

COMMERCE AND CONSCIENCE

In her own distinct way, Sangeeta Prasad, MD & CEO, Mahindra Lifespaces, believes in building thriving, sustainable homes and communities

BY JAYASHREE KINI MENDES

Real estate development is an art; art that can spur thinking and translate into action. A piece of land can trigger different emotions in people - probably the reason why some properties continue to stay in demand for many years while others simply do not appeal to buyers. Just like art, there's a need to stay in tune with trends and move with the times. Art mirrors society and prevailing trends and who understands this better than Sangeeta Prasad, MD & CEO, Mahindra Lifespace Developers and member of the Group Executive Board, Mahindra Group.

Prasad has always sought to work with moral sense and make life meaningful in whatever she has been doing. Perhaps this is why Mahindra Lifespaces has a reputation as a leading real estate and construction company in India under her visionary leadership.

The company has been acknowledged as a pioneer in sustainable urban development. Prasad has infused perspective that has strengthened the company's reputation as a customer-focused developer known for its ethos of 'Sell genuinely, Build responsibly and Deliver on time'. This at a time when the hoi polloi thought it was best left to dyed-in-the-wool developers! The edifices built





▲ Mahindra Windchimes offers quality living experience to the community of Bannerghatta Road, South Bangalore, through brilliant architecture.

by Mahindra Lifespaces are a testimony to Prasad's sharp understanding of evolving consumer needs and the carefully cultivated skills that go into making them stand tall.

PRUDENT THOUGHTS

Having made a mark across skylines in seven Indian cities through residential developments; in Jaipur and Chennai with integrated cities under the Mahindra World City (MWC) brand; and in Chennai and Ahmedabad with industrial clusters - ORIGINS by Mahindra World City, Prasad believes in building communities to last. But there's a strategy to do that with skill, deftness and agility. Prasad puts it succinctly, "We have delineated the geographies for the mid-premium residential segment and 'Happinest', which is our affordable housing brand. Primarily, we are looking at Mumbai, Pune and Bengaluru for our mid-premium segment developments as these markets are end-user oriented with good growth prospects. One needs to understand the undercurrents of consumer sentiments in India that are highly local and differ from place to place. Then there are the micro-markets that are a totally different ball game."

She has created guardrails with her team that enable the company to take well-rounded decisions on moving ahead with a particular project. "Taking on a Rs 100 crore project that will mean adding manpower which in the long run will not offer economies of scale, or compel us to take risks and affect the bottom line is not worth the effort. Location also plays a critical role in making or breaking a project. As a person consumed with her work, I make personal visits to sites to breathe in the location and the feel it offers. For most homebuyers in India, home buying is for a lifetime. As a developer, it's essential that we ensure it is a seamless and enjoyable process."

There's a math and science involved in this that could



▲ Windchimes, in Bangalore, offers luxurious features and is surrounded by beautiful landscape.

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sound complex, yet remain simple at its core. The team works out the financial and development model, but that is not the only assumption on which a development works. "As a brand, be it affordable or premium, it's imperative we offer amenities to go with the price. One may build the best of homes, but if it means subtracting a lifestyle, it would play on our conscience," she adds.

Considering the scarcity of land in the markets that Mahindra Lifespaces operates in, how can one best balance its availability and development? Prasad has a solution. "Mumbai has little organic land left for development. But the city offers solutions through subtleties. There's industrial land that could be converted for residential development and is located mainly in the heart of the city; there are 'stressed' properties



▲ Roots, when complete, will stand tall as a 35-floor tower with 126 apartments, in Kandivali in Mumbai.



▲ The world-class infrastructure at Mahindra World City (MWC) Chennai stands testimony to the company's way of execution.

that others might have left unfinished for want of wherewithal to complete; and the third is redevelopment. Of course, none of these aids our cause in moving quickly ahead. But those are the options staring us in the face," she says.

Having said that, MLDL recently launched its residential project 'Vicino' in Andheri (Mumbai) on land that was being used for industrial purposes years ago. An apt location next to the TCS Banyan Park and with the Metro Line III coming up, it made sound business sense with respect to connectivity and other user benefits.

Similarly, the company is also assessing stressed projects. The current ecosystem is inviting consolidation in the real estate domain and Prasad feels this is the right time to step in when there arises a need. "There are developers in the city looking for someone to be their knight in shining armour and help them with incomplete projects. We are appraising such projects where we could step in with our brand capital and do meaningful good. Such projects call for careful consideration in terms of location and buyer interest. But caution is exercised throughout the decision-making process," says Ms. Prasad.

She attributes her judgement to skills acquired in an earlier role where she was responsible for procurement of raw materials, which meant timely, careful and accurate market analysis. Moreover, she asserts that as a corporate, decisions are democratised and not the onus of a single person at MLDL (which standalone developers might lack).

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▲ Lakewoods at MWC Chennai will have nine 14-storied towers, blessed with green open spaces, fresh air, and breathtaking lake views.

SEEING THE WORLD DIFFERENTLY

But residential is not MLDL's only forte. The corporate giant has created a unique proposition in India that has become a bellwether for others to follow, albeit at a smaller scale. The hugely successful Mahindra World City in Chennai and Mahindra World City in Jaipur have created livelihood opportunities for thousands so far and comprise co-located industrial and social zones. Prasad says, "The ethos under which walled cities work is on three pillars – 'Livelihood, Living and Life'. Livelihood comes first, followed by residential and social (the 'Living' and 'Life' aspects). The primary goal is to create jobs, which can only come through investment and create



▲ A glimpse of the balcony at Lakewoods MWC Chennai.

BRANDS USED ACROSS PROJECTS

Electrical

SwitchGear: Schneider, Siemens, ABB, L&T

Wires/Cables: Polycab, KEI

Switches/Sockets: Schneider, MK, Panasonic, ABB

Pumps: Grundfos, Xylem, KSB, KBL

Pipes: Jindal, Apollo

Lighting: Havells, Halonix, Wipro, Philips

Flooring: Nitco, Somany, Johnson and Varmora

CP Fittings: Grohe, Kohler, Jaquar, Roca, American Standard

Paints: Asian, Berger, Nerolac

Cement: ACC, Ultratech, Zuari, Vasavadatta, Bharti, Orient

Steel: Tata, JSW

purchasing power for the people. One cannot create destinations only through real estate developments. Once we began with the planned integrated development, we invited reputed corporate behemoths to invest and set up offices and plants. That resulted in movement to these locations. Since it was well structured, it even offered us operating cash and working capital to develop further."

The creation of such destination cities also allowed MLDL to set up payment terms for corporate/customers that was achieved through a strong and meaningful commitment and willingness to invest. Executed in phases, MLDL first created the infrastructure that sweetened the deal for companies to set up operations. Then came the real estate and social infrastructure and then there was no looking back. Prasad says, "We have learned from the mistakes that others have made. In the last couple of decades, the land acquisition ecosystem has seen a drastic change. It's simply not pos-

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sible to aggregate 1500 acres of land. Our strength was attracting B2B clients and to leverage it further, we launched 'ORIGINS by Mahindra World City' - our industrial cluster model in Chennai and Ahmedabad. The Industrial Cluster and Integrated City business has been successful because of our chairman, Arun Nanda and Group chairman Anand Mahindra's vision of such a project."



▲ IT SEZ at MWC Chennai offers flexible formats and unlimited bandwidth in a scenic, productivity-oriented work environment.

QUALITY RESULTS

One of the biggest problems facing mankind today is the tendency to remain aloof from problems faced by others, even when one can do something to help. This holds especially true when it comes to global issues like climate change. Some may contend that their actions do not directly contribute to climate change, but that is argumentative. On the other hand, Prasad believes that individuals and corporates must shoulder the responsibility for future generations. Sustainability is second nature to MLDL. At a time when sustainability and green buildings are freely tossed around as popular keywords, Prasad and team have ingrained it into every aspect of the design and development process, planning right through to home/project occupancy stage. "Every year, we undertake some initiatives to make our projects more resource-conscious and environmentally sensitive. That means improving air quality, offering clean energy and improving transportation infrastructure, etc. Mahindra World City, Jaipur, is the first project in Asia to receive Stage 2 Climate Positive Development certification from the C40 Cities Climate Leadership Group (C40), a global network of large cities taking action to address climate change." she adds. As part of integrated cities (Mahindra World City) business, the company has



▲ An aerial view of the amphitheater at eVolve - The GenNxt IT Park at MWC Jaipur.

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▲ Infosys has set up a large workplace at IT SEZ in MWC Chennai.

developed India's first IGBC 'Gold' certified Green Township and green SEZ – Mahindra World City, Chennai.

For Prasad, it's all in a day's work. Sustainability also means right material procurement and construction methodology. Project reviews are sacrosanct at MLDL. "Nothing but the best", says Prasad. Sustainability, safety, quality and on-time or before-time deliveries are the hallmarks of projects undertaken by MLDL. They are not afterthoughts, but are, in fact, intrinsic to each development.

This has resulted in the adoption of innovative practices across MLDL projects. For example, Aqualily Flexi-homes in Mahindra World City, Chennai provides living spaces that enable home owners to alter internal layouts depending on their needs. Families can benefit from the reconfiguring of rooms to meet their changing spatial and privacy requirements over time. The Mahindra World Cities, which are a perfect blend of residential, social and commercial setup now house more than 2000 happy families, 150 companies, and have helped generate 135,000+ jobs. The aforementioned two ORIGINS by MWC in Chennai and Ahmedabad boast world-class financial partners in Sumitomo and IFC respectively.

ENTER HAPPINEST

With the government's focus on affordable homes, most developers have supported the thought, but have been slow to follow through with actual project launches. But one firm had the conviction and corporate goodwill to turn it into a profitable and scalable venture. Mahindra Happinest Developers (Mahindra Happinest), a joint platform between MLDL and HDFC Capital Affordable Real Estate Fund-1 (HDFC Capital), is led by CEO Arvind Subramanian and was founded with a vision to provide remarkable, low-cost, high quality homes to the emerging Indian middle class. Mahindra Happinest has made home ownership more afford-

▲ Arvind Subramanian.

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▲ Mahindra Happinest Avadi in Chennai is being built on 13.22 acres.

able by reducing the cost and time within which it builds its projects, while maintaining high quality standards. Driven by deep customer research, Happinest homes incorporate features that delight customers by addressing even their unarticulated needs. The company has renewed its focus on affordable housing with a new promise - 'Live, Smile and Prosper'. In order to cater to the evolving, young unstoppable Indians who aspire for a bigger and better life for themselves, Mahindra Happinest aims to act as the catalyst for aspiring homebuyers ensuring that the size of dreams, aspirations, and ambitions are not constrained by the size of their wallet. Its latest (fourth) project 'Happinest Kalyan' has received over 1200+ applications within two weeks of its launch. The project was launched in a record time of eight days from the date of the land acquisition.

Says Subramanian, "We believe that a first home for a buyer is a life-changing experience and one that should change the trajectory of their life while acting as a springboard to a better future. Mahindra being a trusted brand is seen as a business that cares. A joint venture with HDFC Capital and carved out as a separate company, it does not dilute our attention to chasing commercial or premium developments."

Subramanian is well connected to the aspirations of his customers. He is aware of the intensity of emotions and thoughts that accompanies a home purchase that might hitherto have been considered impossible. Mahindra Happinest follows a judicious process right from the time of scouting for land, to design, and finally development. The team keeps a sharp eye on costs, which if not managed well, could impact profitability. "Completing a project a quarter ahead of time offers us a 5-6% IRR, which can be used to invest in new land. Design and construction planning is crucial



▲ Mahindra Happinest has put customers first in terms of design.

as it's the cornerstone of affordable homes. Moreover, we only look at land that can be brought to market immediately. There's no futuristic demand that justifies waiting for and sitting on idle land," he adds.

Transportation, retail convenience, schools and a strong financial partner to offer home loans are some of the key consideration areas. Creating a community is also top of mind for Happinest and technology is helping the cause. With IoT, Happinest has been able to monitor operations and pass on benefits to customers. Sustainable construction has helped in balancing cost and sales, while offering long term benefits.

Ultimately, as Prasad loves to say, the entire home-buying concept at Mahindra Lifespaces is centred round joyful homecoming for customers, while improving overall quality of life. **cw**