

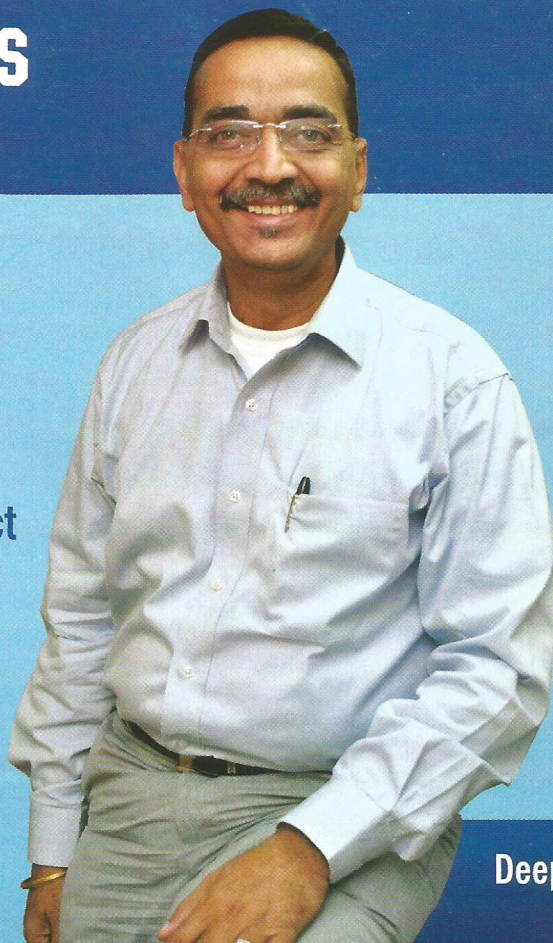
ECONOSTAR

MUMBAI'S EDIFICE OF TRUST



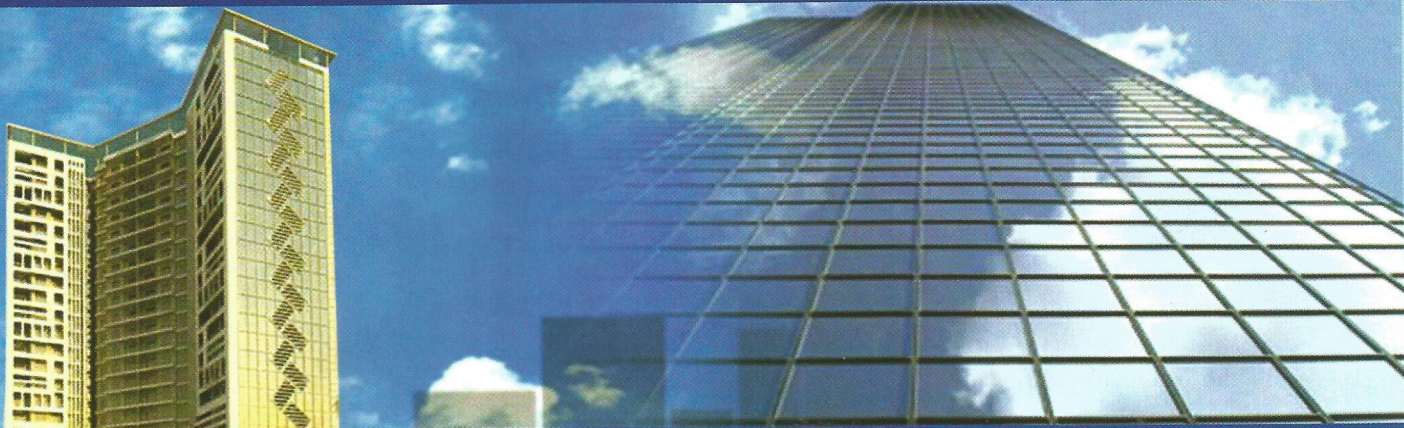
ACKNUR CONSTRUCTIONS PRIVATE LIMITED

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Deepak V. Rao
Chairman

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Tribulations of poor never end, especially in a city of consistently thriving elite class. The government may build more flyovers, sea-links, metro lines and local government authority may encourage real estate developers with liberal FSIs. New shopping malls, lifestyle complexes and flamboyant business parks may come up on the shattered mill lands. The city may see suburbs get expanding with the middle class moving faraway to affordable locations. Developers also may become richer by riding on demand rise and price boom. But South Asia's largest city, Mumbai cannot ever claim to be a city with a clean heart. Flourishing Mumbai, if it is called so, has in its heart a sprawling slum, auguring only sickness to its pomp. More than six million people are locked in the aggregate landmass of over 1000 hectares that house Asia's largest slum pockets! Now filthy city and fast growing suburbs characterize India's business capital—a paradox.

When the contortion of the city takes a sharp turn from an inevitable socialistic dimension to capitalist interests spiced up with vast sway of influential real estate sharks, nothing may come to heal the trials of people living in stinking slums. A developer should essentially know the heart of people at the lower strata, but never would. Slum rehabilitator should understand the core of complexities involved in rehabilitating slums, the mindset of hutments, background of their life, their growing necessities, changing expectations and more importantly the reason for their mostly seen pugnacity with builders. They deserve a quality life. As Mr. Deepak Rao, Chairman of Acknur Constructions Pvt Ltd rightly points out; we cannot call ourselves progressing in any socio-economic parameter without ensuring their rehabilitation from their dirty

shanties. Their terrific notoriety is just a natural stigma. "We should help them come out of their misfortunes," he says. They are like any other human being with the temptation to rebel with those who neglect and under-serve them. But that is not the sole reason for the snail-pace slum rehabilitation process that Mumbai has been seeing in the last three decades. We need a workable policy in place as well as a bureaucracy with a sense, heart and rationale, he points out.

Even when the government claims to be too keen to rehabilitate slums, draconian laws bind the process to make all the plans remain a ground. The redevelopment process, an essential thing in many ways, takes off with much difficulty. Then there are corruptions at the cost of hapless hutments' natural right on decent living atmosphere. That is no less than a big contradiction. Hence, even when there are capable developers with willingness to serve this deprived class crammed into the rancid slums, the hapless ones find little chance of deliverance. Ultimately, developers with compassion are demoralized and those heartless developers rewrite every redevelopment equation for filling

their pockets using thugs to bring bad name for the entire business and process. Here Acknur, that seems to believe building shelter as a holy business, sets a different example.

What, perhaps, contributes to the existing reality of rich men becoming richer and poor too poor in a city where land availability is virtually shrinking is the lack of discreet planning, systems and policies that bind slum rehabilitation process. Though the chasm between rich and poor is quite natural and is unlikely to be completely bridged, there is no sin in helping the poor who are deprived of a reasonably good shelter come out of their stinking shanties, Mr. Rao believes. That is the reason more than two-thirds of Mumbai metro population is still locked up in their stinking shanties, though many of them wanted to get themselves out of the situation. It is high time for the government to think over it, if it really wants India's financial capital to be city of global standard.

Today, these slums are also housing a large number of small scale industrial units ranging from waste recycling to production of condiments. The city of Mumbai and the rich men in



the city cannot live without them, Mr. Rao points out. The slums are thriving with business on the back of hardworking men and women, while on the ugly alleys there are signs of malnourishments and sights of colicky toddlers. Five years ago, a western media was attracted towards the milling works and packed lives in Dharavi slum. It reported: "Thousands of tonnes of scrap plastic, metals, paper, cotton, soap and glass revolve through Dharavi each day." There are thousands of hutment factories in jerry-built storey. These factories employ boys and men sewing cotton, melting plastic, hammering iron, leather tanning and molding clay. They produce clothes, ready-made dresses, pots, toys and recycled materials and many other things for exports. In fact, these slums also earn millions of dollars in exports, besides local sales. There are units which exports to Wal-Mart Stores in the United States.

That shows the economic necessity of rehabilitating the slums for enhancing their potential. That is a socio-economic necessity, Mr. Rao asserts. But that needs bold and liberal initiatives from the State government and the local governing authority. Acknur through many of its earlier path-breaking initiatives could adequately convince the government, how such issues can be addressed for creative results. In fact, the pioneer in Mumbai's slum redevelopment, Accanor, which enjoys serving the deserving class of people, has become a distinctive name for reliability and trustworthiness, thanks to its promoters' mission. As a developer, one must be trustable and reliable. In the last 23 years it has built houses for more than 2000 families, which include both rich and poor people. "None of them has ever shown any disappointment or unhappiness over their deal with us," Mr. Rao says. "We kept our door open for



We should create a decent living atmosphere for slum dwellers by rehabilitating them from the present situation. They are part and parcel of our system and their contribution is significantly endemic to the society. The life of the so-called elite class anywhere is unthinkable without the labour class people including housemaids, laundrymen, garbage collectors and a host of other workers who are incidentally destined to live in slums. They cannot afford high rise apartments and mansions. That doesn't mean, let them tryst with their destiny. We should eradicate stinking slums ensuring a respectable shelter to the slum dwellers. They deserve a healthier habitable environment by way of rehabilitation from their shanties. Therefore we should embark on a massive initiative for building shelters to this segment of people, who make the city thrive, keep the city economically vibrant in many ways, clean off the city dirt and help the privileged class live in comforts.



them and remained accessible ever," he says. Its customer never complained about its work. In many cases, Mr. Rao recalls, Acknur used to help bona-fide residents to get their residential rights. Over the years, Acknur through its various slum projects have also acquired substantial Transfer of Development Rights (TDR) an additional FSI which is used for the Redevelopment of Housing Societies, and even

development of private properties in the Mumbai suburban area. For the last one and half decades, the Government of Maharashtra claims to have been trying to encourage the slum dwellers and hutments to help it rebuild their living environment with the help of private developers, but without

creating suitable environment for the developers for taking up the task. A developer has a long leg work dealing with more than 50 offices and more than that number of officers before embarking on a project. Deals with tenants and their consensus are other issues. In the process of rehabilitation each of the dispossessed families is entitled to a house of 225/269 square feet. Some families feared exploitation by builders hence turned down rehabilitation initiatives. In most cases they did not accept it, perhaps for two reasons – their own over-expectation and unreliability of developers. According to the 2001 census, more than half of Mumbai's 12 million population lives in slums, across more than 2000 settlements in private and public lands. While Mumbai's island city area houses 17 per cent population, western suburb houses 58 per cent and a quarter of the total live in eastern suburbs. Two-thirds of the slums have permanent housing, made of brick wall and reinforced cement roofs and the remaining semi-permanent and temporary

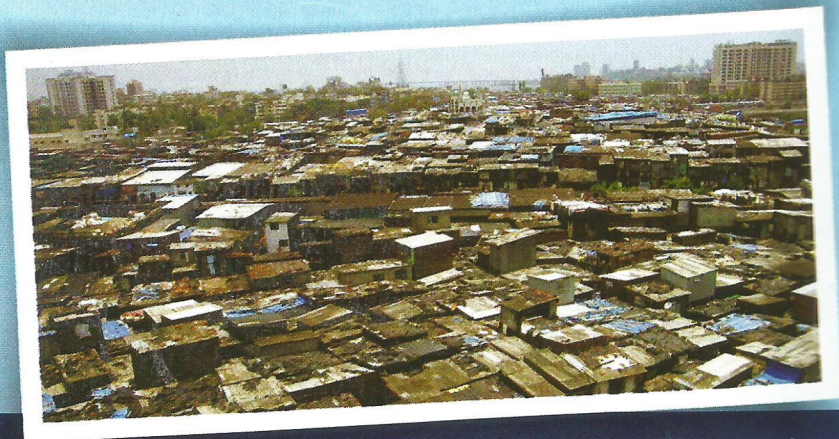
structures.

It was in 1976 the State government had its first official census of slums; then it identified nearly a million huts and 2335 slum pockets. It may be recalled that the Maharashtra Slum Area (Improvement, Clearance and Redevelopment) Act was in force since 1971 that had laid down procedures and authorities. But nothing happened for many years followed - until the year 1984. That was seven years before the State government introduced the Slum Upgradation Programme and Slum Rehabilitation Scheme (SRD). It was the introduction of SRD, as claimed by the government that brought about the radical changes in rehabilitation of slums with private participation. Yet, with a feather on a private builder's cap – the year 1984 saw Mumbai's first slum rehabilitation initiative by Accanoor Associates then, a proprietorship firm owned by Mr. Rao – telling others where there is a will there is a way. That was quite an adventure for a builder. Mr. Rao turned that adventure into making a history, a precursor of

change for slum dwellers. Accanoor, which has the track record of offering terms that never make slum dwellers belligerent, was the first to go to Dharavi, Mumbai's so called most infamous slum, he recalls.

Millions of people for the last two-three generations are living in squalors. We cannot neglect these people, who contribute immensely to the growth of the economy even while living in huts. These shanties now have not only semi-skilled workers but also skilled workers and professionally qualified people. Slums are now "vibrantly and triumphantly alive".

Mired by too many complications and lengthy procedures slum rehabilitation initiative was virtually an unworkable task and an unattractive business proposition for an average real estate developer, even after 1991 when the government set out a guideline. One cannot go only by some fine-prints of acts and schemes and walk on the edge of razor. There should be a give and take attitude. Only a businessman with a big heart and broad sense of understanding may make it a business proposition. For Mr. Rao that was more of a mission and passion to serve an underprivileged segment. After meeting a string of complicated procedures required by quite a large number of offices and convincing the slum dwellers, Accanoor embarked on the first slum rehabilitation project namely M. N. Koli Co-operative Housing society at Mahim, in central Mumbai. The FSI then was



The jammed Mumbai city has no space to breath. Infrastructure is crumbling with too much pressure on them, owing to the lack of space for further development. Land costs keep rising. At the same time, slums remain as instances of imprudent development, clogging the land and capital value. But, says Mr. Rao, Mumbai still can be happy with the present land availability, if it is developed with enough prudence. By some estimates, Dharavi slum's land alone represents Rs 540 billion in dead-capital.

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1.66. The project was successfully completed and stands as the first edifice of trust in the slum rehabilitation history of India. Mahim is even now one of Mumbai's rubbish tips with huge scope for development. But nothing is possible in this region, which is the western outer-shell of the infamous Dharavi without further rehabilitation of the slums.

In one way, Acknur set a standard for future initiatives in this area and in many ways it could even force many offices to think of working on rationale, grappling with the spirit of acts and procedures binding the slum rehabilitation. "For us also that was a great lesson," says Mr. Rao, who always stands for simple and workable procedures at least on issues related to shelter, the fundamental requirement of every living being. In many cases, Acknur fought for years to ensure justice to slum dwellers. Its restless follow-up with many government offices for development rights and positive results at the end bolstered it do better for its people.

Acknur is the first developer in Mumbai to build toilets for slum-dwellers and remained as one of the most respected names among them. It always keeps its door open for their needs and ensures their satisfaction at every level. It has enough capability to take up more projects and implement them in complete satisfaction of its customers. "We are in the business of making what is most essential for a family. We should understand what our customers expect from us and rise up to their expectation" says Mr. Rao, who believes in open door policy and reaching out to the masses even after delivering what is committed. "It is not with the sole motto of making profit we do this business. Human relationship is also equally important, irrespective of class," he says. The group currently has various

projects in hand. The projects include Redevelopment of Fardoon Co-operative Housing Society, an SRA rehab project named Anna Nagar LBT CHS at Dharavi and green-field project called Akanksha Heights in Worli. It is planning to redevelop M. N. Koli CHS under SRA Scheme that would comprise of a rehab tower of 23 storeys, and the sale portion would be a residential tower of 24 storeys. The proposed towers, to be implemented under the concept of green buildings. Besides, these, it is also taking up another project at Amboli, Andheri (W) namely La' Grande, a proposed 21 storied residential tower. As an established real

estate developer, Acknur has begun to move out of its home market of Mumbai with projects in Indapur, in Raigad district. This will be an affordable housing project with residential and commercial structures. We have also acquired land at karjat to take up a villa project.

Acknur Construction, in the past completed slum rehabilitation projects in Worli, Mumbai, which include Parel Shivneri project with three buildings, Parel Sahyadri, and Parel Shivsandesh project with three buildings. It has also completed three residential towers in Worli, Mahavir Towers, Avanti Apartment, and Akanksha Heights as part of the SRA sale buildings.

Now Acknur has found its footprint in foreign market also. It is another milestone in its 28-year history. The group has recently achieved a contracting license in the name of Acknur Contracting L.L.C in the emirates of UAE (Dubai) and has commenced its construction activities, in the Gulf kingdom.

Now the contribution of Acknur towards slum rehabilitation and its pioneering works have begun to be recognized across the country. Last year, the Indian Economic Development and Research Association (IEDRA), New Delhi admired its developmental initiatives and bestowed the Indian Achievers Award for Construction and Design award to Mr. Deepak Rao for outstanding contributions to national development. In fact, IEDRS recognized Acknur's admirable initiatives in slum rehabilitation and the upliftment of the slum dwellers for creating more comfortable living environment for slum dwellers, besides building and constructions activities. This award is presented on a national basis in appreciation to those entrepreneurs who excel in their respective fields.

