

An Early Start

Karan Chandrashekar, Managing Director, Karan Property Developments Pvt Ltd talks to **Anuradha Ramkumar** about how he gained hands-on experience of working in various sites in South India that prepared him to foray into the construction sector. He believes his biggest asset with regard to running the business is his ability to take decisions. Excerpts...



Elaborate on your business journey.

From my school days, I was involved in designing offices for my father's company and also was on the road visiting various sites from the age of 16. I spent a lot of time during my teens helping with administrative work like drafting letters, preparing BOQs etc to actually designing and undertaking site visits to various places in South India. I started officially working in June 2009 with my key responsibility being to lead the growth of our manufacturing business. Our factory manufactures UPVC windows and doors and since the space was new at the time a lot of time went in educating customers. That was quite a task, which entailed visiting a lot of builders, architects etc to secure orders and increase the production at the plant. It was a great learning process and we were able to increase production drastically and grow the business.

My foray into construction was in January 2011 with the launch of my maiden development. 2011 marked the year when I started my development journey and I have been fortunate to have been able to continue with the addition of new developments since then.

How has your education helped in your business?

In the business of property development, a lot of knowledge which you need with regard to construction, is actually practical knowledge and what you learn from various engineers, which is very difficult to find in books but is something that can only be learned by spending time on sites. Being someone who is very passionate about the industry and wanted to learn all the aspects of construction, I actually spent the better part of 2011-2013 literally on the construction site of my maiden project.

With regard to running a business, I believe that the person I am today is because of my father who has been my mentor. I did not report to anyone early on and my father encouraged me to take decisions and learn by even failing sometimes. I believe my biggest asset with regard to running my business is my ability to take decisions.

However I do credit the time I spent in Australia during 2006 - 2009 whilst undertaking my degree in Business, the degree I undertook was a very practical one where a lot of presentations, case studies and projects played the majority role in each subject. Because the grade depended on those aspects you inherently had to become better every semester in presenting etc. which actually helped in building my confidence to speak amongst a crowd and even helped with my ability to communicate clearly and in a more articulate way.

Challenges faced in your business, and how did you overcome it?

The biggest challenge I faced early on was actually my age.



Madrid Residences

People did not believe a young kid would be able to deliver a project of 80 apartments, which resulted in people not willing to buy my apartments upon launch. Even bankers were hesitant because there was no actual body of work done before which could compare to the kind of project I was proposing.

I faced challenges constantly over the period of my maiden venture. Apart from not being able to sell units initially, a year into the development the other challenge I faced was having to buy out the land parcel because the joint development I had signed with the land owner was in trouble because their family was having issues. Two years into the development I faced legal trouble on the land as local miscreants were claiming ownership.

The only way to overcome it all was to power through and solve every obstacle as and when it came up; we negotiated terms with the land owners to buy the property and successfully bought the property, fought the miscreants in court and got the judgement ruling in our favour and we found investors who were convinced on the project and raised funds for construction, and like every true entrepreneur I risked my family funds

and mortgaged properties to raise funds to purchase and develop the building.

In hindsight the entire process was a rich experience which was worth its weight in gold as I learned so much from facing so many problems straight off the bat that has prepared me for every development that I am currently undertaking to all future developments. But to have completed the development on time after all the problems and sold every unit in the development it gave me the confidence to build further on my dreams and passion for construction and development.

How can government help the realty industry by its initiatives?

I personally feel the initiative with regard to RERA and the thought process behind the same is sound in protecting the customers. A lot more processes and documentation are being added to help generate better transparency; also in my opinion discourage those fly-by-night builders who by unethical means have been unfair to customers, which have resulted in giving the industry a bad name.

This industry is seen unfairly by the public and the government, and we currently

already go through a lot of problems when dealing with the authorities. I hope that the introduction of another body and these additional requirements needed for a project don't cause further delays and unnecessary additional bureaucracy.

What role does technology play in your company?

We have been successful in taking advantage of basic technology to better efficiency and decision making in the company; we took advantage of WhatsApp by creating groups for construction progress and also as a tool to approve payments etc early on as soon as the platform got popular. Good CRM Software have helped our marketing team and using basic tools to reduce wastages on site by efficient updating has been beneficial.

How does realty industry benefit with the youth being a part of it?

Young passionate entrepreneurs would benefit any sector by their entry, as the world is changing it is very important to constantly adapt and embrace change which is a lot easier when you are younger and not set in your ways. Most of the younger generation builders are changing the ways the projects are marketed, the way they are managed to even the way they are branded. A lot of the fresh aesthetic designs are also a result of the younger generation trying to create better products and build better buildings.

Growth and future projects

Our growth strategy for the next 5 years is to develop more premium developments in Bangalore, mid-range and affordable developments in the Udupi district and plan developments in the few small towns which we have already identified.

A month ago we launched a premium development in upscale 3rd Block Koramangala, Bangalore, which has been received very well. We have plans of launching a high-rise premium development in Bangalore in the coming months. We have been able to successfully add projects to our portfolio post our maiden venture out of which two will be ready for possession by this year end and two next year.

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