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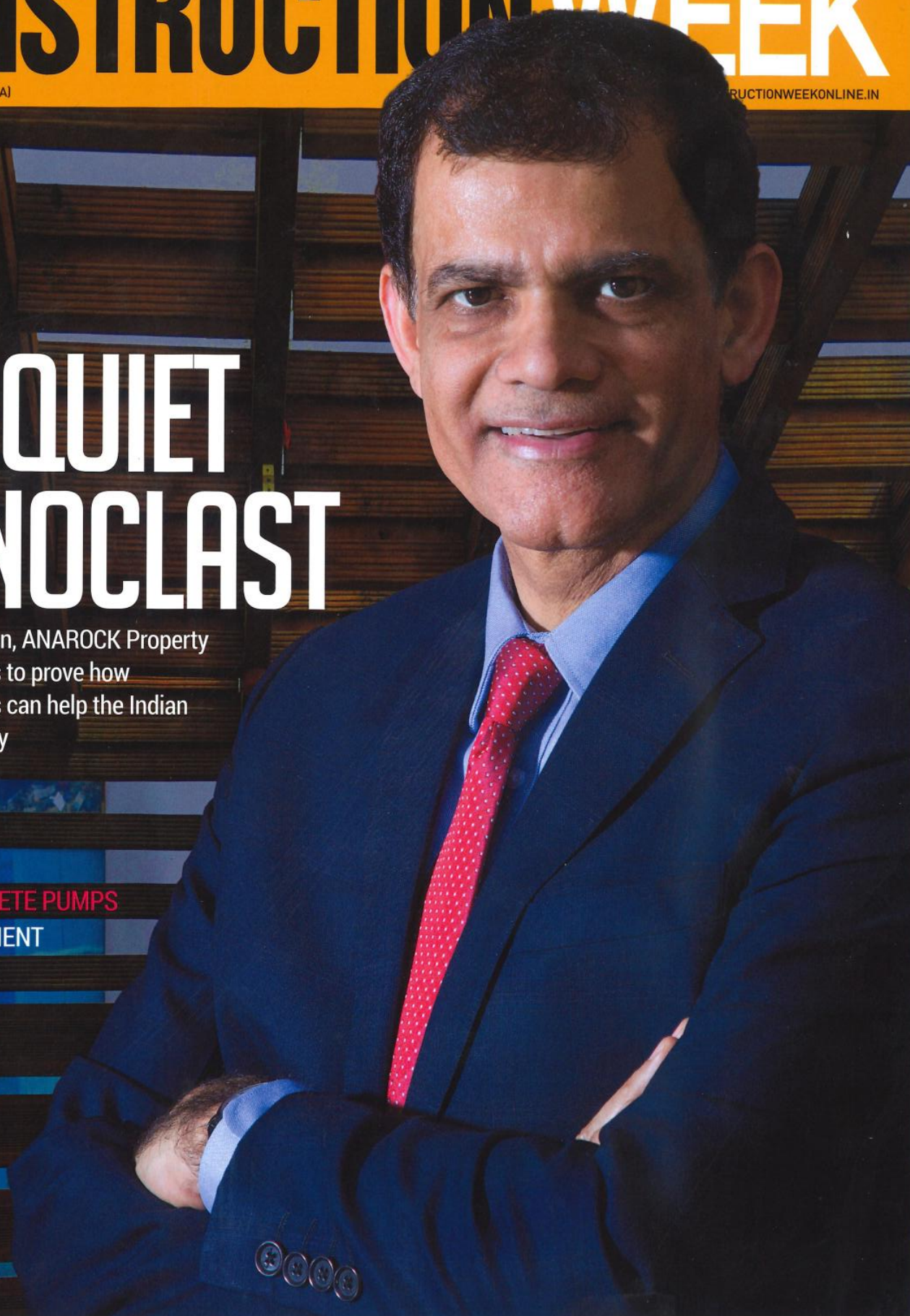
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## THE QUIET ICONOCLAST

**Anuj Puri**, chairman, ANAROCK Property Consultants, plans to prove how impeccable values can help the Indian real estate industry

BOOM & CONCRETE PUMPS

MINING EQUIPMENT





# THE QUIET ICONOCLAST

Anuj Puri, chairman, ANAROCK Property Consultants, would like to overturn dubious business practices by introducing impeccable values and corporate governance in the Indian real estate industry.

BY JAYASHREE KINI MENDES

He's not your ubiquitous camp follower. Disruptive thinking is what he does best. That is a requirement of today's age. It is probably the reason why real estate honchos throng him and thrust their high-priced apartments in his hands knowing they can well depend on him.

For long, *Construction Week India's* association with Anuj Puri, chairman, ANAROCK Property Consultants, was mainly confined to reading his columns and the occasional interviews. But a relationship developed when last September Anuj agreed to moderate the memorable panel discussion at the 7<sup>th</sup> *Construction Week India Awards* that had some of the country's well-known developers as panellists. Anuj threw questions that could well have confounded stronger people, especially knowing that some of them were clients or possible ones in the future. But that did not stop him.

Playing in the world of real estate calls for gumption. One would like to liken it to Freemasonry. Not just comprising influential people, it is also accompanied by much guile and hard smiles. In such a milieu comes a man with a conscience. You can well imagine what that means (and happens) when everybody else around you is tight-lipped and inhibited.

But Anuj has done well. One could attribute it to his immense and fathomless knowledge of the industry and, more impor-

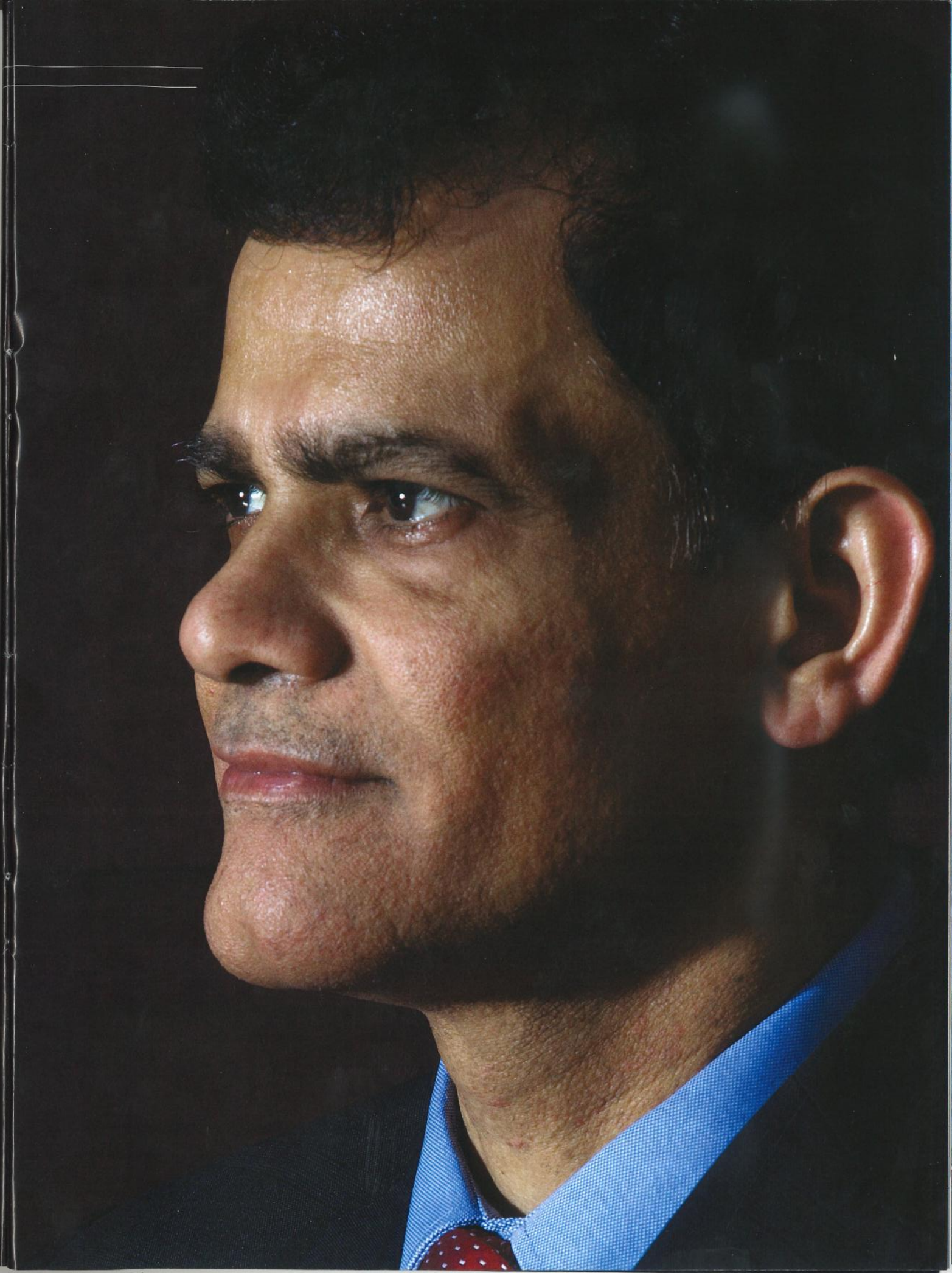
tantly, his reliability. ANAROCK is barely nine months old and already prime developers, industrialists with interests in real estate, film producers, are all clientele.

## IN COME THE WAVES

Ask Anuj about his thought process and he says, "I think only disruption can save the day for the Indian real estate sector. Both because of the groundbreaking policy reforms now in place and the changing mind-set of real estate consumers, the old ways of doing business simply cannot prevail any longer. What is required are new ideas, new ways of conducting business, and a far greater focus on accountability and transparency than has been evidenced so far. ANAROCK Property Consultants is a new benchmark for impeccable values, corporate governance and customer-focus in Indian real estate."

Anuj takes a sense of pride in his new company. Having started out as an entrepreneur way back in 1995, he merged his business with JLL (thus making him employee cum entrepreneur) and now he's back to being an entrepreneur again. "ANAROCK was long pending. If one has it, the entrepreneurial streak is not something that can be denied for very long. I had to fulfil my obligations to my previous firm in the manner the role required of me, but I always had plans to set up ANAROCK. And even here, the entrepreneur in me launched this firm and







then became its employee. One cannot latch on to the 'entrepreneur' tag and make it one's defining role in life – fluidity and the ability to deal with a situation are compelling attributes of any successful business," says Anuj with a sense of nostalgia.

With the venture, Anuj has also moved into new territory, namely, from interacting with B2B clients to B2C. Though the clients (read developers) continue to work with him, the buyer profile has changed to mixing with end-customers. But he has not deviated too far from the B2B elements as the company continues to work with leading developers and even fund houses as clients. Anuj says, "There is a strong B2C aspect to ANAROCK as we help individuals and families find the best property deals on the best possible terms. In fact, a significant part of our business operations revolves around bulk-buying properties from developers so as to make sales at discounted rates to customers possible. In many cases, we take up a developer's entire inventory. It is a 'everyone wins' business model which benefits our customers and corporate clients alike."

This cannot be easy. Over the years, the expertise gathered in multi-disciplinary consulting in demand assessment, transactional services, fund and investor sourcing, among other things, has stood him in good stead and turned him into a prognosticator.

#### LOOKING INTO THE CRYSTAL BALL

The proficiency gathered has called for much skills and perception. Anuj says, "Everything we do is based on deep research. We have learned not to take on projects – whether geography, client or acquisitions – without doing our homework. We rely on our research division for insights."

The findings garner necessary insights based on the ANAROCK's expertise in the field. "When the stakes are high, making mistakes is not an option, and we have invested heavily in our research capabilities. Another area where we have built our mastery is technology. We have the best real estate-specialised technology brains focused on developing and operating our technology platforms. If there is one thing that the present times have taught the real estate industry, it is that a firm either evolves technologically or perishes," adds Anuj. He cannot stress enough on the huge investments – both in terms of capital and dedication – to ensure



▲ Piramal Revanta billed to be up to 60 storeys, will become the next referral point in Mumbai's skyline



that ANAROCK stays on top of the technology curve so as to best serve its clients.

Though Anuj prefers not to talk about it, it is well known that Piramal Fund Management approached ANAROCK to sell apartments in Omkar 1973 Worli; this besides other well-known developers in Mumbai and NCR. He says, "A significant part of our business operations revolves around bulk-buying properties from developers so as to make sales at discounted rates to customers possible."

The business works something like this. ANAROCK takes up a developer's entire inventory. The advantages it brings to

the table is an impeccable reputation for transparency among end-users and investors, and versatile technology platforms that helps operatives to instantly match inventory with requirements and vice versa. "Selling inventory while ensuring that our customers get the best deals is not everyone's game," he says.

ANAROCK is also involved in concept testing studies. If a developer has developed a product concept, his team can assess the suitability of the same after taking into consideration the city's real estate market dynamics, the micro market's characteristics, product offerings and competitive scenario. All-in-all, this can serve as an unbiased, third-party



▲ Puraniks Grand Central has been designed by the structural designer of the famous Petronas Towers.





▲ Spread over 4.9 acres, Radius X BKC's interiors are distinguished and vibrate high-quality craftsmanship.

vetting document that can be utilised by the developer and/or financiers.

#### THE DEVIL IN THE DETAILS

The real estate sector, so Anuj believes, definitely needs steadfastness – a great deal of it, in fact – but, as he says, it should not be a forced factor but must be wired into the DNA of the industry's stakeholders. "Not to put too fine a point to it, RERA is a belated knee-jerk reaction to the dire need for transparency and best practices in Indian real estate. The need for such a rebooted mind-set was evident for decades, but nothing much was done to introduce it," he adds.

Having seen the industry for long, Anuj sought to lead the way through setting up a business that is "100% rooted in ethical conduct at all stages, which means that clients know exactly what they can expect from us, and that their interests are fully protected not only by the new laws but also by our own unflinching dedication to give a fair shake to everyone we deal with", he adds.

Anuj has not lost faith in the real estate industry. He is confident that RERA, REITs coupled with GST and demonetisation will usher in a new era of transparency, accountability and financial discipline. "RERA is not only helping improve transparency but also refining buyer sentiments by cleaning up fly-by-night operators and dubious players. It is necessitating developers to focus on timely delivery of projects, which has been a major pain point for home buyers in the country," says Anuj.

Talking about the progress of REITs, he says that commercial real estate players are going slower than expected in filing applications with Securities and Exchange Board of India (SEBI) to register REIT as they are still working out the potential gains post-tax and other charges. "In addition, there are significant compliances and disclosures to be made before floating a REIT. Nonetheless, REITs has proved to be an excellent mechanism of unlocking the value of commercial real estate assets and once these issues along with cash crunch fade away, we can expect significant activity in this segment," he adds.

The changes will surely come, slowly and steadily. "This will become a profession where people will want to come in, just like internationally where real estate is a respected sector. RERA will bring in the change and the A-Grade developers will prosper. For consumers, this will be phenomenal. Ultimately, it translates to a revival of trust in the industry, says Anuj. He is confident that private equity that shunned real estate for so long will look anew at commercial real estate.

Anuj is looking forward to the day when rental buildings owned by private equity will see the light of day. He is willing to bet that more affordable housing in the heart of metro cities can be made possible and will happen. The growth of the retail segment will only add to better development.

Little wonder, why the tag of iconoclast sits comfortably on his shoulders. **CW**

# \$244

trillion is the total worth of  
real estate globally.