

Construction States of Growth

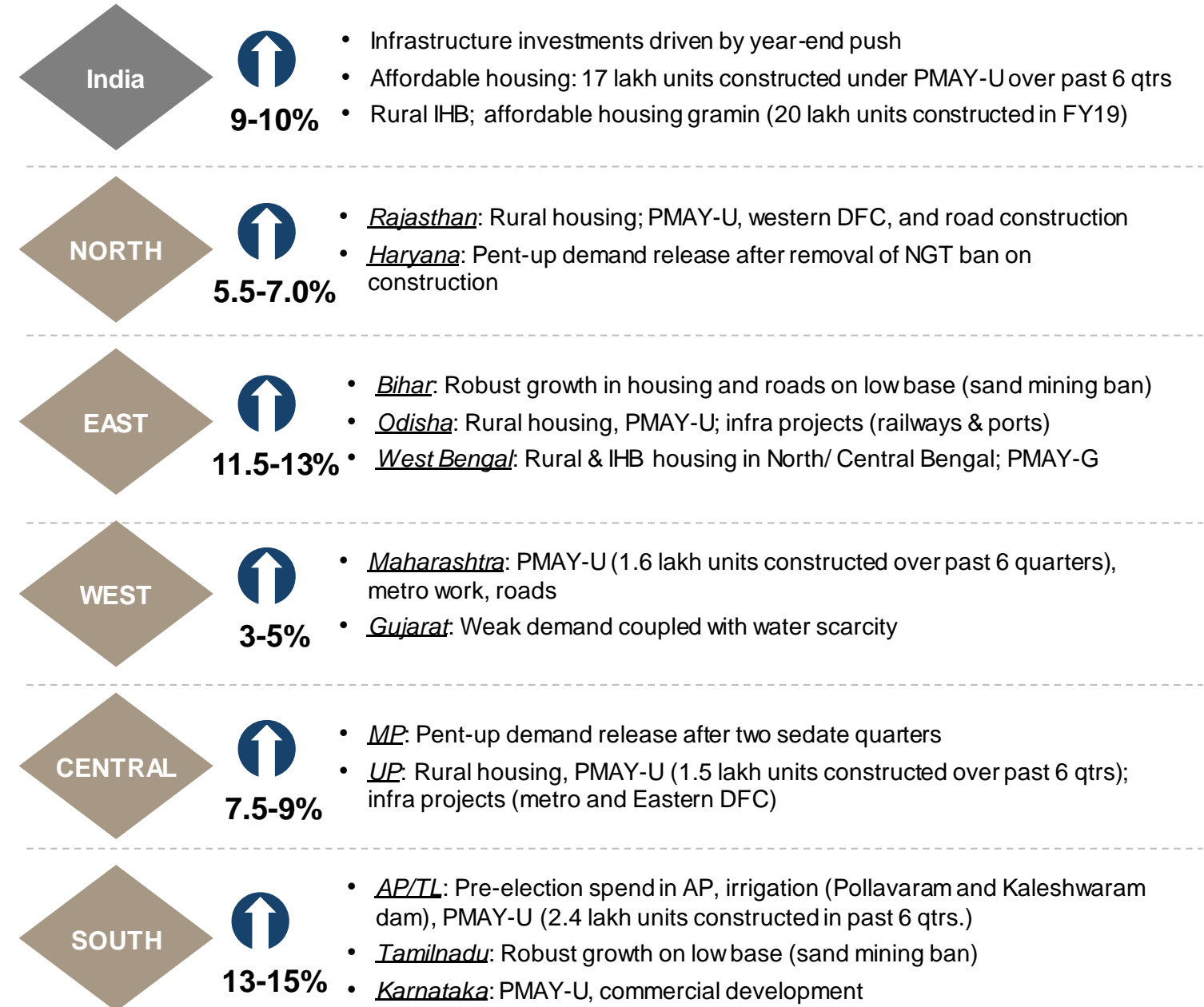
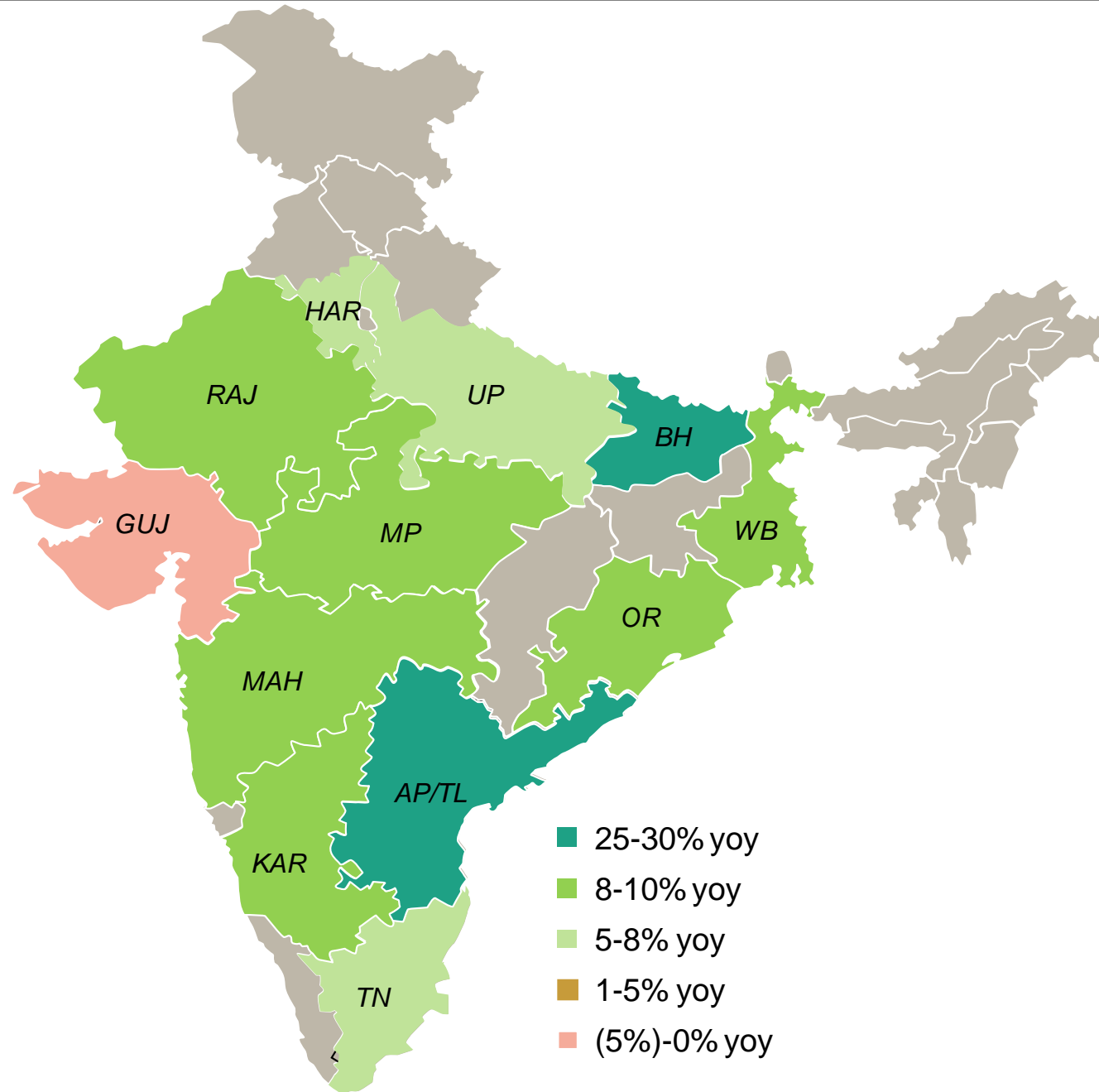
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Construction demand growth continues through Q4 FY19

Construction demand growth in Q4FY19



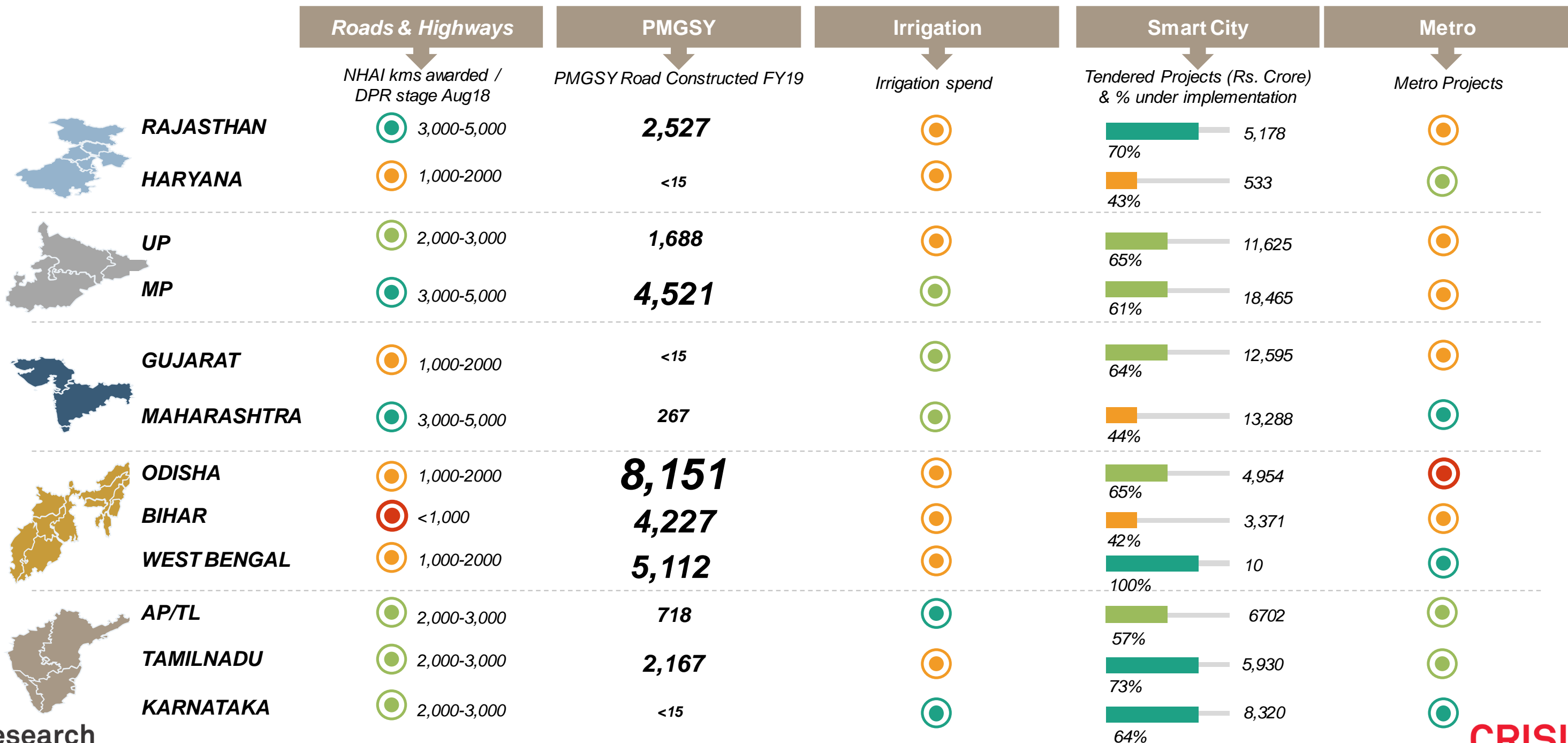
Key drivers of growth for FY20: Housing

Key Drivers of Growth for Urban & Rural Housing

	PMAY-Urban Lakh units under construction Apr19	Residential Real Estate Share of state's residential real estate in top 13 states*	Housing credit % yoy growth Q3FY19	Agri Profitability % YoY Growth Rabi 2018/19	PMAY-Gramin '000 units for which instalments released Apr19
 RAJASTHAN	0.4	 5-10%	 15-20%	 1-5%	51
 HARYANA	0.2	 5-10%	 10-15%	 10-20%	5
 UP	2.9	>15% bar" data-bbox="393 398 468 418"/> >15%	 15-20%	 1-5%	15
 MP	2.6	 <5%	 10-15%	 >20%	71
 GUJARAT	1.7	 <5%	 >20%	 10-20%	12
 MAHARASHTRA	0.7	 >15%	 15-20%	 <1%	48
 ODISHA	0.3	 <5%	 15-20%	 <1%	123
 BIHAR	0.8	 5-10%	 >20%	 10-20%	209
 WEST BENGAL	0.9	 5-10%	 >20%	 1-5%	101
 AP/TL	7.4	 >15%	 >20%	 <1%	2
 TAMILNADU	2.4	 <5%	 10-15%	 <1%	47
 KARNATAKA	1.3	 5-10%	 15-20%	 <1%	18

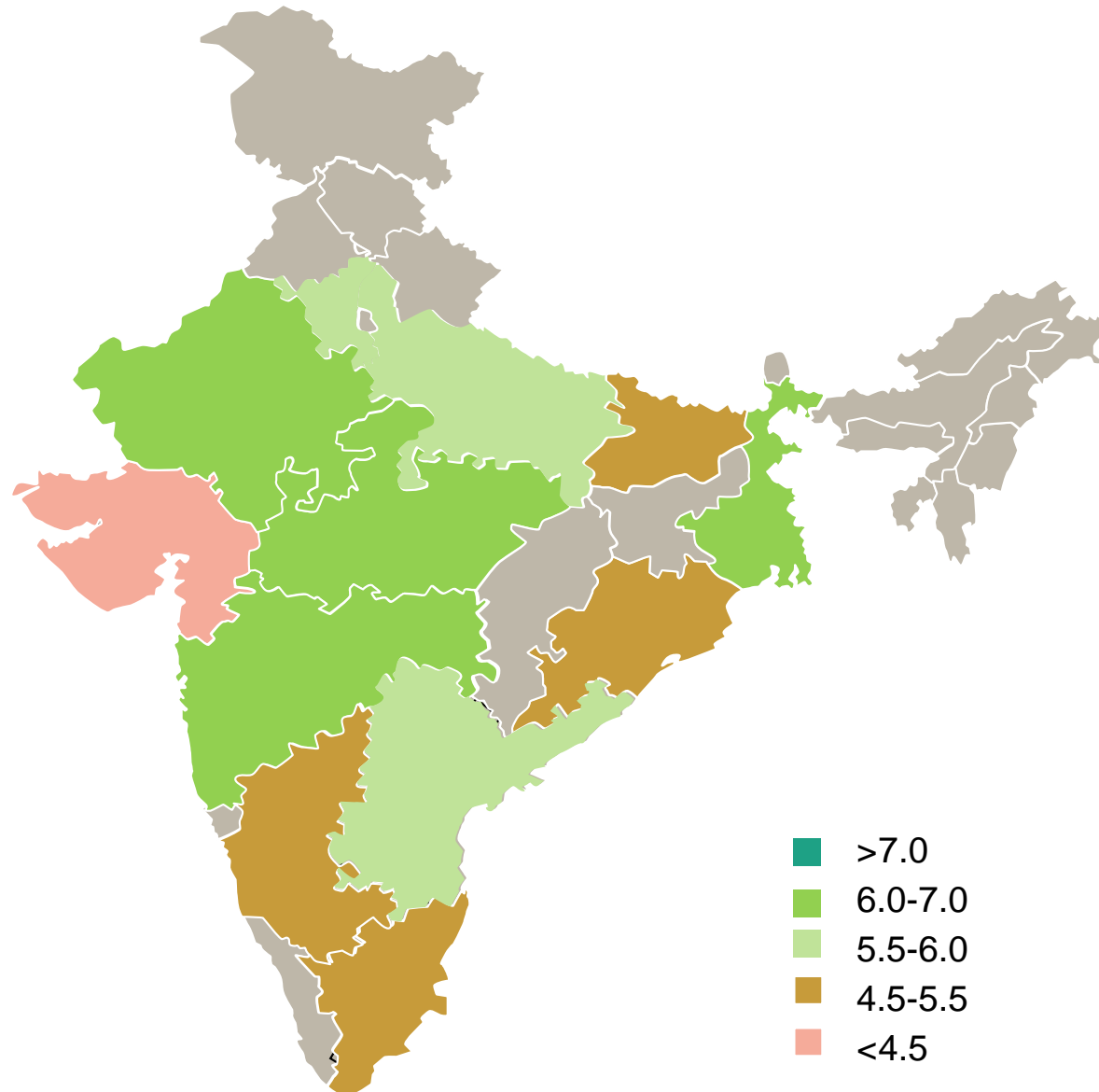
Key drivers of growth for FY20: Infrastructure

Key Drivers of Growth for Infrastructure



Construction sentiment score that measures outlook for next two rolling quarters falls to 5.5 from 6.0 in previous quarter

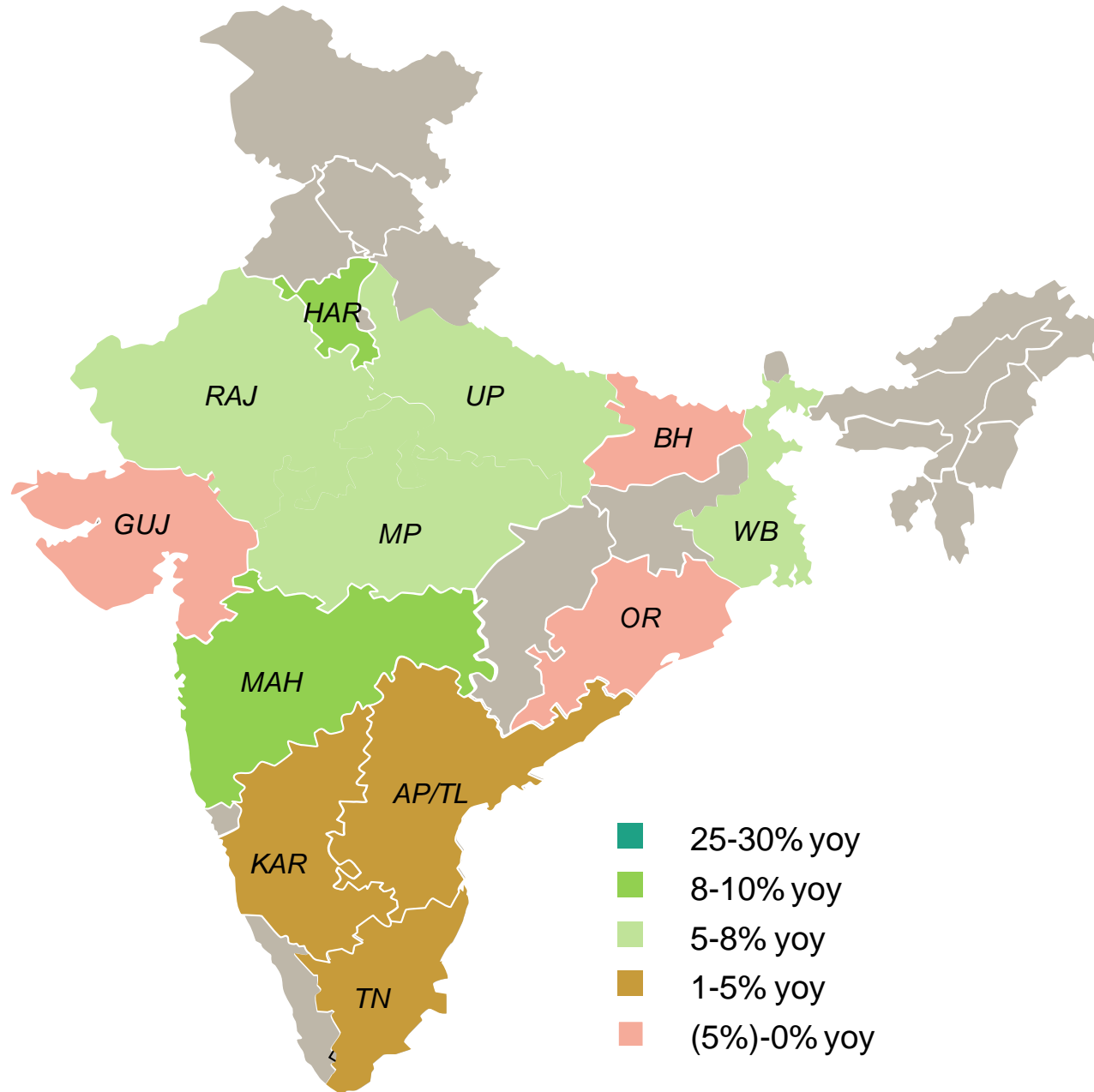
Construction Sentiment Score (on a scale of 1 to 10 wherein 1 represents major decline and 10 indicates sharp rise)



- Construction sentiment score is based on a sample of ~250 respondents at pan-India level (cement manufacturers, cement dealers, rebar dealers, real estate developers / brokers)
- The sentiment measures the outlook on construction growth over next two rolling quarters on a scale of 1 to 10 where 1 indicates major decline and 10 indicates robust rise (*on a yoy basis*)
- The sentiment score at pan-India level for next two quarters fell to 5.5 from previous quarter's 6.0
- Majority of respondents reported weak institutional demand which was the torchbearer for stellar growth in FY19

Construction demand growth to moderate in Q1FY20

Construction Demand Growth in Q1FY20



India	↑ 3-5%	<ul style="list-style-type: none"> Growth moderation in Q1FY20 led by general elections Rise in cement prices to have some bearing on rural housing demand in East & South
NORTH	↑ 5-7%	<ul style="list-style-type: none"> <u>Rajasthan</u>: Roads, Western DFC, and affordable housing to drive healthy growth <u>Haryana</u>: Metro, road projects, commercialization of new cities post metro connectivity
EAST	↑ 1-3%	<ul style="list-style-type: none"> <u>Bihar</u>: Labor shortage; weak rural & IHB demand on high base of last year <u>Odisha</u>: Cyclone to impact demand growth <u>West Bengal</u>: Affordable housing and infra (road & metro) to drive healthy growth
WEST	↑ 2-4%	<ul style="list-style-type: none"> <u>Maharashtra</u>: Infra (road and metro projects) and affordable housing <u>Gujarat</u>: Elections and water shortage to impact demand on high base of last year
CENTRAL	↑ 6-8%	<ul style="list-style-type: none"> <u>MP</u>: Road and affordable housing to drive growth <u>UP</u>: Affordable housing and infra projects (metro, Eastern DFC, road projects)
SOUTH	↑ 2-4%	<ul style="list-style-type: none"> <u>AP/TL</u>: Slowdown in fund release (general and assembly election in AP) <u>Tamilnadu</u>: Tepid demand from housing & infra on high base of last year <u>Karnataka</u>: Modest demand growth