

Chairman's Message



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Dear Shareholders,

Even as I write this, the world is facing the brunt of the social distancing, lockdown, and economic disruption. The outbreak of Covid-19 has brought the world to an unthinkable crossroad. These unprecedented times are not just changing the way we live our lives right now but also the future. I am hoping for your and your family's safety right now and in the times to come.

On the economy front, the sluggish global economy of 2019 rubbed off its effect in India along with the homegrown cyclical economic issues. The country's GDP growth sharply skimmed down from 6.8% in FY19 to below 5% in FY20. The last quarter of the financial year was disrupted by the outbreak of Coronavirus pandemic. The complete lockdown, as enforced by the Government to contain the spread of the virus, dragged down economic activities across India in March 2020. This impacted our demand severely as we felt the recessionary aftermath. With the extended lockdown significantly plaguing the overall growth in the next fiscal across sectors, the first quarter is expected to

be gravely weighed down. There is also an anticipation of a gradual easing of the impact during the second quarter. However, normalcy may not fully restore before the second half of 2020-21. We are anticipating recovery during this same period, largely be driven by our presence and offerings in the affordability segment.

Financial highlights

During the year under review total income on consolidated basis increased to Rs.27733.11 lakhs from Rs. 26720.57 lakhs in the Previous Year. Total expenditure increased from 19011.92 lakh in the Previous Year to Rs.32773.40 lakhs on consolidated basis. After providing for finance cost and depreciation the consolidated loss before tax stood at Rs.13236.12 lakhs and loss after tax was Rs.11962.63 lakhs.

Highlights for the year

While we are pleased with the year gone by, the current year is sure to throw in new challenges along with opportunities. Our resilience and agility will critically help us emerge stronger from this crisis. FY21 is likely to be the first financial year

in the recent times where India's GDP growth is anticipated to be negative. With the crisis leading to significant job cuts and salary reductions already, it is sure to have demand ramifications on high value purchases such as residential real estate. However, our biggest strength lies in Affordable Housing Segment and with the current scenario, we are hoping this to prove as a boon for the Company in the post-Covid world. Additionally, various norms relating to redevelopment of existing societies, as declared by the authorities, are also expected to work in our favour.

Opportunities

As on March 31, 2020, our group land bank stood at 27.83 mn sq. ft. (639.13 acres)

We hold around 60 acres of land near the Nirma University at Chharodi and Tragad. The Government recently announced the preliminary town planning scheme no. 36 and 64 for Chharodi – Tragad and Tragad Land respectively.

In the new emerging market, driven by the



Prime Minister's thrust on Housing for All, we have pivoted towards the Affordable Housing Segment by foraying into the sector.

We have a strong belief in Ahmedabad's future, especially the city's emerging areas. We are 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.

Navigating through Covid-19

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 change in customer preference and the trend towards 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.

The team at Ganesh Housing is truly exceptional and passionate about the opportunities lying ahead. As a part of Ahmedabad's leading real estate developer, our team is driven by our Company's commitment to excellence, sustainability, and diversity. I am grateful to each of my team members for their exceptional commitment and ambition. I would also like to thank our customers, and business associates for their continued support. Finally, we owe a heartfelt thanks to our shareholders, for their undying support and belief in Ganesh Housing.

Regards,
Dipakkumar G. Patel
 Chairman

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