

Challenges faced by Construction Industry: A Case of Brys Group

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BRYs GROUP

Background & Company Profile

Brys group has established itself as a progressive and innovative Group in each of its domains viz. Real Estate, Hospitality, Healthcare and Advertising with global footprints by following transparency, ethics and integrity to exceed customer satisfaction through innovation and excellence. It has emerged as a conglomerate with business interests in four diverse fields. The company has served prominently well in the hospitality sector. Presently it is operating two properties, BRYs FORT in Jaisalmer and BRYs CAVES at Jim Corbett National Park. The third one in Delhi NCR called BRYs ELAN will be inaugurated shortly. Apart from this BRYs GROUP is also into advertising, where it is amongst the leading names. Its realty venture has created a flutter in the market when it came up with North India's tallest residential apartment complex called BRYs BUZZ. It has to be built as per the stringent international green norms of Delhi & NCR. Designed by an internationally acclaimed architectural firm having its footprints all over the globe BRYs BUZZ will make use of latest and most innovative technologies to offer a lifestyle that is reserved for the exclusive few. Various other projects in the affordable housing segment are also in the pipeline at different other locations in NCR.

BRYs BUZZ: A Dream Project for BRYs Group

BRYs Group deals with multiple products and services; however our study is focused mainly on their real estate business. BRYs Group has launched a property recently called BRYs BUZZ. So, our case study revolves around the

project details and the challenges that the group has faced so far with this project. Constructing a building is a challenge, and when that building is supposed to have 81 floors, it creates an even bigger challenge.

Following are some of the challenges that were faced by the BRYs BUZZ Project.

Height Approval

The biggest challenge that the project faced was in getting the height approval from National Capital Region Planning Board. Furthermore, this project required approval from not just NCR Planning Board but also from the Aviation Ministry. This is so because a 292 meters tall building can cause disruption in the air traffic. Also, it is a mandate for such tall buildings to construct Helipads on their rooftops. So, BUZZ features a Helipad. BRYs has created a good market value by provided high standard infrastructures and that too on timely basis, which has increased BRYs credibility in the market. It took the company nearly two and half years to get the height approval and to get through with the launch of their project.

Fire and Life Style Certification

BRYs BUZZ is developed on International Standards, and hence it is required for the project to acquire certifications on Fire and Life Safety. However, according to the AVP, no proper rules and regulations existed with the NCR Board for the same until the BRYs BUZZ project came into picture. So, BRYs group laid the foundation for the rules on Fire and Life Safety. The group had specially hired a Dubai based firm called Design Confidence, which

specialises in Fire and Life Safety consulting and engineering, to help them in obtaining the licenses.



Pestle Analysis

Political Environment Factors:

According to our analysis, BRYS group finds obtaining a Building Commencement Certificate to be the most important factor.

However change in political environment, i.e. change in ruling parties after elections, are somewhat important but not a very critical factor for them.

Economic Environment Factors:

BRYS considers all the economic factors stated in the questionnaire to be very important.

Fluctuation in prices of the inputs, like raw material and labour, is of utmost importance to the company, because any change in these inputs raises their cost of building.

Change in demand is another factor that is very important for the company.

Future growth and resale value of their completed projects is another significant factor for the company. Hence, they construct high-quality buildings so that it complements their future growth and attracts good resale value.

Stamp duty and registration of the projects is also a major factor for BRYS group.

Social Factors:

Credibility of the company and its project is also an important factor.

Public interest involved is another factor that is crucial and the company takes all the precautions so as to take care of the public's interest.

Since, the company is fairly new in the construction sector, so the perceived image of their already developed property is just fairly important.

Another factor that is utmost important to them is the effect of acquisitions on land, public, private houses and other common properties.

Technological Factors:

The company is quite technologically advanced, and so they consider all the technological factors, that are, pre-structured concrete blocks, mixture of cement and sand in right proportion and use of technologically sound equipments in their construction.

Legal Environment Factors:

One of the most crucial legal factors for BRYS is the land acquisition method. Since their properties are mainly located in the controversial areas of Noida and Greater Noida. However, other legal factors like rights of people displaced by acquisition, requirement of rehabilitation & resettlement and compensations are only somewhat important to the company.

Bargaining Power of Consumer:

According to the company, bargaining power of the consumer is most important when it comes

to the quality and pricing plans of their projects. Facilities provided in their projects just fairly important.

Bargaining Power of Suppliers:

Suppliers influence the labour prices only moderately, but factors like raw material and contract management are the two aspects that are very important.

Threat of New Entrants:

The company does not consider substitutes such as fully furnished apartments and serviced apartments to be a major threat by the new entrants. It is only fairly important to them. Even the prices offered by the new entrants and effect of reduction in market share are considered to be moderately important, since their target audience is quite different from what the others offer to.

Rivalry among Competitors:

Financial strength of the competitors does not pose much of threat to the company, nonetheless, factors like brand value and infrastructures of the competitors play important role in BRYS decisions.

Strategies of Rival Company:

Building carpet area close to actual area is a

fairly important factor for the company. But pricing plans and possession timing of the rival companies is considered to be an important factor, as it helps them to determine their own pricing plans and timely possession strategies.

From real estate to advertising and from hospitality to medicare the companies of BRYS GROUP have made a name for themselves in the areas of their operations. Prominent amongst the group companies is its hospitality sector. At present is operating two properties,. This apart BRYS GROUP is also into advertising (where it is amongst the leading names), international trading and import of medical care equipment.

Its realty venture has created a flutter in the market when it came up with North India's tallest residential apartment complex called BRYS BUZZ. It is a state-of-the-art ultra-luxurious tech savvy apartment complex to be built as per the stringent international green norms in NCR Delhi. Designed by an internationally acclaimed architectural firm having its footprints all over the globe BRYS BUZZ will make use of latest and most innovative technologies to offer a lifestyle that is reserved for the exclusive few. Various other projects in the affordable housing segment are in the pipeline at different other locations in NCR and the company is overcoming the challenging and leaping forward towards its goal of Innovative Life.
