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CONSTRUCTION WEEK

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a multi-product SEZ
with **world-class infra**

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GET THE BASICS RIGHT

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IN NATION-BUILDING
THIS SEPTEMBER





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REDEFINING URBANISATION

Anita Arjundas, MD & CEO of Mahindra Lifespaces Developers, tells Niranjan Mudholkar that while urbanisation is inevitable, it is important for us to do it responsibly and sustainably.

What is your analysis of the market?

Every city or region has a different scenario. For example, prices have definitely gone up significantly over the last six months. Most projects are out of the reach of a significant part of the end-users; it is the investors who are buying largely. So the industry is really struggling with getting volumes and registrations, and still no-one seems to want to bring down prices. In fact, many developers have been talking about increments because of the new DCRs. So that's as far as Mumbai is concerned.

And then you have cities like Bangalore, Chennai and Pune, where the industry is doing quite well. You have good off-takes, and decent and steady volumes. The prices have been fairly consistent too. I still continue to see demand in these markets. In the Nagpur market, which we didn't think would be very exciting, we sold around 150 units within five months of launching our first project there. It maintains a steady rate of 25 units a month, which is very good for that market — or most markets for that matter — to be able to maintain that pace. I think it's just been the comfort of a good developer,

somebody who will deliver and execute and not stop midway. Also, people have liked what we have offered. Pricing is right; not overly aggressive.

Credai, your industry body, has been raising concerns about the number of approvals required for a project to take off, and it has been demanding a single-window clearance. Do you think that will help?

The government has to recognise that the whole process of real estate development becomes inefficient due to the time spent in seeking approvals. Moreover, the process is extremely complex and the regulations keep changing, and this has an adverse impact on projects. It involves design changes, modifications in plans and obviously the costs keep escalating. There are several bodies and agencies involved in the process, making it even more complex. For a developer who has bought an expensive piece of land, it is very frustrating. Perhaps a single-window clearance may not be possible due to the complexity of the process but at least there has to be streamlining of the basic rulebook. The rulebook needs to be

“If we are able to achieve scale and build a viable business model targeting the ‘real’ customers in affordable housing, then it will be a game changer.”

clear that once you submit everything required at one stage, then it should move to the next level. There should be no going back to the previous window. A developer should be allowed to move the project at a certain speed and finish it within a certain timeframe.

And there should be uniformity?

Today, the rulebook is so vague that you can read between the lines and then interpret it. There should be no ambiguity. Why should there be things like concessions? The minute you have vagueness then you are creating an environment for interpretation and it is likely to be exploited or misused. But





Chloris at Faridabad

if you have one rulebook that is very clear and straightforward, I think the whole regulatory process will become streamlined and efficient. Importantly, it will serve its true purpose.

Rapid and unchecked urbanisation, coupled with infrastructure deficit and slow progress on new infrastructure projects, is leading the country into chaos. In this light, your Mahindra World City concept of integrated, large-scale development makes a lot of sense. Tell us about this.

The Mahindra World City concept was born out of the need for a solution to precisely the same problems that you have described. In a growing country with increasing urbanisation and industrialisation, how do you provide good-quality infrastructure solutions integrated with social amenities so that the pressure on existing metros is eased to some extent? Urban renewal is increasingly going to be important for India. But urban renewal alone will not serve the purpose. We need

“The rulebook needs to be clear that once you submit everything required at one stage, then the project should move to the next level.”

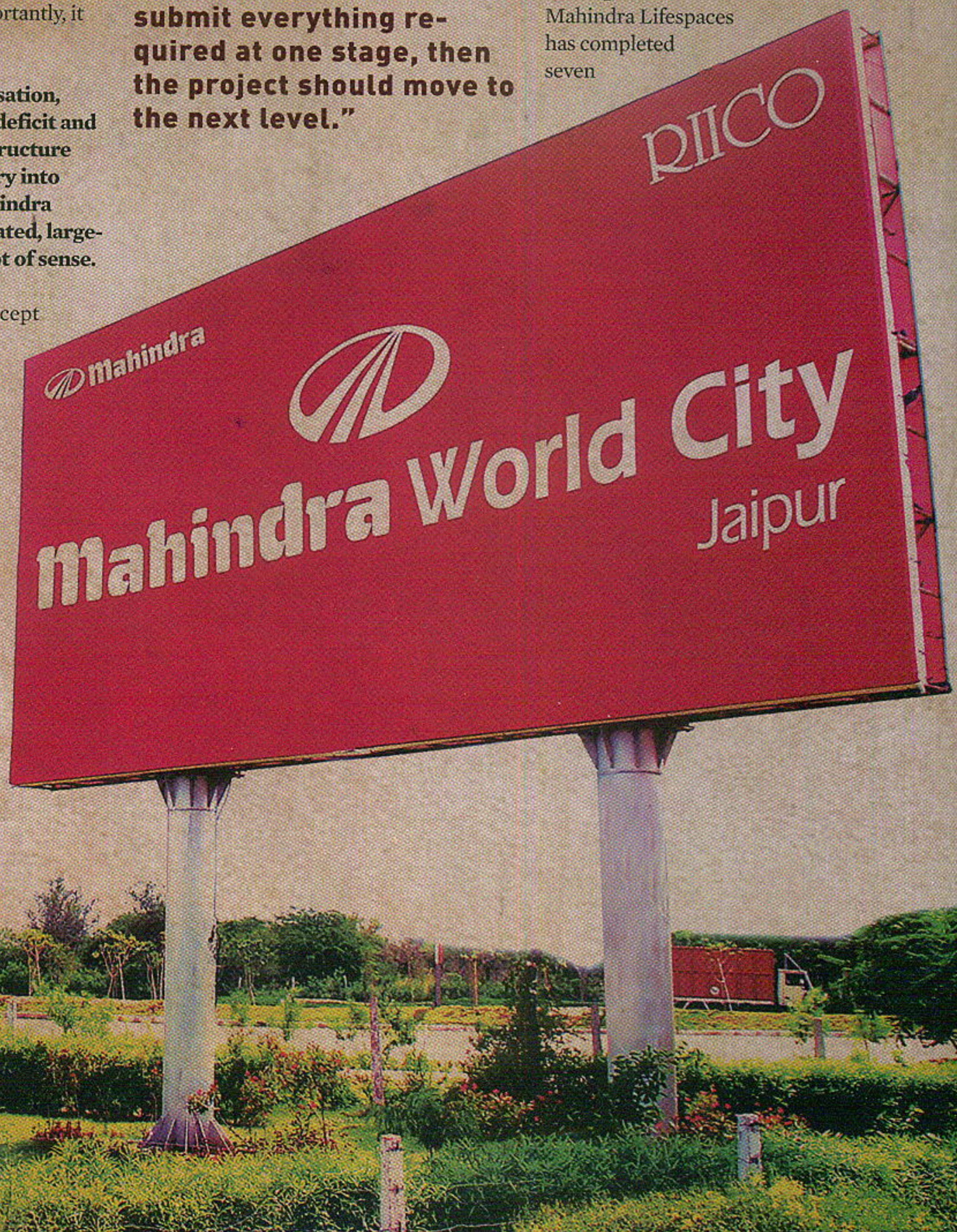
many more new cities to be created. And in a planned and sustainable manner.

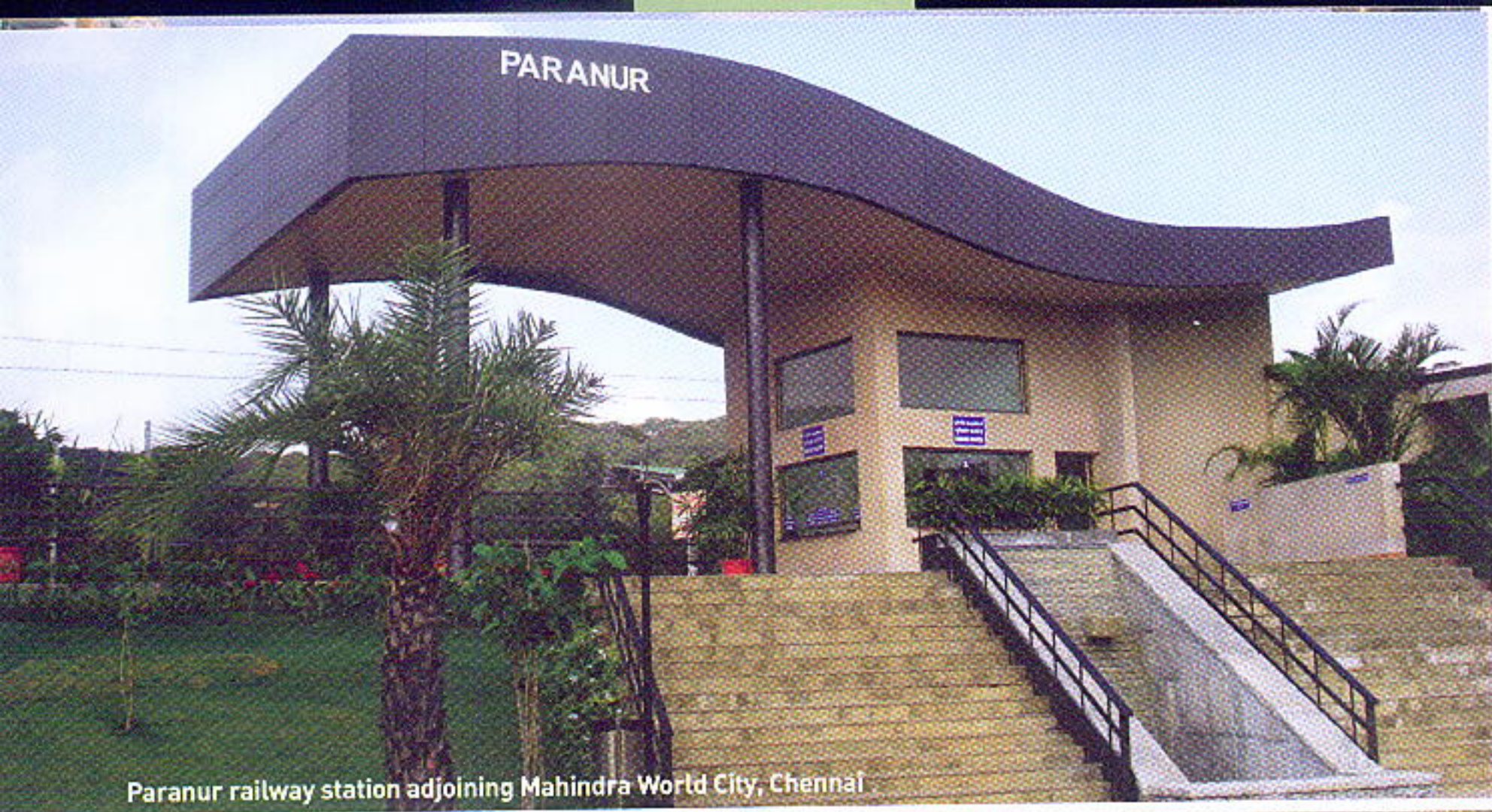
This was the thinking behind Mahindra World City: to create work-live-learn-play destinations that are planned. The idea is to create mixed-use communities enabling not just job creation and economic activity through well planned infrastructure but also helping people to live closer to their workplace while benefiting from an international infrastructure ecosystem.

Today, we have two Mahindra World Cities: the first one in Chennai and the other in Jaipur.

What other key projects are you undertaking? How does this translate into square feet?

Mahindra Lifespaces has completed seven





Paranur railway station adjoining Mahindra World City, Chennai

million square feet of projects over the last 10 years, predominantly in the residential space. Currently, we have around four million square feet of ongoing construction spread across Mumbai [Eminente in Goregaon and Splendour in Bhandup], NCR [Aura in Gurgaon], Nagpur, [Bloomdale in Mihan] and Chennai [Aqualily and Iris Court in Mahindra World City, Chennai]. In addition, we have another five million square feet that is scheduled to be launched in the near future in the above cities, as well as in Pune and Hyderabad. These projects are spread across the mid-market segment and the premium segment offering homes from Rs30 lakh to Rs300 lakh.

Our formats range from single family homes and high-rise apartment complexes to gated communities that are a combination of villas, row houses and low-rise apartments. Space – at the unit level and in terms of common areas – and a focus on healthy living are important aspects of the way we look at design in each of our projects.

“Urban renewal alone will not serve the purpose. We need many more new cities to be created in a planned and sustainable manner.”

Equally important for us is creating sustainable solutions

You are also looking at the affordable housing segment? What are you developing on this front?

Yes, we believe this is an important segment that has been ignored for too long and needs to be addressed in a holistic manner. We have spent the last year studying this space and defining our strategy, including which markets, what project sizes, technology and so on.

We have focused on key issues like the cycle time from start to finish, cost of construction,

MWC JAIPUR

The Mahindra World City in Jaipur is spread over 3,000 acres and houses the largest IT SEZ in the country. It is also a founding project of the Clinton Climate Initiative's "Carbon Positive" cities framework – one of 16 such large-format projects worldwide. Mahindra World City Jaipur today houses over 37 companies, and is a leading destination for the BFSI segment. Still in its early days, Mahindra World City Jaipur has already seen an investment of Rs1,000 crore by Mahindra and the companies within Mahindra World City. Its planners' focus on sustainable development means that the city has been designed to cater to mass transit solutions in later years, if required, as also the use of the city's gray water to reduce fresh water needs and use treated recycle water to meet industrial water needs, chilling plant requirements and for irrigation purposes.



Deutsche Bank Office at Mahindra World City, Jaipur

use of technology, building a strong customer understanding and home finance market understanding to ensure that we can offer a good-value product at an affordable price with easy access to home loans.

We have recently purchased our first land parcel for this space and design development for around 1,000 homes is underway. We hope to launch it during the year, subject to receipt of planning approvals. It is a category that I am personally very keen to see succeeding because if we are able to achieve scale and build a viable business model targeting the real customers, then it will be a game changer not just for us or the industry but for millions of customers who do not have access to housing in the sub 15 lakh category.

Where are you looking to do this?

We will be launching our first two pilots in Tamil Nadu and Maharashtra.

You place much emphasis on green designs. What exactly does green mean to you?

Urbanisation is inevitable, you cannot stop it. As a country develops, more and more people move to urban environments in search of jobs and growth. This has been the trend world over. However, as we urbanise increasingly in India, it is also important for us to remember that we should do so responsibly and sustainably.

“Space — at the unit level and in terms of the common areas — and a focus on healthy living are important aspects of the way we look at design in each of our projects.”

Natural resources are not unlimited and construction activity and energy consumption by homes and offices are among the highest energy consumption levels adding to the carbon footprint. Add to this water use, construction waste generation, and the cost of retrofitting for green, and it is imperative that companies become more responsible about how they design, develop, and manage their projects.

At Mahindra Lifespaces, sustainable urbanisation has been our credo for the last five years and towards this end we have focused our efforts at multiple levels. This includes the way we design our products in terms of studying wind and shading patterns, ventilation factors so as to build a more energy-efficient solution from the drawing board. We also take care of the green features that we build into our products to encourage lower water and energy consumption by our customers — for example low e-glass, sewage recycling systems for use of treated gray water

in flushing and landscaping, low-flow fittings to reduce water consumption, low-VOC paints and roof treatment solutions. Then comes our approach towards procurement: 80 per cent of our requirements come from within a 250-km radius and we have encouraged our suppliers to adopt green practises as part of our green supply chain strategy. Equally important is our approach towards construction — we use a lot of fly ash, re-use construction waste, recycle waste and water to minimise the need for landfill sites, and reduce water consumption. We also approach social sustainability at sites through crèches and mobile schools for construction workers' children, medical camps for the workers, and trade skills programmes.

So as you can see, it is not just about green certifications or green buildings — though we have mandated internally that all our projects will be green buildings — but about looking at the whole value chain and building in the principles of reduce-reuse-recycle across it.

In the Mahindra World Cities we have trained over 3,000 young villagers, who are now gainfully employed, and we have implemented solar energy solutions.

Sustainability, for us, is therefore a way of life. It is embedded in our philosophy of healthy living for our customers in Mahindra Lifespaces and

Home in Sylvan county, MWC Chennai



Timken Bearings - Auto SEZ, MWC Chennai



Srinivasa Fashions - Interior - Apparel & Fashion Accessories SEZ, MWC Chennai





MWC CHENNAI

The Mahindra World City in Chennai is spread over a little over 1,550 acres and is the first integrated city in India in a public-private partnership (with the Tamil Nadu government). Master planned by Jurong Consultants, Singapore and HOK, USA, it is today home to 60 companies. Some of the best companies in the world are housed here, right from BMW, Mahindra, and Nissan from the automotive space to Fujitec, Lincoln Electric, Timken and TVS from the engineering and ancillaries industry. The city has transformed from barren lands to a living, breathing eco-system that has seen close to 30,000 direct jobs being created so far, and over Rs3,000 crore of investment by Mahindra and the companies operating out of Mahindra World City. Exports during the last year crossed Rs4,500 crore. Some of the unique customer projects at Mahindra World City include the Mahindra

Research Valley, a state-of-the-art R&D centre for Mahindra Automotive & Farm Equipment. On the living side, there is a blueprint for a community of 6,000 to 7,000 families, of which 1,500 homes are currently under development as Aquality and Iris Court. Around 200 families already reside in Sylvan County, the first residential community within Mahindra World City, Chennai. The Mahindra World School addresses the educational needs of around 450 children today. Day to day support in the form of healthcare, banks, a pharmacy, department store, laundry services, restaurants and a book store already operate out of the city, and a Holiday Inn Express is under construction. Soon, it will have a community club and a hospital operating. Its endeavours also include a cultural calendar for the city that will involve and engage the community in a variety of arts and activities.



in the creation of integrated and sustainable new cities, through Mahindra World Cities. Finally, it draws inspiration from the Mahindra Group's core brand promise of Rise — driving positive change around us by accepting no limits and using alternative thinking.

Any significant developments that we can expect from Mahindra Lifespaces in the near future?

We are awaiting approvals for some of our new projects. As soon as we receive these, we should see two new projects being launched, in Pune and Hyderabad. I also see this year as one of transition for us. We have invested significantly in building the systems and people processes over the last few years to be able to step-jump as a company, not just in terms of area under execution, projects being sold or financials, but

also in terms of focusing on design and product detailing, product finishes and quality and execution timelines. It is our aspiration to not just be a major player in the industry or a thought leader on sustainability or an innovator in the integrated cities space, but to also be the most trusted brand in the industry on customer centricity and product quality.

The other step-jump for us will be the launch of a whole new business category in the form of affordable housing and our entry into one or two more new markets. Last year, we entered Nagpur for the first time and have seen tremendous response for our project, Bloomdale. It goes to show that if you invest well in the design process and offer a great product at a good price with a steadfastness towards execution, customers are willing to come forward and welcome such a project. **EW**