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The Indian real estate is expected to get up to \$8 billion venture capital this year as there is more demand for housing

INTERVIEW

Synergy eyes Middle East prospects

Indian firm expresses full faith in Dubai; seeks share in development projects for 2022 FIFA World Cup in Doha

Muzaffar Rizvi

DUBAI — Synergy Property Development Services, a leading project management company in India, plans an aggressive growth strategy to expand its presence in the Middle East and North Africa, its top official said.

The Bangalore-based firm will expand its reach to Qatar, Saudi Arabia and African countries from its Dubai office as it received "good enquiries" to develop some of the mega projects in the region.

"We are going to explore the Middle East market as we have received couple of good enquires from the UAE and Qatar. We are in talks with a serious client in the UAE and will soon announce the details," Sankey Prasad, chairman and managing director of Synergy Property Development Services, told Khaleej Times in an interview during his recent visit to Dubai.

Synergy specialises in architectural design and fitouts, complete management and turnkey contracts for large retail outlets, IT parks and special economic zones, corporate campuses, retail malls, hotels, hospitals and premium residential and mixed-use developments. The company has a pan India presence with overseas offices in Dubai and Kuala Lumpur.

Prasad started Synergy in early 2003 with around 40 people, and has since grown in leaps and bounds, and today Synergy boasts of a strong team of over 700 people, with its resource pool including talented architects, engineers and project management personnel. The company has delivered over 130-million square feet of real estate and is presently managing over 100-million square feet across various asset classes.

Synergy has aggressively embarked on its business expansion plan, spreading their tentacles in various corners of the world and is also eyeing to be a part of the prestigious development project for the 2022 FIFA World Cup.

"We are keenly watching the developments in Doha. We are looking to formalise strategy to participate in the bids for infrastructure development in Doha for the 2022 bash. We are looking out for strategic partners in the region who could bring to table some formidable relationships that could complement our expertise and offerings."

"We are strategically placed to dovetail our plans in accordance to the master plan that the Doha government plans to unveil for the 2022 FIFA World Cup. As in the past, Synergy would continue to envisage a strategic role in the projects leading to the 2022 FIFA World Cup to make it a success."

He said Qatar would see good developments in the wake of the 2022 FIFA World Cup. "People are lining up to take the advantage and we are also part of the race," Prasad said.

He said the Middle East is passing through a development stage as huge infrastructure projects are under progress in the region. "We have evolved an aggressive growth strategy to expand our business in the region through Dubai office," he said adding that the company will play a vital role in the region's development projects.

In reply to a question, he said real estate in Dubai will take more time to recover as its economy is back on track following recent positive developments on economic front. "Dubai property sector will take little more time to stabilise. We maintain our office set up in the emirate during last three years despite difficult times as we have full faith in Dubai," he said. In reply to a question, he said Synergy is open to develop joint venture projects with Dubai-based property developers. "We have absolutely no problem in local tie-up provided a right opportunity comes up."

He said most Indian companies were sceptical of operating within the Gulf markets after the global financial crisis, however Synergy has shown confidence in the Gulf markets by making considerable inroads within the last three years. "We are vying for some of the most prestigious projects in the region," he said without elaborating.

"We are very positive on developments and interests shown towards us for project management in the Middle East, especially from Qatar, Kingdom of Saudi Arabia," he said.

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Embarking on aggressive growth strategy in overseas markets, Prasad said Synergy will become a Rs1,000 crore company by 2015. "We have achieved Rs200 crores revenue target in March this year. We are confident to achieve the 100 per cent revenue growth in 2011-12 and Rs500 crores target in next two years."

"Apart from Middle East, we have a very strong presence in Malaysia and Serbia in Eastern Europe. We do have strong intentions, and our business development team is working very strongly for identifying attractive projects in the Philippines, Indonesia, Sri Lanka etc.," he added.

\$8b venture capital

Prasad said the Indian real estate is expected to get up to \$8 billion venture capital this year as there is more demand for housing, office and industrial space in the country.

"Close to \$7 billion to \$8 billion of venture capital expected to flow into Indian real estate market. A significant increase in project execution through public-private partnerships is also expected," he said.

Prasad, a civil engineer, 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.

"There is more demand for office and industrial space. Current levels of investments in infrastructure are not sufficient to bridge the gap between demand and supply."

NRI's key role

Prasad said the real estate boom attracts foreign investors and NRIs that will increase project execution through public-private partnerships.

"The boom is also catching the attention of Indian Diaspora in foreign countries. In recent years, NRIs have played a very significant role in transforming the Indian property market. Since the Indian economy revamped it opened up opportunities for NRIs to invest in the India real estate sector. Contribution by NRIs has brought about a lot of maturity in the market."

"Statistics reveal that NRIs are investing a lot in residential and commercial properties to leverage on the growing property demands. Even banks assist them avail a home loan easily to buy property as NRIs are considered a safe option because of their disciplined and good repayment capacity." — muzaffarrizvi@khallegitimes.com



Sankey Prasad