

The Demand For Project Management And Facility Management Will Keep Increasing As Indian Infrastructure Development Continues To Increase



SILA communicates a sense of professionalism and zeal of being a domestic player that is seriously taking on the International Property Consultants. The company has a vision of complimenting India's growing economy by building business verticals and sustaining it with utmost dedication and solemn. By integrating global best practices and understanding the Indian mindset while maintaining the human touch, SILA aims to process procedure, technology and training in whatever venture they plan on undertaking.

With its domain knowledge & expertise, qualified & trained professionals making for a superior service orientation, SILA aims to be consistent in delivering a value for money proposition and propelling the advantages of outsourcing non - core activities like Project Management and Facility management as an inherent basic requirement of the corporate and day-to-day life. **Mr. Sahil Vora, Managing Director, SILA Solutions Pvt Ltd.,** in an interaction with CE&CR, gives an insight into the scope of Facility

Management and Project Management services in India and explains how, the growth in both the sectors is directly dependent on the growth in Real Estate Sector.

CE&CR: Could you please introduce SILA Solutions Pvt Ltd to our readers?

S.V.: SILA is an ISO 9001:2008 certified Property Management Company that began operations in April 2010. The goal is to explore opportunities that are a derivative of the Infrastructure / Real estate space. Since its inception, SILA today has more than 500 employees, growing its top line at 250% year on year. SILA's current services include Facility Management, Project Management and related Technologies that help the company deliver comprehensive Real Estate and Infrastructure Solutions. SILA is present in 20 cities in India, with its headquarters located in Mumbai.

CE&CR: What is your outlook for Real Estate Sector in India?

S.V.: Similar to the west, we expect the real estate sector to become much more organized, efficient, and professionally run in the future. The sector is now at an inflection point where we are increasingly seeing the small fly-by-night or family owned business developers struggle to operate, hence weed out of the sector.

With increasing competition from larger developers and more stringent government norms and regulations, this is making it hard for smaller developers, who would often bend rules and regulations in order to fetch better returns, to fetch returns that they used to in the past. As we come out of this period, the professionalism and the quality of construction in the sector will begin to improve, the consumer will become more and more demanding.

CE&CR: Do you see land acquisition and finance availability as two major hurdles in the growth of the industry?

S.V.: I think, there are three main hurdles which have the capacity to cut short the growth path of the industry. These Hurdles in the order of importance can be listed as:

1. High cost of capital
2. Availability of trained labour - states like UP, Bihar developing as they are, will exacerbate this issue in the rest of India.
3. Land acquisition

CE&CR: *What is the scope of Facility Management and Project Management in Real Estate Sector Today?*

S.V.: The Facility and Project Management Sectors are both in very nascent stage in India today with over 2/3rd of the market in both sectors dominated by the smaller unorganized players.

Given the development of high quality real estate and infrastructure projects that are slated to come up over the next couple of decades, we are almost certain to see a shift dynamic within both these sectors. A number of the unorganized / family owned project contracting and facility management businesses will begin to make way for more organized, professional organizations.

Today the organized sector comprises only a handful of Indian companies and of few International Property Consultants (IPCs).

Overall, the outlook for the industry looks very positive. The demand for Project Management and Facility Management will keep increasing as Indian infrastructure development continues to increase.

CE&CR: *How do you expect these specialty sectors to grow in future?*

S.V.: The growth of the facility management and project management sectors will run parallel to the growth that we will see in the Real Estate and Infrastructure sectors. We won't be surprised to see these sectors grow at close to double the pace of GDP growth. Given that there is already a vacuum for quality project and facility managers, the demand for them is only going to increase at a faster rate as India's economy grows.

CE&CR: *What is the level of competition right now?*

S.V.: The competition in the lower margin segment of the sector is highly fragmented with number of smaller unorganized players. However, we see an opportunity to create a niche in the higher end segment.

CE&CR: *Can you please update us on some of your prestigious projects?*

S.V.: The Ruby, Piramal Healthcare Limited, Piramal Realty Limited, Trident Hotel (BKC), Supreme Infrastructure Limited, Orbit



Corporation Limited, Metro House, Tara Jewels Limited, Skoda-Autobahn.

CE&CR: *What are your future expansion plans?*

S.V.: Backward integrate into actually executing the projects that we manage or provide project management consulting to ensure that projects are executed with more efficiency.

Currently SILA offers its expertise to a wide range of clients, such as Piramal Healthcare Limited, Piramal Realty Limited, Trident-BKC, Supreme Infrastructure Limited, Orbit Corporation Limited, The Ruby, Metro House, BMB Gallery - Yash Birla Group, Tara Jewels Limited, Skoda, Autobahn, KPMG, Shapoorji Pallonji, Conde Nast India, Rohan Lifescapes, Bharat Serums and Vaccines Limited, RNA Builders, Crystal Point Mall - Star Bazaar, Moksh Plaza Mall, ACG Capsules, Crystal Paradise Mall, Alok Industries Limited, GEPL Capital, Pesca Fresh, Pressto Dry Cleaners.

CE&CR: What has been the role of your company in introducing innovative and sustainable project management solutions in India?

S.V.: At SILA, along with constant training and retraining of all our talent, we focus on incorporating systems and processes that are missing in the project management industry today. For example, we carry out a process known as 'Value Engineering' in order to streamline the quality, efficiency, and delivery and reduce the overall cost of the projects that we consult on.

Additionally we have an innovative training system called the SILA INTERNAL TRAINING PROGRAMME (SITP) which incentivizes employees to focus on quality and rewards them by making them part time trainers for their performance.

CE&CR: How has these solutions helped in reducing on time and money spent on a construction project?

S.V.: These solutions have allowed us to increase the overall efficiency of the project. This reduces time delays which save significant cost of financing these projects and also improve the developer brand and quality.

