

# CHAIRMAN'S MESSAGE



We are facing this crisis with great strength, a result of years of prudent and proactive management of the business. We lay our full focus on our business today and the year ahead. Given the challenging external environment enveloping the global and Indian markets, we foresee a radical metamorphosis in customer preference and the trend towards housing.



## Dear Shareholders,

I hope you and your near and dear ones are safe and healthy. The COVID-19 pandemic dominated the entire FY 2020-21 and still continues to create disruptive impact on the lives and livelihood of people across the world. In our history of three decades, we have not experienced anything like this pandemic before. But as they say, challenges always give you the opportunity to revisit yourself and change the approach, we also brought about several changes to our strategy and strengthened our core, while adapting to the new normal.

FY 2020-21 was the most toughest year on record as a residential market already struggling for survival was forced to deal with a collapse in residential demand caused by the pandemic induced lockdowns in Q2 FY 2020-21. It seemed unlikely that the subsequent economic fallout would allow market demand to revive in any meaningful way. However, once the initial panic subsided due to our improving understanding of the fight against the pandemic, economic activity resumed, and market forces rationalized over the latter half of the year.

Measures such as the moratorium on loans, reduction in housing loan rates and an extension of RERA completion deadlines allowed developers to survive immediate financial capitulation, but only a revival in homebuyer demand could make a material impact on developers' fortunes. The broad-based income disruption caused by the pandemic weighed heavy on market sentiment. However, homeownership has traditionally been a coveted aspiration of the average Indian and the acute loss of security felt by the masses during the worst of the pandemic only reinforced this sentiment. That, coupled with home loan interest rates at multi-decade lows of sub 7%, a substantial correction in apartment eventually seem to have convinced homebuyers that this was an opportune time to buy into the market.

## FINANCIAL HIGHLIGHTS

**INCOME:** Total Income decreased to ₹ 182.04 crores in FY 2020-21 from ₹ 277.33 crores in FY 2019-20.

**EBITDA:** Earnings Before Interest, Tax and Depreciation increased to ₹ (37.73) crores in FY 2020-21, from ₹ (50.41) crores in FY 2019-20.

**PAT:** Profit/ (Loss) After Tax increased to ₹ (105.25) crores in FY 2020-21 from ₹ (119.63) crores in FY 2019-20.



## OPERATIONAL HIGHLIGHTS

We have a strong belief in Ahmedabad's future, especially the city's emerging areas. We are also planning to launch new residential projects that qualify under the Affordable Housing Segment as per the new guidelines. Given the city's potential and our belief in its redevelopment prospects, we are planning to tap the opportunities in Ahmedabad for assisting co-operative housing societies in redevelopment.

Your Board has decided to amalgamate Sulabh Realty Private Limited, Malvika Estate Private Limited and Gitanjali Infrastructure Private Limited with the company. These companies are having land in their Balance sheets and due to amalgamation, it will unlock value to the equity shareholders of the company. This strategic decision will provide impetus to growth, enable synergies and focused management control. It will also help us build a stronger asset base which will result in bolstering the asset/capital base and balance sheet. Resulting in stability, better economic control, flexibility and capability to undertake large projects, thereby contributing to enhancement of future business potential. In this pursuit we will be able to optimally use our pool of resources, while integrating them for creating an overall shareholders' value and strengthen competitiveness.

## COVID RESPONSE

We, at Ganesh Housing, faced this crisis with great strength and will continue to do so. This resilience, however, isn't an overnight invention but, rather, a result of years of prudent

and proactive methods. At Ganesh Housing, the priority now is to resurrect and more than make up for the time and resources lost in the pandemic. Given the challenging external environment enveloping the global and Indian markets, we foresee a change in customer preference and a shift in trend when it comes to rented housing. With the pandemic causing disruptions right from the grass root levels, it is questioning a layman's ability to continue living in a rented house. We anticipate a high demand for residential properties in the times to come as the situation gradually returns to normal. Being rightly placed in the Affordable Housing Segment, we expect to be benefitted from these supporting tailwinds.

Today, when I look back on the path we have travelled and come so far in the past 30 years, it gives me a sense of pride and confidence in our strong and diverse team, who have evidently performed well and given their best against even the harshest challenges. It is, after all, the people who make an organisation work. This, of course, would not be possible without unstinted support from our valued customers and partners. One can only pen down a sincere thank and for the valuable support we keep getting, we will forever be humbled. I would also like to thank my fellow Directors, our senior leadership team, and stakeholders for their resolute faith in our vision. Together, we shall create a more prosperous and positive future!

Regards,

**Dipakkumar G. Patel**

Chairman

