

Center for introspection & enlightenment

Inspired by the saint from Shirdi

A systemic Framework for a Slumfree India

To Prime minister Narendra Modi and Mr. Madhav Bhagwat

64 million men, women and children of India are living in slums, shanties and on the Roads. Without toilets, sanitation, schools and medical facilities. Living a sub-human life - from birth till death.

CIE urges all stakeholders to come together for alleviating the misery & suffering of the poor.

Enclosed is the 'systemic framework' based on those implemented in USA for building 14 mil homes (called projects in USA)

A project of this size will turnaround the Indian economy , trigger wealth creation process, create employment on a unprecedented scale and contribute towards eradicating material poverty.

It will be a win win for the Govt, Business Industry and the citizens of India.

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Stakeholders list - '***' Govt, legislature, executive, business people, trustees of religious places and all enlightened citizens...

How USA built 14 million homes (Projects) for their poor/slumdweller/Homeless - A 'Systemic framework'

(i) Mission-

- 1) Building 14 million Homes/Housing for the poor/slumdweller/homeless people of India.
- 2) Providing Schools/ Healthcare/PDS for these satellite townships
- 3) Ensure the smooth transition of the slum dwellers to the new homes.

In USA such townships are called "**Projects**"

(iv) Legal framework

To ensure smooth transitioning of slum dwellers to new homes by using laws.

- (1) Defining a dwelling – concrete structures approved by the govt comprising of Living room/kitchen/bathroom/toilet/electricity/water etc
- (2) Making it illegal for Indian citizens to live in shanties/slums/on the roads/old dilapidated buildings etc **(This is the key)**

(v) Minimum requirements of satellite township

- 1) Identifying locations around cities where slums are concentrated for development of satellite towns
- 2) GOVT to provide Govt land, free of cost to the TRUST for the development of satellite townships
- 3) Defining the basic minimum requirement of a satellite township - housing/school/hospitals/shops/community halls/library /playground/parks etc
- 4) Linking them to cities/National Highways
- 5) Specifying the quality of construction/material to ensure consistency across all townships

(vi) Project Execution tips

This is to ensure reasonable profits and encourage growth of small vendors

- 1) Define the roadmap and timeframes for completion of the satellite township projects
- 2) Identify 15-20 large Indian vendors for construction of the satellite towns like TATA, Godrej, Lodha, DLF etc for this massive construction work
- 3) Tendering process and contract clauses to ensure high level of transparency, productivity and efficiency - (CIE is currently working on a white paper based on USA/Canada govt tendering process)
- 4) Fix a max profit margin of 12-15 % of costs for all contracts/vendors with the right to do financial audit of the vendors books.
(ALL USA federal contracts incorporate this clause to ensure financial compliance).
- 5) Specify minimum wage for the construction workers/labourers on these projects with pension coverage, medical facilities and human living quarters
- 6) Mandate the large vendors to sub-contract 15-20 % of the contract value to subcontractor companies ie- Other smaller builders/SSI/SME/MBE etc

This is to ensure quality adherence across all projects by small vendors. And encourage small scale and minority owned business to flourish.

ALL USA Federal govt contract to large vendor have this clause ie Lockheed martin, Northrup Grumman etc.

The large corporations protect and support the growth of SSI/MBE (refer our film 'The American Way. Connecting the dots...')

(vii) Role of Mortgage companies

- (a) Identify Mortgage companies/ Banks to provide mortgage loans to the poor.
- (b) Mortgage companies to provide long term-low interest 30 years mortgage loans to the poor at a very low 'EMI'
- (c) **'Mandatory'** for all Mortgage companies/Banks to provide Loans to low income/ poor people.
- (d) All the loans by the mortgage companies to the poor to be 'underwritten/guaranteed' by the Govt of India/TRUST.

(like Freddie Mac does in USA - **This is the key**)- Refer the housing and mortgage chapter in 'The American Way. Connecting the dots...')

(f) The sale proceeds (Money recd from mortgage companies) of these houses is used to refund the loan to temple trust and repay lending institutions.

- (g) Mortgage companies collect their loan/ EMI's tracked thru UID-Aadhar card linked to Bank account - Just like Equifax etc in USA (Using SSN / Social security number SSN/Credit tracking/Credit history etc) - **This is the Key**

This is exactly how it is done in USA and other developed nations.

Mr Deepak Parekh/Mr Ratan TATA and others Mortgage industry leaders to validate this framework

(VIII) Approx budgeting

1) With 1.38 crores dwellings (shanties/slums) X 500 sq/ft super builtup X Rs 1400/sqft (construction cost including profit).

The total project cost around Rs 7 lacs crore.

2) The apartment will cost Rs 7,00,000. Provide a 30 yr lease with a EMI of approx Rs 2500-3000 pm (bearable for the slumdwellers/poor)

(IX) Transistioning the Slumdwellers

1) Provide a 30 yrs loan/Manageable EMI - They become owners of the new house.with all modern infrastructure

2) Provision for houses/ flats at nominal rent or lease to the poor people.

3) Provide rent /lease to own schemes (Rental payment adjusted against EMI payments schemes)

4) Rent/electricity/water moratorium of one year for the poorest of the poor

5) Free schooling and public distribution system (PDS) unit and guranteed employment - in these townships.

(X) Advantages to slumdwellers

1) Use the land/FSI owned by the slumdwellers for - malls, entertainment parks/centers, commercial offices, universities and specialty Technical institutes

2) The slumowners get an option

(a) Sell their FSI to redevelopment builders at market price.

(b) Group together and participate as equity shareholders in the new ventures on their land/FSI.

(this option explained in the previous emails - 'How USA/Canada resolved their land acquisition problem.

(XI) Eventually moving to Housing Vouchers

Housing vouchershas over the decades, is now one of the primary methods of subsidized housing delivery in the United States..

The program currently assists more than 1.4 million households.

Through the voucher system, direct-to-landlord payments assist eligible households in covering the gap between market rents and 30% of the household's income

But this is step two - after the townships/project were built.

This will be a win-win deal for all - The Govt, Religious trusts, builders, Architects, mortgage companies as well as the poor needy slum dwellers.

All this will trigger economic activity on a massive unprecedented scale.

Combine that with the super multiplier effect.

And it will create employment for millions of people in India.

And contribute towards eradicating poverty.

Best wishes
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Shameful statistics

[1 In 6 In Cities Live In Slums](#), [64 Million India Slum Dwellers](#), [India Census](#), [India Slums](#), [India Cities](#), [India Slum Census](#), [Mumbai](#), [Mumbai Slums](#), [Slum Census](#), [World News](#)

MUMBAI, India — About one in six Indian city residents lives in an urban slum with unsanitary conditions that are "unfit for human habitation," according to the first complete census of India's vast slum population.

More than 40 percent of households in Mumbai, India's financial capital and largest city with 19 million people, are located in overcrowded shantytowns where most residents are squatting illegally and many have little access to basic sanitation.

While the report described open sewers and poverty, it also shows that many slum residents have cellphones and televisions in their shacks and have made do with a lack of government infrastructure by rigging up elaborate, mostly illegal, systems to supply electricity.

Life in Mumbai's slums has been portrayed in the Oscar-winning film "Slumdog Millionaire" and last year's bestselling book "Behind the Beautiful Forevers," but until now India has never had a complete census of its slum dwellers.

There was an incomplete head count in 2001 that only included the country's largest slums. In the 2011 census, survey takers took pains to visit every shantytown – they counted 108,000 of them – and also made detailed records of their lives, according to the report Thursday by census commissioner C. Chandramouli. Detailed information from India's latest census is still trickling out.

The census report identified 13.8 million households – about 64 million people – located in city slums nationwide. That's 17.4 percent of all urban households, which account for roughly one-third of India's 1.2 billion people.

"A slum, for the purpose of census, has been defined as residential areas where dwellings are unfit for human habitation by reasons of dilapidation, overcrowding ... lack of ventilation, light or sanitation facility," Chandramouli said.

New Delhi, the Indian capital, had a relatively low 15 percent of households in slums, while major cities Kolkata and Chennai had 30 percent and 29 percent respectively. High-tech center Bangalore had only 9 percent of its households in slums.

Nationwide, more than one-third of slum homes surveyed had no indoor toilets and 64 percent were not connected to sewerage systems.