



**Arun Aleti,**  
CEO,  
Elemental Realty

After completing his bachelor of architecture from IIT, Kharagpur, Arun immediately went ahead for his MBA from IIM, Ahmedabad. Equipped with more than 10 years of experience in the industry, Arun has worked with numerous enterprises including brands like Welspun Group- the Altisource, Nexus Malls of Blackstone Group - the largest private equity fund in the world, before joining Elemental Realty.



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# ARUN ALETI

A DYNAMIC LEADER  
TRANSFORMING THE  
CHALLENGES OF REAL ESTATE  
SEGMENT INTO OPPORTUNITIES

Providing the much-needed infrastructure for India's burgeoning needs, the real estate segment is growing significantly. Fueled by the rapid urbanization and lifestyle changes of the new-age consumers, the real estate sector in India is emerging as a lucrative segment. The real estate industry is witnessing the arrival of many promising business leaders eager to leverage their skill sets with the existing market opportunities to carve impeccable results. Arun Aleti, CEO-Elemental Realty is one such phenomenon. As his interest compelled him to plunge into the mammoth real estate segment, he envisaged a lot of existing challenges and other prominent inefficiencies that were confining its growth. Arun felt his educational qualification amalgamated along with his professional expertise can be effective to address the prevailing nuances of the real estate market of India, and thus he contemplated the establishment of Elemental Realty- a professionally driven real estate organization in 2016. Based out of Hyderabad and India, Elemental Realty is a space innovation and construction company that exclusively focuses on creating effective and responsible buildings with the assistance of some of the highly qualified architects and engineers in the country.

Arun engages in an exclusive interaction with CEO Insights.

**How would you define Elemental Realty as an organization and its position in the market? How is it different from other real estate firms?**

With a mission to create a better world and address the ongoing hurdles of the real estate segment, we laid the foundation of Elemental Realty. Our focus was to create a professionally driven organization with transparency, faster decision-making, customer centricity, and sustain-

ability as our core values. Unlike other traditional real estate organizations which are largely promoter-driven, we are glad to evolve as a professionally driven organization under the able guidance of the board comprising of great entrepreneurs across industries in leading positions. Having worked across some of the most prolific projects such as Elemental Earthwoods at (Apartments), Elemental Realty is gearing up to create some more noteworthy milestones in the real estate segment and some of its ongoing projects are Amazon's Largest Last Mile delivery station of Hyderabad, Elemental Village (Premium Villas), Elemental #337 (Office Space), Orchards at Kollur (Luxury Villas) and warehouse for Hindustan Unilever.

**How has been your company's journey so far? As the CEO, what strategies have you been implementing to maintain its position in the market?**

Starting our journey in 2016, we've shown a CAGR of about 50 percent till date. If I have to talk about the portfolio sizing at present, we are roughly operating about two and a half million square feet with a cumulative sale value of about 600 crores.

Our portfolio comprises seven projects of different asset classes each having a unique concept and we have received phenomenal responses from our clients. Strong understanding of customer behavior & adoption of technology are our key focus areas. When it comes to adopting innovative strategies, we've always prioritized end-user demand over investor demand across all our projects including residential, commercial and warehousing segments. In residential projects, most of our customers are end-users, and in commercial projects, 80 percent of our customers are end-users. In the warehousing segment, we have targeted the end-users like E-commerce and FMCG.

**How has been your response to the challenges posed by the covid-affected market? How would you describe your role in tackling those challenges?**

According to me, COVID has introduced three amendments across the industry. The first is a new set of challenges, the second is an array of opportunities created due to covid, and lastly, the strong behavioral changes. In terms of the residential, people have started looking for bigger and better homes; the number of transactions on the warehousing side have improved significantly because the pandemic has emphasized the need for a strong supply chain.



One of the major challenges we encountered during this period was the extension of the gestation periods of projects because of the disruptions on the supply chain side. We started looking for more alternatives and tried to have tie-ups with multiple suppliers. Since pandemics have a direct impact on the cashflows, we ensured that financial discipline is strongly imbibed in our organization, while we remain 100 percent debt-free. Apart from that, we earmark finances separately for each project. Better working capital management by re-negotiating credit periods with the suppliers and reduction in inventory holding costs, we made sure that, we are very adequately prepared for the short-term liquidity.

Unlike other industries where employees can work virtually, in the real estate industry people need to be present physically at the workplaces/sites. Safety of the employees and employee engagement have been our core focus areas in the pandemic and post-pandemic era. We conducted sessions called 'Elemental Elevate', a cross-functional training program to promote faster learning and cross-functional knowledge at the same time. We kick-started 'Elemental Champions', a rewards & recognition program to enhance our employee engagement.

**What are the changes in market behavior that you anticipate and what are the opportunities that you foresee at present?**

In terms of residential projects, people have started looking for bigger homes which we have already incorporated into our strategy. Although hybrid work culture is going to stay for a while, the traditional workspaces certainly demand more spaces for meetings, lounges, and so on. As more people are opting for e-commerce, we will be continuing to focus on the warehousing segment. These will be our opportunity areas for the organization in the near future. CEO



IS PROUD TO PRESENT

ARUN ALETI

**CEO, Elemental Realty**

AS ONE OF THE

Top 10 Real Estate Startup Leaders — 2022  
This is an annual recognition that showcases exceptional leaders in the real estate industry who guide the industry to its future by setting benchmarks across several key parameters.

A handwritten signature in blue ink, appearing to read "Sujith".

**Sujith Vasudevan**  
Managing Editor