

BUILDING SMILES

Many ask us what business are we in. Most think we are in the business of real estate. The business of 'building'. They are right and they are wrong too. They are right because we do build some of the most sought after residences, commercial and SEZs that India has seen, but that's not all what we do.

We think we are in a business to bring smiles. Smiles on the face of thousands of families that find peace and solace in the way we build homes for them, not houses. Smiles from every single corporate for whom we build intelligent office spaces so that they can concentrate on just one thing, business. Smiles on the face of many

who will move into the SEZs that we build with so much of passion and thought. Smiles on the face of thousands of our employees who work with us, not for us. Smiles for all the contractors, architects, interior designers and masons who sweat with us, always. Smiles on the face of the thousands of shareholders who have entrusted us to grow their wealth.

We do not measure our success through the number of stakeholders we satisfy or delight. We measure success through the happiness index. The smiles that we build!

Through opportunity, through trust, through strength and through growth.

Read on and keep smiling!



BUILDING IDENTITY



Ganesh Housing Corporation Limited, was
incorporated as a public limited company
in 1991 and is today among the top
developers of real estate in the city of
Ahmedabad.

Experienced in the nuances of land procurement and
development for more than 40 years now, we are one of the
largest landholders in Ahmedabad.

Over the years, we have developed more than 15 million sq ft of
residential space.

Our Company has gone onto be the first real estate development company to get
ISO 9001:2000 certification for its construction methodology and quality work in
Gujarat.

We are also one of the pioneers in using earthquake resistant schemes in our projects.

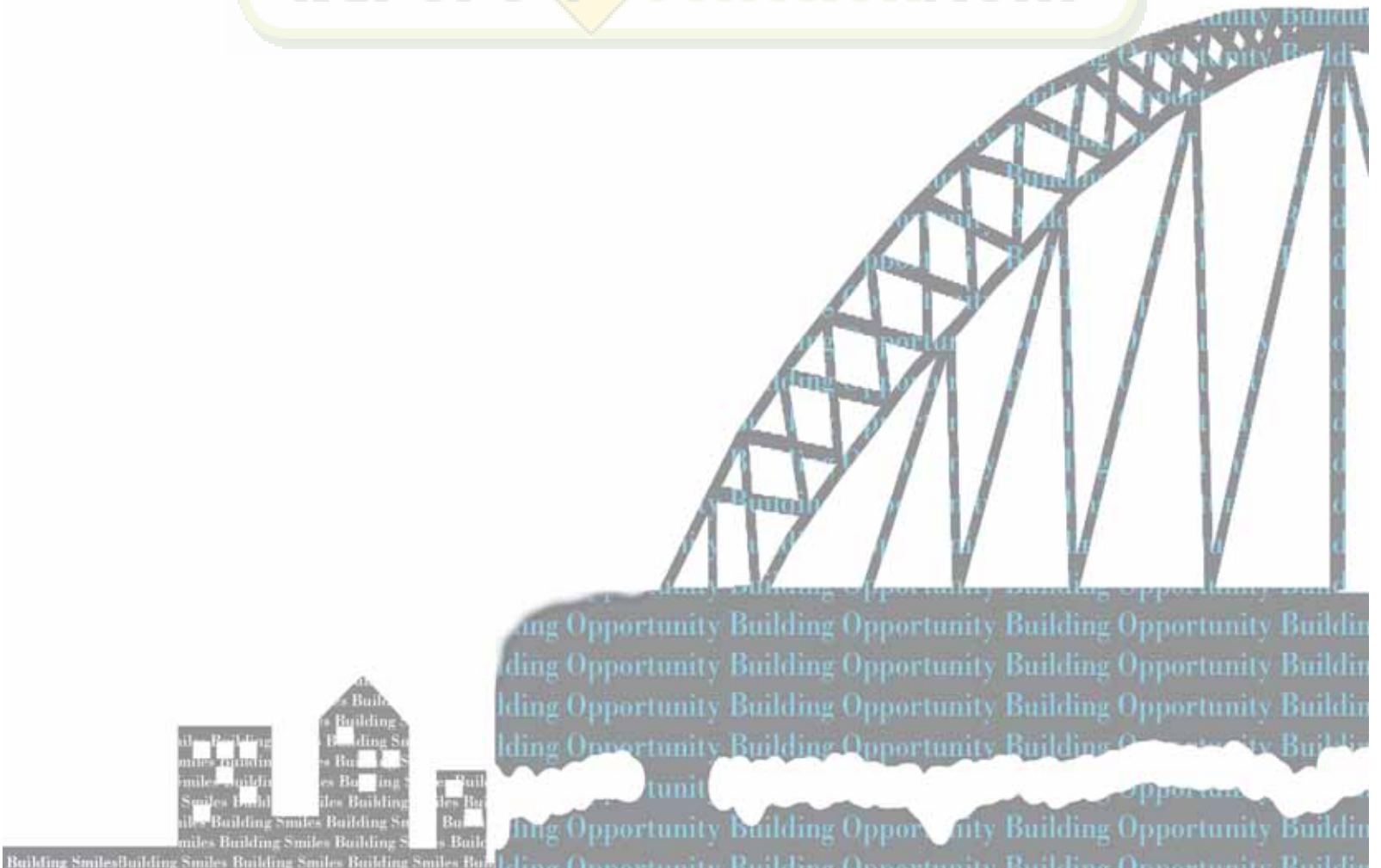
Our Vision

“To be recognized a truly Infrastructure Development company by 2010
by creating, world class structures and beautiful homes for its customers.”



BUILDING OPPORTUNITY

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Ahmedabad means opportunity for us. The city is the largest city of Gujarat and the seventh largest city of India. Proclaimed as a megacity since 2005, Ahmedabad, the commercial capital of Gujarat, is one huge infrastructure opportunity that we are building on.

Having a population of approximately 5.5 million people, the city is growing both in population as well as area. The city limits which was around 52.47 sq km in 1951 has now crossed the 450 sq km mark. Opportunity getting bigger, better!

Manchester of the East, Ahmedabad has earned this epithet when it established itself as the home of a booming textile industry. That was very long ago. Ahmedabad today has transformed itself from just textiles into an IT, pharmaceuticals, chemicals, biotechnology, retail and real estate hub.

Experience is a good thing. We, at Ganesh Housing Corporation Limited, have more than forty years of it. Having been in the Ahmedabad market since 1960, we know the city well, and are best positioned to exploit the opportunity.

Demand for office space from banks, financial institutions, insurance companies, brokerage firms, telecom players and local BPO players are riding high, apart from the needs of traditional manufacturing sectors like pharmaceuticals, chemicals, textiles and engineering are fast capturing this opportunity through our residential, commercial and SEZ efforts.

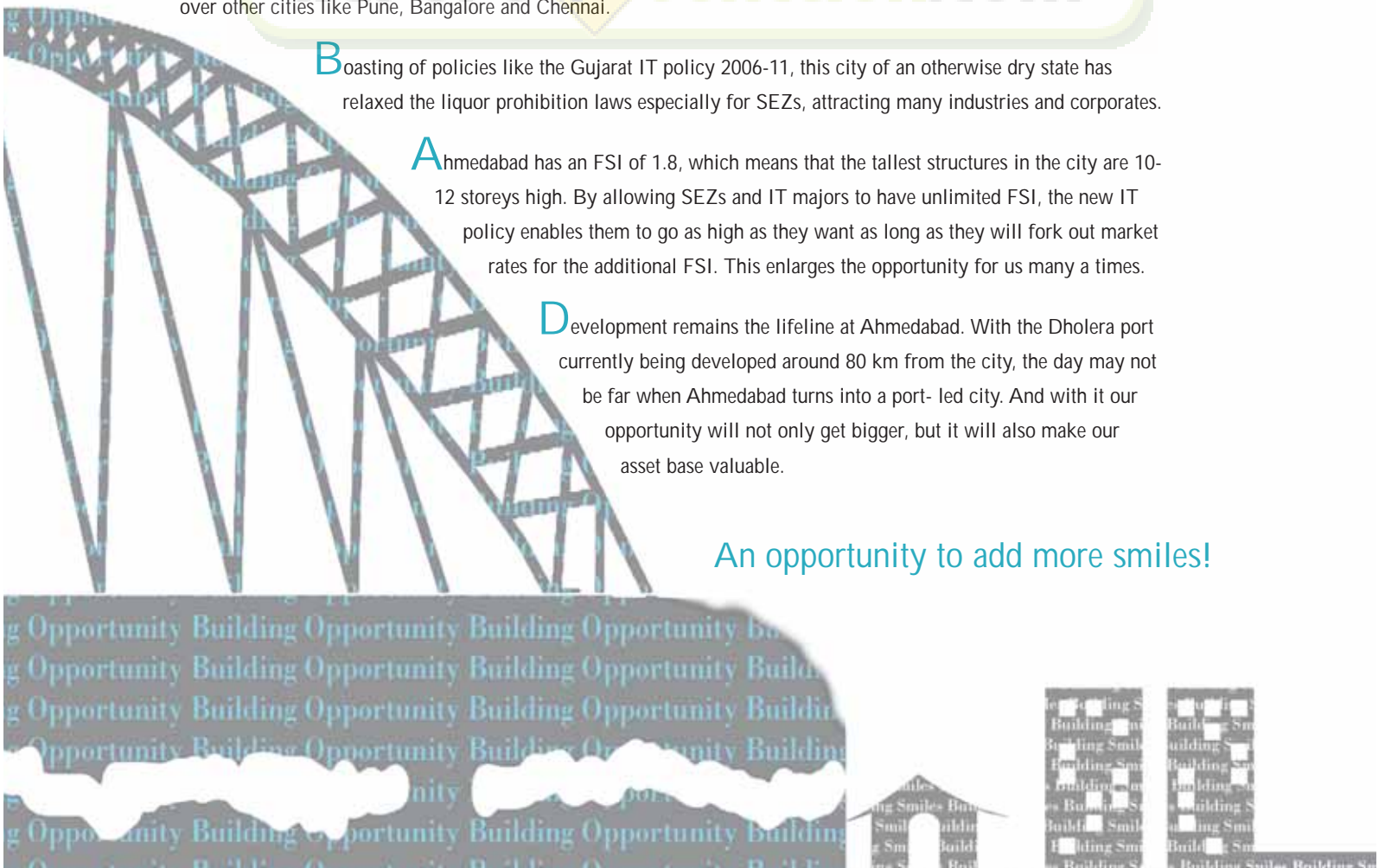
Ahmedabad real estate market is very attractive as it is priced very competitively, thus creating enough room for growth over other cities like Pune, Bangalore and Chennai.

Boasting of policies like the Gujarat IT policy 2006-11, this city of an otherwise dry state has relaxed the liquor prohibition laws especially for SEZs, attracting many industries and corporates.

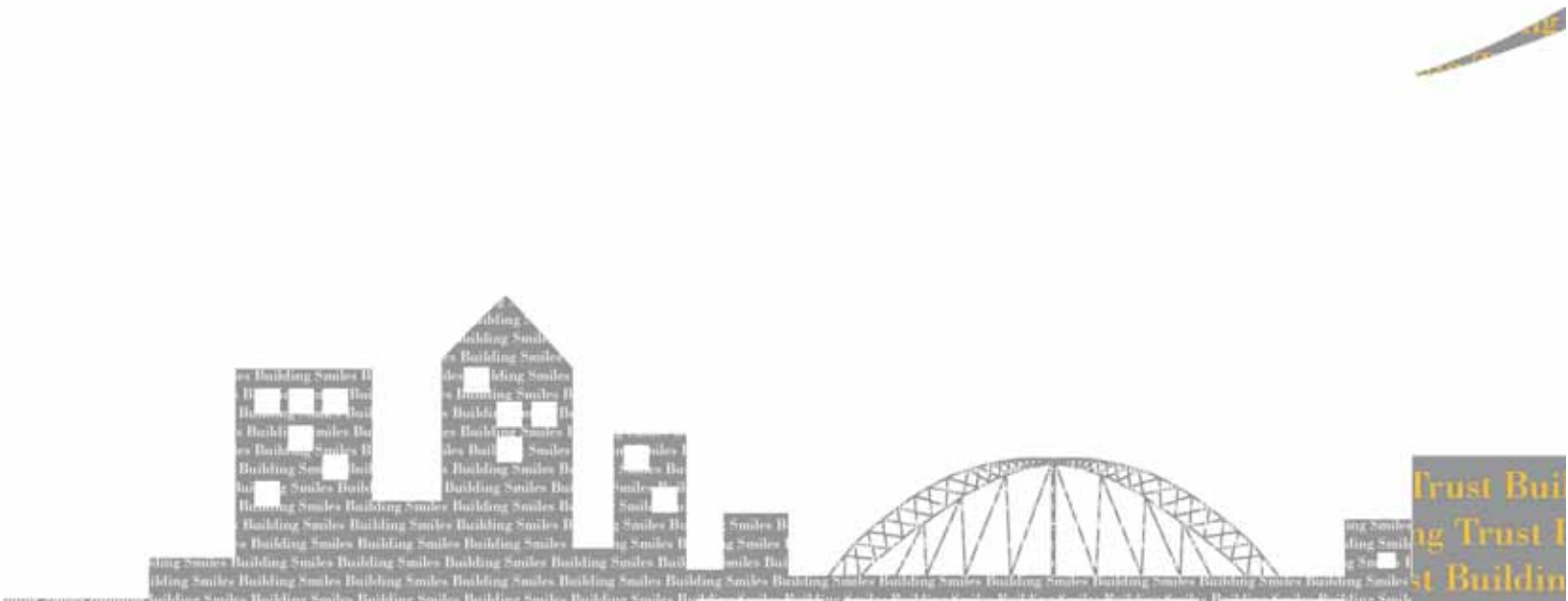
Ahmedabad has an FSI of 1.8, which means that the tallest structures in the city are 10-12 storeys high. By allowing SEZs and IT majors to have unlimited FSI, the new IT policy enables them to go as high as they want as long as they will fork out market rates for the additional FSI. This enlarges the opportunity for us many a times.

Development remains the lifeline at Ahmedabad. With the Dholera port currently being developed around 80 km from the city, the day may not be far when Ahmedabad turns into a port-led city. And with it our opportunity will not only get bigger, but it will also make our asset base valuable.

An opportunity to add more smiles!



BUILDING TRUST



The foundation of our business is Trust. We work hard to earn the trust of all our clients and today our credibility has been solely built on trust users have bestowed on us.

Over the last four decades, we have served hundreds of residents who spend their life time savings buying residences, bringing smiles through the trust. This is how:

Being one of the largest providers of residences in Ahmedabad, we have developed and constructed more than 15 million sq ft of residential space in the city. Our past projects like Ratnam, Maniratnam, Maniratnam-II and Mahalaya represent highly successful developments, where the highlights include the first ever project to have an earthquake resistant scheme.

We have built trust through quality and thought leadership. Having already obtained an ISO 9001-2000 certification for efficient management and quality long back, we introduced the 'Smart Homes' concept wherein homes come equipped with technologies like digital security, solar passive architecture, a Wi-fi environment, high speed internet connectivity and smart card access.

The trust we built through residences got extended into infrastructure development too. We made a significant beginning in commercial and real estate development in 2004 by developing the first pharma industrial park of Ahmedabad. This 80 acres project was completed in 2005-06 within record time and without any cost overrun. The Trust we built was immense. Called the International Pharma and Biotech Park, it was sold to over 33 companies of foreign and Indian origin and is estimated to have returned over 50% margin on land acquisition and development costs.

Trust finds a new meaning at Ganesh. Trust means smiles.



BUILDING STRENGTH

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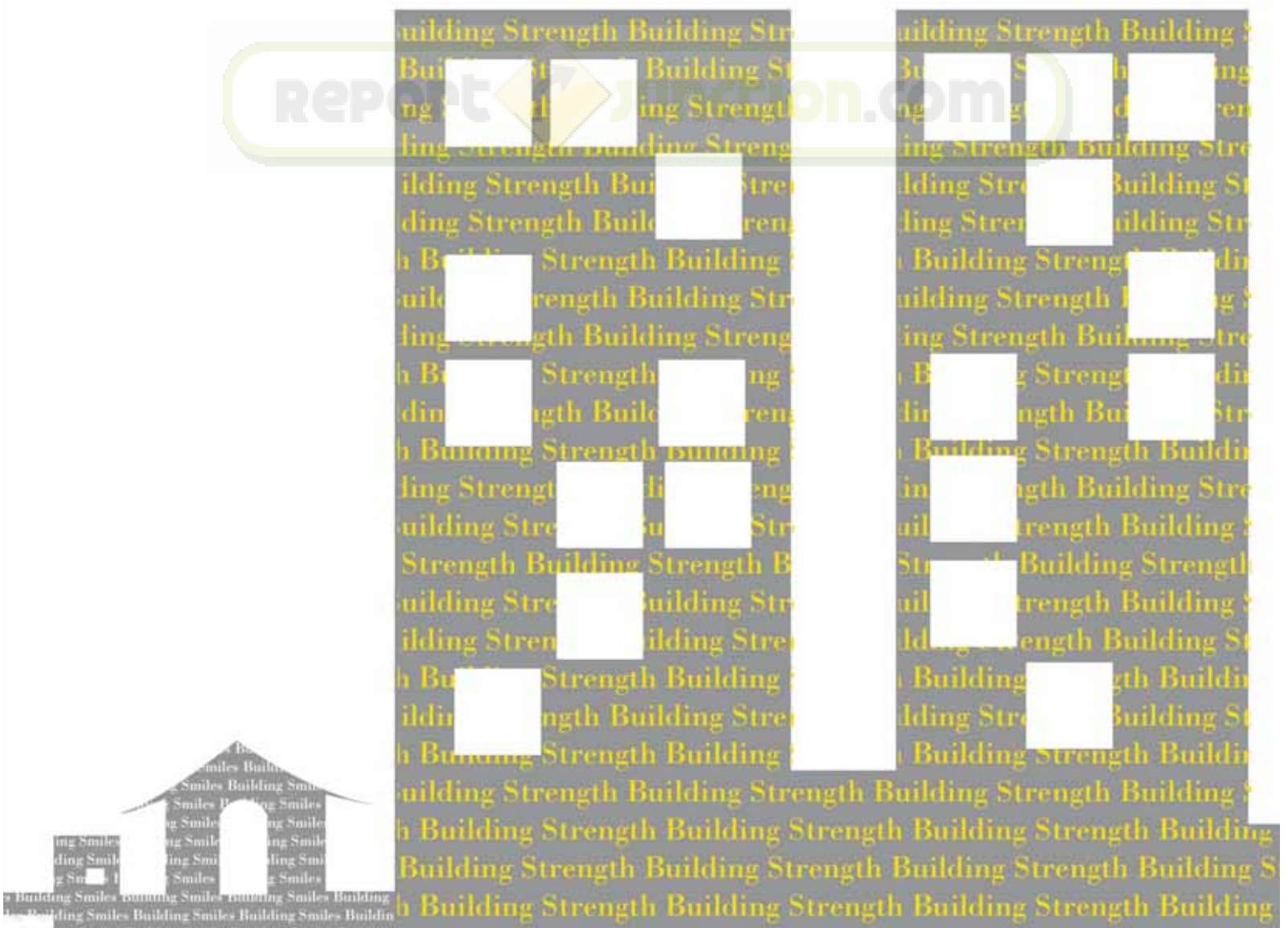


We are strong believers of the virtuous circle. Strength creates opportunities and opportunities build strengths.

Having proved our mettle by building a strong identity and trust in the business that we excel in, we are looking at raising the bar. We are taking on bigger challenges. We are leveraging our competitive advantage to create bigger scale and move up the value chain.

We are building strength, brick by brick. Have a look:

- As part of a consolidation exercise, the group is merging five private / subsidiary companies with itself. The merger will add 150 acres of land and the appraised value of the land is expected to be Rs.308 crores. Post merger, our total land holding will amount to 565.7 acres, arguably the largest and most valuable in Ahmedabad.
- During the year we underwent a preferential as well as a QIP issue. We placed 17,20,000 shares at a price of Rs. 113 per share as preferential allotment while 70,00,000 shares at a price of Rs.325 per share were done through the QIP route. We believe having reputed FII's, Mutual Funds and Corporates as stakeholders will further strengthen and boost investor confidence.
- We are foraying into other business verticals like SEZs, hospitality, retail and townships. In the next five years we will execute ten projects, land for which is already bought. This will take us into the next orbit, almost immediately.
- We are also looking at opportunities in other cities like Surat, Bhavnagar and Mumbai.



BUILDING VISION

"We are adding significant scale to our business. Scale that is five to seven times bigger. Expect very strong growth hereon."



Dear shareholders,

What a year it has been for your company! A watershed year in its history.

As I look back on the year that went by, I feel satisfied and happy.

Not only because our strategies and the business decisions taken went in the right direction, but also because this year has been a milestone in itself. 2006-07 was the year of consolidation, where we invested heavily for the future. In the last year, your Company laid a strong foundation for a strong growth forward.

Let me share with you some significant developments that will shape, in my view, a new Ganesh in years to come:

- I believe we are at the cusp of something very big, and more importantly, something even more significant. The developments in the last few years have given me the confidence to significantly add scale to the operations. We are adding significant scale to our business. Scale that is five to seven times bigger. Expect very strong growth hereon.