

ANSAL PROPERTIES & INFRASTRUCTURE LTD

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

CIN: L45101DL1967PLC004759

Chairman, Shri Sushil Ansal's Address to the Shareholders (Members) at the 48th {Forty Eighth} Annual General Meeting of the Company at 11.00 A.M on Wednesday, the 30th September, 2015 at New Delhi

Dear Shareholders,

On behalf of the Board of Directors, I extend a warm welcome to all of you at the 48th {Forty Eighth} Annual General Meeting of your Company. We are thankful to you for sparing your valuable time and being here to participate in this Annual General Meeting.

The Directors' Report for the Financial Year ended the 31st March, 2015 in respect of the Audited Accounts for the said Financial Year is already with you for quite some time and with your kind permission, I would like to take them as read.

Before we continue, I would like to welcome Smt. Archana Capoor, who has joined us as Non-Executive and Independent Woman Director w.e.f the 11th February, 2015. She is an eminent professional having more than 31 years of rich experience in the field of management & finance. Her contributions are beneficial for the Company. Moreover, I would also like to express my personal appreciation to all the Directors for their contributive role in guiding the affairs of the Company.

At this stage, I am happy to say that your Company has completed 48 years of glorious existence with your continued trust, encouragement and support. During these years we continue to head towards the direction of fulfilling our dreams of enriching the lives of our brethren by creating world class real estate solutions and redefining lifestyle standards

Before, I present the highlights of your Company's performance during the Financial Year 2014-15, I would like to share with you briefly the details of the global and domestic economic environment that has prevailed during the financial year.

ECONOMIC OUTLOOK - INDIA'S ECONOMIC CHALLENGES

The global economy continued to expand during Financial Year 2014-15 at a moderate and uneven pace, as the recovery process from the global financial crisis was prolonged. Global recovery was also hampered by some new challenges, including a number of unexpected shocks, such as the heightened geopolitical conflicts in various areas of the world. Significantly major developed countries during Financial Year 2014-15 have witnessed erratic movements in their quarterly GDP growth rates.

Indian Economy has become world's fastest growing major economy from last quarter of Financial Year 2014-15 replacing China. Expected to grow at 7.5 percent in Financial Year 2015-16, India, for the first time, is expected to lead major emerging economies in growth.

The improvement in India's economic fundamentals has accelerated in Financial Year 2014-15 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

REAL ESTATE SECTOR IN INDIA

The Indian real estate sector has been a major beneficiary of the robust economic growth witnessed in India since the year 2000. The growth in the sector, supported by series of

reforms, has not only resulted in significant residential and commercial real estate, but also complemented the development of physical and social infrastructure of the country.

India's real estate market is expected to increase seven times by 2028 to reach US\$ 853 billion by 2028 from US\$ 121 billion in 2013. It is currently the fourth-largest sector in the country in terms of foreign direct investment (FDI) inflows. FDI in the sector is estimated to grow to US\$ 25 billion in 10 years. Real estate in India is being recognized to drive the economic growth engine of the Country. The Sector, if channelized properly, could catapult the growth of several other sectors in India through its backward and forward linkages.

CURRENT STATUS OF REAL ESTATE SECTOR

Unfortunately the real estate sector is presently going through a depressed phase. There is a mismatch in supply and demand resulting in real estate prices being either stagnant or decreasing in certain geographical regions. Installments from the customers are not coming on time. This phase of slowdown has been fairly prolonged. However, it is expected that within a year the real estate sector will again recover from its present stagnation because there is long term fundamental gap between supply and demand. There is still shortage of 20 million units in the Country. Future of real estate is still bright for the Company which believes in good governance and fair trade practices.

OVERVIEW OF THE COMPANY'S PERFORMANCE DURING FINANCIAL YEAR 2014-15

The Net Profit for the Financial Year ended 2014-15 of your Company stood at Rs.20.47 crores on a consolidated basis, compared to Rs.5.95 crores of Financial Year 2013-14. The total income in Financial Year 2014-15 stood at Rs.1110.00 crores on a consolidated basis, as against Rs. 1418.26 crores in Financial Year 2013-14.

Net Profit for the Financial Year 2014-15, on standalone basis, increased by Rs 8.42 crores to Rs.21.95 crores from Rs. 13.53 crores in the previous Financial Year 2013-14.

As you are already aware the Board of Directors of your Company has decided that no dividend be recommended for the Financial Year 2014-15.

OVERVIEW OF YOUR COMPANY

You are already aware that, your Company has significant presence in North Indian States i.e. Uttar Pradesh, Haryana, Rajasthan, Punjab and Delhi, NCR. Your Company along with its Joint ventures/subsidiaries/associate companies have wide range of real estate business verticals including Hi -Tech Integrated Townships, Condominiums, Group Housings, Malls, Hotels and Clubs.

Your Company has net land reserve of about ~ 8000 acres (post projects delivered as on the 31st March 2015) out of which about ~40% is in NCR region. The Company intends to take advantage of India's increasing urbanization by investing in the development of townships on the peripheries of cities throughout northern India, and searching for opportunities to expand existing townships by purchasing and developing or by acquiring under joint development arrangements adjacent land on the existing infrastructure.

Following are some of the major projects currently under development:

- ❖ Sushant Golf City, Modern Hi-Tech Township in Lucknow
- ❖ Sushant Megapolis-Green Hi-Tech Township, Adjoining Greater Noida
- ❖ Esencia – Green Township of Tomorrow in Gurgaon
- ❖ Green Escape – Sonapat
- ❖ Golf Link I and II – Integrated Townships in Mohali
- ❖ Orchard County, Mohali
- ❖ The Fernhill, Gurgaon

NOTABLE ACCOLADES

You will also take immense pride in the fact that your Company has received the following accolades during the year:

- "Best Integrated Sub Urban Affordable Housing Developer in Lucknow by Assocham India.
- Developer of the Year Award-Uttar Pradesh at Estate Avenues, 3rd North India Award

CORPORATE SOCIAL RESPONSIBILITY {CSR}

Your Company has always been a dedicated organisation in working towards a social cause and meeting the societal expectations and thus moving towards a cooperative relationship. With this very notion in mind, the Company is extending its support towards community service with a public spirited approach by enhancing the quality of life in the field of healthcare, learning, and basic infrastructure facilities to the underprivileged. Through these CSR initiatives, your Company wishes to create a community of goodwill thus enabling itself to reinforce a positive and socially amicable corporate entity.

Your Company aims to actively contribute towards a healthy and harmonious environment in the society and communities around its areas of operation. This allows your Company to enhance co-operation from the society it caters.

Your Board has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Shri Sushil Ansal as the Chairman and Shri Prithvi Raj Khanna, Dr. Ramesh Chandra Vaish and Dr. Prem Singh Rana, Non Executive and Independent Directors, as other members, in consonance with the requirements of the Section 135 of the Companies Act, 2013 and its Rules.

The said CSR Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and the amount to be spent on CSR activities. Consequent upon such recommendation of the said Committee, the Board has approved/noted the CSR policy, on the 16th May, 2015.

As part of its existing Corporate Social Responsibility (CSR) your Company has since long supported the under-privileged and socially and economically backward sections of the society. This can be seen from many of its social projects in terms of setting up of schools, health care facilities, old age care homes and affordable homes for weaker sections. Your Company collaborates with social, charitable and NGOs which are similarly engaged in pursuit of upliftment of under-privileged sections of the society.

Your Company also believes in contributing to and investing in communities in and around its project sites. Under this endeavour, several initiatives have made a lasting Impact on the economic, environmental and social conditions of local people.

MAJOR AREAS OF CSR OF YOUR COMPANY ARE IN EDUCATION, RESOURCE CONSERVATION, COMMUNITY DEVELOPMENTS, HEALTHCARE, HOUSING FOR EWS, AMONG OTHERS

CORPORATE GOVERNANCE

I and your Board believe that, Corporate Governance is a system of rules, guidelines, practices and processes which not only enables the Company to operate in a manner that meets ethical, legal and business expectations, but also helps to maximise stakeholders' value on a sustainable basis. It is always the endeavour that the Company should go

beyond adherence to regulatory framework, adopt and adhere to the best Corporate Governance practices.

To enable attainment of the avowed objectives of quality corporate governance, your Company continues to follow transparency in its dealings and laying emphasis on integrity, accountability and regulatory compliances. Your Company firmly believes that through good corporate governance it would be able to protect, augment and meet the trust and expectations of the shareholders, customers, employees, suppliers, government agencies and the society. Your Company continues to follow the procedures and practices in conformity with the Corporate Governance practices as stipulated by SEBI.

Your Board of Directors wholeheartedly support and endorse Corporate Governance practices adopted by your Company in accordance with the provisions of the Clause 49 of the Listing Agreement and continuously look forward to improve such practices all the times.

COMPANY'S STRATEGY

Your Company continues to focus on high growth markets in NCR as well as in other states of Northern India by consolidating its existing townships to increase returns through economies of scale as well as entering into collaboration for new projects in order to conserve capital deployment in land aggregation and to achieve better realizations. Your Company is also giving priority in completing and delivering the projects in the four States of Northern India (viz. Uttar Pradesh, Haryana, Rajasthan & Punjab) by consolidating the existing townships. Your Company is endeavouring to accelerate its cash flows by monetizing its assets from the sale of finished stocks and also from the sale of /exit from non-core assets /slow moving investments to enable free up cash reserves and reduce the debt.

In line with its motto of radically improving the lifestyle standards of people and the quality of life through creating state-of-the-art realty and infrastructure facilities and projects, your Company is committed to take on more and more challenging tasks in its area of operations with increased focus and dedication in the coming years.

ACKNOWLEDGEMENT OF SUPPORT

I, on my behalf and on behalf of the Board of Directors of your Company, would like to express my earnest appreciation and thankfulness to all the regulatory authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and the Depositories; all Bankers, Financial Institutions, NBFC's, Private Equity players, the Central and State Governments as well as their respective Departments and Development Authorities in India and abroad connected with the business of the Company for their co-operation and continued support and the shareholders, depositors, suppliers, contractors and customers for the trust and confidence reposed by them in the Company.

Last but not least I would like to specially acknowledge the commitment and dedication of the entire Ansal API team working tirelessly to realize the corporate agenda for meeting stakeholder's aspirations and helping us in creating and sustaining a world class enterprise.

I seek your continued support in taking your Company to higher growth, success and innovation.

Thank you for your attention ladies and gentlemen!

Date: 30th September, 2015

Place: New Delhi

Sd/-

SUSHIL ANSAL

{CHAIRMAN & WHOLE TIME DIRECTOR}