



We have moved away from developer mindset of land aggregation

Kolte-Patil focusing on operating like a manufacturing and services company

Gopal Sarma, Group CEO, Kolte-Patil Developers Limited

Founded nearly three decades ago and guided by the simple yet profound philosophy of 'Creation, not construction', Kolte-Patil Developers is a leading real estate company with dominant presence in the Pune residential market. The company has constructed over 50 projects, including residential complexes, commercial complexes and IT parks covering a saleable area of 20 million square feet across Pune, Mumbai and Bengaluru. Kolte-Patil markets its projects under two brands: 'Kolte-Patil', addressing the mid-priced and affordable residential segment, and '24K' in the premium luxury segment.

"Customer centricity with a sharp focus on quality and innovation and longevity is part of the Kolte-Patil DNA where we service customers with a 'You on Priority' and 'We Care' approach," says **Gopal Sarma**, Group CEO, Kolte-Patil Developers Limited. "Prudent investments in technology has enabled faster construction, data-driven decision-making, reduction in customer service time, integrate systems and truly deliver an omni-channel experience to customers who trust us with their hard-earned money. We are committed to delighting customers through timely delivery and execution." Gopal Sarma shares with Bizz Buzz his views on how the real estate industry is shaping up and the contribution of the industry to the economy

VINCENT FERNANDES

How is the real estate industry shaping up post Covid?

Most of the branded developers with stronger balance sheets and a focus on providing superior customer experience have recovered well and neared pre-covid level performance in terms of sales, construction and collections. While the overall volumes may have decreased this year, performance of leading players shows early signs of a Covid-

How has your company evolved over the years?

Over the recent few years, while maintaining our dominant position in Pune, we have diversified our geographical footprint with strong bookings growth in Bangalore and significant portfolio additions in Mumbai. We have moved away from a developer mindset of land aggregation and focused on operating like a manufacturing and services company. Further, we have continued to augment our

and the initial response has been quite encouraging. We have an exciting year ahead with new launches across the three cities where we are present. These include five launches in Pune, three in Mumbai and one in Bengaluru amounting to a total saleable area of 3.1 msf.

How important is the real estate industry to the economy?

Real estate contributes close to 6-7 percent of the gross domestic product (GDP) in India and this share is expected to grow to double digits in a few years. There are multiplied allied industries like building materials, lighting, cement and steel linked to the health of real estate. Hence, the sheer volume of jobs created by the sector makes it one of the most important industries. And this is all the more reason real estate needs to be accorded the infrastructure status by the government; as well as be included in the priority lending list of banks.

Reduction in the GST slabs and reintroduction of input tax credit (ITC) for developers to be able to claim GST expenses incurred in construction activities could provide the much-required liquidity to the sector. Secondly, more incentives for developers to take up affordable housing projects and give a fillip to PM's 'Housing for All' mission are our expectations from the Budget

quality standards, customer centricity and execution capabilities. Thus, recently we were acknowledged

led consolidation taking place.

What are your expectations in the Budget for the real estate industry?

Firstly, reduction in the GST slabs and reintroduction of input tax credit (ITC) for developers to be able to claim GST expenses incurred in construction activities could provide the much-required liquidity to the sector. Secondly, more incentives for developers to take up affordable housing projects and give a fillip to PM's 'Housing for All' mission. Thirdly, capital gains tax relief for HNI home buyers and removing the ceiling on interest rate deductions will incentivise salaried home buyers. Fourthly, government has to step in and curb the cartelisation of raw materials like cement and steel. This is necessary especially when the government aims to reign in home prices.

as India's most trusted brand in the 10th edition of TRA's Brand Trust Report in the 'Construction' super category that includes real estate companies as well as EPC contractors, ahead of many prominent companies in the sector.

How is the company gearing for 2021?

Despite such an uncertain year, we expect to report healthy cash flows and a strong balance sheet in FY21. Building on FY21, we expect to report a strong improvement in financial and operational parameters in FY22. We have recently launched a new project 'Universe' in our Life Republic Township in Pune

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What technological changes you see that could change the industry?

The industry is already more digitised and data-driven than it was pre-Covid, and this will only further increase. Incremental improvement in lead management, CRM and virtual reality technologies which shorten the lead to sale cycle is expected to change the industry.