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**ANSAL PROPERTIES & INFRASTRUCTURE LTD**

**Regd. Office: 115, Ansal Bhawan, 16, K. G. Marg, New Delhi-110001**

**Chairman, Shri Sushil Ansal's Address to the Members {Shareholders} at the 54th Annual General Meeting of the Company to be held on Tuesday, the 28<sup>th</sup> September 2021 at 11.30 A.M through Video Conferencing (VC)**

**Dear Members,**

On behalf of the Board of Directors, I extend a warm welcome to each one of you at the 54<sup>th</sup> Annual General Meeting of your Company. Like the last year, it is my pleasure to connect with you all again virtually, on this eventful day of your Company. I am thankful to you for sparing your valuable time to join us today.

Before I present the highlights of your Company's performance during the Financial Year 2020-21, with profound grief and sorrow, I would like to inform all the members about the sad demise of late Shri Bhupesh Chand Gupta, erstwhile Non – Executive Independent Director and Chairman of the Audit Committee, of the Company.

Moving forward, now, I would like to share with you briefly the details of the global and domestic economic environment that have prevailed during the Financial Year 2020-21.

**IMPACT OF COVID-19 PANDEMIC**

The years 2020 and 2021 have been dominated by the COVID-19 pandemic and the resulting global economic downturn, the most severe one since the Global Financial Crisis. The lockdowns and social distancing norms brought the global economy to almost a standstill. The ongoing saturation is not easy times for any of us. The Central and the State Governments across the Country are at a dilemma – on the one hand trying to determine as to how long full /partial lockdown should remain imposed to arrest the spread of the pandemic and on the other hand, how to quickly restore the business conditions and jumpstart the Indian economy which is floundering.

**ECONOMIC OUTLOOK**

Like the Financial year 2019-20, the Financial Year 2020-21 was also a difficult year for the global economy. New virus mutations and the accumulating human toll has raised various concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are happening, albeit slowly, across the Country and sectors, reflecting variations in pandemic

induced disruptions, revivals and the extent of government policy supports in such turnarounds. India recorded the real GDP (gross domestic product) growth of 0.4% in the third quarter of the Financial Year 2020-21. This rise indicates a gradual V-shaped recovery progression that started in the second quarter of the Financial Year 2020-21. The net effect will be that India's real GDP is expected to record a growth of 11 % in the Financial Year 2021-22 and nominal GDP by 15.4 %, the highest since independence.

### **Performance Review**

Through Management's Discussion and Analysis Report, which is forming part of the Directors' Report, your Board of Directors has endeavoured to provide a broad overview of the Global economic scenario and the Indian economy scenario and more particularly the status of the real estate sector prevailing in the Country which has and shall have an impact on the nature of the Company's business and generally in the class of business in which the Company has an interest.

**The details of the major projects currently under development by your Company have been given in the Annual Report 2020-21.**

### **OVERVIEW OF THE COMPANY'S PERFORMANCE DURING FINANCIAL YEAR 2020-21**

As you are aware the accounting system has undergone a change and we are now required to follow INDAS-115 since 1<sup>st</sup> April 2018 wherein revenue is recognized not on percentage completion basis but on any one of the following three events:

- a) Sale Deed is executed.
- b) 95% sale consideration is received.
- c) Offer of possession is issued to the customer.

By above changed system and procedure, the results and balance sheets of all real estate developers have been adversely affected since the adoption of the new system. However, there has been significant improvement in the operation of your Company and despite of the restrictive business scenario, your Company has delivered a strong performance and achieved a huge reduction in the Net loss, by approx. 91% (on a standalone basis) from Rs 213.42 Crores in financial year 2019-20 to Rs. 19.44 Crores in financial year 2020-21. This represents (2.55%) and (26.35%) of the total income for the Financial Year 2020-21 and 2019-20, respectively. Major reasons for reduction in the losses of the Company during the financial year are: reduction in other expenditures from Rs. 191.45 Cr to Rs. 138.75 Cr;

reduction in finance cost from Rs. 85.01 Cr to Rs. 66.25 Cr; and reduction in exceptional items of expenditure from Rs. 93.10 Cr to NIL. Further, you will be happy to know that your Company has been continuously working on reducing the debt burden so that it has a favourable long-term impact on the profitability and therefore during the year under report, debts from Banks/FIs/NBFC/Funds have been reduced by principal amount of Rs. 78.83 Cr on a standalone basis and Rs. 103.50 Cr on a consolidated basis, and this is going to have a long-term positive impact on the profitability of the Company in the years to come. Your Company has taken positive steps for continuous reduction of its debts to the great extent during the current financial year also.

You are already aware that the Board of Directors of your Company has decided that no dividend be recommended for the Financial Year 2020-21 due to the losses and performance of the Company continuing to remain under the shadows of uncertainties in the real estate sector and the economy as a whole.

### **CORPORATE SOCIAL RESPONSIBILITY {CSR}**

**Your Company has been actively pursuing CSR activities, details of which have been given in the Annual Report 2020-21.**

### **CORPORATE GOVERNANCE**

Although corporate governance has been legally mandated in various manifestations, it is always the endeavour that the Company should go beyond adherence to the regulatory framework and adopt and adhere to the best ethical corporate practices. Your Company continues to do just that and also follow the procedures and practices in conformity with the Corporate Governance practices as stipulated by Securities and Exchange Board of India (SEBI).

### **ACKNOWLEDGEMENT OF SUPPORT**

On behalf of your Company's Board, I would like to place on record my deep sense of gratitude to all the members and the stakeholders for their unstinted support and trust given to us at all times, whether, during prosperity or while facing challenges. Your support and confidence in us, even in uncertain times like these, drive us to look for more ways to do better and create greater value for all.

Thank you for your attention ladies and gentlemen!

Stay Safe and Stay Healthy.

Date: 28<sup>th</sup> September 2021

Place: New Delhi

Sd/-  
**SUSHIL ANSAL**  
**{CHAIRMAN}**