

# Corporate Information

## BOARD OF DIRECTORS

Mr. Bikramjit Ahluwalia, Chairman & Managing Director  
Mr. Shobhit Uppal, Dy.Managing Director  
Mr. Vikas Ahluwalia, Whole Time Director  
Mr. Sanjiv Sharma, Whole Time Director  
Mr. Arun Kumar Gupta, Independent Director  
Dr. Sushil Chandra, Independent Director  
Dr. Mohinder Sahlot, Independent Director  
Mr. Rajendra Prashad Gupta, Independent Director

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## COMPANY SECRETARY/COMPLIANCE OFFICER

Mr. Vipin Kumar Tiwari  
[www.acilnet.com](http://www.acilnet.com)  
[cs.corpoffice@acilnet.com](mailto:cs.corpoffice@acilnet.com)

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## CHIEF FINANCIAL OFFICER (CFO)

Mr. Satbeer Singh  
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[Satbeersingh@acilnet.com](mailto:Satbeersingh@acilnet.com)

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## AUDITORS

M/s Amod Agrawal & Associates  
Chartered Accountants  
G-3, Block-C, Kailash Apartment,  
Lala Lajpat Rai Marg,  
New Delhi-110048

## BANKERS

Allahabad Bank  
Bank of Maharashtra  
Bank of India  
IDBI Bank Ltd  
IDFC Bank Ltd  
Punjab & Sind Bank  
RBL Bank Limited  
State Bank of India  
Yes Bank Ltd  
Union Bank of India  
Indusind Bank  
ICICI Bank Ltd

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## REGISTERED/CORPORATE OFFICE

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# Contents

03	MDA
10	Director's Report
45	Report on Corporate Governance

## FINANCIAL STATEMENTS (STANDALONE)

62	Auditor's Report
72	Balance Sheet
73	Statement of Profit and Loss Account
74	Cash Flow Statement
75	Statement of Changes in Equity
76	Notes

## FINANCIAL STATEMENTS (CONSOLIDATED)

136	Auditor's Report
142	Balance Sheet
143	Statement of Profit and Loss Account
144	Cash Flow Statement
146	Statement of Changes in Equity
147	Notes
205	Notice

# Board of Directors



**Mr. Bikramjit Ahluwalia**  
Chairman &  
Managing Director



**Mr. Shobhit Uppal**  
Dy. Managing Director



**Mr. Vikas Ahluwalia**  
Whole-Time Director



**Mr. Sanjiv Sharma**  
Whole-Time Director



**Mr. Arun Kumar Gupta**  
Independent Director



**Dr. Sushil Chandra**  
Independent Director



**Dr. Mohinder Sahlot**  
Independent Director



**Mr. Rajendra Prashad Gupta**  
Independent Director



# Management Discussion and Analysis

## ECONOMIC OVERVIEW

### GLOBAL ECONOMY

The year 2018 began on strong note sustaining the momentum acquired in 2017. Despite this, as the year progressed, the economic activities subsided, and volatility prevailed. A slowdown in global trade due to US-China trade wars, financial and credit policy tightening, and weak financial market sentiments contributed to the decline. As a result, the global economic growth declined from 3.8% in 2017 to 3.6% in 2018.

The year saw the US economy accelerating at its fastest pace in four years augmented by monetary stimulus and tax cuts. The biggest risk facing economies is the weakening sentiments and trade. This is evident in the slowing of the Chinese economy. In the Euro area too, weak consumer and business and soft demand.

Going into 2019, unsettled trade tensions and developments around Brexit may continue to weigh down cross-border trades. Oil-price volatility and accommodative may impart a further downside risk to the outlook in the investment climate in the Middle East markets. These factors will lead to the global economic growth declining to multiple years low at 3.3% in 2019, before returning to 3.6% in 2020.

### INDIAN ECONOMIC OVERVIEW

FY2018-19 saw the Indian economy yielding the benefits of the structural reforms of Goods & Service Tax (GST), Demonetisation and Insolvency & Bankruptcy Code (IBC) undertaken in the preceding years. The year witnessed a revival in project awards, clearances and fund allocation, resulting in a pick-up in execution momentum in the domestic market.

The economy, however, continued to be driven by public sector investments, mainly in the areas of water supply, irrigation, urban transportation, crude exploration and refining, roads allied infrastructure and rural electrification. Thus, domestic investment momentum was healthy despite the multiple macro challenges like volatile crude oil prices, currency swings, pressure on fiscal and current account deficits, sharp temporary contraction in liquidity and the general elections held in Q1 of FY2019-20.

The Government's 'Make in India' initiative for the Defence sector continues to progress slowly due to bureaucratic inertia and complex procurement procedures. The year witnessed some traction in private sector investment with a pick-up in award of large value contracts in airport expansion and health sector. Also, some momentum was seen in private sector capacity expansion.

However, the overhang of bad debt, rising policy uncertainties and low capacity utilization continue to impact the Indian industry CAPEX. The power and manufacturing sectors remained the worst affected. In the residential sector, surplus inventory and limited pick-up in new construction led to lower investments

Amidst these factors and the global turmoil, the Indian economy remained relatively steadfast, albeit growing at a slower pace of 6.8% compared to 7.2% in FY2017-18.

The outlook for the Indian economy continues to be positive. The RBI has already taken corrective measures to boost liquidity in the markets. It has undertaken four successive rate cuts, reducing repo rates by 110 basis points to 5.75%, while changing monetary stance to accommodative. Further, the re-election of the existing Government at the Centre with a mandate is a good sign. It has already made its intentions clear by targeting to expand the country's economy to USD 5 trillion by 2024-25.

## CONSTRUCTION INDUSTRY OVERVIEW

### GLOBAL CONSTRUCTION SECTOR

Globally, the construction cycle peaked during the past 10 years (2008-2018). Starting 2019, however, the global construction industry is expected to witness a slowdown, the impact of which is being felt gradually. The emerging markets dominated the overall global infrastructure growth over the last few years, while the developed markets have not fully regained their pre-crisis volumes. Further, a slowdown in the global economy along with tighter financial and monetary conditions will drive the deceleration in certain infrastructure verticals.

### INDIAN CONSTRUCTION INDUSTRY

The Infrastructure sector – especially the EPC segment – has witnessed a decent order inflow in the last

four quarters, driven mainly by the Government CAPEX. On the other side, private/corporate CAPEX has declined for seven years in succession over FY12-FY18 owing to debt overhang and reduced funding to the sector from the financial institutions.

In FY2018-19, the sector benefited by favourable macro scenario and the strong drive of the Government to complete infrastructure projects ahead of general elections. This contributed to a significant boost in investments and implementation rate of projects. On the irrigation front, apart from Maharashtra, the states of West Bengal, Bihar, Jharkhand, Haryana and Delhi NCR have also made significant investments.

Health, Institutions and Urban Infrastructure, that have been the key focus of the current Government, continued to anchor and drive growth in the sector over the years. These segments are likely to push growth in the future as the Government plans the implementation of Health, Education, Smart Cities and Housing for All projects.

The Railways segment has been another major driver for the EPC segment. It has traditionally been one of the most important focus areas for the Government, consistently receiving high budgetary allocation and having a reputation of spending most of it as capital investments. For FY2019-20, the segment's capital expenditure has been increased to 1.6 lakh crores with a budgetary allocation of ₹ 65,837 crores which will open a gamut of opportunities.

In the Roads sector, the EPC mode, which contributed 65-70% of the total cost of projects awarded by NHAI during the FY14–16 periods, has taken a backseat with private sector players facing funding issues. This has given way to hybrid annuity model of awarding road project which is a combination of EPC and BOT models with the advantage of government funding. A comeback to EPC mode in FY2019-20 will be a game-changer for the sector.

#### Growth drivers for the Indian construction industry

**Massive infrastructure push:** The Union Budget 2019-20 has provided for a massive infrastructure push with an allocation of ₹ 4.56 Lakh Crores with significant focus in communication, road transport and highways, and railways segment. Besides, there is an impetus on providing water supply to all households for which a dedicated ministry – Jal Shakti Ministry – has been formed. The budget has also allocated ₹ 888 crores towards the upgrading State Government medical colleges at the district hospitals and ₹ 1,361 crores for Government medical colleges and health institutions.

**PPP push:** Liquidity has been a major challenge for the infrastructure segment, which in the past few years have been majorly driven by Government investments. However, with the ambitious infrastructure vision, fiscal headroom is a concern. This opens the scope of reviving public-private partnership model as well as asset monetization by the Government to enhance liquidity.

**Housing for All:** Driven by its strong focus on providing Housing to All by 2022, the Government has undertaken various measures to boost the affordable housing segment. The segment has been provided infrastructure status as well as attracts tax subsidies. The interest rates and GST for affordable housing have also been lowered.

#### BUSINESS OVERVIEW

Ahluwalia Contracts (India) Limited (ACIL) is one of India's leading construction companies with over 39 years of experience.

Having a track record of delivering iconic and challenging turnkey projects in a time-bound manner while maintaining quality, the Company is a trusted player in the segment. The Company's competencies in the field are backed by its skilled manpower resources, technical knowledge and experience, investments in advanced construction and IT technologies, and strong linkages with major channel partners. This expertise has enabled the Company to move forward in the value chain to target more Engineering, Procurement and Construction (EPC) projects.

ACIL is the first Building Construction company in India to receive ISO 9001 (quality), ISO 14001 (environment) and ISO 18001 (health and safety) certifications.

The Company has identified certain thrust areas and strategies for growth. These include leveraging ongoing digitalisation efforts, operational efficiencies, reducing working capital levels, unlocking business values, forays into new geographies, innovating business, inorganic growth and continuing ROE enhancement.

**ACIL project competencies** – The Company has experience of working on residential, commercial, institutional, corporate offices, power plants, hospitals, hotels, IT parks, Metro stations and depots, and automated car parking lots projects for Government and private clients.

#### COMPANY PERFORMANCE

FY2018-19 has been a remarkable year in terms of order book position which increased 28% to ₹ 10,65,837.55 Lakhs. The Company's income from operations increased by 6.41% from ₹ 1,64,658.50 Lakhs in FY 2017-18 to ₹ 1,75,218.32 Lakhs in FY 2018-19. EBITDA was from ₹ 21,925.88 Lakhs in FY 2017-18 to ₹ 21,630.55 Lakhs in FY 2018-19. PAT for the year increased by 1.58% from ₹ 11,544.67 Lakhs in FY 2017-18 to ₹ 11,726.58 Lakhs in FY 2018-19.

Margins for the year were however under pressure as the Company incurred a hit towards license re-equalisation in Kota and impairment for property sales. As a result, EBITDA margin declined 80 basis points to 13.7% and PAT margin declined 32 basis points to 6.69%.

#### Consolidated financial performance

	(₹ In Lakhs)	
Particulars	FY 2018-19	FY 2017-18
Gross Order Book	10,65,837.55	8,30,466.21
Income from Operations	1,75,218.32	1,64,658.50
EBITDA	21,624.17	21,923.02
PAT	11,720.20	11,541.82
Earnings Per Share (in ₹)	17.51	17.23



## Key financial ratios and their development

Details	FY2018-19	FY2017-18	Change in %age
Debtor Turnover	2.88	3.23	-10.84%
Inventory Turnover	8.52	7.54	13.00%
Interest rate Coverage ratio*	9.82	7.72	27.20%
Current Ratio	1.66	1.52	9.21%
Debt Equity Ratio**	0.08	0.05	60.00%
Operating Profit margin (%)	12.34	13.32	-7.35%
#Net Profit Margin (%)	6.69	7.01	-4.56%
Return on Net Worth (%)	17.27	20.46	-15.59%

#net profit = Net Profit / Income from operation

\* Interest coverage ratio as on March 31, 2019, has improved to 9.82x from 7.72x as on March 31, 2018, due to the recognition of Delhi VAT interest of ₹ 876.45 Lakhs on Delhi VAT demand during the year 2018.

\*\* Debt equity ratio in both years are very negligible, however, due to a slight increase in short term borrowing to meet out the temporary working capital requirement in view of the increased order book, debt-equity ratio has increased to 0.08% as on March 31, 2019 from 0.05% as on March 31, 2018

## SAFETY, HEALTH AND ENVIRONMENTAL PERFORMANCE

### Quality, Environment, Health and Safety Policy

Safety at work, employee health and environment protection are of utmost importance to the business. The Company continuously strives for a safety culture by organizing various training and awareness programmes throughout the year. Focused on scaling its safety initiative, the Company has started using virtual reality devices and training modules for safety training. Various initiatives have been taken up to digitally monitor record and review all safety and quality-related aspects at the site.

Further, the Company actively uses its intranet network to regularly update employees on the latest safety practices. Effective display of policies, instructions and precautionary measures through posters and digital boards is also practised. These initiatives have substantially reduced work-related incidents and enabled the Company in getting ISO 9001:2017, ISO 14001:2017 and OHSAS 18001:2007 certifications for Quality, Environment, and Health and Safety respectively.

### Workmen Safety

With construction work involving working in challenging conditions, the Company stresses on workmen safety. The Company in the philosophy of more precaution, lower accidents. The Company also has a robust SHE management system comprising a commitment to SHE policy and objects, legal compliances, responsibilities, evaluation of risk, planning, monitoring, audit and management review. It has in place a comprehensive Safety Manual and Standard Operating Procedures to prevent accidents.

Mock drills are conducted to enhance awareness. Promoting a safety-focused culture has also been of great assistance towards promoting a positive mindset at the workplace.

Further, understanding the importance of digitalization in improving the safety standards, the Company has implemented the following solutions:

- **Safety Processes Digitalisation:** All safety checklists and processes have been complied and digitalized in a mobile App for better compliance and saving time required for approvals and corrections
- **Recording Safety Inspections:** Recording of safety inspections on an App for all kinds of assets, tools and tackles, harnesses and slings among others have been initiated to ensure they are done with rigour and at regular intervals to ensure safety
- **Safety Training:** Immersive Virtual Reality (VR) and Augmented Reality (AR) films have been developed in multiple languages for demonstrating the correct safety practices. It covers several scenarios like working at a height, excavation site and marine environment, material handling, heavy vehicle management, working with HT lines, safety barricading and work permits. These films are administered to workmen at sites on the headgear to help create a vivid immersive experience and imprint the rules of safety firmly in their minds.

**Objectives**

- Prevent accidents/harmful effects on health
- Analyse working conditions at sites
- Constant improvement

**Targets**

- Achieve zero tolerance for injuries
- Comply with legislation/ codes with respect to safety
- Provide realistic training at all levels

**Methodology**

- Report and record all major/minor incidents
- Constant review and up-gradation of safety plans/ techniques
- Appoint nodal officers to address safety/health concerns
- Identify hazards in construction and take preventive measures

**Health**

The Company is dedicated to ensuring the welfare and health of its employees. This ensures higher employee motivation as well as contributes to enhanced productivity for the Company. ACIL has undertaken multiple preventive measures like ensuring clean drinking water, regular garbage disposal and pest control to ensure healthy working conditions.

The Company further arranges for the availability of adequate health and medical services both at sites and the workplace. First aid is made available and health check-up camps organised. The Company also practices identification of hospital nearby its sites as a preparedness measure to avoid loss of time in case of emergencies.

The Company ensures all incidents, major or minor, are reported and necessary corrective actions are taken. Feedback of employees is taken on a regular basis to sensitise them on their rights.

**AWARDS AND RECOGNITION**

ACIL's continuous focus on quality, engineering excellence, health and safety, and environmental concern has won it several awards during its existence. Key awards won by the Company in FY 2018-19 include the following:

Certificate	Project /site / individual name	Category
Construction Individual Development Council (Vishwakarma Awards 2019)	Income Tax, Mumbai	Best Construction Project
Construction Individual Development Council (Vishwakarma Awards 2019)	Bennett University, Greater Noida	Best Construction Project
Construction Individual Development Council (Vishwakarma Awards 2019)	Police Bhawan, Patna	Best Construction Project
Construction Individual Development Council (Vishwakarma Awards 2019)	IIM, Rohtak	Construction Health, Safety & Environment
Construction Individual Development Council (Vishwakarma Awards 2019)	Amity University, Kolkata	Construction Health, Safety & Environment
Construction Individual Development Council (Vishwakarma Awards 2019)	Times House, New Delhi	Construction Health, Safety & Environment
iNFHRA-FM Excellence Awards 2018-2019 - Kolkata	Amity University, Kolkata	Best Architecture & PMC
iNFHRA-FM Excellence Awards 2018-2019 - Kolkata	Construction of Auditorium, Kolkata	Safety & Security (2 <sup>nd</sup> runner up)
iNFHRA-FM Excellence Awards 2018-2019 - Kolkata	Super Speciality Block Kolkata Medical College, Kolkata	Best Project (2 <sup>nd</sup> runner up)
ET NOW Presents Real Estate Awards 2019	Office Building for Income Tax, BKC, Mumbai	Commercial Property of the Year
	Shri Bikramjit Ahluwalia	Contribution through outstanding dedication and continuous excellence in the industry



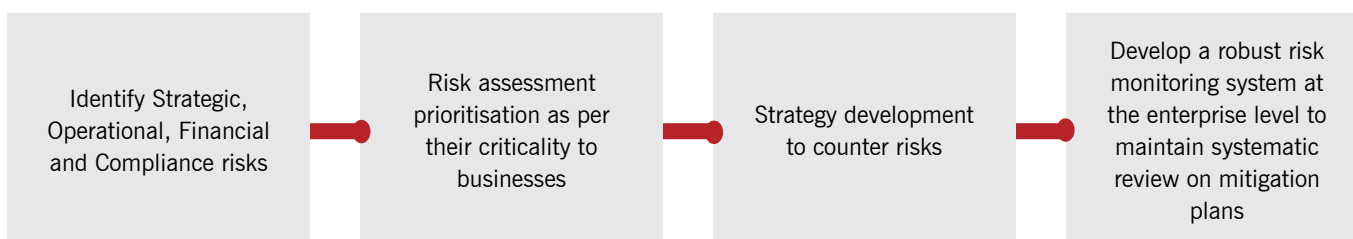


Certificate	Project /site / individual name	Category
The Institute of Economic Studies Udyog Rattan Award 2019	(Chairman and Managing Director)	Building with optimal Energy Consumption
	Punjab National Bank, Head office, Dwarka Project	
BAM Awards 2019 in the association with CII Real Estate & Building Technology		

## RISKS AND CONCERNS

Identifying, managing and monitoring risks is a top priority at ACIL. It is critical to ensuring long-term business sustainability and maximise value creation for the shareholders. Focused on this, the Company practices the policy of striking the right risk-return balance. The Company has developed a robust Enterprise Risk Management (ERM) framework which facilitates in early detection of risks. These risks and their impact are regularly reviewed and any rising trend is immediately flagged off for management's attention for undertaking appropriate actions.

### ACIL's Risk Management Process



### Liquidity Risk

The liquidity crunch has been prevailing in the real estate market for over a year, and many owners/developers are financially stressed. The Regulatory compliance by developers to arrange loans for projects is becoming stringent resulting in delays in financial closures / tie-ups by developers.

#### Mitigation:

The Company has a well laid down credit policy which it follows meticulously. It practices screening of customer profiles and their liquidity position before bidding for any construction contract as well as during execution. It has a robust billing and collection system that eliminate issues relating to liquidity. Stringent adherence to billing schedule minimizes credit exposure and a focused and aggressive receivables management system ensures timely collections through systematic follow-ups with the clients. Besides, the Company focuses more on Government projects where the risk profile is low.

### Contractual Risk

Contractual obligations in terms of quality, timeliness, protection of confidential information and other specific terms and conditions are key to EPC orders. Inability to adhere to them can attract legal actions, lead to losses and damage the Company's goodwill.

#### Mitigation:

The Company employs professional and highly experienced project management and legal team. They meticulously evaluate the project's legal and contractual risks and work towards limiting liabilities. The Company further tries to ensure that the contract includes a 'No consequential losses' clause to protect from any downside risk. Additionally, the Company has subscribed to Workers Compensation Policy, Contractors All Risk (CAR) Policy, and ESIC insurances to protect itself from any financial obligations.

### Political Risk

A positive business scenario conducive to growth and sustainability is dependent on the political stability of the country. Unstable political environment and implementation of negative policies can bring a slowdown and result in a decline in new projects. This may negatively impact the Company's performance.

#### Mitigation:

India's democratic system of governance ensures a stable political scenario and ensures the implementation of policies where businesses can thrive. The system mandates all political parties to perform for being to be investor-friendly. In the current context, the re-election of the existing Central Government with



a strong mandate is a precursor to a stable political environment and would facilitate passage of critical bills. The track record of this Government for undertaking bold measures, reducing red-tapism and easing business scenario is noteworthy. Their strong focus on driving infrastructure development in the country, evident in their election manifesto, is a positive sign for the construction industry.

### Execution Risk

The Company does business with several large industrial houses, corporates, institutions and Government Authorities. These clienteles demand strict adherence to timely delivery, quality and costs. Inability to meet their expectations may damage the Company's reputation and prevent repeat orders. This may impact revenues and future sustainability.

### Mitigation:

ACIL has multiple decades of experience in the construction field over which it has built a robust business model. It has an experienced and qualified team and strong IT and equipment infrastructure which facilitate high levels of automation resulting in operational efficiency. The Company's strong linkages with leading global network channel partners enable it to effectively manage and execute projects. This has enabled the Company to gain a competitive advantage in the sector and become a preferred player with a proven track record that has been awarded. Active involvement of senior management, project managers and process leaders across all project stages along with a proper intervention and escalation systems ensures disciplined execution without any slippages.

### Competition Risk

The construction market is getting competitive with consolidations among existing players as well as due to emerging competition led by the entry of new domestic and international players. The inability of the Company to match their quality and pricing may lead to loss of business, impacting its market share and profitability.

### Mitigation:

The Company with its experience of working across diverse challenging projects across its five-decade existence has created a strong differentiation in the market in terms of project execution, quality and timely delivery. It has delivered multiple projects as per clients' expectation, thereby earning a market reputation as well as building strong relationships which ensures sustained orders, including repeat, and resilience to rising competition. The Company's strong balance sheet position with free cash flows which not only provides the advantage of high pre-qualification criteria but also capital to make a sustained investment. This enables the Company to consistently enhance its competencies by attracting and retaining better people and upgrading its technology infrastructure.

### Directors and Officers Liability Risks

The Company's Directors and Officers are required to take decisions in its best interest. Negligence, errors, mistakes and omissions on their part might lead to the Company getting sued by competition.

### Mitigation:

The Company provides all necessary information to its Directors and Officers that is essential for enabling them to diligently perform their duties. The Directors and Officers also consult legal professionals and experts in relevant matter to mitigate the impact of the risk. Further, the Company practices undertaking appropriate insurance coverage to protect itself and limit the contractual liability resulting due to damages caused by any negligence or error.

### Assets and Inventory Risk

Unnatural events like fire, theft and accidents among others that are beyond the Company's control may adversely impact the Company's operations and profitability.

### Mitigation:

The Company has implemented contingency plans for insulating it and protecting its assets and inventory from any unfortunate events. The Company on an ongoing basis continues to implement loss prevention measures like high safety and security standards to be better prepared. The Company has also subscribed to several risk policies like Workmen Compensation Insurance Policy/ Fidelity Insurance Policy to minimize the impact of this risk.

## INFORMATION TECHNOLOGY

Information Technology has become an indispensable tool for the construction industry. It is crucial towards better planning, project management and seamless integration between head office and sites. It has improved connectivity and communication within the organisation and enhanced automation which is leading to higher operational efficiencies and costs savings.

The initial concentration has primarily been in the construction business, which is the Company's largest segment. The digital solutions here are aimed towards improving utilization of equipment, enhance productivity, savings in fuel, reduction in material wastage and real-time visibility of all aspects of operations. This has facilitated in better monitoring and effective data-based decision making, thereby removing bottlenecks and improving timely completion.

### Workmen availability and productivity

Workmen are key to a project site and their availability and productivity are critical to timely project completion. The Company has implemented digital solutions for mobilizing, on-boarding and monitoring the productivity of workmen.



## **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS**

The Company believes that people are its prime assets, and implements new initiatives to train and motivate them. Effective and efficient management of human resources is critical to ensure their satisfaction and motivation for delivering quality services. It is also vital for increasing staff performance and productivity, enhancing the organization's competitive advantage, and contributing directly to the organizational goals.

ACIL is highly employee-oriented. It employs best HR practices of performance management, reward and recognition, leadership development, open work culture and effective employee communication to promote development and growth conducive work environment. This ensures high satisfaction levels of employees which is evident in the Company's rising productivity, quality of projects and services delivered and growing innovations. This was possible by developing and nurturing a powerful and preferred employer brand. Various HR initiatives have been curated and implemented to build this brand. Besides, the Company's HR practices are developed to address the diverse needs of both millennials and veterans.

### **Employee diversity**

ACIL is committed to embedding a culture of diversity and inclusion. This includes ensuring equal opportunity for all and embracing the positive effect that its diverse workforce brings. The Company does not tolerate any form of discrimination, and its employment policies and practices focus on ensuring that all employment processes are free from unlawful discrimination on any grounds. Engagement studies have shown that ACIL is a safe place to work for women. Both employment and retention of women is rapidly increasing due to this confidence. As on March 31, 2019, the Company has a total of 1,884 staff on its rolls of which 35 are women.

The Company also nurtures a multi-generational workforce and undertakes grooming young talent. Its efforts in sustaining a healthy association with top Engineering and MBA institutes led to rich demographic dividend with 65% employees under 35 years of age.

## **OUTLOOK**

The Indian construction industry is headed for good times. Several bottlenecks and issues of challenging policies like GST and RERA are beginning to subside and the industry is expected to steadily grow. The industry saw a steady revival in 2018 on the back of positive developments in the macroeconomy, improving investor confidence and rising investments in transport, infrastructure, energy and housing projects. Its impact is likely to continue into 2019 and 2020 with the Government increasing its allocation to the infrastructure. In the real estate sector, which has been under pressure for long, the Government has provided breather in the form reduction in GST rates. The market will be supported by the Government's ambitious Housing for All by 2022 project. To facilitate this, the Government has granted infrastructure status to the affordable housing segment and has allowed incentives in the form of tax subsidies and lower interest rates.

As per an analysis by Research and Markets, the Indian construction industry is expected to grow at a compounded 6.44% from 2018 to 2023 and reach a valuation of USD 690.9 billion. This CAGR is faster than the 4.31% achieved in 2014-2018. (Source: <https://www.globenewswire.com/news-release/2019/06/24/1873177/0/en/India-s-Construction-Market-Through-2014-2023-by-Sector-Sub-sector.html>)

With the election of stable Government at the Centre, the industry is likely to see scaling up of long-term projects. This will reduce the competitive intensity in the market and lead to a pick-up in activities. Social infrastructure – metros, education and healthcare – is an area which will be in focus and witness an uptick.

These are areas where ACIL is present and has strong competencies. The Company already has a strong gross order book position of ₹ 10,65,837.55 Lakhs as on March 31, 2019, and expects these developments to have a positive impact on its business. The Company has adequate manpower resources, infrastructure and financial steadiness to execute its current order book position as well as take up more orders. The Company is consistently exploring ways to reduce its debt and deploy better technologies to achieve higher operational efficiency.