



A CITY OF SPOOKY MALLS



Illustration: Sushir Shetty

The rush to bring retail nirvana to Navi Mumbai has resulted in over 1 million sq ft of mall space lying vacant in the satellite city, and there's a lesson in this for Mumbai too

Kishore Rathod

What began as a dream run in 2003 to build these edifices of retail therapy into real estate gold mines has turned into a horrible nightmare, with developers in the satellite city collectively saddled with more than 1 million square feet of vacant retail space. In Vashi alone, as many as five malls — City Centre, Palm Beach Galleria, Satra Plaza, Wedding City and Raghuleela — wear a deserted look, even as their managements struggle to keep the ventures afloat. "It all began when Navi Mumbai's first mall, Center One, opened to a huge response in 2003. Malls were touted to be the temples of urban convergence, spaces where the young city's new economy professionals would eat, live and spend. And obviously, we read it all wrong," admits Bhupendra Shah of Bhumiraj Group and president of Builders Association of Navi Mumbai, whose Full Stop mall on Palm Beach Road has been lying unoccupied for three years. In hindsight, Shah feels the malls in Navi Mumbai are one too many.



City Centre mall in Vashi

"There is demand for just three malls, and we have 35," says Shah, adding that this has resulted in a huge oversupply of retail space and the satellite city just does not have the potential to absorb the volume. "The moment there was oversupply, brands and companies began arm-twisting mall managements to lower rates. It was just not feasible to be in the business," he says. Malls like Palm Beach Galleria, City Centre and Raghuleela, which witnessed near-stampedes on weekends during their heyday a couple of years ago, are now battling for survival.

"The slide began during the slowdown in 2008, when some premium brands downed shutters in Navi Mumbai after revenues did not match their projections. While some big stores and international brands shut shop when the abysmal footfalls left them deeply in the red, others migrated to the newer, swankier Inorbit Mall that emerged as the hot destination for Navi Mumbaiers when it opened in late 2008," says Vashi-based consultant Hiren Thakkar. But just what went wrong with the mall model of growth? "The three key reasons for a mall's failure are poor planning, inadequate research and sold-out models. Malls have to be perceived as long-term assets by developers, rather than short-term commercial projects," says Susil Dunganwal, chief mall mechanic at mall advisory firm Beyond Squarefeet. According to Dunganwal, before planning a mall, it's very important to prepare an infrastructure accessibility report and do a catchment area analysis, failing which, even well planned malls can be failures. "By catchment area I mean the place

where one may find a sizeable population of affluent people who do not mind spending a lot more on some of their smallest luxuries. The malls of Navi Mumbai are facing the consequences of not adhering to the basics," he says, adding that there's a lesson in this for Mumbai's malls too, who face a similar risk. According to industry estimates, 700 malls have been planned in the Mumbai Metropolitan Region, of which about 170 are already operational and barely a dozen are considered runaway commercial successes. Seeing the once-operational malls facing rough weather, even upcoming malls in Navi Mumbai are having second thoughts. Ripplez, a mall in Sector 8 of Airoli, that was expected to change the way the residents of the node shop, is not even 50% occupied six months after completion. While two other ambitious projects, the Wedding City and Gold City theme malls, have been put on the back-burner, a handful of other malls are ready in nodes like Kharghar, Seawoods and Nerul, but there's no news yet about their formal inauguration.

READY, BUT NO GO	
City Centre,	Vashi
Palm Beach Galleria,	Vashi
Raghuleela,	Vashi
Center One,	Vashi
Glomax,	Kharghar
Little World,	Kharghar
Bhoomi Mall,	Belapur
Turning Point,	Nerul
Bhoskar Mall,	Airoli
Ripplez,	Airoli

New mall pulled down to build residential tower

The case of Mallum Mall in Navi Mumbai's Koparkhairane symbolises the dismal state of the city's retail sector. After failing to find a single buyer or lessee for the 20,000 sq ft mall for a good two years, the developers eventually decided to raze the glass-and-chrome edifice and build a residential-cum-commercial complex in its place. The demolition of the mall was completed earlier this month, and construction of the new tower has commenced. "We held negotiations with a lot of potential occupants — from retail brands to corporate houses — but every deal fell through. With each passing month, the burden of the mall's empty space became heavier. The interest costs escalated to a level where it was

no longer feasible to lease out the property at the going market rates," said a representative of the original Vashi developer, who has subsequently handed over the project to a Chembur builder. Meanwhile, the promoters of other malls are also trying to change the usage in a bid to hawk the space. For instance, Bhumiraj Group's Bhupendra Shah is converting Full Stop mall into commercial space for offices. "I was struggling to get buyers for even Rs7,000 per sq ft of the retail space, but after converting it to offices, I am selling the same space for Rs12,000 per sq ft," says Shah, adding that conversion of usage is the way forward for Navi Mumbai's malls. "It's better than keeping them empty," he adds.



CHANGE OF HEART: Mallum Mall in Koparkhairane, Navi Mumbai. The developer waited two years to find buyers or lessees, after which he decided to raze it and build a residential-cum-commercial tower —Nandu Kurne DNA



THE KING, TOO, CAN DO WRONG

To have a meaningful and effective Lokpal, the prime minister, members of the higher judiciary, MPs, and all public servants must be included. There should be harsh punishment for such people, including life imprisonment and capital punishment. **Political corruption is the root cause of all ills.** There should not be any parallel agency to deal with corruption cases other than the Lokpal.

—Ramesh M Golaik, Thane

The Lokpal Bill is essential to leverage the goodwill of millions of honest Indian citizens, but I wonder why a yoga practitioner like Baba Ramdev is resorting to a fast unto death to attract attention. It is a well-known fact that periodic fasting actually improves health and contributes to longevity. **Periodic fasting is an essential procedure in Hatha Yoga, much like an anaesthetic administered prior to surgical operations, and will not cause death.** However, the intention to bring back black money stored in Swiss banks is appropriate and requires cooperation between national and international agencies like the CBI and Interpol.

—Dr Jayanth G Paraki, Bangalore



DNA invites you to join the debate on the Lokpal Bill
Want to join the debate on the Lokpal Bill? Send in your views, in not more than 100 words, to dna@citydesk@gmail.com, with 'Lokpal Billboard' as the subject. Don't forget to mention your name and location. Anonymous contributions will not be accepted.

The prime minister and the chief justice of India must be brought under the purview of the Lokpal Bill but with the permission of the Supreme Court. **The apex court should decide on the merits of the cases to be investigated by the Lokpal,** so that the Lokpal cannot misuse his powers to defame the PM and the chief justice.

—Shivprasad Nauriyal, Mumbai

The 'king can do no wrong' philosophy is applicable only in the UK, where the royal family and its members are above the law. The British law does not have any provision to sue the sovereign authority of the state. The Indian Constitution does not provide such an exception, and every Indian citizen is accountable and subject to the legal provisions of the country. Under the circumstances, one fails to understand the logic behind the government's move to exempt the prime minister and the chief justice from the purview of the Lokpal Bill. It is apparent that the government is trying to pre-empt the moves of the civil members in the drafting committee. The entire nation desires to live in a corruption-free atmosphere with transparency and accountability for all.

—Nandakumar Hattiangadi, Bangalore

The UPA government is making all efforts to scuttle the Lokpal Bill by deploying the likes of Digvijay Singh to issue erratic statements and diatribes against the team members who are on the job. Need anybody stress that the prime minister, MPs and judiciary are part of the multitude of this nation? Why then exempt them from coming under the purview of Lokpal Bill? The UPA is afflicted with a plethora of scams. **It may even go to the extent of spiking the agitation by dividing the activists who are fighting for the cause.**

—HP Murali, Bangalore

Transparency in administration in a democratic set-up helps generate confidence and public support even in difficult situations. Why should one be scared if acting in good faith in the interest of society and if there is nothing to hide? **The veil of secrecy creates suspicion in the minds of people.** The Lokpal is an institution to control and prevent abuse of power by public officials and to redress individual grievances arising out of mal-administration. **It may not be fair to grant immunity to any** — even those enjoying high positions of power.

—SL Gaur, Pune

Of bhaiyyas, Bhojpuri and Bollywood connection

Shabana Ansari

A Bollywood cast and crew braved the north Indian winter to give the muharat shot for the first-ever Bhojpuri film at the Shaheed Smarak in Patna. It was February 16, 1961, and the movie was 'Ganga Maiya Tohe Piyari Chadhaibon', which went on to become a huge hit. Legend goes that the seeds for Bhojpuri cinema were sown after a chance conversation between the then India president Rajendra Prasad and Bollywood actor Nazir Hussain. Prasad asked Hussain why there were no movies being made in the native dialect.

Thus, a new regional film industry started taking shape. "In the last 50 years, much water has flown down the Ganga and the once fledgling industry which borrowed actors and singers from the Hindi film industry is now standing on its own feet," says Bhojpuri writer Vidur Chaturvedi. "The industry is now supported by eight television channels, has its own awards show, and a trade magazine." Trade pundits estimate that each year nearly Rs25 crore is pumped into the industry and the turnover is more than double that amount. "The budgets are now increasing since the Bhojpuri market has great po-



tential,' says filmmaker Mo-hanji Prasad. However, the situation was different till a decade ago when the prosperous Bhojpuri film industry of the 1960s and '70s was in the doldrums due lack of financiers, good scripts and saleable actors. "In the '80s and '90s, some filmmakers who were not familiar with the language or culture of the Bhojpuri-speaking masses started churning out badly made films which relied on violence, innuendos and titillating item numbers to attract the target audiences," laments Chaturvedi. The tide finally turned in the

new millennium with the rise of superstars Ravi Kissen, Manoj Tiwari and Nirahua aka Dinesh Lal Yadav. Tiwari's 'Sasura Bada Paisewala', which was made at a modest budget of Rs30 lakh, is said to be the first Bhojpuri film to have raked in profits amounting to Rs15 crore. Kissen points out that the Rs200-crore Bhojpuri film industry is making huge profits. "In Bihar and Uttar Pradesh each, there are nearly 400 theatres dedicated to Bhojpuri films," he adds. "There are similar markets in other parts of the country catering to the Bho-

jpuri-speaking migrants. In Maharashtra, there are nearly 35 theatres for Bhojpuri films." Though quite a few Bhojpuri films are shot in UP and Bihar, Mumbai and other parts of Maharashtra are the preferred destinations due to the access to skilled labour and better production and post production facilities. Bollywood's growing interest in its country cousin is also giving a boost to the industry. With Hindi film producers and actors taking a keen interest in Bhojpuri films, the industry is only going to get bigger and better, feel trade pundits.

New rent law is a blackmailing tool, say tenants

DNA Correspondent

"We are already under tremendous pressure from builders and landlords to sign up for redevelopment, and the government's new rent law will be the proverbial last straw," says 76-year-old Girgaon resident and tenancy rights activist Manohar Samant, adding that if the existing nominal rents in cessed buildings are brought at par with market rates under the new rent law, tenants will be left at the mercy of landlords and builders.



It is presumptuous to assume the new laws are being introduced to favour builders. We work on market factors and not on policy decisions

—Paras Gundecha, Secretary, MCHI

One of the provisions of the Model Residential Tenancy Act, proposed last week by the Union ministry of housing & urban poverty alleviation, is to review the existing rents and bring them at par with prevailing market rates. This will directly affect the lives of lakhs of tenants staying in the 16,000-odd cessed buildings in the city, who are currently paying a monthly rent as low as Rs100. The new rent act is under the umbrella of Centre's Rajiv Awaas Yojna programme, and to ensure its implementation by state governments, the release of funds under JNNURM will be linked to the execution of the new act. Calling the government's bluff on pro-tenant policies, tenants say that if the government really has welfare of tenants and even land-

lords at heart, it should facilitate the allocation of funds so that tenants can go for self-development instead of selling out to builders. "The construction cost is just Rs2,000 per sq ft, the builder's selling price is Rs22,000 psf and it's anyone's guess where the difference is going," said Samant, adding that the standard of living of the new building is so high that eventually the old tenant has to move out. "The tenants, who are used to paying a rent of Rs100 are unable to shell out the monthly maintenance charge of Rs5,000," he said.

Draft confuses religious bodies

DNA Correspondent

Religious and charitable organisations are confused about the exemption granted to them in the draft of the Model Residential Tenancy Act, 2011. The draft exempts five groups of organisations from the act — rental units owned by central and state governments; residential units rented out by companies, universities or organisations to employees; rental units owned by religious or charitable institutions specified by state government; and residential units owned by Wakf trusts and bodies registered under the Public Trust Act. Charity trusts are wondering whether why they have been exempted. Many religious trusts own large commercial and residential

properties whose rents are capped under the Maharashtra Rent Control Act. Experts said that the exemption clauses are vague. Utsal Karani of the Action Committee for Protection of Tenants Rights said, "It is not clear whether the trusts are exempted as tenants or landlords. It does not look as if the act is drafted by legal experts." Advocate S N Shroff, an expert in rent laws, said, "It is not clear whether the trusts will be protected from the new act if they themselves are tenants." "Currently, trusts are covered under the rent control acts. So if individual landlords are going to get the benefit of an increase in rent, there is no reason why religious bodies should not get the benefit," he said.