

Inaugural Issue

# REAL ESTATE OBSERVER

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**“Nations Are  
Known By Their  
Cities And Its  
Conditions.”**

- exclusive interview

**HAFEEZ  
CONTRACTOR**

**Sushil Ansal**

On city planning,  
prices and the  
imperatives of real  
estate in India.

**THE RISING  
OF REALTECH**

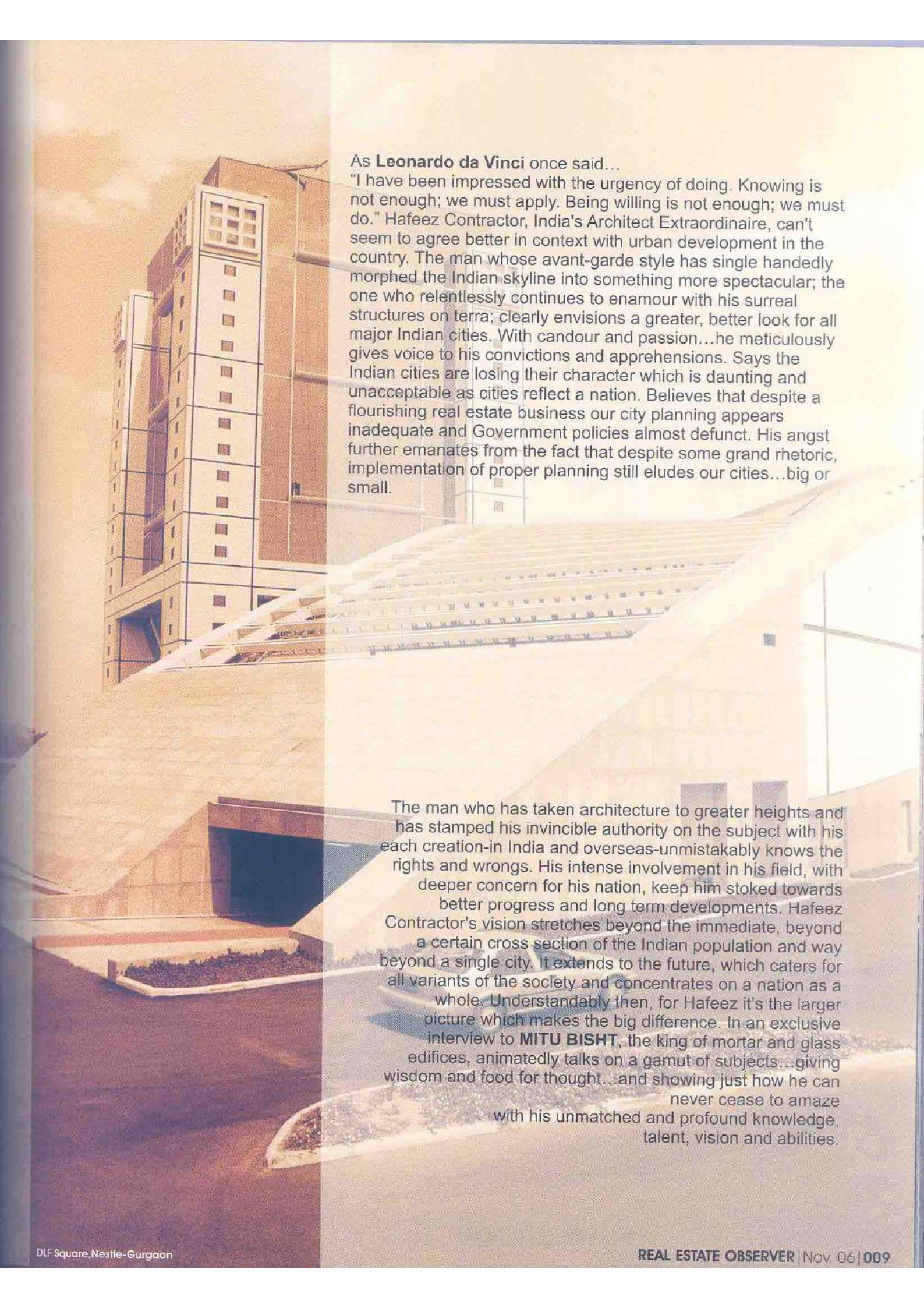




**“NATIONS  
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- Hafeez Contractor





As **Leonardo da Vinci** once said...

"I have been impressed with the urgency of doing. Knowing is not enough; we must apply. Being willing is not enough; we must do." Hafeez Contractor, India's Architect Extraordinaire, can't seem to agree better in context with urban development in the country. The man whose avant-garde style has single handedly morphed the Indian skyline into something more spectacular; the one who relentlessly continues to enamour with his surreal structures on terra; clearly envisions a greater, better look for all major Indian cities. With candour and passion...he meticulously gives voice to his convictions and apprehensions. Says the Indian cities are losing their character which is daunting and unacceptable as cities reflect a nation. Believes that despite a flourishing real estate business our city planning appears inadequate and Government policies almost defunct. His angst further emanates from the fact that despite some grand rhetoric, implementation of proper planning still eludes our cities...big or small.

The man who has taken architecture to greater heights and has stamped his invincible authority on the subject with his each creation-in India and overseas-unmistakably knows the rights and wrongs. His intense involvement in his field, with deeper concern for his nation, keep him stoked towards better progress and long term developments. Hafeez Contractor's vision stretches beyond the immediate, beyond a certain cross section of the Indian population and way beyond a single city. It extends to the future, which caters for all variants of the society and concentrates on a nation as a whole. Understandably then, for Hafeez it's the larger picture which makes the big difference. In an exclusive interview to **MITU BISHT**, the king of mortar and glass edifices, animatedly talks on a gamut of subjects...giving wisdom and food for thought...and showing just how he can never cease to amaze with his unmatched and profound knowledge, talent, vision and abilities.

**MB : What is your perception of the real estate boom? Is it here to stay?**

**HC :** The real estate boom has many reasons to it. The economy is doing well. The market is also doing well. People get money to buy flats. About 10-15 years back, this was not the case. Salaries have increased, which has contributed to the boom. It is a mixture of all these things which has made the real estate sector to grow. I would also say that in the last 50 years, there has hardly been any great construction as far as housing goes. Most of the people are either staying in old buildings or in older areas which do not have proper sanitation, proper facility of power and water. Also because of circumstances, people are forced to stay at such places and spend their lives. Now, with the new generation getting better jobs, there is an opportunity for youngsters to get loan money. In addition to that new tracks of land are coming up, new developments taking place. All this has helped. Moreover, I would not call it a boom, but a demand that is being met. It is here to stay because of the demand for it. Speaking of prices, I would say, prices have to be controlled. It is because if they shoot up, then it is not a good sign. The demand is surely there, but if it helps in sustaining the prices, is a golden question.

**MB : What is your apprehension on pricing and control, considering a lot of new developers who have stepped in are trying to emulate international styles and patterns in townships, where money invested, obviously goes on a high scale, taking the price of property a notch higher?**

**HC :** All this for the reason that we want to attract NRI investment and big corporates. All the money that you get from NRI's and other people are used as finance for construction. In anticipation that everything would sell, if you start borrowing



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money at high interest rates, and at unimaginable and unrealistic norms, then you get into trouble. If that happens, then we would need a correction. The demand is there and we will not be able to saturate the demand at least for the next ten years.

**MB : With more people venturing into the construction business, do you see some passion for the line these days or is it just for money? Is the trend good?**

**HC :** It is both good and bad if people get into the business irrespective of the fact that they are capable or not. If good people come into the business, it helps in growth and development. But bad people would always spoil the market. Ten years back, the same thing happened. There was a boom and there were many people who got into the market. Now, the general standards of younger guys are also educated. They see the world from close quarters and people understand things better. Now things are done in a more scientific way. I personally see a lot of educated people entering the industry and hence the future is pretty bright. Previously, the real estate business was a high investment and high profit business. With more and more people entering into the business, it increased scarcity. I quote that the government should wake up and change the laws and make them more appropriate for the need of the people. The government should increase the supply of material rather than restricting it to the restrictive levels and open up the market. With that our new breed of builders will have to learn to do more turnovers and get less profit, rather than doing the vice versa. I see that happening in



the near future. Everybody is talking about new policies; the unfortunate thing is that the real estate industry moves the government machinery to a great extent. There have been developments in all the other sectors but the real estate sector is getting stagnated. Our financial industry has opened up, trade and commerce has opened up. There have been changes in law; there are changes in EPD market but the main real estate industry has seen no major change. Nobody is looking at improving the condition of this sector.

**MB : When you speak of changes, what changes are you recommending or hinting at?**

**HC :** Most of our cities are not even worth talking about. The cities are losing their character because of the ever increasing demands. Cities are getting smaller and more development is happening on the outskirts. These were the places where previously you had farmlands and now you have buildings coming up in these places. A lot of expansion is happening in cities. In all the cities, we allow development to happen in the most minimal

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ratio. That is to say, we allow 1 acre size per plot, and when it increases to 1.5 or 2, the government feels it has done a great favour to the people. This becomes the killing factor. The development authority takes 100 hectares of land and distributes it unequally. It will give 1 hectare land for domestic purpose and 2 hectares land for commercial use. On what basis do they distribute land? This is the most crucial factor that should be taken care of. This is the case all over India. Then the Authority sells off the plot. Now, when the FSI comes, the number of people would also come out of that amount. Now those hundred hectares will have roads, power supply and drainage. It is also seen that we are more of a socialistic kind of people. Most of the new areas that you take out are for poor people or the middle class. When middle class people move in, you have to charge them middle class kind of taxes. These taxes do not satisfy the need of that city to make roads, to make drainage, to provide water supply. And then they start complaining about the inadequate facilities. And this is the case in all our new towns. Year by year, we keep on expanding the towns to newer areas. We keep on increasing transportation time, and the government makes narrow roads because they have to sell the rest of the land. They can make wider roads and the rest of the land, they could have given 4 FSI, but the government does not have the guts to say 4 FSI. They are also business people. If they make wider roads, and give 1 FSI, then the government would not have money to pay the farmers. This is the way things are working in the system and that is killing the cities. The reason for such a sorry state is that in the



last 30 years, the architects and planners have been enamored by low development. A place to stay should be provided to everyone.

**MB : So, where lies the solution?**

**HC :** The solution is that you should have 182 crores for constructing roads. You need sittings which are concentrated on intense development in a lesser area, so that the infrastructure cost is less and since the land would be developed intensely, the money that the authority gets, is enough to maintain the infrastructure and provide the people with adequate facilities. Roads should be made properly so that they don't crack in the first monsoon itself. If certain steps are taken in a proper way, then these situations would not arise. This is the plight of our cities at this juncture. The attempt is there but with not enough capital, it has become a helpless situation. The flaws lie in the government policies and its way of looking at things.

**MB : What is your opinion of SEZs?**

**HC :** SEZ is another way of doing development and they are trying to attract IT's and other sectors so that they have certain tax benefits. You can look at it from several angles and different angles present.

**MB : What are the current trends in architecture at the moment that you particularly appreciate? Not just in India but worldwide?**

**HC :** Right now, architecture has entered a different space. In the olden days, architecture was more regional, more controlled. The constructions were done in one particular way. Earlier, the buildings and aesthetics were determined because of constructional needs. Today, architecture has become flair. People just love to have something they want. Also, it has become very easy to acquire what you love. Though today, there is too much of congestion happening and there are no open spaces. Houses and buildings do not have enough space between them. This should not happen. There should be optimum utilization of space with lot of greenery.

**MB : What you're saying...is feasible in today's time?**

**HC :** Look, people do not understand the meaning of high rise buildings and low rise buildings. People do not know the reason behind having a type of building. We should have more of high rise buildings so that there is more greenery around. More high rise buildings mean more people would get place to live. All this is just a dream in today's times. Now, we have to house number of people. All the laws have to be corrected.

**MB : Talking of high rise buildings...is India's pristine architecture getting lost with the advent of modern**



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**construction?**

**HC :** Life has to change according to time. Just the way we people have come out of our traditional self and transformed into a more modern self, the same way transformations are bound to take place in metropolis with reference to constructions and real estate. The change is majorly due to the need and the necessity for a change. Then, we are not aping the west. The materials have changed. Our buildings are different from the buildings that come up in the west. We are catering to the new requirements in a new way as appropriate to our condition with the new materials. If you ask why we cannot build anything like what we have in Rajasthan; the answer is that firstly, you would not get so many sq. feet of stone. You would not even get so many cubic meters of wood. Then you would either have to go for concrete or glass as your building material.

**MB : Are you personally happy with the transition?**

**HC :** I personally might not like it but you have to understand that this is a need of the hour. It's everybody's right to live and you cannot object to anybody living anywhere. You cannot decide where one lives. When I go to the place where I used to reside previously and see the colonies getting destroyed, my heart aches. But then, you cannot do anything. Again, everything boils down to the way law is enforced. We are always making a fool of ourselves by doing all new developments for poor people. Honestly speaking, nobody wants to

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do anything for the poor. In the olden times, there was never this kind of a division. When new area was getting developed, rich people shifted there. The rich people would invest in the new area. They would build roads, construct new schools. Since they were rich, they would want everything to be new. So, the old area was now ready for the poor people to reside. That is how all the old towns were getting developed slowly and steadily. Only after the socialistic kind of society emerged, we started building new towns for the poor people. In that case, neither the town comes up nor do the poor people get any facilities that are required. The old areas in the meantime are getting churned. This is the problem with real estate.

**MB : So, does real estate in India cater for the rich only?**

**HC :** It is for everyone. But only if there are proper laws can it be healthy for everyone. Laws in so many industries have changed. I see no reason for laws not changing in the real estate industry. Another problem is that if a person makes a mistake, he is not blamed for it. The results of that error come after many years.

**MB : What do you particularly like about the international construction scenario?**

**HC :** The best thing in the international scenario is that whatever you pay over there, is all for the product. Here, your basic price of land is unnecessarily inflated too much. What you finally get is not worth the price. In India, you do not pay for the product, you pay for scarcity. This is the most disheartening thing prevailing in India. In the west, everyone goes in one direction, whereas in India, the same movement creates chaos. There could be other reasons also. Maybe, their government takes better decisions, they may have better machinery, but we are just in a state of ego.

**MB : What lies in store, say in the next five years?**

**HC :** As far as buildings and facilities are concerned, we have many more buildings and facilities to come up. But as far as city planning is concerned, I am very skeptical about its progress.

**MB: Is there a word of caution for this rapidly growing building industry?**

**HC :** It's good that the building industry is growing. We have to make sure that people get proper houses to stay. In India, only 20-25% of the population has got proper housing. Of the 110 crores population, if you have to build houses for 85 crore people, it is simply impossible to do that. The country does not even have bricks to construct houses. India does not have enough mud and water to construct houses. The main thing is to urgently revamp the urban policy. Not doing this, would leave us in a catastrophic situation. It is not like finance or law, that overnight you can have new laws and start implementing it. For any real estate or urban policy, a policy has to be made. It will at least take 5 to 6 years for it to work out in a proper way.

**MB : Do you think government must start thinking on these lines?**

**HC :** The government is already thinking on these lines. The government has already started talking about cities. Previously, people used to talk about only rural development. In the next ten years, more than 60 % of the population is going to live in cities. So, now politicians are going to run after cities. Nations are known by their cities and its conditions. That is where the future of our nation lies.

**MB : Talking of contemporary construction, who do you think are the competitive names?**

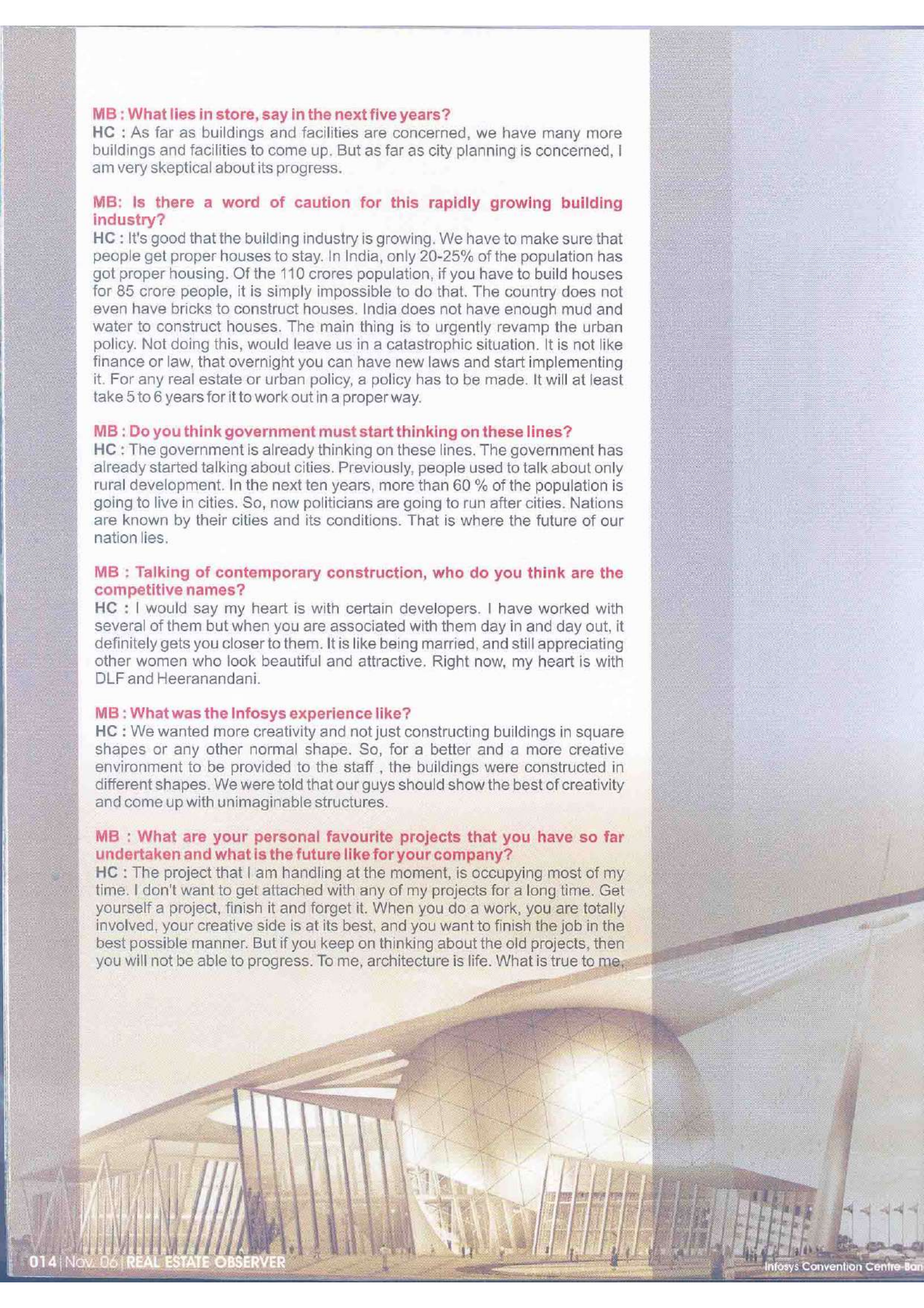
**HC :** I would say my heart is with certain developers. I have worked with several of them but when you are associated with them day in and day out, it definitely gets you closer to them. It is like being married, and still appreciating other women who look beautiful and attractive. Right now, my heart is with DLF and Heeranandani.

**MB : What was the Infosys experience like?**

**HC :** We wanted more creativity and not just constructing buildings in square shapes or any other normal shape. So, for a better and a more creative environment to be provided to the staff , the buildings were constructed in different shapes. We were told that our guys should show the best of creativity and come up with unimaginable structures.

**MB : What are your personal favourite projects that you have so far undertaken and what is the future like for your company?**

**HC :** The project that I am handling at the moment, is occupying most of my time. I don't want to get attached with any of my projects for a long time. Get yourself a project, finish it and forget it. When you do a work, you are totally involved, your creative side is at its best, and you want to finish the job in the best possible manner. But if you keep on thinking about the old projects, then you will not be able to progress. To me, architecture is life. What is true to me,



is true to my work.

**MB : Do you feel that young India has the potential in the field of architecture?**

**HC :** Yes. There is potential. In fact, we have lot of shortage of people in the profession. In my office itself, although I have 300 people working for me, I still need another 100 people to work for me. But it's very difficult to find people in this profession.

**MB : What has it really taken you to pursue your job with so much passion and do your work like there is no tomorrow? How do you better your best everyday?**

**HC :** To be successful in any profession, one has to like doing what they want to do, rather than getting into it, and then crying over the decision, because you have not been able to succeed in the profession. I feel very happy and also lucky that my hobby has been my profession. I used to draw and design, without knowing what designing is, or what planning is. It was an inborn talent that in future became my career and life. For young kids, I would say that to be an architect, you should be interested in creativity, should have a flair for creativity. If one has it, then sky is the limit.

**MB : What would it take India to produce another Hafeez Contractor?**

**HC :** I used to go to a morning college from 7 to 10. I used to work in an office from 10:30 to 5:30. 5:30 to 12:30 at night, I used to do my home work in the office. 12:30, I used to go home. There were days when I would sleep in the office. My mother used to send me two lunch boxes. One for the afternoon and one for night. I had for 11 to 13

“My mother used to send me two lunch boxes. One for the afternoon and one for night. I had for 11 to 13 years, never seen sunlight near my house.”

years, never seen sunlight near my house. We used to live in a one room kitchen set. I never saw sunlight falling on my window.

**MB : So, where did the inspiration come from?**

**HC :** I had decided that I would start my practice. I used to tell everybody in college, that when I start my practice, I will have my office running in three shifts. That would be from 10 to 6, 6 to 12 and 12 to 6. Everybody used to laugh at me then. Hard work and perseverance is all there, but it is absolutely a god's gift. Like just today I was at DMRDA and across the table, I designed a building for ONGC, and that's what I do. Otherwise, I can't be taking care of 300 people who work for me. If today, someone came to me and said I want to have a house, I would look at that person, talk to that person, observe that person and then I will ask some questions and finally would let that person know what kind of a house would suit him/her. And 99.99% of the time, the person would appreciate what I suggest. All my work in my younger days has helped me.



Building: Hafeez Contractor

# The Great Indian Metropolis

With real estate in our country thriving on the might of the great Indian metropolis and its population's urban sensibilities, a study of the Indian metropolitan offers an interesting analogy vis a vis growth and prospects. While major investments govern business forecasts, our metro cities are all set for some never before transitions. **MITU BISHT** studies the trends.



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