

“We aim to sell around 13 lakh sq ft by the year-end.”

- Vishal Gupta, Managing Director, Ashiana Housing Ltd

The saga of Ashiana Housing's unabated growth began more than 30 years ago. Having delivered over 92.2 lakh sq ft of residential and commercial space in Bihar, Jharkhand, Haryana, Uttar Pradesh, Rajasthan and NCR, this Delhi-based company has become the only real-estate firm from India to figure in the 'Asia's Best Under a Billion' list of companies compiled by *Forbes* magazine for 2010.

Managing Director Vishal Gupta, believes in the simple principle: 'The customer is the biggest asset.' His discussion with JAYANTHI NARAYAN reflects this humble gentleman's commitment to his profession. Excerpts...

How do you plan to keep pace with the booming realty market?

We have always been an execution-oriented company and, not a land-banking compa-

ny. We believe that if we have the right kind of execution capability, skills to market the product, understand the market and design the right kind of product, we will continue to get the required margins. In a booming market one tends to get carried away. We are always looking for partnerships for growths specifically in newer locations.

What is the secret behind your mention in the *Forbes* 'Asia's 200 Best Under a Billion' list?

At some level it makes us really happy, being a focussed company. We kept ourselves grounded from temptations and that has paid off. But at the same time it makes us believe that we need to work harder to keep going. Our secret recipe is that we are a customer-oriented company. And if that is duly taken care of, the rewards are ours. As a company we remained off-debt. We did not divert the customer's money from project A to purchase land B. Our referral bookings are the largest. Our customers are the ones who get us the maximum number

Company details

Establishment
By OP Gupta, former MD,
Ashiana Housing Ltd,
in 1979.

Top management
Vishal Gupta, Managing Director
Ankur Gupta, Joint Managing
Director

Varun Gupta, Director
Centres of Operation
Delhi based company; Bhiwadi,
Jaipur, Jodhpur, Jamshedpur,
Pune and Mumbai

No. of employees
450

Group turnover
Rs 150 crore

of bookings. We maintain projects that we have handed over 20 years ago. Those are some of the very strong customer-oriented thought processes we have. Money in the maintenance business compared to the real-estate business is peanuts. But the value proposition that builds on to the table for the customer is so great that it compels us to keep focussed on the maintenance. It is very tough and demanding.

How much is your land bank?

Our land bank is a small total of about 7 million sq ft. We are in the process of getting more. We are already in talks for JVs for private land acquisition in areas we feel we have requisite skill sets.

If you plan to deal with new territories, what will be your modus operandi? How will you handle the local issues?

To cite an example, we are doing a retirement community project in Lavasa. There, a lot of sanctions and local law-related issues were given to us on a platter. We like to partner with people where we can leverage each other's assets. That is the model we would like to take forward.

What projects did you complete in the last financial year? How much were they worth?

We always measure the equivalent area constructed. So in the last year the equivalent area constructed was 1,022,060 sq ft and the area booked was 707,000 sq ft. It was worth about Rs 140-145 crore on an average of about Rs 2,000 per sq ft, on which the bookings were done. And with a construction cost of about Rs 1,000 per sq ft, it was about Rs 100 crore.

This year, as of today, at about 668,000 sq ft sales and construc-

tion, we are a little behind target but we should achieve around 13 lakh sq ft by the year end.

How do you keep abreast of the latest technology and apply it in your projects?

We have people who guide us, like SK Trishan, an advisor and the director of Ahluwalia. We are now also evaluating lean construction technologies. There is a lot of passion for quality, so we keep trying



The company adopts eco-friendly initiatives in all its projects.

new things internally in all areas whether it is housekeeping or how to lay the floor better. The best way to adopt is to listen and absorb.

Tell us about your dream project.

Every project is a dream project. I love each one of them. However, I always want to do the next project bigger and better than the last one. The project I really want to see completely shaping up is Lavasa because of the terrain, weather and the overall city planning; the environmental consciousness and infrastructure. It is very interesting. It is something new to the company because we have not done that kind of terrain before.



I am living my dream. I got this company as a legacy from my father. I am not an engineer but I love every bit of this because there is so much creativity. Every day, one can do something new.

Give us a brief history of your company. How did it all start?

It was started by my father OP Gupta in 1979 in Patna. He is a civil engineer from BITS Pilani and he did his master's in engineering from the US. The credit for the recognition from *Forbes* goes to him. The company is his baby and we are nurturing it.

According to you, how important is real-estate branding?

In coming years it will be even more important. More and more people are willing to pay a price for quality, safety and timely delivery. Entry into real estate is easy but it's not that simple to survive. There are so many little details that one has to go through and all of it comes with experience.

How eco-friendly and environmentally sustainable are your projects?

We built the first STP in 1997 when there was no environmental awareness. We have also adopted rainwater harvesting, solid waste management, solar power, grey water recycling and CFLs. Also we do not compromise on the conventional wisdom of putting good *chajjas* on windows. We do massive tree plantations too.

What is your view on the ethics followed by the builder community?

There are great guys in the market who do fantastic disclosure. Let's not forget that the developer is like a stepmom. We

are instilled with the fact that a developer is mafia or a land grabber. The consumer makes the single largest investment of his lifetime in a home so he has every right to have huge expectations. The buyer needs to start identifying them and put their money in the right place and not be carried away for a little bit of greed of a lower price. It is a very difficult situation and there are a lot of people to be blamed. But the silver lining is that there are a lot of good guys too in every city.


What does your daily work schedule involve?

Principally my major responsibilities include new business development and design and construction management. We are three brothers who have divided our roles.

What is your personal success mantra?

The company's USP is clear. It is delivering absolute value-for-money homes. The *lage raho* attitude is very important!

Where do you see yourself in coming years?

While the *Forbes* mention is an extra dose of what gets us going, we do see ourselves as market leaders in whichever area we are in. As an immediate goal we are looking at 20 lakh sq ft of construction, marketing and maintenance capabilities. Today we are maintaining 6,000 homes; if we start adding 20 lakh, it means adding 2,000 houses every year. To be able to create that bandwidth and create that much more cheer and be focussed on what you already have is the immediate target. 

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Left: The company plans to construct 2,000 houses every year.

Right: Ashiana Utsav, Lavasa, situated in the sprawling lap of nature, has all the modern amenities for staying connected to the rest of the world.

Operational projects

2009 - 2010

- Started handing over Ashiana Aangan Phase I & II totalling 640 units of saleable area of 8.7 lakh sq ft
- Ashiana Manglam, Jaipur, with 154 units and saleable area of 2.15 lakh sq ft
- Ashiana Amargh, Jodhpur, with 95 villas and saleable area of 1.48 lakh sq ft

Significant launches include:

- Utsav, Jaipur, Phase II & III
- Ashiana Brahmananda, Jamshedpur, Phase I
- Utsav Lavasa, Phase II
- Rangoli Gardens, Jaipur Phase I