ANNUAL REVIEW

2012-13
1976: Demolition of 70,000 houses in Janata Colony, Chembur, leads to the formation of the National Slum Dweller’s Federation from amongst the youth that were displaced.

1984: SPARC, an NGO set up and begins working with pavement dwellers leading to a community based women’s savings group called Mahila Milan.

1986: SPARC, joins hands with NSDF and together with Mahila Milan work as the Indian Alliance where SPARC provides the legal, financial support.

1998: SPARC, sets up not for profit construction company called SSNS to provide technical support and undertake construction.

SPARC provides the administrative, financial, policy, documentation and other support necessary to NSDF and MM to build their capacities to access basic amenities, housing and to improve their participation in decision-making about how their cities are developed and managed.

Mahila Milan means “Women Together” in Hindi. It is a decentralized network of women’s collectives that manage credit and savings activities in slums.

NSDF is largely made up of community groups and leaders that live in slums around India (approximately 750,000 households as of 2010). NSDF has a history of organizing the poor against demolitions, mobilizing the poor to come together, articulating their concerns and finding solutions to the problems they face.
WHO WE ARE

SPARC SAMUDAYA NIRMAN SAHAYAK (SSNS) was set up on 4 June, 1998 by SPARC, NSDF and Mahila Milan to provide technical and professional assistance to design, access finance and undertake/manage construction projects in the partnership of organized informal dwellers for affordable housing and sanitation.

PURPOSE

To demonstrate the potential and value of facilitating communities to drive construction of their homes and neighborhoods.

To establish a working relationship with professionals, financial agencies, politicians and administrators.
LETTER FROM THE SECRETARY

The creation of an institution, to serve the aspirations of the organized urban poor to have a say in their own habitat issues, is an unusual one. This is particularly as the construction industry has ignored their needs and the policy of state and national governments have no clear strategy to address the burgeoning informality within which they are trapped. To complete the triumvirate of exclusion, the financial sector hides behind a range of regulations that prevent it from including the needs of the urban poor or creating robust solutions.

SSNS has to face a range of uncertainty and disruptions, from within its membership, from the urban poor and from external forces, as it seeks to create space and focus for itself. Internally, survival strategies have produced slum housing for centuries, facilitating a meaningful transition between this incremental process and slow and often outside legal frameworks and taking a quantum leap of creating affordable formal options is very tough without policy and financial back up. Communities themselves are fearful yet constantly seeking alternatives. SSNS sees its role as sharing risk with communities and cautiously but continually exploring possibilities.

In a country the size of India, with a federal system and an average 20% of the 35% urban population living in slums, the scope of what needs to be done is huge. Carving a role and measuring its value and impact is both challenging and very difficult in the short term. SSNS carves its role from its mission of being a vehicle that facilitates communities of the poor and their organizations facing habitat challenges. The first step to take on construction is to develop design, financial and management solutions that helps refine the vision of what communities seek to construct. The next step seeks to blend and leverage resources, both financial and through advocacy, to promote opportunity and scope for the poor to become development actors in the construction process. Throughout this process, SSNS and the alliance of SPARC, NSDF and Mahila Milan works closely with state and market agencies to explore projects that are developed and managed by communities, thus seeking to build many bridges across several stakeholders.

Through Slum/Shack Dwellers International (SDI) and the Community Led Infrastructure Financing Facility (CLIFF), these explorations get an opportunity to interact with similar institutions across Asia and Africa to share and exchange ideas, strategies and reflect on future possibilities. As SSNS completes 15 years in the coming year, we are still waiting for a deeper alignment with financing strategies to work for the poor.

Sheela Patel
Secretary
SPARC SAMUDAYA NIRMAN SAHAYAK
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i) OUR PROJECT PORTFOLIO

Housing

TDR financed projects, Building Typology, In-situ or Relocation:
The Slum Rehabilitation Act of Mumbai provides market-based incentives to landowners and developers and additional incentive to NGOs to participate in rehabilitation projects. The density bonuses are given in two forms: on site floor space index (FSI) increases (sale units) and transferable FSI increases (in the form of TDR). Households do not make a financial contribution. Their agreement to allow their present dwellings to be torn down is seen as their contribution in lieu of their investments of the past. Earnings from TDR and the sale of market-rate housing are used to pay for construction costs; but a more important contribution of SRA is to provide security of tenure for slum dwellers.

Government subsidy projects, Low-medium rise, In-situ:
Most slum upgrading projects are currently subsidized under a central government scheme known as BSUP (Basic Services to the Urban Poor). Under BSUP, 90% of the cost of a house is subsidized by central, state and city governments and 10% is collected as community contribution. Mahila Milan facilitated a policy change to ensure that only kachha (those with tin roofs) houses are eligible to receive subsidies in three cities where they have taken projects. The general policy requires city to select localities and most cities have chosen to build ground plus three stories to relocate households from existing slums.

Sanitation

Community Toilets:
In 1998, through advocacy efforts of the Alliance to provide sanitation facilities to urban slum dwellers, the Municipal Corporation of Greater Mumbai (with World Bank funding at the time) called upon NGOs to demonstrate pilot slum sanitation projects. Since, then the alliance has constructed several toilet blocks across Mumbai using the funds provided by the authorities and has had several impacts on sanitation policy. One of the strategies of the alliance is the formation of community based organizations to manage the toilets after construction which is now part of a policy requirement.

Incremental Upgrading

Loans for Upgrading:
As subsidies from government fail to reach scale (in terms of slum dwellers it has benefited) and as examples continue to show that households invest in upgrading their homes with or without government support, SSNS is beginning to focus more on providing individual loans to households for housing repair, upgrades or toilet additions.
2012-13

[Kanjurmarg - 3, Mumbai] [Oshiwara, Mumbai]

[Yerwada, Pune] [Bhubaneswar, Odisha] [Puri, Odisha]

[MSDP Lot 9, Mumbai]

[Bangalore Region, Karnataka]
## ii) PROJECT STAGES

### GOVERNMENT ROLE

<table>
<thead>
<tr>
<th>SUBSIDIZED HOUSING</th>
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<tbody>
<tr>
<td>In-situ housing and infrastructure upgrading of temporary houses in a slum under BSUP (Basic Services to the Urban Poor) scheme</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>01 LAND</th>
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</thead>
<tbody>
<tr>
<td>Sites selected on land either Self owned or by government. Land is provided on lease to the cooperative of slum dwellers after upgrading is complete.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>02 PROPOSAL: Design &amp; Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on surveys, eligible households are identified and detailed project reports indicating house designs and settlement infrastructure plans and costs are prepared by consultants hired by the municipality. Then a tender is released to obtain a contractor.</td>
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</table>

<table>
<thead>
<tr>
<th>MARKET FINANCED HOUSING</th>
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<tbody>
<tr>
<td>In-situ or Relocation, Slum redevelopment under the Slum Rehabilitation Scheme of Mumbai</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>01 LAND</th>
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<tbody>
<tr>
<td>Own, private or government land Lease agreement to provide land to the cooperative of slum dwellers.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>02 PROPOSAL: Design &amp; Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>70% slum dwellers must agree to redevelop. Mahila Milan and NSDF are part of the decision making process along with SSNS to set up its project management team with the financial team, architect, engineer and contractor during proposal stage.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SUBSIDIES FOR TOILET BLOCKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community toilet blocks under MSDP (Mumbai Sewage Disposal Program) and NMMR (Nirmal Abhiyan)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>01 PROCUREMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on rough survey where SSNS/SPARC is generally involved, tender is released for construction of toilets in certain wards of the city. SSNS bids and if granted the project, begins work.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>02 FINALIZING SITES</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 days Sites listed in tender are finalized through community meetings. A demand letter is raised and sent by SSNS to MSDP. 22 days After site visits by all engineers an NOC is issued by the MSDP chief engineer. Land clearance is obtained from the municipality &amp; SSNS engineers.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LOANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Repair, Upgrade Individual Toilet addition</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>01 LOAN APPLICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>02 FINALIZING HOUSEHOLDS</td>
</tr>
</tbody>
</table>
03 PROCUREMENT: Re-Survey, Re-Design with community

SSNS bids for the contract and after winning, with Mahila Milan updates surveys based on actual site conditions and re-design layouts based on community needs.

04 CONSTRUCTION

SSNS sets up a project management unit comprising engineers and architects and Mahila Milan contractors to oversee the design and construction.

05 HANDOVER & MAINTENANCE

SPARC and Mahila Milan remain involved to maintain savings groups and support households in adjusting to their new house. Support also provided for society registration.

03 PROCUREMENT

Proposal submitted as per SRA guidelines is reviewed and letter of intent issued by the SRA followed by a commencement certificate.

04 CONSTRUCTION

SSNS pursues this in 2 ways:
1) As a joint venture, where construction is done by a developer with his own money, under SSNS-Mahila Milan supervision.
2) SSNS puts its own money and hires contractor to construct under its supervision

05 HANDOVER & MAINTENANCE

As per SRA, the developer puts in 20,000 per household towards maintenance but this money is only released to the society after they registration. SPARC and Mahila Milan remain involved to maintain savings groups and support households in adjusting to their new house.

03 CBO FORMATION

Work order is issued after site finalization. Then, Community based organizations are formed by SPARC/Mahila Milan in the finalized sites, families identified and payment collected to issue family passes for toilet usage

04 PROPOSAL

Design with communities and approval of layout

05 CONSTRUCTION

Some part of the project is taken up by Mahila Milan contractors with SSNS support

06 HANDOVER & MAINTENANCE

Handover MoU between CBO and member families. CBO is in charge of maintenance.
### iii) PROJECT FINANCING

<table>
<thead>
<tr>
<th>SUBSIDIZED HOUSING</th>
<th>Primary Financing</th>
<th>Secondary Financing</th>
</tr>
</thead>
</table>
| In-situ housing and infrastructure upgrading of *kachha* houses (houses with tin roofs) in slums under BSUP (Basic Services to the Urban Poor) scheme launched in 2006 | Under the BSUP scheme:  
90% Government Subsidy (central, state, city)  
10% Community Contribution  
Cost of project—house and infrastructure—is pre-decided by the government in the tender and differs from city to city. | CLIFF* capital funds for start-up capital as government money will come in only after construction of plinth and at various stages thereafter  
CLIFF* operational funds used for preparatory phase including surveys, community mobilization as these are not included in government subsidies  
SPARC/SSNS Revolving funds |

<table>
<thead>
<tr>
<th>MARKET FINANCED HOUSING</th>
<th>Primary Financing</th>
<th>Secondary Financing</th>
</tr>
</thead>
</table>
| In-situ or Relocation, Slum redevelopment under the Slum Rehabilitation Scheme of Mumbai formulated in 1995 | 100% cost generated for the builder by two density bonuses after construction of rehabilitation housing: on site floor space index (FSI) increases (sale units) and transferable FSI increases (in the form of TDR) will be decided by the government during the tender and is transferable.  
Cost of project is decided by the builder. | CLIFF capital funds for start-up capital before TDR is released. TDR is released at various stages of construction.  
CLIFF operational funds for preparatory phase including surveys, community mobilization  
Joint ventures are being sought for projects  
Bank loans and guarantees |

<table>
<thead>
<tr>
<th>SUBSIDIES FOR TOILET BLOCKS</th>
<th>Primary Financing</th>
<th>Secondary Financing</th>
</tr>
</thead>
</table>
| Community toilet blocks under MSDP (Mumbai Sewage Disposal Program) and NMMR (Nirmal Abhiyan) | 100% cost of toilet is provided by MCGM (Municipal Corporation of Greater Mumbai) for the MSDP program or by MMRDA (Mumbai Metropolitan Regional Development Authority) for the NMMR program.  
Cost of project—construction and mobilization is placed as a bid during procurement. | CLIFF capital funds for start-up capital  
CLIFF operational funds for preparatory phase including surveys, community mobilization  
SSNS/SPARC Revolving Funds  
Bank loans and guarantees |

<table>
<thead>
<tr>
<th>LOANS</th>
<th>Primary Financing</th>
<th>Secondary Financing</th>
</tr>
</thead>
</table>
| Housing Repair, Upgrade Individual Toilet addition | Collective Loan to Mahila Milan groups that select households with a history of savings to disburse individual loans.  
SSNS/SPARC Revolving Funds given as collective loan. 1% interest charged per month. | None |

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*CLIFF (community led infrastructure finance facility), is managed by Homeless International, a U.K based NGO and in 1998, SSNS became its first Indian partner.*
### 2012-13

[ALL FINANCES ARE IN INDIAN RUPEES]

Note that CLIFF -1 funds are capital and operational grants and CLIFF-2 are returnable funds

<table>
<thead>
<tr>
<th>Location</th>
<th>Housing Units</th>
<th>Toilets</th>
<th>Project Cost</th>
<th>Funds Required</th>
<th>Utilized</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pune BSUP, phase 1</td>
<td>750 total</td>
<td>204</td>
<td>22.5 crore</td>
<td>5.8 crore</td>
<td>CLIFF 1</td>
<td>4.9 crore + Revolving funds- 89 lakhs</td>
</tr>
<tr>
<td>Pune BSUP, phase 2</td>
<td>428 total</td>
<td>65</td>
<td>11.55 crore</td>
<td>2.9 crore</td>
<td>CLIFF 2</td>
<td>2.9 crore</td>
</tr>
<tr>
<td>Bhubaneswar BSUP</td>
<td>242 total</td>
<td>160</td>
<td>5.36 crore</td>
<td>3.3 crore</td>
<td>CLIFF 2</td>
<td>79 lakhs + Revolving funds- 2.5 crore</td>
</tr>
<tr>
<td>Puri BSUP</td>
<td>164 total</td>
<td>33</td>
<td>3.52 crore</td>
<td>1.2 crore</td>
<td>CLIFF 2</td>
<td>80 lakhs + Revolving funds- 36 lakhs</td>
</tr>
<tr>
<td>Nanded BSUP</td>
<td>210 total</td>
<td>93</td>
<td>3.7 crore</td>
<td>1.9 crore</td>
<td>CLIFF 2</td>
<td>64 lakhs+ Revolving funds- 1 crore</td>
</tr>
<tr>
<td>Oshiwara 2, phase 1</td>
<td>1036 total</td>
<td>complete</td>
<td>16.6 crore</td>
<td>4.27 crore</td>
<td>CLIFF 2</td>
<td>2.56 crore + other sources</td>
</tr>
<tr>
<td>Kanjurmarg 3</td>
<td>100 total</td>
<td>9 ongoing</td>
<td>100 total</td>
<td>4.27 crore</td>
<td>CLIFF 2</td>
<td>2.56 crore + other sources</td>
</tr>
<tr>
<td>MSDP Lot 9</td>
<td>100 total</td>
<td>9 ongoing</td>
<td>28 crore</td>
<td>4.27 crore</td>
<td>CLIFF 2</td>
<td>2.56 crore + other sources</td>
</tr>
</tbody>
</table>

**Housing Loans:** 4 new individual housing loans, 6 loans carried forward

**Toilet Loans:** 21 individual toilet loans carried forward

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1755 housing units

1948 housing units

100 toilet blocks

4 housing, 21 toilet
iv) PROJECT NOTES

Odisha, Puri BSUP, Total 164 units, 33 ongoing, 20 completed

3 Settlements: Gokha Sahi, Mangala Sahi, Mishra Nolia Sahi
The construction is being facilitated by UDRC (Urban and Development Resource Centre), a local NGO that works with the Mahila Milan and Slum Federation groups in Odisha and is supported by the SPARC alliance.
Work is ongoing in Gokha and Mangala Sahi
In Mishra Nolia Sahi discussions with households are being held to share land to build houses as individual plots are small

Odisha, Bhubaneswar BSUP, Total 242 units, 160 ongoing, 93 completed

1 Settlement: Nayapalli Sabar Sahi
The Bhubaneswar BSUP was the first in Odisha and is nearing completion. However, across all sites even in Puri, the municipality is deducting taxes before releasing the subsidy amount. This reduction, in addition to cost escalation (which is not paid for by the municipality) is slowing down the work.

Mumbai, Oshiwara II, phase 1, Total 1036 units, 1036 completed

Mumbai, Kanjur marg III, Total 912 units, 456 completed

Mumbai, MSDP 3, Lot 9, Total 37 blocks, 9 ongoing

Zone 1 & 2 (Colaba to Dharavi, A to E, F(N), F(S), G(N), G(S)), 20 toilet blocks, 5 work orders after NOC issued of which 2 began construction, one of these has a stay order from the court, the other was demolished as neighbouring CBOs claimed toilet was built on their land
Most slums in these zones are seeking to be rehabilitated under SRA projects and so do not want community toilet blocks. All 25 demand letters were sent by SSNS to MSDP a month back for clearance to build toilets.
Zone 4: (jogeshwari(w), gorgaon(e),(w), malad(e),(w), k west, p(s), p(n), 40 blocks total contract, 21 work orders issued after NOC, 1 under construction
Zone 7: 11 work orders issued after NOC, 3 under construction

Mumbai, MSDP 2, Lot 8, Total 150 blocks, 35 cancelled, Project completed

Mumbai, MMR toilets, Total 367 blocks, Project completed

Pune BSUP, phase 1, Total 750 units, 204 ongoing, 345 completed

Pune Mahila Milan have taken on a large role from planning to design to construction, setting several precedents in community led projects. An effective partnership with the Pune municipal corporation produced a tender that set guidelines to allowed NGOs to apply for the project and this has since been replicated in other cities.
In the local elections in 2012, the corporator for the sites under BSUP phase 1 was not re-elected and he withdrew all his contractors assigned to the project, putting undue strain on Mahila Milan to complete construction. NSDF AND Mahila Milan have brought in construction management support for these projects from Bombay to retain the pace of construction.
Cost escalation and taxes deductions from the payment to be released for construction by the Pune municipality has had severe financial implications resulting in a slow down of the work.

Pune BSUP, phase 2, Total 428 units, 65 ongoing, 90 completed

Land clearance issues for Chandramanagar took some time to sort out. Design of the house typologies also took time with some 5 revisions in 2 years before a final plan was approved by the residents. Construction is yet to begin in Chandramanagar but ongoing in Shantinagar.

Nanded BSUP, Total 258 units, Project Complete

This project was taken on by the alliance from earlier contractors upon request by the Nanded municipality who had seen the Pune project and wanted to replicate the same successes in Nanded as well.

Bangalore Region, 287 housing loans, 30 toilet loans to individuals
Acknowledging the need to bridge the financing GAP in the potential for community driven construction and its facilitation, DFID (UK) and SIDA (Sweden) created a fund to make available capital and grant finance to community organizations who demonstrated the potential to take on construction.

The fund, CLIFF (community led infrastructure finance facility), is managed by Homeless International, a U.K based NGO and in 2000, SSNS became its first Indian partner. As a global financing facility, CLIFF seeks to develop knowledge, advocacy and scaling up of what community driven construction can achieve at each country level and facilitate exchanges to explore what knowledge and strategies can be transferred, adapted or refined.

In phase 1 of CLIFF, SSNS used subsidies or grants or market finance in combination with CLIFF capital and operational funds to see its projects through. Unlike other CLIFF partners, SSNS blends its finances and so uses CLIFF in a much smaller percentage to fund its projects. The alliance has been involved in policy making linked to many of the projects it undertakes. As a result of Capital and grant funding by CLIFF designing projects and working at scale has been possible.

This year marked a turning point for SSNS as CLIFF changes it lending terms. As of 2012, it was decided to make all CLIFF funds to SSNS returnable.

SSNS is now working out a strategy by which CLIFF funds can be returned.

For one, we are seeking to close our market incentive projects under the slum rehabilitation scheme to generate money to be revolved into other projects. For this, we are exploring bank loans secured by HI guarantees.

CLIFF loans (with a lower interest rate) will be used to on-lend for subsidy based projects and incremental loans to communities for individual sanitation and housing.

The CLIFF support is critical for these projects especially where surpluses can be generated to cover deficits and capital requirement of other (sanitation and subsidy based) projects.

SSNS has also set up a project recovery team to recover money from municipalities for its older projects. This requires meeting certain compliances and procedural issues that are now being streamlined to make recoveries faster (Refer page 16).

FIGURE 1
CLIFF stakeholders board visit to BSUP in-situ upgrading project in Pune, India Savita Sonawane, Pune Mahila Milan leader explains the federation process and SSNS support to the CLIFF partners
All donors and implementing partners of CLIFF (India, Philippines, Kenya, Malawi, Tanzania, Bukina Faso, Angola, Zimbabwe) and funders (DFID, SIDA) meet twice a year to discuss business plans and exchange ideas and strategies.

This year the CLIFF stakeholders board meeting this year was held between 4th and 9th February, in India and Nepal, bringing together 40 people representing 9 organizations around the world, that are funded under the CLIFF program.

In India, Pune and Mumbai projects were showcased for their community processes, key tools and partnerships undertaken by SPARC, SSNS, NSDF and Mahila Milan.

On 6th February, the CSB moved to Nepal where the remainder of the meeting was concluded. On day 1, each organization reported their achievements in the past year and presented their business plans for 2013-14. On day 2, Homeless International presented their analysis of each organization’s progress and plans.

**CLIFF Partner Exchange**

LUMANTI (Nepal) requested an exchange visit to learn about setting up a non-profit arm, similar to SSNS. In March 2013 (25-29th). Two members of the Lumanti team (Lajana Manandhar and Upendra Shakya) were in Mumbai and Pune for 5 days to learn from the SSNS team.
Upgrading Organizational Systems

**SUBSIDY PROJECTS**
A review of projects within the overall SSNS portfolio shows that projects whose major capital costs are covered by subsidies need a more systematic compliance procedure. Internal and Statutory auditor teams continually visit ongoing subsidy-based projects in Pune to review the project team’s systems of voucher keeping, reporting, bank procedures, maintenance of agreements, contracts, billing municipalities and subcontractors. Nanded, Puri and Bhubaneswar have improved their reporting and billing systems since past reviews, resulting in more timely payments.

Regular meetings of the **Construction Council** are being held to build skills in construction and project management. Federations in Pune and Bhubaneswar support nearby federations in the cities of Nanded and Puri respectively. Pune has also become a learning hub for groups in Nasik, Bangalore and Ahmednagar for construction.

A **Project Management Unit** is set up in all cities where SSNS has ongoing construction projects. The unit comprises professional consultants hired to provide engineering and architectural services. Mahila Milan and NSDF work closely with the PMU.

**MARKET INCENTIVE PROJECTS**
These projects require improved management especially to supervise construction contractors. Compliance issues with existing market-financed projects are being resolved to close older projects and recover incentive TDRs. Systematizing how we obtain compliances and meet legal requirements is part of the organizational goal to recover pending project costs and revolve them into other new projects.

**TOILET BLOCKS**
As part of the requirement by the municipality to release subsidy money towards a project, is a checking at all stages of construction and a final joint measurement to be done by the municipal engineer and the SSNS engineer. To ensure a more efficient process of keeping track of sanitation blocks, all measurement books for ongoing projects have been codified and databases created. This will also be done with all old sanitation projects. Based on this experience, a joint measurement system is being set up to aid monitoring construction, finances and legal compliances of projects, to ensure timely release of payments.
Recovering Project Costs

The Project cost recovery team especially for subsidy projects has much to contribute to make present ongoing projects more efficient.

Hadapsar 1 Pune Subsidy housing: Many original beneficiaries died so we are sorting the heirship/property transfer issues. Several flats are occupied by unauthorized persons and we have to work out a legal procedure for this. Recovered INR 1.56 lakh, Balance: INR 8.23 lakh from MHADA 5 cases being cleared by MHADA and PMC. Balance 6 cases left.

Hadapsar 2 Pune Subsidy housing: Recovered INR 14.44 lakh, Balance: INR 13.98 lakh from PMC Balance amount has been sanctioned by PMC – 49 cases are being cleared by PMC and MHADA. Remaining 5 or 6 cases.

Pimpri Chinchwad Municipal Corporation Toilets: Recovered INR 69,467 in 2012, No balance left

MMR Toilets: Recovery team comprising of S.K Joshi and Sundar Burra have held meetings with the nodal officers and architects to review the strategy for each ward. Recovered INR 54 lakh, 64,747 in 2012

BSDP (lot 6&7) Toilets: Recovered INR 29 lakhs in 2012, Balance INR 50 lakh. SSNS now has access to the engineer’s measurement books for each toilet block which lists out payments for each block. We are using this to reconcile deductions made with our accounts.

Vizag Toilets: Re-started discussions to recover money for 1 toilet block caught in court case. Full amount pending of INR 9 lakh 40,000 was released in Nov 2012 against a bank guarantee issued by SSNS to the municipal corporation.
Operation and Maintenance: what happens after construction?

**Housing**

**Land Tenure**
In all instances the alliance began undertaking construction to ensure secure tenure. Throughout the actual construction phase negotiations for changing procurement and construction standards on one side and developing mechanisms by which the cooperative of community members gets the land lease remains the focus.

**Allotments**
Once construction is complete, the municipality issues a completion certificate after which allotment takes place. To ensure that social networks are not disturbed, the Alliance helps in the formation of community groups before shifting and enables that these groups are shifted into the same buildings. However, allotment is done by the SRA using a lottery system.

**Society Registration**
After occupation, all families are required to submit an allotment letter and minimum 4 to 5 ID proofs, to the society registration office. This process can take 8 months to a year. After an initial awareness meeting, 11 members, who are heads of the household as per survey and government annexure list, are elected to form a society.

**Maintenance**
In Market incentive projects, the developer has to pay Rs.20,000 per household for maintenance. This money is deposited with the Slum Rehabilitation Authority after construction is complete, and only released till the households move in and form a registered society.

Knowing that it takes 4-5 years at least for households to ‘learn’ how to adapt to these types of buildings and save, SSNS contributes funds towards maintenance for at least one to two years.

In subsidy projects, the community is responsible for maintenance costs once construction is completed. This is financed from money they contribute at the beginning of the project and maintenance fee they pay per month.

A community based organization of 11 members from the settlement in which the toilet is to be built is set up prior to construction to oversee the maintenance. Family passes are issued to households and some also charge a user fee for passersby, both contributing to the maintenance. A caretaker is appointed for every toilet for daily maintenance.

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**Figure 3**
SPARC and PRATHA teams update officials from the municipal corporation including Mr. Rathod, Mr. and Mr. Jagtap, on the progress of the toilet survey.
Maintenance issues play a major part in measuring the success of the service delivery. Structural anomalies or modifications either need acknowledgment and therefore consideration in future designs or upgrades to improve structural fallacies.

Thus, the project entails collaborative working by various stakeholders, the outcome of this exercise being a list of actions which will need resolution by the identified stakeholders. The project is planned for execution over a period of 2 years.
Procurement Norms: different strokes for different folks

In 2006, the Government of India announced the BSUP (Basic Services to the Urban Poor) scheme, a subsidy program in which 90% of the cost of a house was paid by government and 10% collected from households in slums. To procure a project, a detailed project report was first prepared specifying the households, designs and costs (i). Then, this was released as a tender document to be bid for by contractors.

Eligibility criteria in the tender made it very difficult for anyone except large construction companies to bid for projects. And as expected, projects were carried out like standard construction work with no community participation and adequate study of present living conditions or need (ii). Many projects have thus been left unoccupied or residents made to forcibly occupy houses that do not fit the way they use space. In the worst case scenario, houses were simply left abandoned as lack of a cost escalation clause made it financially difficult for contractors. Those who stayed committed to finishing the work despite difficult procurement conditions (no cost escalation clause) were smaller organizations, NGOs and community groups who worked with the residents and remain accountable to them.

Despite the commitment shown by NGOs, the government remains favourable to larger, private contractors, indicating it through eligibility criteria and stringent clauses.

In Pune, 4000 G+4/G+7 buildings relocation buildings were built by private contractors under BSUP. Households to be shifted were not consulted and after construction was complete, the identified households did not want to move.

Contractors were paid Rs.4,50,000 per house unit which is Rs. 1,50,000 more than the amount paid to NGOs for construction under the BSUP in-situ project in Pune. The additional amount is came out of the municipal corporation, as an ‘incentive’ to private contractors.

In the meantime, NGOs are struggling under the weight of rising project costs and putting in their own money towards activities beyond the limits of conventional construction—community mobilization, workshops, meetings with households, designing and updating surveys. The value of these activities is yet to be recognized by government within their procurement norms.
In early 2009, SSNS began working with the Pune Municipal Corporation to design a tender that specifically made NGOs and community organizations eligible for the construction contract. Though this resulted in many negotiations and delays, it helps ensure the level of quality control and Mahila Milan’s involvement, enabling transparency and participation throughout the full cycle of the scheme.

In December 2009, Bhubaneswar produced its own tender based on the one in Pune but with several restrictive norms: Unlike Pune, there was no 6-month pre-tender period for community mobilization but this was not factored in the 12-month timeline set for construction in Bhubaneswar.

Design changes were suggested by SSNS as communities were never consulted before the detailed project report was prepared unlike Pune. But this was refused as any change had to go through a lengthy process of government approval which cut into construction time.

No cost escalation clause and SSNS had to put in its own funds. This is the case in Pune as well.

In June 2012, a resolution was passed in Pune to provide a 5% escalation on each house under the in-situ BSUP scheme but is only applicable to those houses built after the resolution date.
Joint ventures for market financed projects

Policy and Financing Pattern

The Government of Maharashtra (GOM), India, passed a landmark slum redevelopment policy in 1995 called the Slum Redevelopment Act (SRA) which made households and businesses in informal settlements eligible for market-subsidized rehabilitation housing and commercial units, pending proof of residence. Under SRA, anyone can propose to develop rehabilitation housing – private developers, NGOs or the residents themselves – provided there is agreement from the landowner and 70% of the residents. SRA provides market-based incentives to encourage landowners and developers to participate. NGOs are given additional incentives to encourage their participation in rehabilitation projects. The density bonuses are given in two forms: onsite floor space index (FSI) increases (sale units) and transferable FSI increases (in the form of TDR). Households do not make a financial contribution.

FIGURE 5
The earliest members of Mahila Milan, Laxmi Naidu, Sagira Banoo and Shenaz get ready for phase 2 of Milan Nagar rehabilitation housing

OPPORTUNITIES

Earnings from TDR generated through market financed rehabilitation projects and the sale of market-rate housing are used to pay for construction costs; but a more important contribution of SRA is to provide security of tenure for slum dwellers. In Mumbai, where more than half of the population lives in slums, this market-based cross subsidy scheme provides far more households with formal, secure and affordable housing. The SRA scheme also frees up land for relocating households from untenable slums along the roads, pavements and railways.

The goal of the SPARC alliance is to create the following opportunities:
- Dialogue with financial institutions to support these projects
- Study of the impact of market financed buildings on households
- Systems that support management of the buildings by cooperatives and challenges
- Recommendations for government to improve and refine the policy to scale up
- Adoption of the policy to make the strategy work in other cities and countries

HOW WE WORK

SSNS is exploring 2 ways in which to participate in market financed projects:

1] SSNS partners with a Developer who puts in his own finance and constructs. The role of NSDF, MM and SPARC is to mobilize communities and SSNS to provide technical assistance. TDR % will be split between SSNS and the Developer.

CLIFF funds (up to 20%) will be used as a buffer if the developer walks out of the project and SSNS must put in its own finance and find a contractor to construct – this will then turn into TYPE 2 TDR projects.

2] SSNS puts in own finance and does community mobilization but partners with an agency to do the construction. CLIFF funds (up to 40%) will be needed here.
Kanjurmarg 3
In 2008, letter of intent for beginning construction was granted. This project is sanctioned for 912 units, 4 buildings, G+12 and G+13, units of 269 sq.ft. An FSI of 4 is allowed for the project due to higher densities. In 2010, a tripartite agreement was made between SSNS (as developer), Renaissance Infrastructure Pvt. Ltd. (as contractor) and Catapult construction (as architect) with the understanding that TDR generated from the project would be divided between the two parties.

After construction, buildings will be handed over to MMRDA (Mumbai Metropolitan Regional Development Authority) with whom the list of people to be shifted will be decided. Two buildings of the planned 4 are nearing completion so far.

Milan Nagar Phase 2
In 2006, under phase 1, 88 families from Byculla pavements were rehabilitated into a Mahila Milan designed and constructed building, G+4, 225 sq.ft. Land was given on lease to the society formed by the rehabilitated households by MHADA.

Soon after, 69 railway project affected households were shifted on site into temporary housing by SPARC and on request of the State housing department. These households have since been rehabilitated elsewhere thus clearing the land for construction of the remaining 3 buildings at Milan Nagar.

For this, explorations are being carried out with SPACPL (Shirish Patel and Associates) to be the project management consultants. Banks have been approached to provide a loan, secured by a guarantee through Homeless International.
Subsidized housing projects

Policy and Financing Pattern

Most slum upgrading projects are currently subsidised under a central government scheme known as BSUP (Basic Services to the Urban Poor). BSUP was initiated in 2005 as a sub-scheme under a larger program known as JNNURM (Jawaharlal Nehru National Urban Renewal Mission). About 63 cities were covered under BSUP, whose main thrust is on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to provide utilities to the urban poor. Under BSUP, 90% of the cost of a house is subsidised by central, state and city governments and 10% is collected as community contribution. The projects may be relocation or in-situ. In in-situ projects, only kachha (those with tin roofs) houses are eligible to receive subsidies. The subsidy is provided for a new house altogether with specifications provided by the city municipality. Every city has different specifications for housing which explains the use of load bearing walls in Odisha but R.C.C. structures in Pune.

FIGURE 6
Pune Mahila Milan are constructing and managing the in-situ upgrading project in Pune with SSNS support. Their example has encouraged other women’s groups in other cities to build similar capacities.

OPPORTUNITIES

SSNS takes up subsidy projects that focus on in-situ upgrading to demonstrate that if the intervention is done early, pathways can be expanded and public facilities can be integrated more easily. In almost all cases, early attempts to be permitted to take on these projects were not possible as all procurement criteria excluded NGOs and communities. Finally, when no one else would take up construction and lack of a cost escalation clause made the projects unattractive for the commercial contractors, municipalities invited NGOs to participate.

SSNS bid for and was awarded the contract to upgrade slums under BSUP in Bhubaneswar, Puri and Pune during 2009-10. In 2011, SSNS was asked by the Nanded municipal corporation to take over housing projects left abandoned by contractors to whom it was tendered. Sites in several other cities also face the same problem as projects were sanctioned by government in 2006-7 but contracted only in 2009 leading to a rise in construction costs that could not be covered by the cities as a cost escalation clause is not included in the tender.

HOW WE WORK

For the Indian alliance, this remains a vital area for learning and intervention. Through demonstration of community led practices, every project has the potential to become learning grounds for other cities and communities and build our own capacities.

In projects undertaken by SSNS, the first tasks are updating information on the project that is given by the municipality but is usually outdated: physical surveys, identifying eligible households, re-designing proposed layouts to meet the needs of people. SSNS bears these costs through its own revolving funds as it is an activity outside the “upgrading” contract provided by the municipality. Capital costs for construction also have to be borne by SSNS till the plinth level, after which the municipality must release money at every stage. City officials are still grappling with working with NGOs and community groups and often delay payments.

Unlike commercial construction, community driven construction takes longer and consultations and seeking agreements is a process that cannot be expedited to fit management time lines.
Ongoing Subsidy Projects

Pune, Yerwada
A part of the construction of 750 houses in 7 settlements is being carried out by Pune Mahila Milan as contractors and site supervisors. The remaining houses were given to the local corporator’s own appointed contractors. In the 2012 local elections, the corporator was not re-elected and he withdrew all his contractors from the project which had to be taken up by Pune Mahila Milan to complete. This has put undue strain on Mahila Milan as they also have more houses under phase 2 to finish but limited contractors.

Under phase 2, 428 more houses are given to SSNS in 2 settlements. Land clearance for one settlement, Chandramanagar, took time to negotiate. Design of the house typologies also took time with some 5 revisions in 2 years before a final plan was approved by the residents.

Odisha: Bhubaneswar, Puri
Construction on some houses has been delayed as there is no repayment from the households. SSNS/UDRC will construct till the roof level but not complete finishing work till the community contribution is paid.

Across all 3 cities, the municipality is deducting taxes before releasing the subsidy amount. This reduction, in addition to cost escalation (which is not paid for by the municipality) is slowing down the work.
Community Toilets

**OPPORTUNITIES**

Community toilets demonstrate to cities the possibility to reach out to slum dwellers at scale while developing SSNS and federation capacity to manage projects. By and large, almost all projects carried out under such schemes are contractor-led and it is the aim of the Alliance to demonstrate through the project, a community-led approach that is successfully implemented.

**HOW WE WORK**

Initial grant funding was used to explore community-led pilots. The Alliance constructed a community toilet block based on the designs it had implemented earlier in Pune. The toilet had latrines for men and women, specially designed children’s latrines, a community hall and a caretaker’s room on the upper floors.

This was a success and in 2001 the Slum Sanitation Project (SSP) was launched using this model that encouraged NGOs to participate. Through the SSP, more projects were carried out under the Mumbai Sewage Disposal Program (MSDP), funded by the World Bank in phase 1. It’s success enabled us to leverage municipal government funding in the second phase.

The Alliance developed a strategy where the slum in which the toilet is to be built forms a community based organization of 11 members to manage the toilet afterwards. The federation and Mahila Milan do surveys, identify locations for toilet blocks, work with architects/engineers for appropriate designs and take on construction contracts.

These strategies have demonstrated a community-led process that are refined and scaled up with each project. One important impact has been the inclusion of these processes within policy. In 2006, the MCGM changed procedure so that formation of a CBO is imperative prior to construction.

For the first decade and a half, the focus has been on constructing toilets. Through out that process the challenges of constructing these facilities remains huge as bulk infrastructure, land tenure issues and creating capacity within the municipalities, within ourselves and communities had to be undertaken while taking on these complex processes.

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**FIGURE 7**

Underground water tank and septic tank shuttering in progress at Nazir chawl, Poisar, R (South) Kandivali, Mumbai
MSDP-3, Lot 9, Mumbai Construction

Under lot 9, SSNS has a contract to construct 100 toilet blocks with a 100% addition to this number if sites are found with the need for toilets. One of the main challenges has been in forming community based organisations amongst slums to maintain these toilets, particularly as many sites are going up for redevelopment under the Slum Redevelopment Act (SRA).

Under lot 9, the Municipality has implemented S.A.P (Systems Analysis Program), whereby all billing details are available online and shared with SSNS, enabling more accurate and transparent Management Information Systems (MIS).

MSDP-1, Lot 6&7, Mumbai Toilet Assessment

SPARC-SSNS have begun a survey of toilets built under MSDP, Lot 6&7 in 1998-2003 as part of its project management services to the municipal corporation that calls for an assessment of the condition of these toilet blocks. This survey of around 340 blocks is being carried out by SPARC and PRATHA, another NGO.

MSDP-3, Lot 9, Mumbai R&R

SPARC has been allotted the contract to oversee the relocation and rehabilitation of project affected people during construction of toilet blocks under lot 9 in dense sites. The construction is being undertaken by both SSNS and PRATHA.
Getting involved in Design: Detailed Project Reports

Policy and Financing Pattern

As JNNURM draws to a close in 2013, the government plans to take the subsidy scheme to phase 2 in which BSUP will be called RAY 1 and IHSDP will be called RAY 2. The difference lies in the subsidy to be provided. 50% of the cost of a house will be subsidised under RAY by the central government, states will acquire the land, cities are left to decide how much, if any, contribution they will make towards the house and households will put in 10%. The challenge is that to recover the remaining 40% of the cost of the house, most cities are being pushed into PPP schemes that only work in cities where the price of land is worth being invested in by developers.

FIGURE 8
In December 2012, a community meeting was held in which the site analysis of Shantinar was explained to the residents to generate a discussion around design alternatives using the available funds for Rajiv Awas Yojana.

OPPORTUNITIES

In 2009-10, SPARC/SSNS bid for and won a contract to build houses in three slums each in Bhubaneswar and Puri. In both cities, the DPR had been prepared by the corporation in 2006 without community consultation and contained outdated information that had been put together much before the contractor was selected.

SSNS, updated the beneficiary lists, carried out a new total station survey of the site and reworked out house typologies with the households who were to receive the subsidies. However, these costs were borne entirely by SSNS and the time taken to update the information cut into the 15-month deadline for construction.

Keeping in mind the above challenges, when RAY was announced in 2009, SSNS sought to change the DPR preparation and procurement process to include communities in the decisions regarding house designs and settlement layouts, from the very start. The challenges that RAY presents however begin from the procurement stage itself. Some of these are highlighted in the following paragraphs.

Although RAY has opened up the empanelment for DPR preparation (a scope not present under BSUP), the criteria for selection of consultants makes it very difficult for NGOs or community-led organizations to be empanelled. Thus, all the other empanelled agencies are large-scale organizations with no experience of working with communities and the risk is that DPRs will continue to be prepared with no relation to the actual site or households needs.

When projects are announced, the empanelled consultants are required to submit their financial bids for the project based on which they are selected as the DPR consultant. Once selected, the consultant is expected to produce a DPR within 16 weeks. The scope of work for the DPR is much too extensive for smaller organizations. An added burden is a financial one – most smaller organizations will have to outsource parts of the work but the municipality pays for the cost of preparing the DPR only if the proposal is sanctioned by the central government. Thus, organizations have to put in their own money to prepare an extensive report and may never get paid if the project is not sanctioned by the centre.
In November 2011, the Pune Municipal Corporation has asked SPARC/SSNS to take up the Shantinagar slum to prepare a detailed project report for upgrading under RAY. An assessment carried out in 2012 by SSNS and Mahila Milan revealed most of the 114 houses to be of good quality, only 25 houses are kachha, there are two community toilet blocks, no individual toilets.

**Pune, Dhankawadi**

In 2012-13, we received two opportunities in which to participate in DPR preparation: 1) Empanelment in Odisha along with 10 other organizations as DPR consultant and 2) Appointment by Pune Municipal Corporation along with two other NGOs to work in selected slums in Dhankawadi ward.

The challenges faced were:

- Criteria for selecting the slum was unclear especially as community did not want redevelopment, houses were fairly well built and had previously received subsidies under an earlier scheme.
- **RAY, in its current financial set up, subsidizes the cost of a house by only 50%. 10% is the minimum contribution of households, which leaves 40% of financing to be sought from other sources or left to the households to pay.**
- Costs for preparing the DPR had to be put in by SPARC/SSNS with the repayments coming in only if and after the DPR was approved by the central government.

**Preparation of a Detailed Project Report**
Incrementality

**OPPORTUNITIES**

Rather than attempting to bring mortgage finance down to the level of the poor, the Alliance is exploring ways to deepen and further develop the existing strategies through which the poor upgrade their homes, and examine what aspects they can undertake through loans themselves and which are the areas that require state intervention of policy and financial investments.

Slum settlements where housing is of better quality, may choose not to upgrade houses but take loans to invest in other necessary amenities or to gain access to water and sanitation facilities.

Solutions to this issue could include increasing the contributions by beneficiaries, and SSNS seeking affordable loans. It is our position, that for most of the urban poor whose houses and amenities have to be improved, the poor can only afford borrowing money (regardless of who lends) in small amounts and incrementally upgrade their own dwellings.

With community access to loans, the reach of government subsidies can be doubled, while continuing to provide opportunities for communities to participate and build capacities to manage their own development.

**HOW WE WORK**

So far, SSNS has been able to disburse loans to needy families to the extent of 720 loans for constructing individual or group toilets, and 712 loans for incrementally upgrading the houses as part of its support to incremental growth. Average loans vary from Rs. 5000 to Rs. 10,000 per individual for toilets, and Rs. 8000 to Rs. 40,000 per individual for housing. Revolving funds from the pool of various funders is utilized for this purpose.

In 2012-13, negotiations were begun with ACUMEN fund to explore loans for incremental housing but this has not come through.

Individual housing and toilet loans have been successfully trialed in Bangalore by SSNS and have the potential to be replicated in other cities and to reach communities where city governance does not have the funds/motivation to subsidize slum upgrading.
Ullal
Households were relocated 15 years ago onto this private land on the city fringes and provided a 15’x20’ plot of land, with no basic amenities. Today, there are 500 houses and 100 Mahila Milan members. A Rs.10,000 loan for a toilet is disbursed in two phases. It takes 10 days to build a toilet with self labour and Rs.1200 is the fee to connect the toilet to the sewage line. 10 loans were given 6-7 years back and 30 more loans recently.

Martha, Mahila Milan leader
Martha used a Rs. 10,000 loan SSNS to add a toilet inside her house.

Loan Stories & Studies
This year, the proposal to CLIFF to support loans to 129 households in 4 slums in Bangalore has been approved. The target households are those receiving 90% subsidies under the JNNURM-BSUP scheme and have to make a 10% contribution for which they need upfront money. Ongoing loan repayments to individuals for housing and toilet addition/repair continue in Karnataka. We highlight some examples below.

Rajendra Nagar
Households were relocated onto this municipality land and given allotment papers but no patta. Today, there are 150 Mahila Milan members. 30 housing loans, 10 repair loans have been disbursed.

Murdu Swamy
Rs. 2 lakh loan to build over existing house and place on rent. He has paid back Rs. 1 lakh, 50,000 already.

SSNS has documented the stories of 50 households spread across 10 slum settlements in Mumbai and Pune to record Incrementality, that is, when people upgrade, why they upgrade and how they upgrade. A publication is being produced.
10
Strategic Collaborations

KRVIA (Kamla Raheja Vidyanidhi Institute of Architecture), Mumbai
Dharavi re-development project: based on early conceptual designs developed with communities in sub-sector 1 of sector 4, a proposal is being put together for submission to the SRA (Slum Redevelopment Authority) for approval.

Nanded Studio: Students of the Masters in Urban Design program carried out a studio project in Nanded.

CEPT (Centre for Environmental Planning & Technology), Ahmadabad
Discussions with the School of Planning and Architecture to include courses/studio on the topic of informal habitats. The SPARC alliance plans to develop case studies of its work to be used as coursework for the planning program at CEPT.

Manchester University
Discussions to influence policy through working on impact of upgrading with participation is being explored and in July 2013 we are planning for phase 2 of the BSUP study carried out last year by the Alliance.

Outreach

DASRA Foundation
A philanthropic organization that networks with not-for-profit organizations on sanitation issues. SSNS was one of the 11 organizations shortlisted to be featured in the DASRA magazine (out by October end) and is in the selection process to receive funds for sanitation work: repair of existing toilets, construction of ‘pilot’ projects, capacity building for project management services and other soft costs.

HOLCIM Forum
The 4th annual HOLCIM forum was held in Mumbai this year with over 500 participants the world over. SPARC participated in the Blue Workshop themed “Maintaining strengths while upgrading informal habitats”. Sheela Patel presented her paper on 11 April and on 12th SPARC hosted a site visit to its Mankhurd relocation projects for over 60 people.

Ministry of Housing and Urban Poverty Alleviation organized a training program for RAY city and state cells in Bhubaneswar where the Alliance Bhubaneswar BSUP project was the basis for showcasing a participatory approach to upgrading.

World Urban Forum 2012: Representation by SDI members with the focus this year on sanitation.

Pune Mahila Milan visit to Uganda to support toilet projects.
Visits to Pune from: Community groups from Unnati, Gujarat, SDI groups from Kenya and South Africa.

December 2012: BSUP study findings presented at a workshop organized by YASHADA in Raipur.

December 2012: BSUP study findings, lessons for RAY and SPARC pilots to be presented at a capacity building workshop for municipalities in Odisha.

February 2013: Meeting with Ministry of Housing and Urban Poverty Alleviation in Delhi.
FROM ABOVE LEFT, CLOCKWISE

FIGURE 10 Discussion at KRVIA on the Dharavi Redevelopment Project
FIGURE 11 Savita Sonawane, Pune Mahila Milan leader and other SDI members advocate for toilets at the World Urban Forum in 2012
FIGURE 12 Manchester University meeting to discuss prospects of collaborating on a research study with SPARC-SSNS
FIGURE 13 HOLCIM participants at Milan Nagar, Mankhurd
The 2011 census indicated some interesting features of India’s demography. While over 3000 locations were deemed census ‘towns’, the state governments did not pronounce them to be urban. Industry and manufacturing was moving to rural locations, which urban employment was turning informal. Infrastructure investments, although boosted through JnNURM, were way behind need according to the Ahluwalia committee report. Paradoxically, the reviews of JnNURM indicate that absorption of financial outlays for both habitat and city infrastructure are inadequately absorbed due to poor planning and lack of capacity.

The lack of acknowledgement by all levels of government of the urgency to translate rhetoric to reality in addressing the issues of habitat for those living in slums, is a big blow to aspirations for the urban poor. These aspirations for inclusion in cities can quickly turn from patient hope to destructive anger.

The construction industry is constantly seeking market solutions and obtaining concessions from policy in the name of the poor, thus demonstrating a complete lack of governance to make the necessary concessions to produce scale.

In the midst of these overarching negative trends, SSNS seeks to survive and leverage its frugal innovations to bring the state and market to work with the urban poor. Making deals, taking risks to explore possibilities others do not, and beating new paths with solutions emerging from the processes that NSDF and Mahila Milan explore with SPARC, has been SSNS’s mission.

This mission uses the blend of unconventional wisdom, starting with what poor communities seek to take on and legitimate this within the shelter space.

This decade has added many new challenges that we will have to explore in the coming years. Climate linked issues are now central to the construction of habitat. Construction material, access to potable water, impact of flooding, drought cycles and lack of robust infrastructure are all challenges that press upon the pursuit of the basic habitat of the poor.

Unconventional wisdom is the need of the hour in order to balance aspirations of the millions of urban poor and their needs, with norms and standards that guide development in urban areas. Converting what is ‘exclusive’ and ‘excluding’ and making it inclusive now has many more safety linked and environmental challenges to incorporate.
These possibilities have to be explored by ‘doing’. Through trial and error, through negotiation and experimentation, early expressions of change will be refined into new possibilities. The SSNS commitment is deeply embedded in this process and its touchstone is to create these bridges between communities of the poor, the state and the market.

From 2013-14, SSNS will join with SPARC, NSDF and Mahila Milan to deepen and sustain this momentum across more states as the country awaits the next national and many state elections in 2014. It is time to strengthen our message, our strategy and our processes so that when the new governments fall into place it deepens the possible involvement of the poor in transforming our cities.
## Annexure a: Housing and Sanitation Project Tables

### ONGOING

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<th>Project Name</th>
<th>Total House Units</th>
<th>Ongoing</th>
<th>Completed/Finishing Stage</th>
<th>Per Unit Cost</th>
<th>Project Cost (est.)</th>
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### SANITATION

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### COMPLETED

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## Expenses till March 2012

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<th>Expenses till March 2013</th>
<th>Income till March 2012</th>
<th>Income till March 2013</th>
<th>Balance to be Received</th>
<th>Bridge Funds till March 2012</th>
<th>Bridge Funds till March 2013</th>
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## Expenses till March 2013

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<th>Bridge Funds till March 2013</th>
</tr>
</thead>
<tbody>
<tr>
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## Income till March 2012

<table>
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<th>Bridge Funds till March 2013</th>
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</thead>
<tbody>
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## Bridge Funds till March 2012

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<th>Bridge Funds till March 2012</th>
<th>Bridge Funds till March 2013</th>
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</thead>
<tbody>
<tr>
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<td>16,59,30,120</td>
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## TDR Due

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<tr>
<th>TDR Due</th>
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## Bridge Funds till March 2013

<table>
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<tbody>
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## Expenses till March 2012

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<th>Expenses till March 2012</th>
<th>Expenses till March 2013</th>
<th>Income till March 2012</th>
<th>Income till March 2013</th>
<th>Balance to be received</th>
<th>Bridge Funds till March 2012</th>
<th>Bridge Funds till March 2013</th>
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</thead>
<tbody>
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<td>39,89,45,241</td>
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<td>22,92,73,448</td>
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## Income till March 2012

<table>
<thead>
<tr>
<th>Income till March 2012</th>
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<tbody>
<tr>
<td>39,89,45,241</td>
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## Bridge Funds till March 2012

<table>
<thead>
<tr>
<th>Bridge Funds till March 2012</th>
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<tbody>
<tr>
<td>22,92,73,448</td>
<td>16,59,30,120</td>
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## Bridge Funds till March 2013

<table>
<thead>
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<tr>
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## Expenses till March 2012

<table>
<thead>
<tr>
<th>Expenses till March 2012</th>
<th>Expenses till March 2013</th>
<th>Income till March 2012</th>
<th>Income till March 2013</th>
<th>Balance to be received</th>
<th>Bridge Funds till March 2012</th>
<th>Bridge Funds till March 2013</th>
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</thead>
<tbody>
<tr>
<td>11,87,41,064</td>
<td>13,32,54,941</td>
<td>6,89,91,639</td>
<td>7,52,69,014</td>
<td>2,52,44,650</td>
<td>2,52,42,720</td>
<td>5,14,21,057</td>
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<tr>
<td>56,25,000</td>
<td>73,20,320</td>
<td>-</td>
<td>-</td>
<td>29,00,00,000</td>
<td>56,25,000</td>
<td>-</td>
</tr>
<tr>
<td>68,13,49,731</td>
<td>69,00,00,000</td>
<td>54,77,48,626</td>
<td>56,97,92,145</td>
<td>8,58,80,579</td>
<td>16,43,62,556</td>
<td>15,61,76,609</td>
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## Expenses till March 2013

<table>
<thead>
<tr>
<th>Expenses till March 2013</th>
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<th>Bridge Funds till March 2013</th>
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</thead>
<tbody>
<tr>
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<td>237,764,329</td>
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## Annexure b: Housing and Toilet Loan Tables

[ALL FINANCES ARE IN INDIAN RUPEES]

### INDIVIDUAL HOUSEHOLD LOANS

<table>
<thead>
<tr>
<th>Location</th>
<th>Households</th>
<th>Loan Amount (INR)</th>
<th>Balance (INR)</th>
<th>Loan Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NEW LOANS IN 2012-13</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
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<td>Kalyani, Ambedkar Slum</td>
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<td>2012-13</td>
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<td>9,78,959</td>
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<tr>
<td>L.R Nagar</td>
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<td>10,00,000</td>
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<tr>
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<td>2012-13</td>
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<tr>
<td><strong>TOTAL</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Households</th>
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<th>Balance (INR)</th>
<th>Loan Year</th>
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</thead>
<tbody>
<tr>
<td><strong>CARRIED FORWARD LOANS</strong></td>
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<td></td>
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<tr>
<td>Paradeep, Odisha</td>
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<td>3,44,998</td>
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<tr>
<td>Mandia, Karnataka</td>
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<td>Byappanahalli, Karnataka</td>
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<tr>
<td>BDMM, Karnataka</td>
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### INDIVIDUAL TOILET LOANS

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<th>Balance (INR)</th>
<th>Loan Year</th>
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</thead>
<tbody>
<tr>
<td><strong>CARRIED FORWARD LOANS</strong></td>
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<td></td>
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<td>Bangalore</td>
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<td><strong>TOTAL</strong></td>
<td>553</td>
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<td>4,04,773</td>
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</tbody>
</table>
Board of Directors
Vijay Agarwal, Chairman
Sheela Patel, Secretary
Rajesh Tandon
Jockin Arputham
Srilatha Batliwala
M.G. Shekhar
Savita Sonawane

Advisors
Sundar Burra
S.K Joshi

General Manager
Aseena Viccajee

Administration
Kaliyanarayan Murthy
Sutapa Bhattacharya
Mahendra Jagdale
Prashant Bhosale
Kaushik Bhattacharya

Data Managers
Palash Patra
Supriya Bhattacharya
Sanjay Inchalkar

Housing/Micro-Credit
Sunita Waghmare
Mohammad Azhar
Ganesh Muknak

Accounts & Project Management
Rizwan Kalwal

Research and Documentation
(SSNS consultants)
Preeti Banarse
Keya Kunte
(SPARC consultants)
Sharmila Gimonkar
Maria Lobo
Monali Waghmare
Vinod Kumar Rao

Internal Auditors
ANK Financial Advisors Private Ltd.,
Mumbai

External Auditors
Krishnan and Co. Chartered Accountants, Chennai

Project Management Units
Mumbai
Pune
Nanded
Bhubaneswar

SPARC Samudaya Nirman Sahayak
Registration Number: 083780824
Income Tax PAN No.: AABTS8659N

Girgaum, Mumbai 400004
+91 (022) 23865053, 23887566,
23858785

sparcnsdfmm@gmail.com
www.sparcnirman.org

Contributions from Sheela Patel
Aseena Viccajee
Data provided by SSNS team and local project management units
Layout design, Compilation, Writing and Editing by Keya Kunte

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