

Chairman's Message

Dear Shareholders,

It is indeed a milestone year for all of us at Ganesh Housing Corporation Limited as we complete 25 Years of our incorporation. Reaching many important milestone makes one pause and reflect on the path traversed, as well as gear and gather oneself for the next phase of the journey : a time to look back and learn from mistakes made and a time to look ahead.

Today, we know Ahmedabad better than most players. We understand every heartbeat and pulse of it; we connect with every change and have been a part of the city's meteoric rise in the last few years.

In these 25 Years, we have established ourselves as one of the leaders in the real estate space in Ahmedabad. Since our incorporation in 1991, our focus, strategy and plans had at its core only one facet - Ahmedabad. Today, we know Ahmedabad better than most players. We understand every heartbeat and pulse of it; we connect with every change and have been a part of the city's meteoric rise in the last few years. Ahmedabad is our strength and differentiator, our niche and advantage.

In addition to our strong geographic focus on Ahmedabad, what has made Ganesh Housing Corporation Limited a front-runner in the real estate space has been its relentless endeavour to push the boundaries of Transparency, Commitment, Innovation, Quality and Environment Friendliness. Today, as we look back at our journey of 25 Years, we are proud of the fact that in each of these five key aspects, we have numerous industry-firsts to our credit.

The real estate industry has been facing stiff challenges since the last few years. However, the situation has turned positive during the last one year. There has been a significant revival of demand across all sub-segments: residential, commercial and retail. The commercial real estate segment has seen remarkable improvement in both absorption as well as average rentals, a strong indication that things are changing for the better. The government, on its part, has come out with Act like the Real Estate Regulation Act and clarity on REIT which have made the real estate sector more organised and transparent. This has, in turn, made it more attractive for investor, both domestically as well as for international investors. Moreover, with initiatives like Housing for All by 2022, the government has signalled its determination to focus on this key core sector of the economy.

2015-16 was an exceptional year for your Company. During the year, work progressed as per plan in all the on-going projects of the Company - two residential and two commercial projects. Upon completion, the total monetisation value of these two projects is in the vicinity of almost ₹ 20 billion or ₹ 2,000 crores.

As far as the financial performance for the year was concerned :

- Total Revenue for the year increased by 25 per cent to ₹ 3,241 million compared to ₹ 2,587 million in the previous year
- EBIDTA improved to ₹ 2,064 million against ₹ 1,362 million last year
- PAT increased to ₹ 696 million against ₹ 552 million last year
- EPS increased for the year was ₹ 18.60 per share compared to ₹ 16.90 in 2014-15

This year, Board has recommended a dividend of ₹ 2 per share, or 20 per cent on the expanded Share Capital of the Company after bonus issue, subject to the approval of shareholders.

As I look ahead into the near and long-term prospects, I feel confident and positive. With key reforms like the Goods and Services Tax (GST) on the anvil, the Indian economy is poised for sustained and high-paced growth. The implementation of the 7th Pay Commission will further strengthen all-round surge in demand. At Ganesh Housing Corporation Limited, we are also prepared and poised for a high-growth phase. We are amongst the largest landowners in Ahmedabad with over 640 acres of low-cost and ready-to-develop land. In addition to the four on-going projects, we have plans of launching seven more projects. These include : Smile City I (Phase I and Phase II), Malabar County III and IV, Magnet Trade Centre and Million Minds Phases I & II. Our two mega projects, namely, Million Minds (IT-SEZ) and Smile City are amongst our most ambitious projects till date. In other words, an exciting time ahead for us!

Thank you very much indeed for being a part of the Ganesh Housing Corporation Limited fraternity. Your trust and faith has been the key driving force during these eventful 25 Years. As we celebrate this important milestone, I assure you we will continue with our focus on creating long-term value for all our stakeholders adhering to the highest standards of Transparency, Commitment, Innovation, Quality and Environment Friendliness.

Yours sincerely,

Dipak G. Patel
Chairman

With one of the largest parcel of developable 640 acres of land, our focus will be to execute projects having construction of 22.47 million sq.ft.

