

Biz of Construction Management

Starship Enterprise

Civil engineer-turned-entrepreneur finds opportunity in project management

PEERZADA ABRAR

Sankey Prasad, a civil engineer who took the entrepreneurial plunge in 2003, is already leading the construction of one of the tallest buildings in the country — the 40-storey World Trade Tower in Noida. Once the construction is complete, it will be more than twice the height of Qutub Minar in Delhi. He is also providing support to build the tallest hotel in the world — the 77-storey Emirates Park Towers Hotel & Spa in Dubai.

Prasad is not a real estate tycoon. He runs a Bangalore-based mid-tier firm, Synergy Property Development Services, which specialises in turnkey projects, architectural design and complete project management. He does this for marquee clients like real-estate players Embassy, DivyaSree, Runwal and healthcare provider Global Health.

Riding the realty boom has helped the young company rake in revenues of ₹300 crore in just eight years. Synergy has so far developed over 100 million square feet of IT parks, retail malls, special economic zones, campuses, hospitals, hotels and premium residences for realty firms. One such project is Medicity in Gurgaon, which is India's largest hospital cluster development.

"They do all the negotiations with the contractors and stick to the site till the things are done on time," says Nimish Arora, CEO, Aarone Group, a real estate



AT WORK: Sankey Prasad (left) at a construction site

developer who partnered with Synergy to build the Select Citywalk, a premier shopping mall located in Delhi.

Aarone has now outsourced its next assignment, a technology park — Cyberwalk in Gurgaon — to the Bangalore-based company. And he is doing so with good reason, outsourcing the project management has helped the Aarone Group improve its efficiency by about a fifth and freed up time to focus on their core expertise — business development.

Synergy is now helping in the construction of premium hotels such as Park Hyatt, Hilton Residences, Accor-Pullman, Four Seasons and Radisson in India. The company is also developing a luxury urban resort, the Chedi Club and Residences in Malaysia.

For Prasad, the idea to launch a project management firm took shape when he was heading the India operations of TCG Developments, a US-based real es-

tate development and advisory company. Prasad identified a huge shortage of engineering and managerial talent in the construction industry that resulted in delays and budget overrun amid rising costs for engineering services and a tight labour market.

Initially it was tough to get business from real estate players, as they used to do everything in-house. But the benefits of outsourcing soon became apparent. "We have outsourced all current projects to Synergy," says

Santosh Martin, CEO of DivyaSree Developers. Some other outsourced projects that Synergy will be doing include a Bangalore R&D campus for

Synergy Property Development

The Company was founded by Sankey Prasad

The line of business is project management, architectural design and turnkey projects

For 2010-11, the company had revenues of ₹300 crore

Major investor is Blakstone Real Estate Partners

The landmark projects are Medicity (Gurgaon), Select Citywalk (Delhi)

telecom biggie Huawei and an Info Park for IT major TCS in Cochin.

Such customer acquisition has helped the young company earn investor attention as well. In 2008, private equity giant Blackstone, through their construction-focused investment fund, picked up 35% stake.

The firm, which has around 600 employees, has introduced an online management information system (MIS) designed by IBM to increase use of technology for project management. Global Initiative for Restructuring Environment and Management, an independent body focused on urban planning, development and corporate real estate rated Synergy as the Best Engineering Firm of the year 2010.

Prasad said that there is a huge opportunity in the project management space for entrepreneurs, but there are not enough players in the market to tap it.

"We are targeting revenues of ₹1,000 crore by 2015," says Prasad who is now eyeing to be part of development projects for the 2022 FIFA World Cup that is going to be hosted in Doha, Qatar.

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