Case Study

BONDRE NAGAR REDEVELOPMENT PROJECT

Kolhapur

2025

SA shelter associates

30 YEARS OF EMPOWERING CHANGE
DATA | HOUSING | SANITATION

This case study is based on a real-life slum redevelopment project and is intended for informational purposes only. While efforts have been made to ensure accuracy, the details may change over time. This document is not intended as legal or professional advice.

BONDRE NAGAR REDEVELOPMENT PROJECT

Case study & Guide for implementing slum redevelopment projects under PMAY BLC vertical through Public Private Partnership

CONTEXT

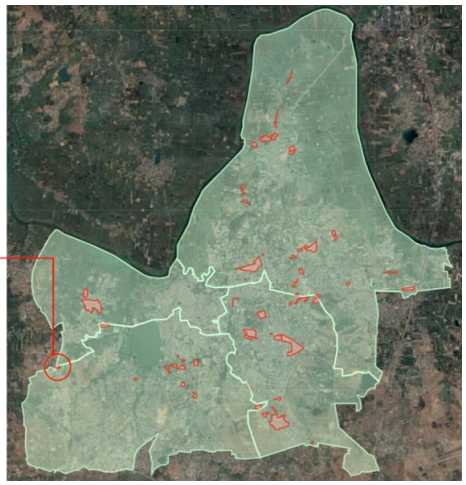
Rapid urbanization and economic growth are leading to a surge in the demand for housing in our cities. To ensure 'Housing for All" in urban areas, the Government's Pradhan Mantri Awas Yojana - Urban (PMAY-U) provides subsidies to all eligible households for building pucca (durable) houses. While Beneficiary-led Construction (BLC) is a popular vertical under PMAY, it is predominantly leveraged by individual families falling under the Economically weaker Section of the society. Shelter Associates (SA) facilitated the redevelopment of Bondre Nagar (BN), a highly vulnerable slum in Kolhapur city (Refer to pages 1-18 of the SA Housing Toolkit for vulnerability index calculations). SA helped the community in facilitating the redevelopment under the BLC vertical, not as individual families but as a cooperative society. This case study outlines the detailed processes, challenges, stakeholders involved, and the role played by the community throughout the project.

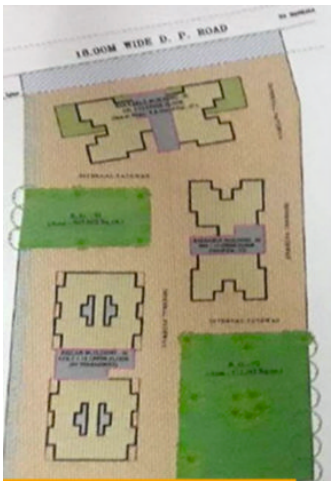
BACKGROUND

Bondre Nagar, located in Karveer district, Maharashtra, consisted of 84 tenements earmarked for redevelopment by the Kolhapur Municipal Corporation (KMC) under Pradhan Mantri Awas Yojana in 2018.

BRIEF DESCRIPTION : BONDRE NAGAR

- Location: Bondre Nagar near Ring Road, Phulewadi, Kolhapur, Maharashtra
- Total housing dwellings : 77
- Tenement Density : 247/Ha
- Plot Area : 3361.47 Sq.m (36,177.5 Sqft)
- Land Ownership : The collector office has transferred the land in the name of beneficiaries.





The original proposal included:

- Two Ground+7 (G+7)towersfor in-situ rehabilitation of 84 families.
- Two G+12 towers under the Affordable Housing in Partnership (AHP) vertical for sale.

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The community rejected this plan due to inadequate consultation and a lack of consideration for their needs. In response, they requested SA's support as a partner. SA had previously worked in Bondre Nagar, implementing the One Home One Toilet (OHOT) sanitation program in 2016, which built trust with the community. As part of the OHOT program, SA had conducted a detailed socio economic survey, which became the foundation for understanding the community's housing needs.

Engaging with residents through community meetings, focus group discussions, and design workshops, SA facilitated an inclusive planning process. The mobilization effort, Initiated in 2016, continues in 2025 as part of the ongoing redevelopment. Given this existing relationship, SA was approached by the community to lead the redevelopment initiative, launching the process in 2018 with a community-centric, multi-stakeholder approach.

In 2021, SA in collaboration with ATECF had conducted city-wide research on social housing in Kolhapur with the objective of identifying vulnerable slums and providing a framework for implementing social housing projects in the city. Bondre Nagar figuring high on the vulnerability index mobilized all stakeholders into action.

Key steps in project coordination:

- Collaboration with KMC: Coordination with the Urban Local Body for project DPR submission.
- Stakeholder Engagement: Regular discussions with PMAY officers, the municipal commissioner, the collector, local councilors, and land records officers.
- Design Development: Multiple design iterations, scaled models, and live-scale mock-ups to incorporate community feedback.
- Awareness & Financial Planning: Workshops on PMAY subsidy stages, cost implications, and savings strategies for long-term financial stability.

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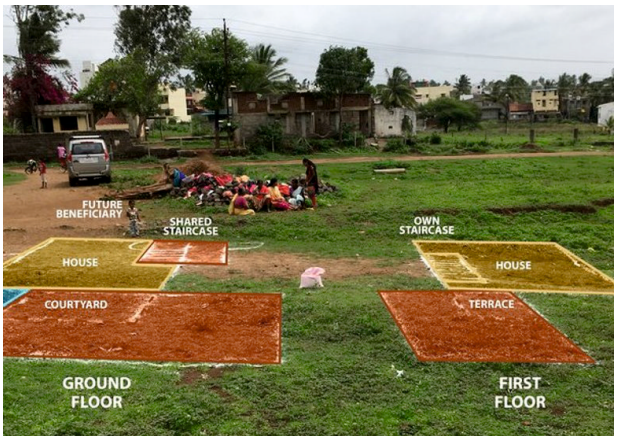
PROJECT OVERVIEW

The Bondre Nagar community, consisting of underprivileged individuals living in poor, unsanitary conditions, faced stigma as slum dwellers. SA's involvement began after the community rejected the PMAY's proposed solution. SA bridged the gap between their needs and government guidelines by engaging them in the design process through door-to-door discussions, mock-ups, and doubt resolution. Various design options, scaled plans, and models were presented to ensure full community participation. The project adopted a multistakeholder approach, liaising with government agencies. SA helped the community understand PMAY's financial aspects, guided them through construction stages, and assisted in forming a Co-Operative Housing Society to apply for subsidy as a group. In March 2022, the project was approved under PMAY's BLC vertical and each of the 77 beneficiaries received a ₹2,50,000 subsidy in 5 stages.



This project is unique because beneficiaries received land in their individual names and obtained the 7/12 certificates. The houses are also registered in the name of the female head of the household. This ensured secured tenure and empowerment for women and future generations of the community.

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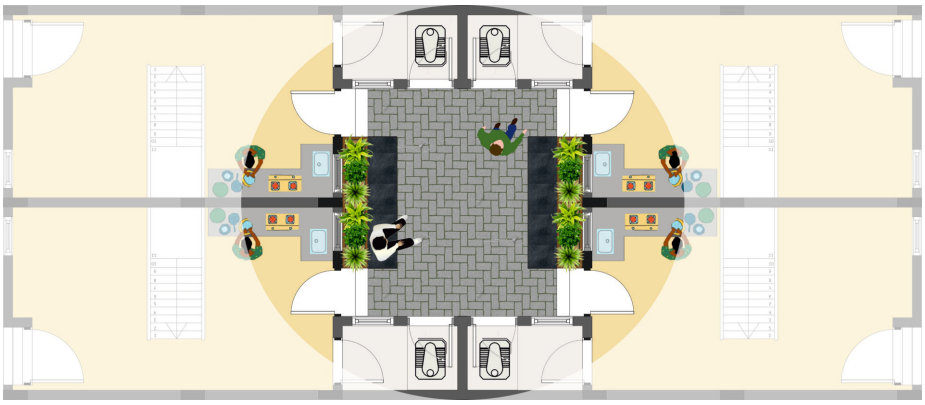
PROJECT PLAN

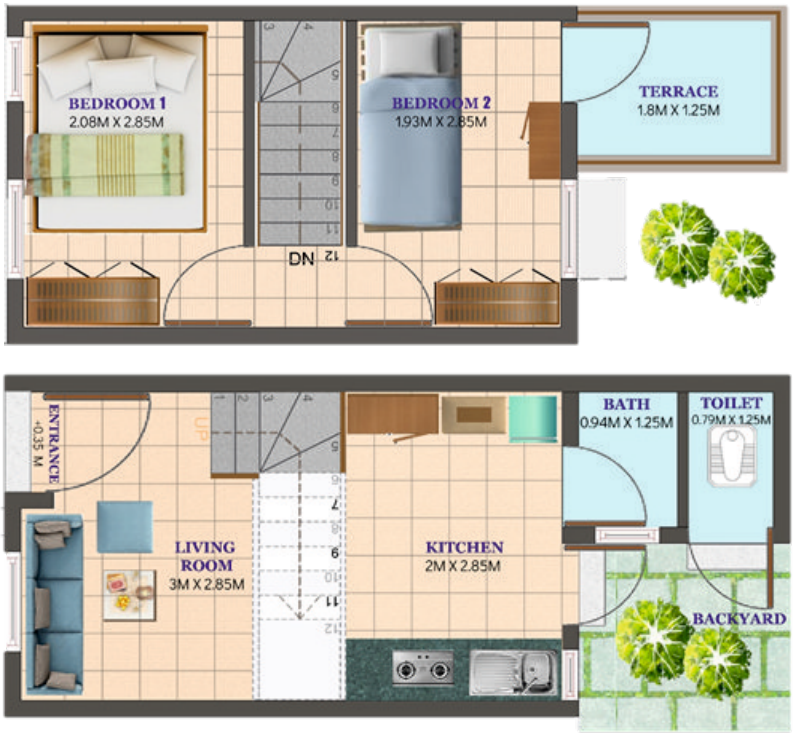
Project drawings showing:

- Shared backyard view
- Open spaces
- Unit plan of G+1
- structure
- Inside view of the structure



Shared backyard view

Open spaces



Unit plan of G+1 structure

Inside view of the structure

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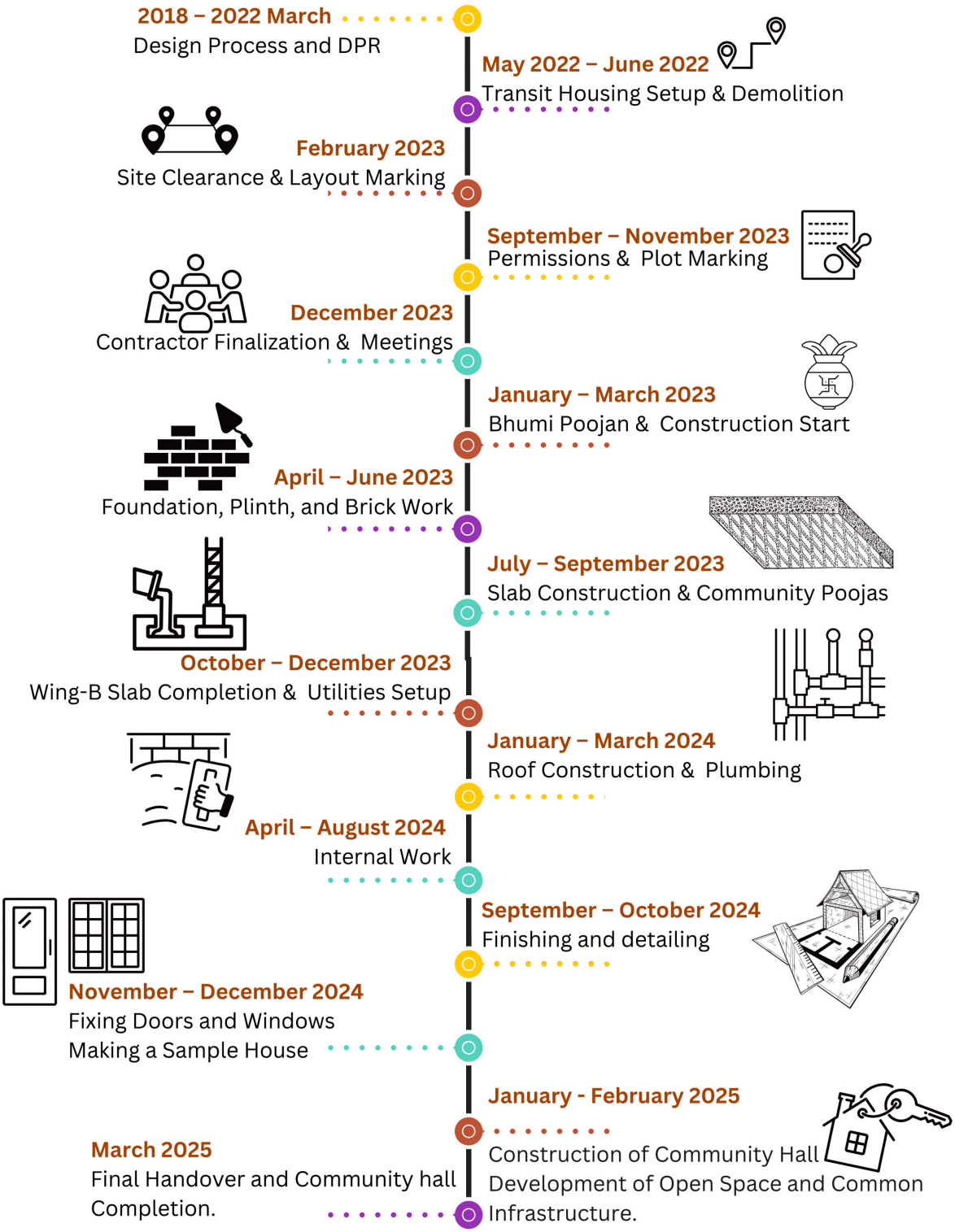
PROJECT TIMELINE



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PROJECT MILESTONES

A. Design Process and Preparing DPR

In 2018, based on the needs and inputs of the BN community, the SA team, including architects, an urban planner, and a structural engineer, presented various design typologies. The designers also considered the mojani map, which showed that the Bondrenagar site had shrunk as there was a proposed Development Plan (DP) road of 18mts that partly overlapped with the existing slum frontage as well as part of the slum had encroached on a neighbouring private property. This affected 22% of the existing dwellings. After receiving the actual Mojani map (survey map), the design was finalized in compliance with town planning norms, setback regulations, and development control rules.

Exhibiting a sense of community and brotherhood, the community members opted for an equal land-sharing model, allowing each G+1 structure to have a 315 sq. ft. carpet area. The structures were arranged in clusters of four, with families agreeing to share a common backyard. Their input, such as having a toilet in the backyard and a staircase within the house, was incorporated into the final design. To ensure transparency, SA engaged the community in life-size planning exercises, allowing them to experience and understand the space before construction. The design incorporated proper natural lighting, ventilation, and open spaces.

SA then submitted a detailed 100-page Development Plan Report (DPR), which included architectural drawings, structural design details, estimated costs, and slum analysis. The Kolhapur Municipal Corporation (KMC) agreed to allocate a budget for essential common infrastructure, including roads, drainage, water, and electricity. Based on the then-Commissioner's recommendation, SA assisted the KMC in applying for the Beneficiary Led Construction (BLC) scheme under PMAY. In March 2022, the DPR received approval from both the state and central governments.

B. Eligibility Determination under the PMAY Norms

Regular meetings were held with the Commissioner, beneficiaries, and PMAY officials to evaluate the best scheme for Bondre Nagar. The PMAY officers followed the prevalent guidelines for shortlisting the eligible beneficiaries and 77 families finally qualified for the housing project. After considering multiple options, the BLC vertical was chosen due to

1. The site's location on the city's periphery, where land values were low, eliminated the need for a commercial sale component.
2. Direct control of the project site by beneficiaries, ensuring only eligible families would reside there.
3. Individual plotownership, enabling secure tenure for residents

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Land Procurement and Registration

- Obtaining Mojani Map
- Approval of layout
- Land Transfer
- Land registration

Since the land belonged to the Revenue Department, SA engaged extensively with the District Collector to secure its transfer for redevelopment. Frequent discussions with the Commissioner and Collector were necessary to navigate administrative processes.

A comprehensive survey was conducted to determine the actual redevelopment area while accounting for the proposed road reservations per the Development Plan (DP) and building bylaws. The land area further reduced as part of the slum had encroached on a neighbouring privately owned property. So the footprint for each beneficiary was then determined taking into consideration the accurate land measurements with reduced areas.

C. Securing Loans for Construction

Under the Collector's directive (Aadesh), beneficiaries had to submit two key documents to secure bank loans:

- Land Registration
- No Objection Certificate (NOC) from the Tehsildar

A loan amount of ₹2,75,000 per beneficiary was sanctioned, but securing these loans required overcoming several administrative hurdles.

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Challenges and Resolutions

- **Stamp Duty Costs:** For land registration, the local authorities were unclear on stamp duty charges, initially suggesting a 7% fee of land value (₹14,000 per beneficiary). SA escalated the matter at the state level to the Inspector General of Registrations(IGR), who clarified that since the land was transferred free of cost, the beneficiaries should only pay ₹100 in stamp duty. To save costs, SA drafted 77 land registration documents in-house, repeatedly modifying them based on evolving official requirements. Over five months, SA liaised with multiple departments, ensuring proper documentation and finalizing land registration at just ₹1,500 per person.
- **Delayed NOC Processing:** The Tehsil office initially delayed could not issue NOCs for all since six beneficiaries' names were missing, requiring SA members to make multiple visits until a separate NOC was generated. It took 2 months of persistent follow up for the NOC to be generated for these 6 families.
- **Mortgage Fee Payment:** Each beneficiary had to pay a ₹312 mortgage fee to SBI Bank. However, the bank's system could process only five receipts per day. To expedite the process, SA coordinated payments across multiple branches, securing all 77 receipts within 10 days.
- **Registration of Mortgage Deed:** Procuring loans was a huge challenge until the local MLA stepped in to help the community procure individual loans from Bank of India (BOI). Once all the documents like beneficiary's details (income, place of work, bank statement, CIBIL score, adhaar card, pan card, co-applicant's details, etc) land documents, bank forms, etc were submitted, the bank issued a list of members eligible to register for a mortgage deed, after which the loan would be granted.
  - The registration had to be done through the Government's online portal which was accessible only in presence of the Tehsildar requiring his biometric information for login. This process was tedious and had to completed only during specific hours everyday (10am to 5pm)
  - Continuous coordination was required between the advocate (who charged ₹850 per family for the legal draft), data entry agent, and Tehsildar, with SA members ensuring maximum entries per day.
  - One member from SA had to be present in each of these offices and coordinate throughout to ensure maximum entries could be made on a single day.
  - The next step required the beneficiary to visit the registration office along with
    - His co-applicants (and their documents)
    - 2 acquaintances
    - 2 witnesses (other than acquaintances)
    - They often arrived late or lacked complete documentation, causing repeated delays. SA had to organize a bank camp within the community to streamline the registration process.

Final Outcome

49 beneficiaries secured bank loans of ₹2,75,000 each.
15 beneficiaries raised funds independently.
13 beneficiaries required additional support through SA's CSR contributions.

D. Banking process

There were three bank accounts that were opened:

- Co-operative Society Account,
- PMAY Account for each family,
- Bank of India Account for each of 49 families that secured a loan.

The PMAY funds were released into individual bank accounts in 5 stages. The contractor wanted his fee to be consolidated into one tranche payment as per the work stages that were defined. Hence each beneficiary had to transfer his/her amount to the Cooperative Society Account to enable this. This was very tedious especially where beneficiaries could not sign cheques and had to rely on thumb impressions for withdrawing cash. The permissible maximum limit of withdrawing cash was ₹25,000 which meant that these families had to go multiple times to withdraw funds and deposit them into the Cooperative account. This also added to the risk of losing money in the transfer process.

E. Construction Process

Since the redevelopment was planned on the same site, beneficiaries had to relocate to transit camps or rented housing. It took six months to demolish the slum after the beneficiaries moved out. During this period, SA finalised the construction contract, awarding it to Mr. Rajendra Divse after consultations with the community. The groundbreaking ceremony took place in January 2023, and construction began in February 2023

Stages of Construction Based on Available Funds:

1. Foundation, Plinth and columns and beams: Covered by the PMAY subsidy.
2. Subsequent Construction Stages: Funded through a mix of PMAY subsidy, bank loans, community contributions, and CSR funds raised by SA.
3. By August 2024, the basic shell of each house comprising RCC work, walls and roofing was complete.

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Completed Works (as of mid-March 2025)

- Site Retaining Wall
- RCC Shell for 77 Families (Foundation, Ground & First Floor RCC, Slab, Roof)
- Common Walls & Internal Services (Water, Drainage, Plumbing, Waterproofing)
- Doors, Window Grills, Bathroom Fittings (Completed for members who arranged funds)
- Internal Plastering
- Internal Tiling, Painting, and Fixture Installation
- All internal plumbing and electrical works completed
- Both coats of external painting completed
- Development of Open Space
- Common infrastructure including Drainage & Water Lines and roads
- Laying Underground Electrical Lines (Funds sanctioned by DPDC)

Development of Open Space

A community hall, designed and funded by renowned architect Shirish Beri through his Humane Equity Fund, was constructed within the designated open space. Complemented by a laterite amphitheater, this area is intended for meetings, functions, and social events, fostering a sense of community and harmony. The Cooperative Housing Society is trained by SA to oversee its management.

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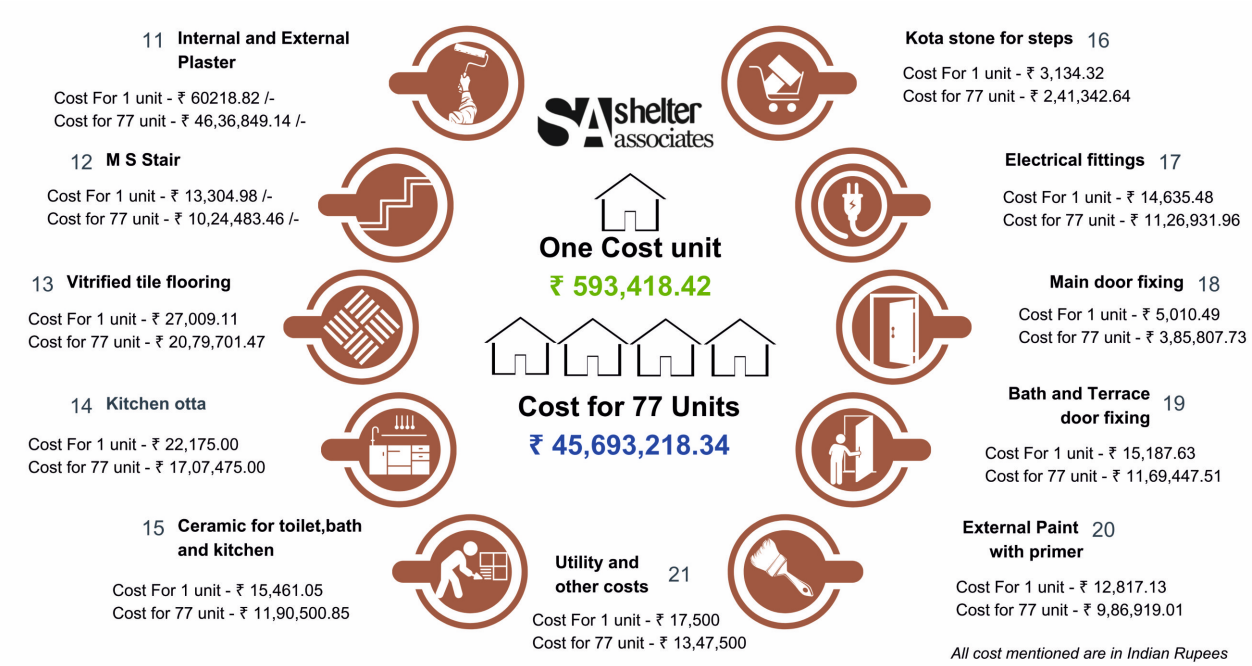
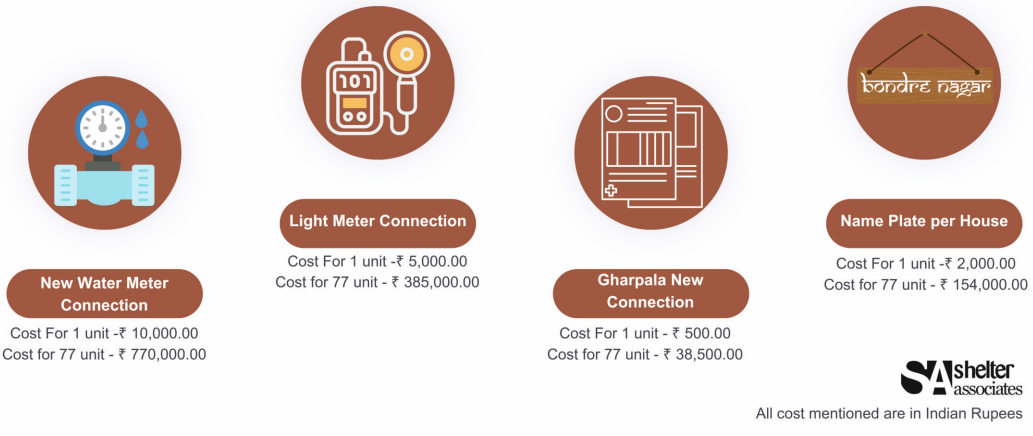
PROJECT COST & FUNDING DISTRIBUTION

The following table shows the detailed expenditure incurred on the project



Break-up for utility & other costs



Community Contribution

The success of this redevelopment project has been largely driven by the proactive involvement of the Bondre Nagar community. Their contributions extended beyond the design and planning stages to active participation in execution.

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a. Monetary Contributions:

- Since there were no official arrangements made for the transit accommodations, community members demolished their own homes and arranged temporary shelters with the salvaged material of their old homes.
- During transit period, 50% built makeshift houses on the designated road adjoining the project site incurring average cost of ₹60,000 per family, while others who moved into rental accommodations incurred costs between ₹60,000 to ₹1,44,000 per family.
- Each family contributed an additional ₹22,000 towards opening new bank accounts, obtaining building permissions, society registration and for installing new electricity meters.

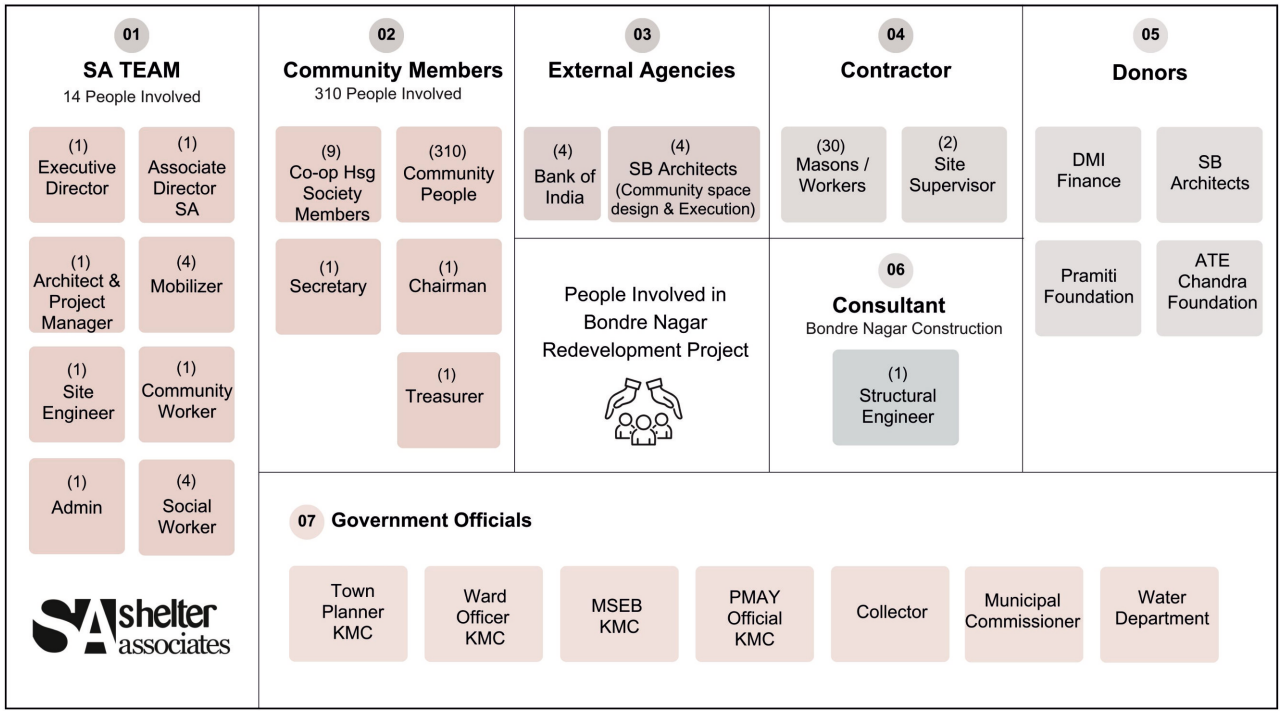
b. Non-Monetary Contributions:

- During construction, community members took turns ensuring adequate water supply, quality control, and overall project monitoring.
- Their participation in these efforts generated sweat equity, demonstrating a deep commitment beyond financial contributions.

Contribution of other Stakeholders:

In some cases, the fees were waived off by the concerned Government departments or were paid through Corporate Social Responsibility (CSR) contributions from A.T.E. Chandra Foundation, DMI Finance and Humane Equity & Fund. Some individual donations came through SA's online crowdfunding efforts.

Following a participatory approach and continuous dialogue, the Bondre Nagar Redevelopment project was completed with the contribution of the following stakeholders



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KEY CHALLENGES & MITIGATION STEPS

A. Program Management Challenges

1. Lack of an efficient administrative framework to manage and monitor project delivery
Mitigation: SA initiated regular progress meetings with key stakeholders, including the Commissioner, PMAY, KMC, and the community. These meetings helped identify and resolve implementation issues, streamlining processes. SA also facilitated dialogue among stakeholders, to raise awareness among them to community challenges, such as procuring documents, selecting contractors and ensuring construction quality. By leveraging its expertise in development communication, social housing, and community engagement, SA simplified processes for both beneficiaries and involved agencies.

2. Delays in disbursal of tranches by PMAY
Mitigation: Even later completion of the geo-tagging process, the tranches were delayed on multiple occasions. SA coordinated with the State Government, KMC and PMAY officials and ultimately the trances were released with active cooperation from the Maharashtra Housing and Area Development Authority (MHADA).

B. Land-Related Challenges

1. Limited Land Availability for Low-Income Housing
Mitigation: SA prepared spatial information using GIS technology to map and collect data related to all slums on government land and identifying tenable land available for development. This data was analysed to give city-wide planning insights for improved resource allocation, and proposing strategies that would ensure that the most vulnerable are not left out of the housing processes.

2. Land Procurement Issues

- **Obtaining Mojani Map:** Initially, the Mojani map was prepared under the Collector's order, but processing stalled due to payment issues. After a month of inaction, SA escalated the matter to the Municipal Commissioner, securing map release after persistent follow-ups.
- **Layout Approval:** The community-selected G+1 layout adhering to all building norms, but approval delays occurred due to a lack of precedent in the state. SA engaged in repeated discussions, revising drawings as required and expediting approvals through continuous engagement with officials.
- **Administrative Turnover:** Throughout the project, SA navigated frequent leadership changes, including four Municipal Commissioners and multiple executive engineers and planners. Each transition required re-explaining project details to ensure continuity. Persistent follow-ups, stakeholder meetings, and timely document submissions ultimately led to layout approval.

3. Land Registration and Stamp Duty Challenges

- **Legal Clarity:** The Collector's directive in February 2022 outlined 22 conditions for land transfer, requiring registration for full ownership. Initially, PMAY and KMC officials suggested that the existing 7/12 extract sufficed, but the bank and legal advisors emphasized the risk of future disputes without registration.

- **Stamp Duty Costs:** Authorities were unclear on stamp duty charges, initially suggesting a 7% fee of land value (~₹14,000 per beneficiary). SA escalated the matter to the Inspector General of Registrations (IGR), who clarified that EWS beneficiaries should only pay ₹100 in stamp duty as the land was transferred free of cost to the beneficiaries. They would additionally need to bear the cost of documentation.

- **Document Processing:** To save costs, SA drafted 77 land registration documents in-house, repeatedly modifying them based on evolving official requirements. Over five months, SA liaised with multiple departments, ensuring proper documentation and finalizing land registration at just ₹1,500 per person.

C. Administrative Challenges

Challenges:
Ambiguous guidelines and understaffed departments led to:
- Slow file processing.
- Unclear cost structures for survey maps.
- Delayed approvals.
- Undefined beneficiary registration requirements.

Mitigation:
SA coordinated between departments and the community, tracking progress at every stage. Clear communication and proactive engagement reduced ambiguity, ensuring beneficiaries were well-informed about paperwork, registration, and financial obligations.

D. Funding and Banking Challenges

1. Funding Gap for Construction

Challenge:
PMAY allocated ₹2.5 lakhs per unit against a total cost of ₹6 lakhs. Community took a loan of ₹2.75 lakhs per family, till there was a significant funding shortfall.

Mitigation:
SA secured additional funding from:

- DMI: Infrastructure support (boundary wall, roof slab funding for select families, and post-implementation hand holding).
- ATECF: Funding for technical assistance, liaison work, and community mobilization over two years.
- Crowdfunding platforms: Raising funds to fill remaining financial gaps.
- Ar. Shirish Beri's Humane Equity & Digital Fund contributed to the design and construction of the community hall

2. Loan Process Challenges

Challenge:
Unclear Bank Processes: Multiple delays due to cumbersome documentation, inconsistent loan processing times, and lack of grievance redressal mechanisms.

Mitigation: SA assisted beneficiaries in navigating bank procedures, guiding them in improving creditworthiness and securing loan approvals. Most families successfully received loans, with the bank disbursing funds in installments.

By leveraging its experience in affordable housing projects, SA played a critical role in demystifying banking and loan procedures, addressing beneficiary doubts, and ensuring successful financial mobilization for the project.

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Project Completion

On the auspicious occasion of the Maharashtrian new year called Gudi Padwa on March 30th 2025, all 77 families moved into their dream homes. Celebrating the day with a grand Vastu Shanti and Gruha Pravesh pooja, the community along with all stakeholders rejoiced the completion of this unique project with renewed hope for a better future.

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CONCLUSION

The Bondre Nagar redevelopment has been a complex yet transformative process, overcoming significant administrative, financial, and logistical challenges. Through community participation, strategic planning, and persistent advocacy, SA successfully facilitated land procurement, funding arrangements, and construction thereby not only providing secure tenure but also empowering the Bondre Nagar community. Having moved into their secure, well-designed homes, the community will now enjoy improved infrastructure, essential services and a thriving community space for harmonious living.

Changing the built-environment changes the perceptions of the society toward the marginalized communities. It leads to their acceptance and gradual assimilation into the mainstream. They can now forever leave behind the stigma of being slum dwellers.

This project is set to have a multi-generational impact & hence its processes and findings should be studied & applied to other affordable housing projects in tier-2 and tier 3 cities in Maharashtra & India.

RESOURCES

1. SA's Social Housing Toolkit:
https://shelter-associates.org/site/wp-content/uploads/2023/06/SA-Housing-Toolkit_09.07.22-1.pdf

2. SA's Citywide Social Housing Research Report:
https://www.shelter-associates.org/downloads/housing/Citywide%20Social%20Housing%20Research%20Project%20in%20Kolhapur_Final%20Report-Revised.pdf

3. SA website: https://shelter-associates.org/

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