

THE MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDA)

The Management of Suvidha Infraestate Corporation Limited presents its analysis covering the performance of the company during the year 2018-19 and an outlook for the future.

INDUSTRY OVERVIEW:

Your Company was engaged in the business of dairy products and no manufacturing activity has been carried out since 2001. The company has changed its name and the main object to real estate and infrastructure business pursuant to the Special Resolution passed through postal ballot concluded on the 25th November, 2010.

PERFORMANCE :

The Company has completed its first project '64 Park Avenue' a 70 weekend residential plots project at NH8C Chiloda-Prantij Highway, Village Chandrala Taluka and District Gandhinagar.

SEGMENT- WISE PERFORMANCE:

The Company is not manufacturing any products. Thus no segment wise performance is given.

THREATS:

The Real estate and infrastructure has undergone significant changes during the past few years. There was a huge boom in the real estate sector on a pan India basis wherein there was dramatic rise in the rates of Residential, Commercial as well as land. The sector has seen a correction in the past year and is in process of reconsolidation. This has attributed in the slow down of the company since it was already facing financial strains, however the Company expects another splurge by investors and the revival of the sector in the very near future. At the time of completion of project RERA was not applicable hence no registration required.

EXPLORATION :

The management has diversified business activities to the construction and real estate development business. The Company is exploring new areas and have decided to take up civil construction projects initially at Ahmedabad and later extend to different cities.

STRENGTHS :

The promoters and management of the Company has a strong technical knowledge and experience in the real estate development business. Their experience and expertise in the construction and real estate development business has been used as a tool to overcome some of the losses incurred during the previous year and generate the profits in the coming years.

OPPORTUNITIES AND OUTLOOK :

On the domestic front, progressive policies impacting the infrastructure, real estate, manufacturing and core sectors of the economy has opened up a large vista of opportunities. Overall the Indian Real Estate Development Industry continues to move on a fast trace and outlook for the proposed real estate industry is good. The real estate market of Ahmedabad City, after getting Metropolitan city status has been continuous upward trend and the company has started its operation in real estate business. After passing of The Gujarat Ownership Flats Redevelopment Bill this year, the government has opened gates for redevelopment of apartments beyond 25 years old. The Company is looking at this opportunity and exploring possibilities in this sector.

RISKS AND CONCERNS:

Your company is working essentially in global market place. Global macro economic factors remain permanent risks attached to our existing and proposed business. Further the booming market has seen new players entering the markets, which will also be a concern. However the capability of providing quality services, timely completion of projects and the excellent performance will provide the competitive edge to the company's proposed business in this sector.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE :

The Company will see envisage its growth in future because of continuous hard core efforts put by your Company's management to achieve the pace of development, towards which your company marches. However much requires doing than what has been done due to huge brought forward losses.

CAUTIONARY STATEMENTS:

Estimate and expectation made in the report may differ from actual performance due to various economic condition, government policies and other related factors.

INTERNAL CONTROL SYSTEM :

In last five years, the company has concentrated on reduction of fixed expenses and has also reduced direct variables cost. It has concentrated on value added products and optimize on available cash flow. The management is ensuring an effective internal control system to safeguard the assets of the company. Efforts for continued improvement of internal control system are being consistently made in this regard.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED :

Your company believes in a work environment that is congenial to on job learning and encourages team work. It has, therefore, continued to focus on developing the competence of it's staff and employees. Cordial and harmonious relation with employees continued to prevail through out the year under review.

By Order of the Board of Directors
FOR SUVIDHA INFRAESTATE CORPORATION LIMITED

Kishore K. Goswami
Managing Director
DIN: 00289644

Ashokkumar K. Goswami
Whole-time Director
DIN: 00289515

Place : Ahmedabad
Date : 07.08.2019