold rights.
2. The rights are provided on a collective rather than individual basis. The residents must join or form a Cooperative society within 1 year of getting their lease agreement.

### 3.1.4 ULC Land Regularization in Gujarat

The ULC Act was implemented in 1976, which limited the amount of land that any individual could hold in urban areas. The act resulted in a large amount of informal housing being created in urban areas. The ULC act was repealed, however such informal settlements continued to exist. Therefore, the GoG enacted a law which created provisions for the people living on such land to be able to purchase the title for the land.

Key Features of the Program:

1. Survey was carried out to identify and map the households situated on ULC land
2. The households living in such area were invited to make an application to the local mamlatdar. The application had to be accompanied by a payment of 10,000 Rs.
3. After this, documents provided by the resident were checked and a valuation of the land based on the prevailing Jantri (circle/Benchmark) rate was done. Residents had to pay a proportion of the value based on the area of the land that they occupied.
4. The residents had to make the payment of the amount based on the order issued by the mamlatdar.
5. After the payment, a *Sanad* (freehold title) is issued to the applicant. The applicant is not allowed to sell the property for a period of 15 years.
6. However, if an occupant of the land is unable to pay the fees, they are not given the title.
7. The act does not specify if the title is mortgageable not.

However, the coverage of this act has not been very widespread since many of the timeline and cost act as a barrier for many of the potential applicants.



## 3.2 GRs and Policy Framework in Gujarat

### 3.2.1 GR<sup>7</sup> on Regularization of Public Lands Encroached for Various Purposes – 08.01.1980

This GR was issued by the revenue department in 1980. It creates a framework for the government to be able to regularize the ownership of various types of encroachment upon state government land. In this section, we discuss the provisions of the GR pertaining to residential use and the regularization process as set out by the GR.

The provisions of the GR are as follows:

1. This GR states that in cases where vulnerable people are going to be severely affected and land is not required for other purposes, regularization may be considered.
2. This is applicable only for certain types of land:
  1. Government Waste Land : Yes
  2. Gauchar Land : No
  3. Talav Land : No
  4. Gamtal Land (Village Commons) : Yes
3. The collector is empowered to carry out regularization up to a certain limit in small and medium towns. Cases in Municipal Corporations to be considered by State Government.
  1. Limits of collector are
    1. Price of Land – Less than INR 50,000
    2. Area of Land – Less than 200 Sq Mts
4. Includes unobjectionable cases of commercial and industrial encroachment
5. Can be used to regularize areas where land was previously given on lease.
6. Tenure regularization rate – to be from market value up to 2.5 times the present market value of the land – to be decided by the collector
  1. The market value is not to be taken as the Benchmark (Jantri Value). The Market Value is to be calculated using the average sale price of nearby plots over the previous 3 years.

Process as Applicable under the GR

1. Application to be Made to the Collector
  - a. Application Forms available at Jan Seva Kendra
  - b. Applicant to attach a map prepared by DILR (District Inspector of Land Records) – clearly showing the encroached land and indicating the area which has been encroached. DILR prepares this map for a given fee.
2. The collector to review the application against a checklist provided by the Government in a subsequent GR (Encroachment-1084-2941-L, Dt 01.08.1984)
3. Collector to call a hearing to hear the applicant's case
4. Collector to decide on the case based on the details provided in the hearing.

The checklist of conditions to be checked by the collector:

1. For the Encroacher
  - a. Collector has to collect the complete details of the encroacher and his household
  - b. Collector to check that the encroacher does not own any land or building elsewhere
  - c. Collector to check if the encroacher belongs to backward class or is economically backward
2. For the Encroached Land
  - a. Revenue details of the land (to be checked as per records and based on DILR survey)
  - b. Present ownership and use of the land

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<sup>7</sup> GR : Dabaan/1092/28765-L Dt 08.01.1980

- c. Is it urban or not
  - d. Does the encroachment comply with the zoning regulations
  - e. Is the land reserved for any purpose
  - f. After regularization, can the remaining part of the land still be useful
  - g. Any proposed roads through the land
  - h. Has there been any previous action taken under the revenue code section 61<sup>8</sup> or 202<sup>9</sup>?
  - i. Have any fines levied been recovered
3. For the Details of Non-Agricultural Lands
    - a. Type of encroachment
    - b. Location of on site and nearby construction
    - c. What difficulties and loss will the encroacher face if he must remove the construction
    - d. Opinion of various bodies stating that the land is not required
    - e. Religious encroachments only to be regularized on the basis of trusts
  4. The collector must provide clear and reasonable reasons to regularize the encroachment.

### 3.2.2 Key features of the GR

1. The GR is not a focused attempt to solve the issue of land rights of slum dwellers.
2. It sets out the basic principle that land should be regularized only in extreme cases, and that removal of encroachment should be the basic principle
3. High cost of regularization – the entire market price of the land – 1 to 2.5 times - is to be paid, compared to regularization programs in other states.
4. The process is long and not time bound. It is not government led, but rather the applicant led process. For example, applicant has to get all maps and plans prepared by DILR for the encroached land. It is not possible for a slum dweller to easily do this.
5. All cases where the total price is above 50,000 Rs are to be referred to the State Government, giving very limited power to the collector

### 3.2.3 GR<sup>10</sup> on Disposal of Government Lands, 2013

This GR is designed to allow the Collector to dispose off and allot government waste lands to applicants for non-agricultural purposes. This GR allows people to apply to the collector to allot them lands for various purposes. For residential purposes, this GR allows the collector to give the following amounts of land

1. For individuals – 200 Sq mTs or total value of less than Rs 1 Lakh
2. For Co-operative societies – 8000 Sq Mts or total value less than Rs 6 Lakhs.

In many cases, people have used this GR to apply for allotment of land in small towns. However, this provision does not solve the issue of existing slums on Government Lands.

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<sup>8</sup> Section 61 describes the penalties that the collector can levy on anyone who has occupied land without authorization

<sup>9</sup> Section 202 describes any notices served by the collector for eviction on that piece of land

<sup>10</sup> GR : JMN/392003/454/A Dt 6/6/2003

## Comparative Analysis of Acts in other States with 1980 GR of Gujarat

	<b>Odisha Act</b>	<b>Punjab Act</b>	<b>Nagpur (Maharashtra GR)</b>	<b>Gujarat ULC Act</b>	<b>1980 GR</b>
Mortgageable/Heritable	Yes	Yes	Lease Rights	Not Specified	Not Specified
Transferable Rights	No	After 30 Years	Lease Rights	After 15 Years	Not Specified
Decentralized Implementation	Collector	Collector	Nagpur Improvement Trust	Mamlatdar	Collector
Slum Level Committees and Participation	Yes	Yes	No	No	No
Planning and Surveys	Very Detailed	Very Detailed	No Details Given	Satellite Imagery	No
Minimum Plot Sizes in accordance with PMAY	Yes	No	No	No	No
Ownership of Other Land	Not Specified	Not Allowed	Not Specified	Yes	Not Specified
Fee	Upto 50% of Benchmark Value	Up to 25% of BM Value over Area Cap	Lease Rates	Up to 100% of BM Value, Typically ~ 20%	Up to 2.5 times BM Value

Table 7 - Comparative Analysis of Existing Legal Provisions for Land Rights in Various States

## 4 Key Findings and Conclusions

### 4.1 Regarding Status of PMAY in Small Towns

1. Progress of PMAY in small towns is very limited.
2. BLC vertical has seen some progress, but most of it has been observed for non-slum urban poor
3. Even this, is not high, because the number of non-starter and incomplete houses is very high (~66% as per September 2021 Progress Report)
4. Slum Urban Poor demand of PMAY has been largely neglected.
5. The HFAPoA reports for small towns provide a clear plan for the achievement of Housing for All.
  - a. Some tenable slums are listed in BLC
    - i. Due to issues of land rights, there is little progress in these areas.
  - b. Some tenable slums are listed in ISSR
    - i. Due to issues of low value of land, there is little progress in these areas.
  - c. Untenable slums are listed in AHP (Untenable)
    - i. Residents are unwilling to move to vertical housing and relocate far away from the locations
    - ii. ULB is not having the capacity to properly implement the housing schemes
6. Policy is working for large cities but we need to re-think it for small towns.

### 4.2 Regarding Current Framework for Land Rights in Gujarat

1. Many of the slums in small towns in Gujarat are built on public lands. This can be government waste land or Gauchar land in many cases.
2. Presently there is no comprehensive law in which land rights can be given to the public in Gujarat
3. The present GR in Gujarat is not suited from the point of view of resolving the key issues. The key issues are that housing conditions are not improving in small towns for the urban poor. This may be contributing to more top-heavy type of urbanization.
4. It is unfeasible to improve housing conditions in small towns by building vertical housing because it can be:
  - a. Cost prohibitive
  - b. Not acceptable to the public
  - c. Difficult for the Nagarpalikas to implement
5. Therefore, land rights and support for BLC can be one of the best and one of the most pragmatic ways for improving slums in small towns of Gujarat. This can have other benefits for public interest as well:
  - a. Land Records can be updated and regularized
  - b. Issue of not being able to provide infrastructure due to land problems can be resolved
  - c. More land can be brought into the land market
  - d. If more people get benefit of BLC to build the houses, then local economy will also improve since it will generate jobs, business etc to do the construction work

Therefore, we propose that the government should introduce a structured policy and plan to provide land rights to slum dwellers on public lands in small towns of Gujarat.

### 4.3 Key Features of the Proposed Policy

The policy should make sure that the following points can be kept in mind:

1. Odisha Model should be used as a template and modified to suit the needs of Gujarat Cities.
2. The Land rights awarded should be
  - a. Heritable
  - b. Mortgageable
  - c. Transferable (After a minimum period)
3. Thorough survey of the slums should be carried out, using extensive ground truthing.
4. Layout of highly irregular settlements should be done where necessary
5. Land up to 35 Sq. Mts should be given free of cost. Beyond 35 Sq. Mts, Value as per Jantri should be charged.
6. Land rights should be given individually, but after that the residents should be formed into a cooperative society
7. A facilitation agency should be involved in the process to make sure that the beneficiaries participate and follow all the instructions and the process which is laid out by the government.

Implementation Plan:

1. Presently, the government can explore the viability of the project by carrying out a pilot.
2. The pilot can be conducted in 1 district and implemented through a GR.
3. District should be such that there is no MC, only Nagarpalikas.

### 4.4 Are Land Rights Feasible in Small Towns

City level feasibility analysis for land rights in slums of small towns was carried out. This is based on limited data from a limited sample. In addition, there are also several errors in the slum level data present in the HFAPoA Summary provided by the AHM. However, we can still conduct overall city level analysis.

Key points of the feasibility study show that:

1. Only 19% cities have average plot size in slums less than 20 Sq. Mts. Therefore, in 81% cities, we can implement some form of land rights program
2. 85% of slums are on public land <sup>11</sup>
3. In 69% cities, after giving 35 Sq. Mts per HH, there will still be land left over in the slums, which can be used for other purposes

Therefore, prima facie it appears that land regularization in slums in small towns of Gujarat should be feasible. If the complete data is provided by AHM, a detailed feasibility study can be done.

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<sup>11</sup> This is based on a limited sample of 74 slums for which data was provided

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