



June 25, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
Scrip Code- 541019

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400051
Scrip Code- HGINFRA

Dear Sir/Madam,

Sub: Investor Presentation

Please find enclosed a copy of Investor Presentation on the Audited Financial Results of the Company for the Quarter and Year ended March 31, 2020.

The above information is also being uploaded on the Company's website at www.hginfra.com

This is for your information and records.

Thanking you,

Yours faithfully,

For H.G. Infra Engineering Limited

Ankita Mehra

Company Secretary & Compliance Officer
M.No-A33288



Encl: as above

H. G. INFRA ENGINEERING LTD.



HG Infra Engineering Ltd.

Investor Presentation Q4 & FY20

Agenda



- 1 A Steady Transformation
- 2 Q4 and FY20 Financial Highlights
- 3 Q4 and FY20 Operational Highlights
- 4 Growth Strategy
- 5 Historical Financials



A Steady Transformation



What we were...

2015



An upcoming subcontractor with presence majorly in Rajasthan

Experience in 2 states

50%+ Revenue from sub-contracting

Avg. ticket size
Rs 500mn

EPC pre-qualification
Rs 2,500mn



Revenue Rs 3,317mn



Employees 600+



Gross Block
Rs 1,489mn

Order Book
Rs 10,677mn

All financials are for FY15

What we are...

Today 

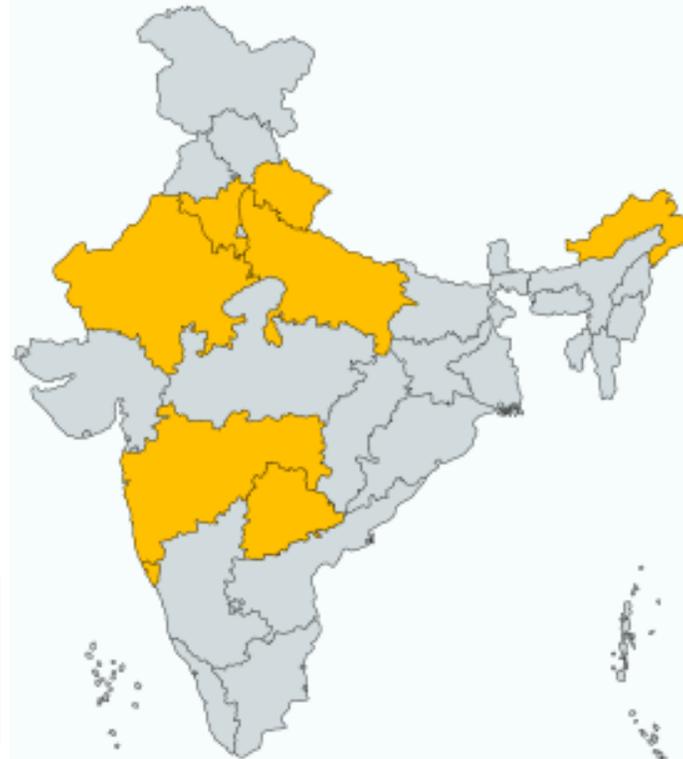
A leading road infra developer
with pan India presence

Experience in 8 states

~25% Revenue from
sub-contracting

Avg. ticket size
Rs 1,800mn

EPC pre-qualification
Rs 17,500mn



Revenue Rs 21,961mn



Employees 2,300+



Gross Block
Rs 6,898mn

Order Book
Rs 71,028mn

All financials are for FY20

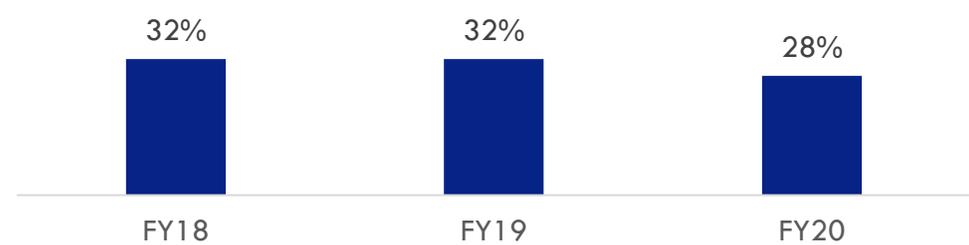
While maintaining these along the way...

Discipline in selecting orders, focusing on Balance Sheet & delivering consistent financial performance

EBITDA Margin



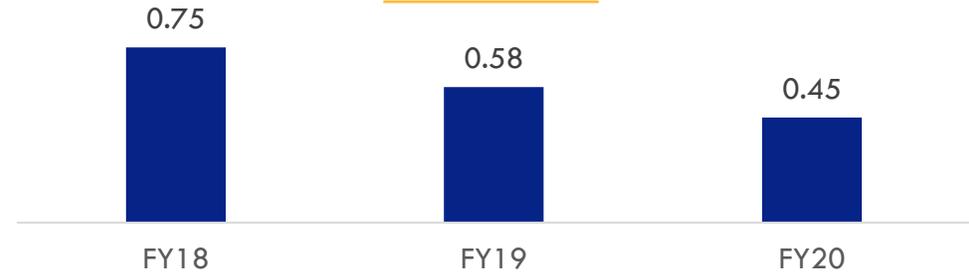
Return on Capital Employed



Working Capital Cycle



Debt to Equity



- ✓ ROCE = EBIT/Total Assets – Current Liabilities
- ✓ Debt to Equity = Total debt/Shareholders Equity
- ✓ Debtor days = Average Trade Receivables (excl. retention money) /Revenue From Operations

- ✓ Inventory Days = Average Inventory / Cost of Materials
- ✓ Creditors Days = Average Trade Payables / (Cost of Materials + Contract & Site Expenses)
- ✓ Net working capital days = Debtor days + Inventory days – Creditor days



Q4 and FY20 Financial Highlights

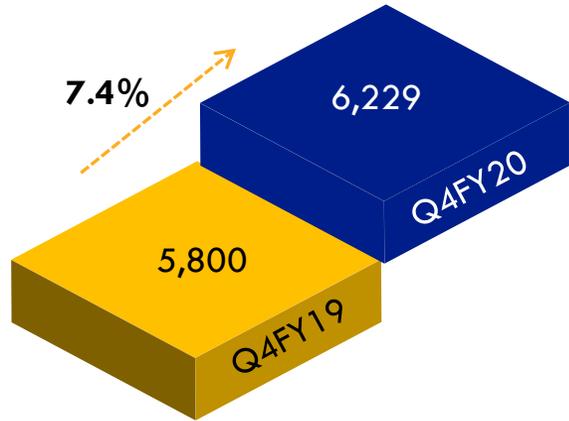


Standalone result highlights Q4FY20

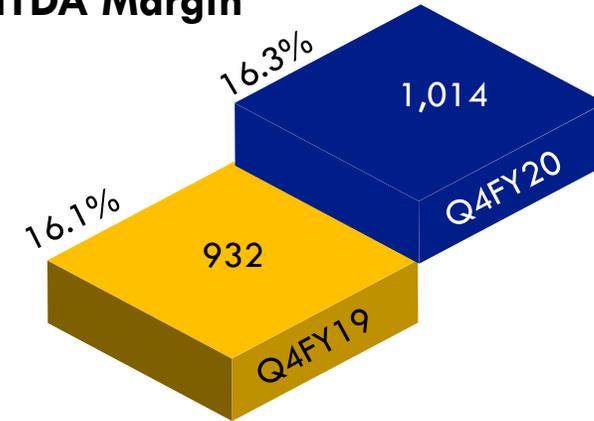


Rs mn

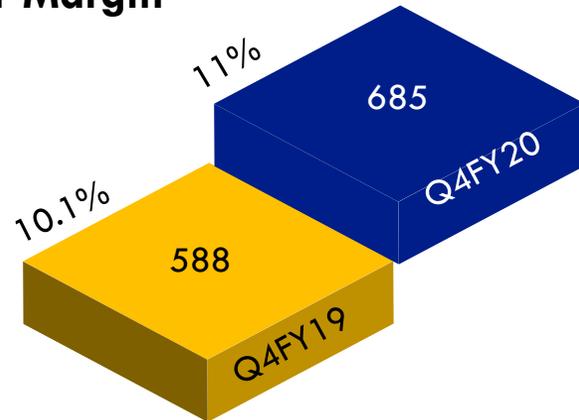
Revenue



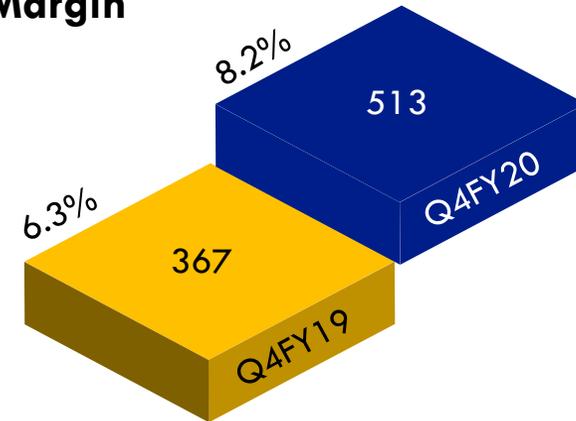
EBITDA & EBITDA Margin



PBT & PBT Margin



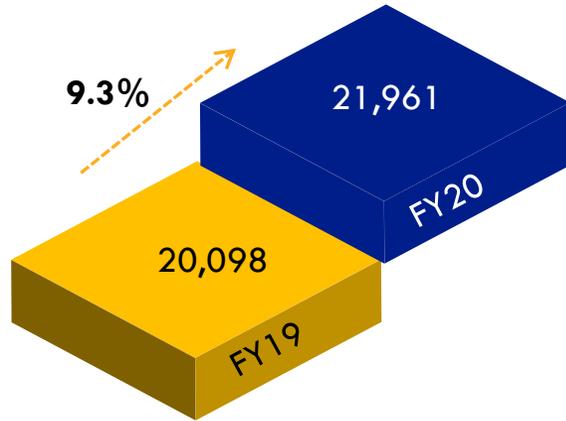
PAT and PAT Margin



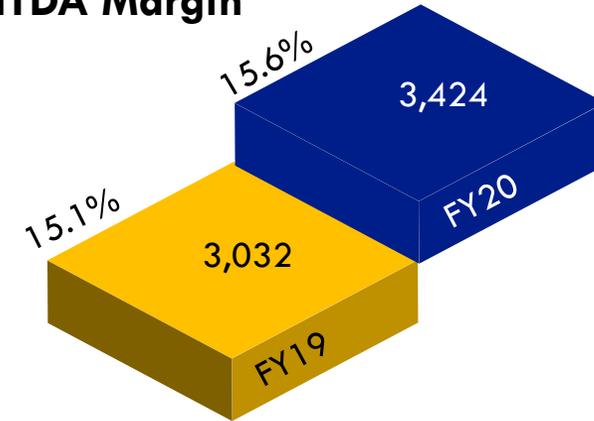
Standalone result highlights FY20

Rs mn

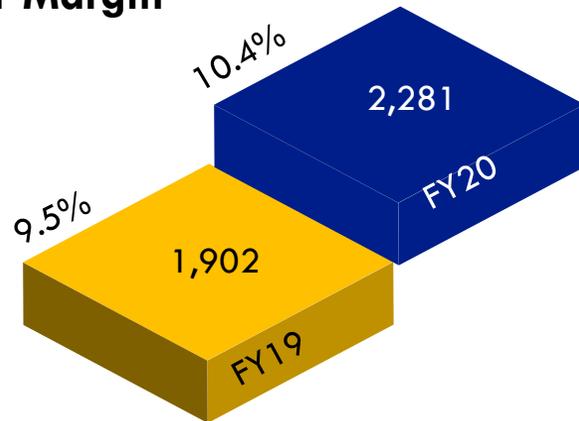
Revenue



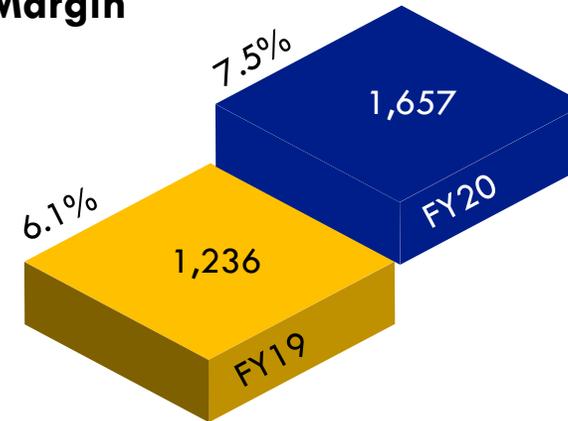
EBITDA & EBITDA Margin



PBT & PBT Margin



PAT and PAT Margin



Standalone profit & loss statement



(Rs mn)	Quarter			12 Month		
	Q4FY20	Q4FY19	YoY	FY20	FY19	YoY
Revenue from operations	6,229	5,800	7.4%	21,961	20,098	9.3%
Cost of material consumed	2,381	2,002		8,926	8,919	
Contract and site expenses	2,426	2,443		8,137	6,665	
Employee expenses	291	289		1,114	1,191	
Other expenses	118	133		360	291	
Total Operating expenses	5,215	4,868		18,538	17,066	
EBITDA	1,014	932	8.8%	3,424	3,032	12.9%
<i>EBITDA margin</i>	16.3%	16.1%		15.6%	15.1%	
Finance Cost	159	164		524	490	
Depreciation	208	203		756	755	
Other Income	38	23		137	115	
PBT	685	588	16.4%	2,281	1,902	19.9%
<i>PBT margin</i>	11.0%	10.1%		10.4%	9.5%	
Tax Expenses (Credits)	172	221		623	667	
PAT	513	367	39.5%	1,657	1,236	34.1%
<i>PAT margin</i>	8.2%	6.3%		7.5%	6.1%	
Other comprehensive income	17	(12)		6	(13)	
Total comprehensive income	530	355		1,663	1,223	

Standalone balance sheet



Rs mn	Mar'20	Mar'19
Share Capital	652	652
Reserves	7,564	5,940
Shareholders' Funds	8,216	6,592
Secured Loans	640	593
Other liabilities	809	575
Total Non-Current Liabilities	1,449	1,168
Trade Payables	5,437	3,461
Other Current Liabilities	172	53
Current Tax Liabilities	48	155
Other Financial Liabilities	1,362	1,557
Contract Liabilities	2,089	873
Short Term Borrowings*	1,912	1,823
Total Current Liabilities	11,019	7,921
Total Liabilities	20,685	15,681

Rs mn	Mar'20	Mar'19
Fixed Assets incl. CWIP	4,870	4,586
Other Financial Assets	1,138	349
Other Non Current Assets	207	207
Total Non-Current Assets	6,215	5,142
Inventories	1,055	1,161
Sundry Debtors	8,078	6,214
Cash and Bank	1,144	1,002
Other Financial Assets	184	143
Contract Assets	3,508	1,596
Other Current Assets	500	424
Total Current Assets	14,470	10,540
Total Assets	20,685	15,681

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs 728.9 Mn for Mar'20

Consolidated profit & loss statement



(Rs mn)	Quarter			12 Month		
	Q4FY20	Q4FY19	YoY	FY20	FY19	YoY
Revenue from operations	6,341	5,841	8.6%	22,171	20,145	10.1%
Cost of material consumed	2,381	2,002		8,926	8,919	
Contract and site expenses	2,441	2,443		8,158	6,666	
Employee expenses	293	289		1,123	1,194	
Other expenses	137	157		408	320	
Total Operating expenses	5,252	4,891		18,615	17,099	
EBITDA	1,089	950	14.7%	3,555	3,046	16.7%
EBITDA margin	17.2%	16.3%		16.0%	15.1%	
Finance Cost	178	164		598	490	
Depreciation	208	203		756	755	
Other Income	18	22		137	115	
PBT before share of associate	721	605		2,338	1,916	
Share of profit of associate	-	6		(29)	29	
PBT	721	611	18.1%	2,309	1,944	18.8%
PBT margin	11.4%	10.5%		10.4%	9.7%	
Tax Expenses (Credits)	178	225		643	671	
PAT	543	386	40.8%	1,666	1,273	30.8%
PAT margin	8.6%	6.6%		7.5%	6.3%	
Other comprehensive income	17	(12)		6	(13)	
Total comprehensive income	561	374		1,672	1,260	

Consolidated balance sheet



Rs mn	Mar'20	Mar'19
Share Capital	652	652
Reserves	7,611	5,978
Shareholders' Funds	8,263	6,630
Secured Loans	2,130	593
Other liabilities	819	575
Total Non-Current Liabilities	2,949	1,168
Trade Payables	5,437	3,462
Other Current Liabilities	205	56
Current Tax Liabilities	48	158
Other Financial Liabilities	1,393	1,557
Contract Liabilities	1,960	873
Short Term Borrowings*	1,912	1,823
Total Current Liabilities	10,954	7,928
Total Liabilities	22,166	15,726

Rs mn	Mar'20	Mar'19
Fixed Assets incl. CWIP	4,872	4,588
Other Financial Assets	1,150	178
Other Non Current Assets	255	207
Total Non-Current Assets	6,277	4,972
Inventories	1,055	1,161
Sundry Debtors	6,849	6,146
Cash and Bank	1,150	1,002
Other Financial Assets	2,358	392
Contract Assets	3,508	1,596
Other Current Assets	968	457
Total Current Assets	15,888	10,754
Total Assets	22,166	15,726

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs 728.9 Mn for Mar'20



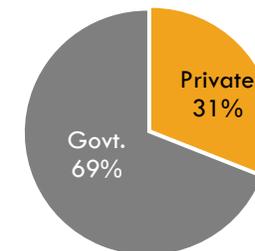
Q4 and FY20 Operational Highlights



Robust & well diversified order book

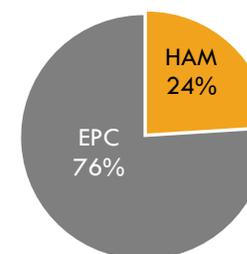
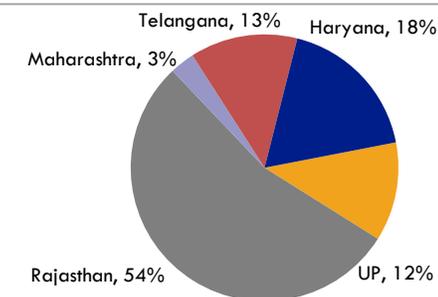


Project	Awarding Authority	Unexecuted Value (Rs mn)
Delhi Vadodara Pkg-9	NHAI	11,635
Hapur Morradabad	MRM	9,688
Mancherial - Repallewa	Adani	9,046
Delhi Vadodara Pkg-8	NHAI	8,246
Delhi Vadodara Pkg-4	NHAI	7,330
Narnual Bypass	NHAI	6,453
Rewari Ateli Mandi Pkg-4	NHAI	3,991
Rewari Ateli Mandi	NHAI	3,923
Gurgaon-Nuh-(Rajiv chowk)	NHAI	2,538
Bhilwara-Gulabpura	IRB - MRM	2,511
Maharastra Projects	MoRTH	2,481
Others		3,185
Total		71,028



**Client wise break-up:
Optimum mix of
prime contracts and
select private projects**

**Geographical break-up:
successful
diversification beyond
home state Rajasthan**



**Project type break-up:
foray into HAM to tap
the growing
opportunity**

HAM project details



Project	Awarding authority	State	Kms Lanes	BPC (Rs. mn)	Grant Amount (Rs. mn)	Total Debt (Rs. mn)	Invested Equity (Rs. mn)	Debt as on 31 st Mar '20 (Rs. Mn)	Completion Status as on 31 st Mar '20 (%)
Gurgaon-Sohna (Rajiv chowk)	NHAI	Haryana	12.7	6,060	2,420	2,879	524.5	1,365	~55%
Rewari Ateli Mandi	NHAI	Haryana	30.4	5,800	2,320	2,200	382.3	145	~25%
Narnual Bypass	NHAI	Haryana	40.8	9,521	3,808	4,060	1.5	-	~14%
Rewari Ateli Mandi Pkg-4*	NHAI	Haryana	14.4	5,220	~2,088	~2,200	-	-	-

*Rewari Ateli Mandi Pkg -4 yet to receive FC

Major projects completed in FY20

Manoharpur - Dausa

Completion Date
17th July 2019

Two laning with paved
shoulders of Manoharpur
to Dausa section of NH-
11A

Value – Rs 1,982 Mn

Uncha Nagla - Dholpur

Completion Date
1st October 2019

Two laning with paved
shoulders of Uncha-Nagl-
Khanuawa-Roppas-Dholpur
section of NH-123.

Value – Rs 2,611 Mn

Tonk – Sawai Madhopur

Completion Date
15th October 2019

Two laning with paved
shoulders to Tonk-
Sawaimadhopur section
of NH-116

Value – Rs 2,161 Mn

Balotra - Sanderao

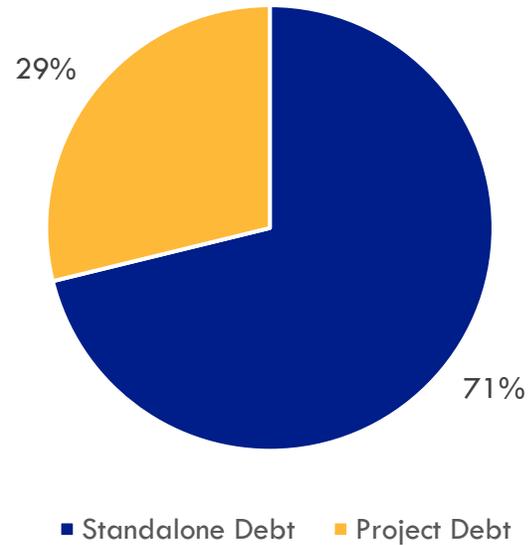
Completion Date
29th February 2020

Up-gradation to two lane
with paved shoulder for
Balotra to Sanderao via
Jalore section of NH 325

Value – Rs 1,133 Mn

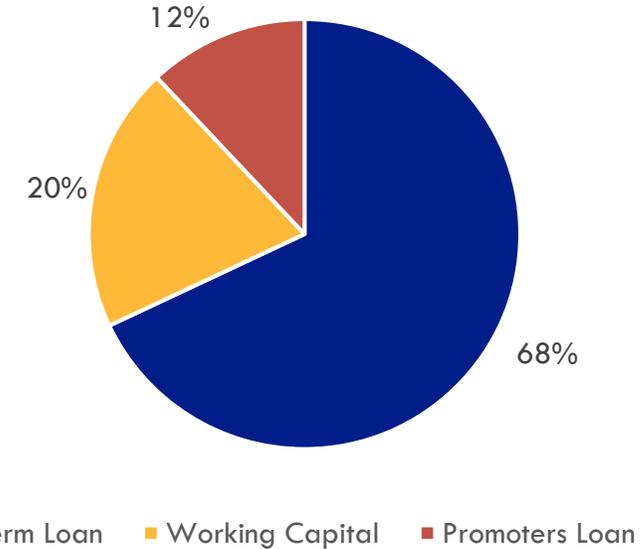
Debt breakup

Consolidated Debt Breakup



Rs mn)	Mar-20
Standalone debt	3,675
Project debt	1,489
Total consolidated debt	5,164
Consolidated Cash & Bank	1,150

Standalone Debt Breakup



(Rs mn)	Mar-20
Term loan + current maturities*	2,492
Working Capital	723
Promoters loan	460
Total Standalone Debt	3,675
Standalone Cash & Bank	1,144

*Includes payables under MSME Trade receivables discounting system (TReDS) - Rs 728.9 Mn for Mar'20



Growth Strategy

Growth Strategy

Well placed to tap opportunities in core road sector

- ✓ Continued focus on EPC projects with selective HAM projects – HAM to constitute up to 25% of order book
- ✓ Invested in plant and equipment (Rs 6,000mn gross block) for large scale execution
- ✓ Built strong team for execution and management – 80%+ of employees are skilled and highly skilled workers



Look at opportunities beyond road in other infra sectors

- ✓ De-risk business by expanding in following sectors:
 - Railways: projects involving civil part of the track laying
 - Water Infra: water supply projects involving laying water pipeline for last mile connectivity; have already done similar projects in Rajasthan
 - Airport: construction of runways, taxiways

Maintaining strong financials

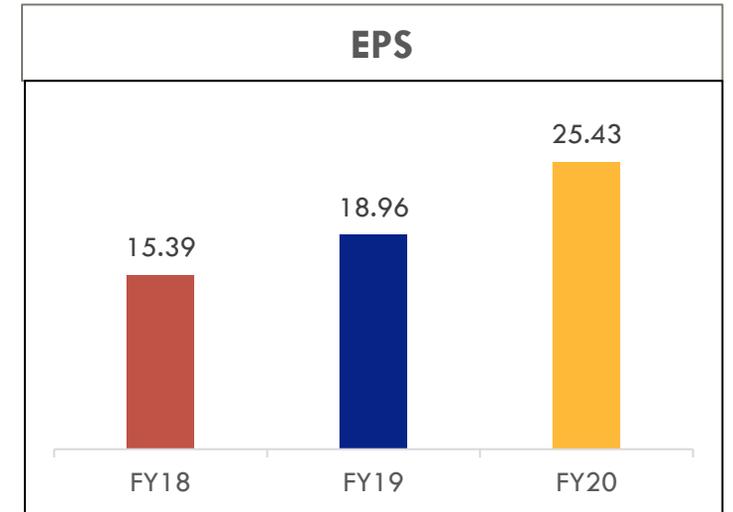
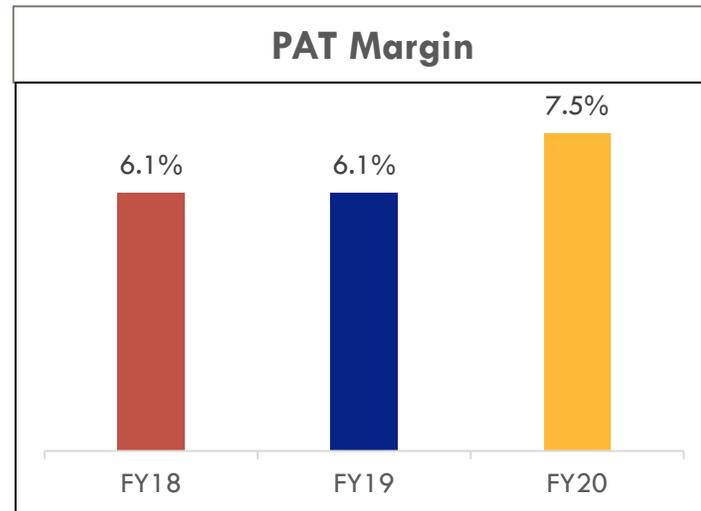
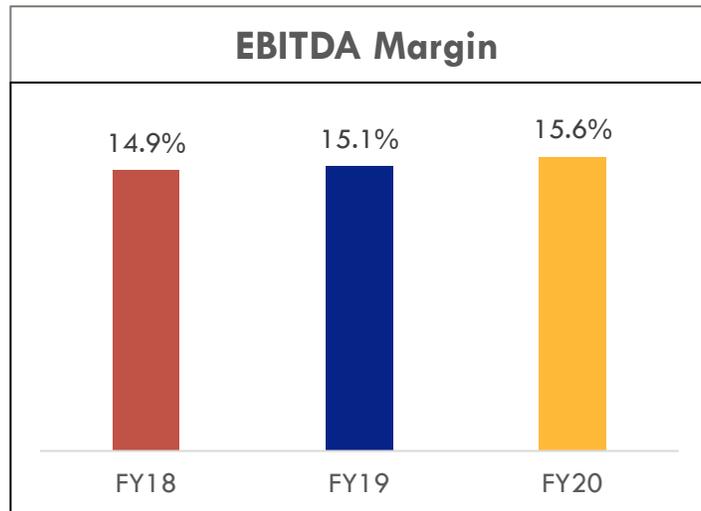
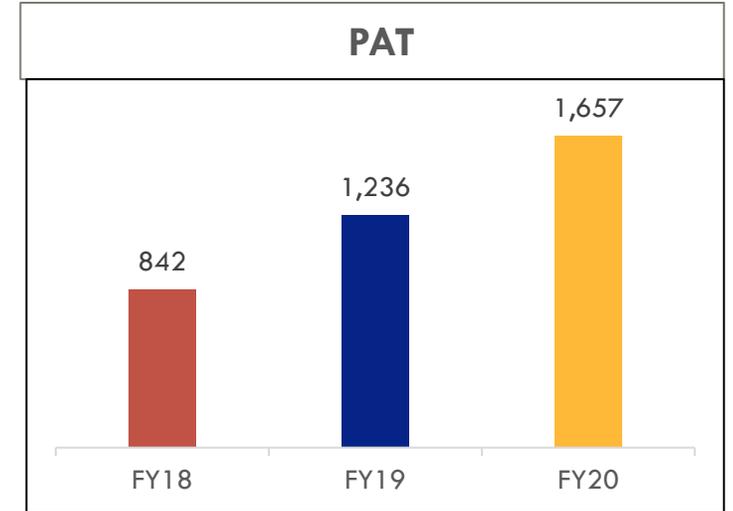
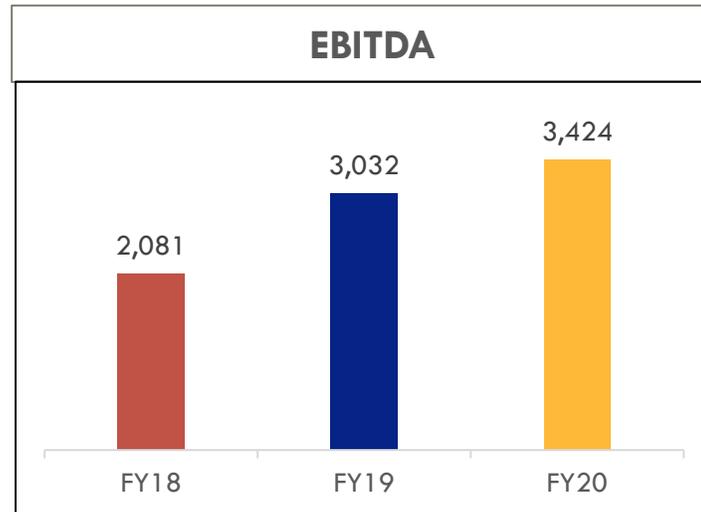
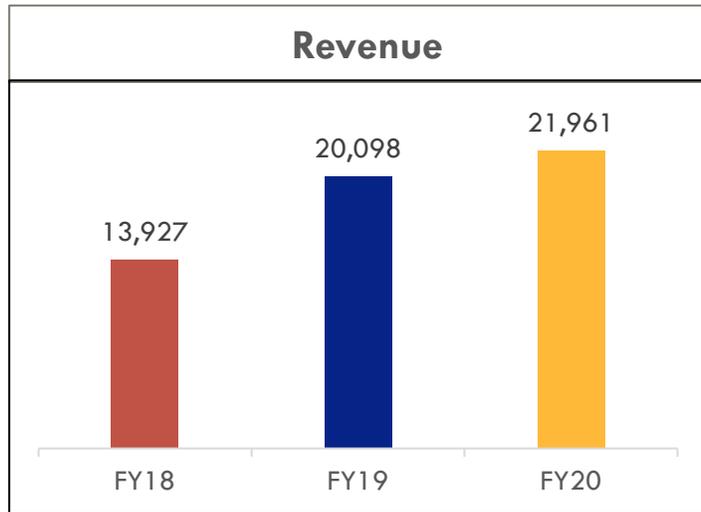
- ✓ Focus projects with desired level of EBITDA margins/ IRRs
- ✓ Maintain and improve profitability ratios through timely execution and strict cost controls
- ✓ Deleverage balance sheet
- ✓ Continued focus on WC management and cash flow generation

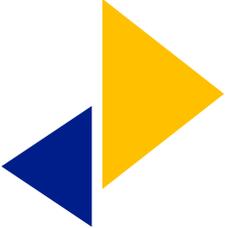


Historical Financial Highlights



Financial Performance





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Thank You

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