

Chairman's Message:

Dear Stakeholders,

I hope that you, your families, and loved ones are safe and doing well. I write to you amidst uncertain times. The global spread of COVID 19 and India's lockdown have created an economic environment filled with uncertainty and risk. Our first priority has been to ensure that our workforce is safe

Our earlier stated medium-term goals – to consistently be among the leading developers by value of residential real estate sales in our core markets. Despite the continued disruptions the real estate sector has faced including the current pandemic, we believe we are on track to achieve these goals.

While the end of the year saw significant disruption due to the lockdown at the end of Q4 FY20, I'm happy to share that on the whole, FY20 was another strong year for your company.

The progress in market share gains has been encouraging, and combined with sustained momentum in new project additions, puts us on track for the first of our two medium term goals. Here again, we believe we remain on track and that the combination of higher sales volumes, greater share of profits in each project, faster construction timelines, and strong customer satisfaction will get us to this objective.

Unfortunately, there have also been some negative external factors, which do impact the timing of achieving this objective. Ind AS project completion accounting introduced in FY19 ensures financial results trail operating performance by 2-3Years, while preparing us extremely well to benefit from the consolidation underway in the sector, lowers short term ROEs. The national lockdown and reverse migration of construction labour has been another significant disruption that is likely to delay construction timelines, and therefore revenue recognition, by at least six months. We do expect this combination of factors to lead to subdued earnings and ROE in the current financial year. However, we remain confident that the steps we have taken to strengthen your company's balance sheet, enhance its project pipeline, and build its execution capabilities will help us ensure high returns, lower risk, and sustainable growth.

We are prepared to withstand a possible downturn in the sector – however bad it gets – but would also like to focus on being able to capture opportunities that will arise as a result of this crisis. The most important opportunity will be to gain market share. We will ensure that financial stability takes precedence, but do believe there will be interesting opportunities to deliver both these goals in the current financial year.

We believe in creating value by taking constant efforts towards building capabilities and developing our competitive edge over peers with the help of bringing in diversity and transparency in doing business and would continue to do so in order to become a stronger entity than we were yesterday.

On behalf of the Board, I thank the entire team at Hazoor Multi Projects Limited for showing their faith by giving constant support and encouragement. I also take the pleasure to thank the employees for their tireless efforts towards achieving our goals.

Best regards,

Sd/-

Gazala Mohammed Irfan Kolsawala
(Chairperson)