



May 13, 2021

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Scrip Code- 541019

Dear Sirs,

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai- 400 051

Scrip Symbol- HGINFRA

**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, 2021.

The above information is also being uploaded on the Company's website at [www.hginfra.com](http://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.**

(Erstwhile known as H.G. Infra Engineering (P) Ltd.)

Visit us at : [www.hginfra.com](http://www.hginfra.com)  
E-mail : [info@hginfra.com](mailto:info@hginfra.com)

Corp. Office : III Floor, Sheel Mohar Plaza, A-1, Tilak Marg, C-Scheme  
Jaipur-302001 (Raj.)  
Regd. Office : 14, Panchwati Colony, Ratanada, Jodhpur-342001 (Raj.)

Tel. : +91 141 4106040 - 41  
Fax : +91 141 4106044  
Tel. : +91 291 2000307  
Fax : +91 291 2515321



**H.G. Infra Engineering Ltd.**

**Strong performance,  
Stronger outlook**

**Investor Presentation  
Q4 & FY21**

# Agenda



1

**Q4 & FY21 Financial/Operational Highlights**

2

**On the trajectory of higher growth**

3

**Stronger outlook strengthened by opportunities**

# Q4 & FY21 Financial/ Operational Highlights

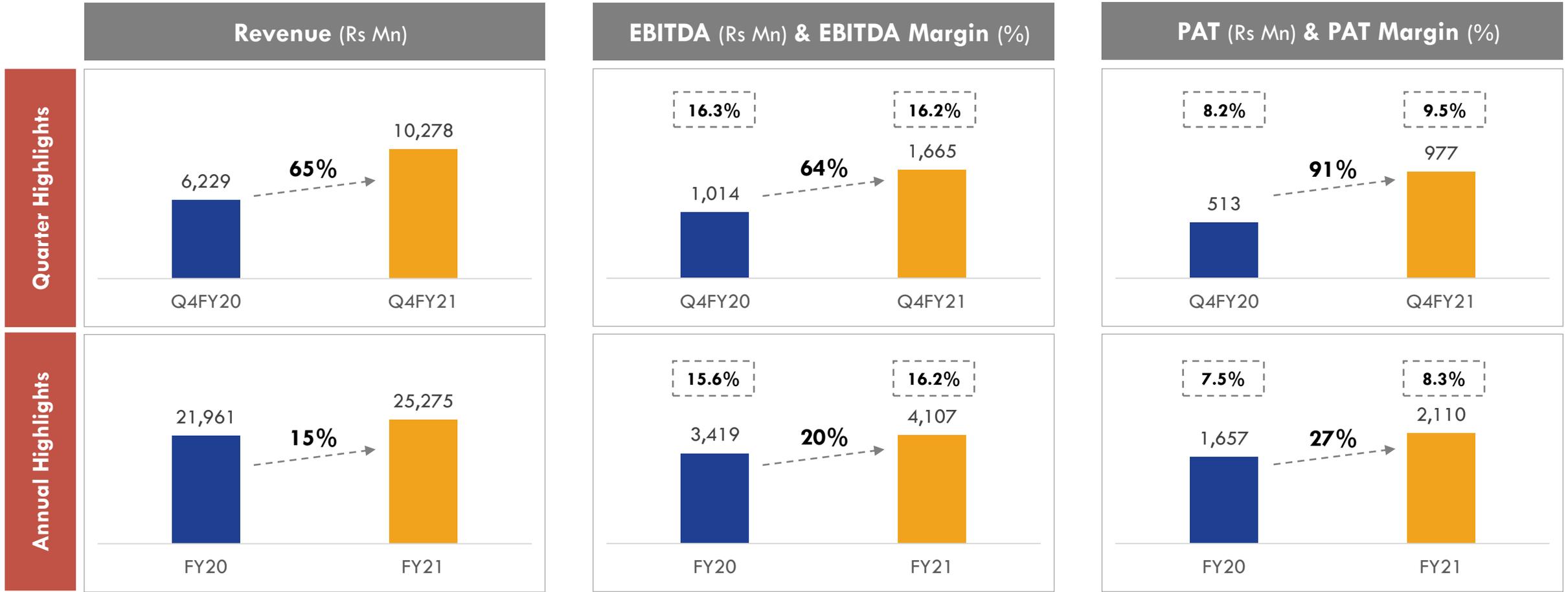
---

---

---



# Our achievements despite a challenging year



**Added 4 new orders for a total order inflow of Rs 19,333 Mn**

# Standalone profit & loss statement



| Rs Mn                             | Q4FY21        | Q4FY20       | YoY          | FY21         | FY20         | YoY          |
|-----------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenue from operations</b>    | <b>10,278</b> | <b>6,229</b> | <b>65.0%</b> | 25,275       | 21,961       | <b>15.1%</b> |
| Cost of material consumed         | 4,628         | 2,381        |              | 11,857       | 8,926        |              |
| Contract and site expenses        | 3,589         | 2,426        |              | 7,952        | 8,137        |              |
| Employee expenses                 | 296           | 291          |              | 1,093        | 1,114        |              |
| Other expenses                    | 100           | 117          |              | 267          | 365          |              |
| Total Operating expenses          | 8,613         | 5,215        |              | 21,168       | 18,542       |              |
| <b>EBITDA</b>                     | <b>1,665</b>  | <b>1,014</b> | <b>64.2%</b> | <b>4,107</b> | <b>3,419</b> | <b>20.1%</b> |
| <b>EBITDA margin</b>              | <b>16.2%</b>  | <b>16.3%</b> |              | <b>16.2%</b> | <b>15.6%</b> |              |
| Finance Cost                      | 192           | 159          |              | 596          | 524          |              |
| Depreciation                      | 226           | 208          |              | 844          | 756          |              |
| Other Income                      | 77            | 38           |              | 154          | 141          |              |
| <b>PBT</b>                        | <b>1,324</b>  | <b>685</b>   | <b>93.3%</b> | <b>2,821</b> | <b>2,281</b> | <b>23.7%</b> |
| <b>PBT margin</b>                 | <b>12.9%</b>  | <b>11.0%</b> |              | <b>11.2%</b> | <b>10.4%</b> |              |
| Tax Expenses (Credits)            | 347           | 172          |              | 712          | 623          |              |
| <b>PAT</b>                        | <b>977</b>    | <b>513</b>   | <b>90.5%</b> | <b>2,110</b> | <b>1,657</b> | <b>27.3%</b> |
| <b>PAT margin</b>                 | <b>9.5%</b>   | <b>8.2%</b>  |              | <b>8.3%</b>  | <b>7.5%</b>  |              |
| Other comprehensive income        | -6            | 17           |              | -4           | 6            |              |
| <b>Total comprehensive income</b> | <b>971</b>    | <b>530</b>   |              | <b>2,106</b> | <b>1,663</b> |              |

# Consolidated profit & loss statement

| Rs Mn                                | Q4FY21        | Q4FY20       | YoY           | FY21          | FY20          | YoY          |
|--------------------------------------|---------------|--------------|---------------|---------------|---------------|--------------|
| <b>Revenue from operations</b>       | <b>10,563</b> | <b>6,341</b> | <b>66.6%</b>  | <b>26,023</b> | <b>22,171</b> | <b>17.4%</b> |
| Cost of material consumed            | 4,628         | 2,381        |               | 11,857        | 8,926         |              |
| Contract and site expenses           | 3,594         | 2,441        |               | 7,967         | 8,158         |              |
| Employee expenses                    | 300           | 293          |               | 1,108         | 1,123         |              |
| Other expenses                       | 114           | 137          |               | 334           | 413           |              |
| Total Operating expenses             | 8,636         | 5,252        |               | 21,266        | 18,620        |              |
| <b>EBITDA</b>                        | <b>1,927</b>  | <b>1,089</b> | <b>77.0%</b>  | <b>4,757</b>  | <b>3,551</b>  | <b>34.0%</b> |
| <b>EBITDA margin</b>                 | <b>18.2%</b>  | <b>17.2%</b> |               | <b>18.3%</b>  | <b>16.0%</b>  |              |
| Finance Cost                         | 309           | 178          |               | 941           | 598           |              |
| Depreciation                         | 226           | 208          |               | 844           | 756           |              |
| Other Income                         | 73            | 18           |               | 148           | 141           |              |
| <b>PBT before share of associate</b> | <b>1,465</b>  | <b>721</b>   |               | <b>3,120</b>  | <b>2,338</b>  |              |
| Share of profit of associate         | 0             | 0            |               | 0             | -29           |              |
| <b>PBT</b>                           | <b>1,465</b>  | <b>721</b>   | <b>103.2%</b> | <b>3,120</b>  | <b>2,309</b>  | <b>35.1%</b> |
| <b>PBT margin</b>                    | <b>13.9%</b>  | <b>11.4%</b> |               | <b>12.0%</b>  | <b>10.4%</b>  |              |
| Tax Expenses (Credits)               | 354           | 178          |               | 753           | 643           |              |
| <b>PAT</b>                           | <b>1,111</b>  | <b>543</b>   | <b>104.6%</b> | <b>2,367</b>  | <b>1,666</b>  | <b>42.1%</b> |
| <b>PAT margin</b>                    | <b>10.5%</b>  | <b>8.6%</b>  |               | <b>9.1%</b>   | <b>7.5%</b>   |              |
| Other comprehensive income           | -6            | 18           |               | -4            | 6             |              |
| <b>Total comprehensive income</b>    | <b>1,105</b>  | <b>561</b>   |               | <b>2,363</b>  | <b>1,672</b>  |              |

# Standalone Balance Sheet



| Rs Mn                                | Mar'21        | Mar'20        |
|--------------------------------------|---------------|---------------|
| Share Capital                        | 652           | 652           |
| Reserves                             | 9,670         | 7,564         |
| <b>Shareholders' Funds</b>           | <b>10,322</b> | <b>8,216</b>  |
| Secured Loans                        | 945           | 640           |
| Other liabilities                    | 864           | 806           |
| <b>Total Non-Current Liabilities</b> | <b>1,809</b>  | <b>1,446</b>  |
| Trade Payables                       | 4,146         | 5,437         |
| Other Current Liabilities            | 131           | 172           |
| Current Tax Liabilities              | 74            | 48            |
| Other Financial Liabilities          | 767           | 1,365         |
| Contract Liabilities                 | 3,236         | 2,089         |
| Short Term Borrowings*               | 1,322         | 1,912         |
| <b>Total Current Liabilities</b>     | <b>9,676</b>  | <b>11,023</b> |
| <b>Total Liabilities</b>             | <b>21,807</b> | <b>20,685</b> |

| Rs Mn                           | Mar'21        | Mar'20        |
|---------------------------------|---------------|---------------|
| Fixed Assets incl. CWIP         | 4,813         | 4,870         |
| Other Financial Assets          | 2,771         | 1,138         |
| Other Non Current Assets        | 181           | 207           |
| <b>Total Non-Current Assets</b> | <b>7,765</b>  | <b>6,215</b>  |
| Inventories                     | 1,680         | 1,055         |
| Sundry Debtors                  | 6,534         | 8,078         |
| Cash and Bank                   | 2,584         | 1,144         |
| Other Financial Assets          | 91            | 185           |
| Contract Assets                 | 2,654         | 3,508         |
| Other Current Assets            | 499           | 500           |
| <b>Total Current Assets</b>     | <b>14,042</b> | <b>14,470</b> |
| <b>Total Assets</b>             | <b>21,807</b> | <b>20,685</b> |

\*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs 754.11 Mn for Mar'21 (728.90 Mn in Mar'20)

# Consolidated Balance Sheet



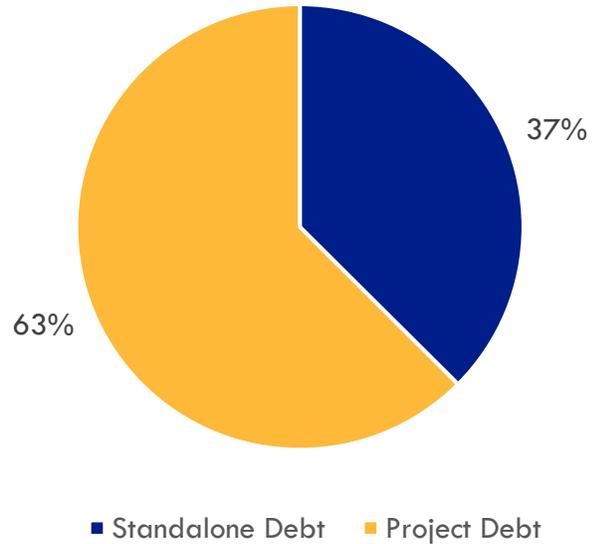
| Rs Mn                                | Mar'21        | Mar'20        |
|--------------------------------------|---------------|---------------|
| Share Capital                        | 652           | 652           |
| Reserves                             | 9,974         | 7,611         |
| <b>Shareholders' Funds</b>           | <b>10,626</b> | <b>8,263</b>  |
| Secured Loans                        | 5,570         | 2,130         |
| Other liabilities                    | 899           | 815           |
| <b>Total Non-Current Liabilities</b> | <b>6,469</b>  | <b>2,945</b>  |
| Trade Payables                       | 4,146         | 5,437         |
| Other Current Liabilities            | 132           | 205           |
| Current Tax Liabilities              | 74            | 48            |
| Other Financial Liabilities          | 1,109         | 1,396         |
| Contract Liabilities                 | 2,959         | 1,960         |
| Short Term Borrowings*               | 1322          | 1,912         |
| <b>Total Current Liabilities</b>     | <b>9,742</b>  | <b>10,958</b> |
| <b>Total Liabilities</b>             | <b>26,837</b> | <b>22,166</b> |

| Rs Mn                           | Mar'21        | Mar'20        |
|---------------------------------|---------------|---------------|
| Fixed Assets incl. CWIP         | 4,818         | 4,872         |
| Other Financial Assets          | 4,241         | 1,150         |
| Other Non Current Assets        | 311           | 255           |
| <b>Total Non-Current Assets</b> | <b>9,370</b>  | <b>6,277</b>  |
| Inventories                     | 1,680         | 1,055         |
| Sundry Debtors                  | 5,817         | 6,849         |
| Cash and Bank                   | 2,626         | 1,150         |
| Other Financial Assets          | 3,326         | 2,359         |
| Contract Assets                 | 2,654         | 3,508         |
| Other Current Assets            | 1,364         | 968           |
| <b>Total Current Assets</b>     | <b>17,467</b> | <b>15,889</b> |
| <b>Total Assets</b>             | <b>26,837</b> | <b>22,166</b> |

\*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs 754.11 Mn for Mar'21 (728.90 Mn in Mar'20)

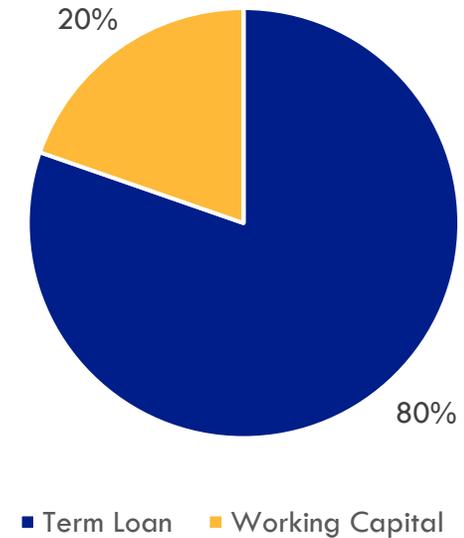
# Debt breakup

### Consolidated Debt Breakup



| Rs Mn                               | March-21     |
|-------------------------------------|--------------|
| Standalone debt                     | 2,890        |
| Project debt                        | 4,820        |
| <b>Total consolidated debt</b>      | <b>7,710</b> |
| <b>Consolidated Cash &amp; Bank</b> | <b>2,626</b> |

### Standalone Debt Breakup



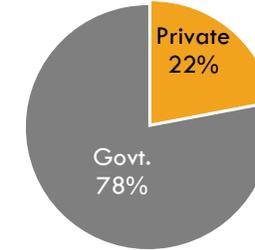
| Rs Mn                             | March-21     |
|-----------------------------------|--------------|
| Term loan + current maturities*   | 2,322        |
| Working capital                   | 568          |
| <b>Total standalone debt</b>      | <b>2,890</b> |
| <b>Standalone Cash &amp; Bank</b> | <b>2,584</b> |

\*Includes payables under MSME Trade receivables discounting system (TReDS) - Rs 754.11 Mn for Mar'21

# Robust and well diversified order book

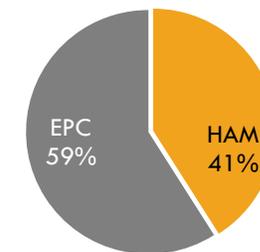
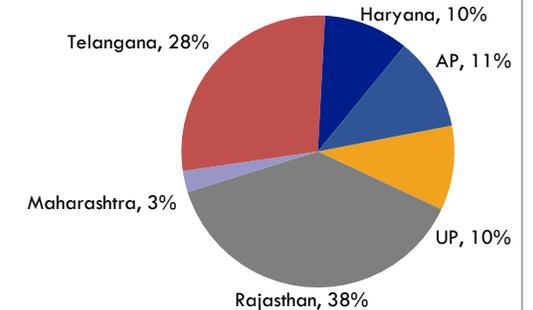


| Project                               | Awarding Authority | Unexecuted Value (Rs Mn) |
|---------------------------------------|--------------------|--------------------------|
| Delhi Vadodara Pkg-9                  | NHAI               | 10,339                   |
| Mancherial - Repallewa                | Adani              | 7,748                    |
| Hapur Morradabad                      | IRB - MRM          | 5,854                    |
| Delhi Vadodara Pkg-8                  | NHAI               | 6,765                    |
| Delhi Vadodara Pkg-4                  | NHAI               | 3,407                    |
| Narnual Bypass                        | NHAI               | 3,332                    |
| Rewari Bypass Pkg-4                   | NHAI               | 3,391                    |
| Rewari Ateli Mandi                    | NHAI               | 2,294                    |
| Gurgaon-Sohna (Rajiv chowk)           | NHAI               | 1,156                    |
| MoRTH Projects (MH)                   | MoRTH              | 2,235                    |
| Rajasthan Project (World Bank funded) | PWD                | 1,054                    |
| Khammam-Devarapalle P1                | NHAI               | 5,893                    |
| Khammam-Devarapalle P2                | NHAI               | 4,857                    |
| Raipur-Visakhapatnam AP P1            | NHAI               | 7,679                    |
| Others                                |                    | 4,396                    |
| <b>Total</b>                          |                    | <b>70,400</b>            |



**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**

# An expanding portfolio of HAM projects

| 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 <sup>st</sup> Mar '21 (Rs. Mn) | Physical Progress on 31 <sup>st</sup> Mar '21 (%) |
|-----------------------------|--------------------|----------------|-----------|--------------|-----------------------|---------------------|--------------------------|--|---|
| Gurgaon-Sohna (Rajiv chowk) | NHAI               | Haryana        | 12.7      | 6,060        | 2,424                 | 2,879               | 656.0                    | 1,939.5                                      | 82%   |
| Rewari Ateli Mandi          | NHAI               | Haryana        | 30.4      | 5,800        | 2,320                 | 2,270               | 531.5                    | 998.0  | 62%   |
| Narnaul Bypass              | NHAI               | Haryana        | 40.8      | 9,521        | 3,808                 | 4,060               | 1010.9                   | 1,782.5                                      | 65%   |
| Rewari Bypass Pkg-4         | NHAI               | Haryana        | 14.4      | 5,220        | 2,088                 | 2,200               | 413.7                    | 100.0  | 12%   |
| Khammam Devarapalle Pkg-1*  | NHAI               | Telangana      | 33.6      | 7,721        | 3,088                 | ~3,500              | -                        | -  | -   |
| Khammam Devarapalle Pkg-2*  | NHAI               | Telangana      | 29.5      | 6,371        | 2,548                 | ~2,900              | -                        | -  | -   |
| Raipur Visakhapatnam*       | NHAI               | Andhra Pradesh | 31.8      | 10,601       | 4,240                 | ~4,400              | -                        | -  | -   |

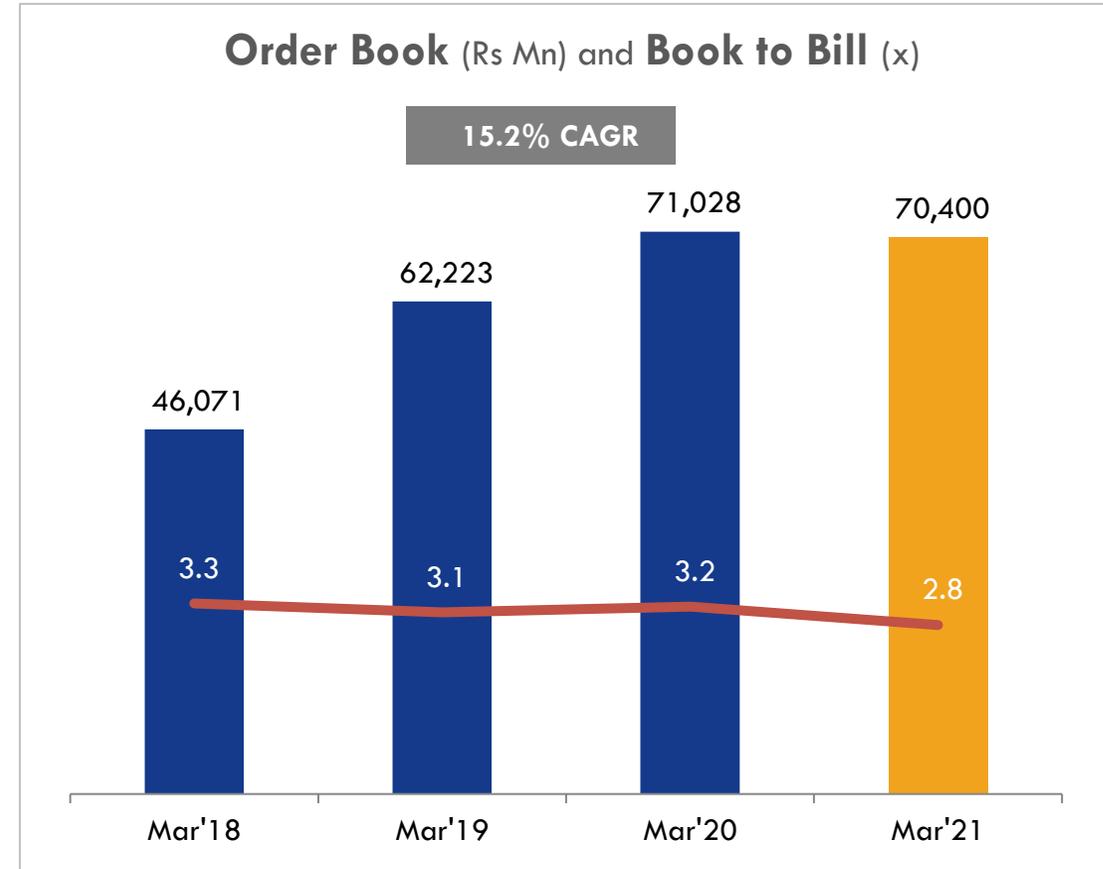
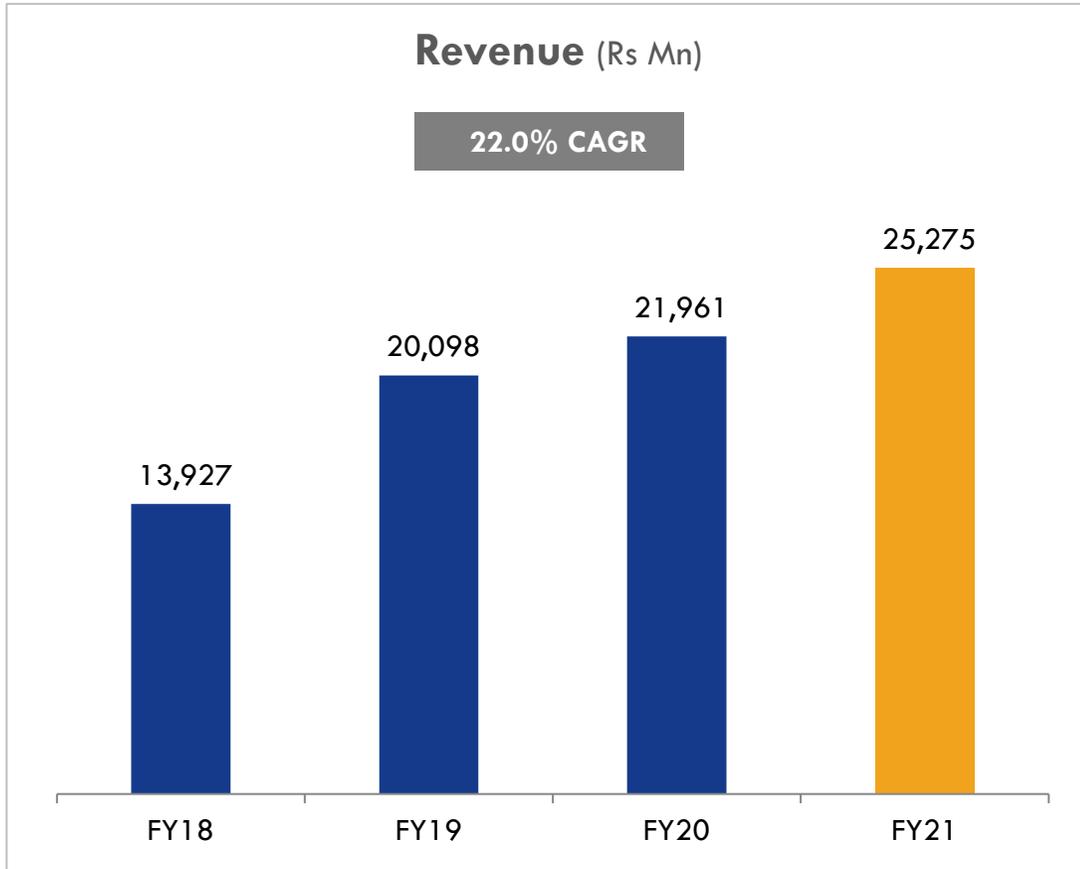
\* New HAM Projects awarded in month of Mar-2021

**On the  
trajectory of  
higher growth**

---



# Robust execution capabilities reflected in strong growth in revenue and order book



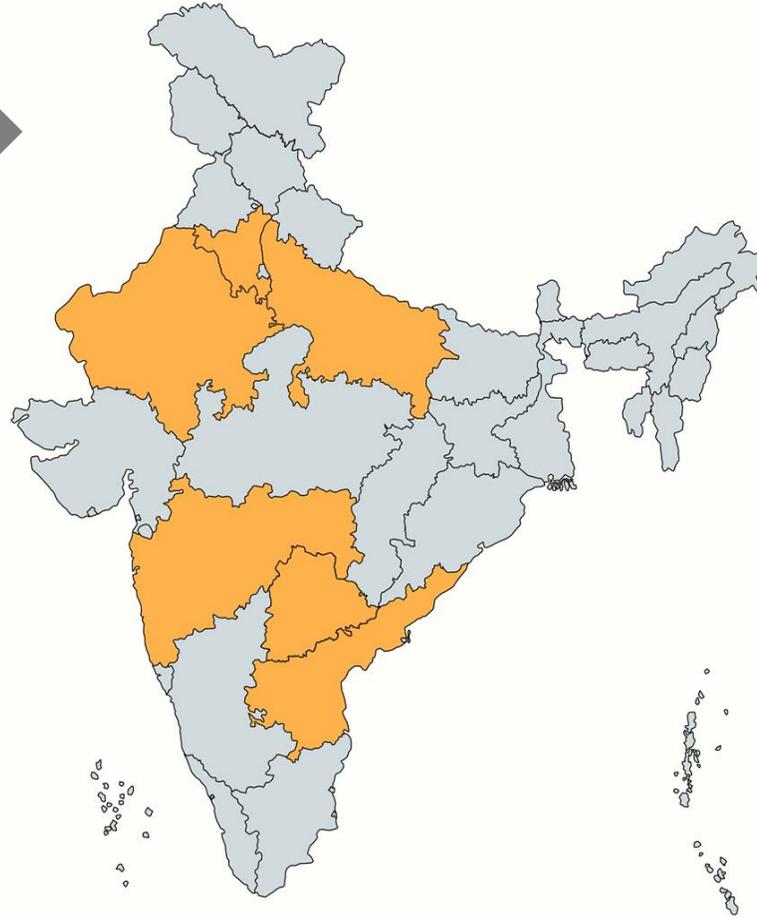
Timely execution of all projects with no delays in any project

# And increasing geographic presence across India

FY15



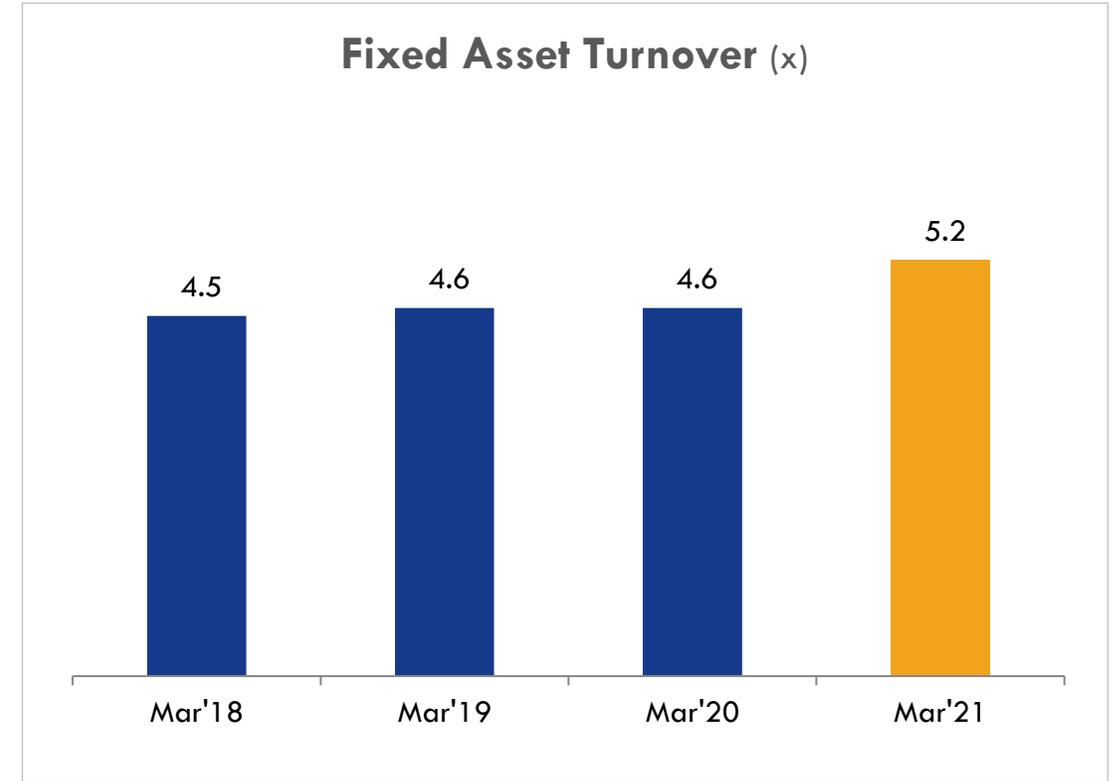
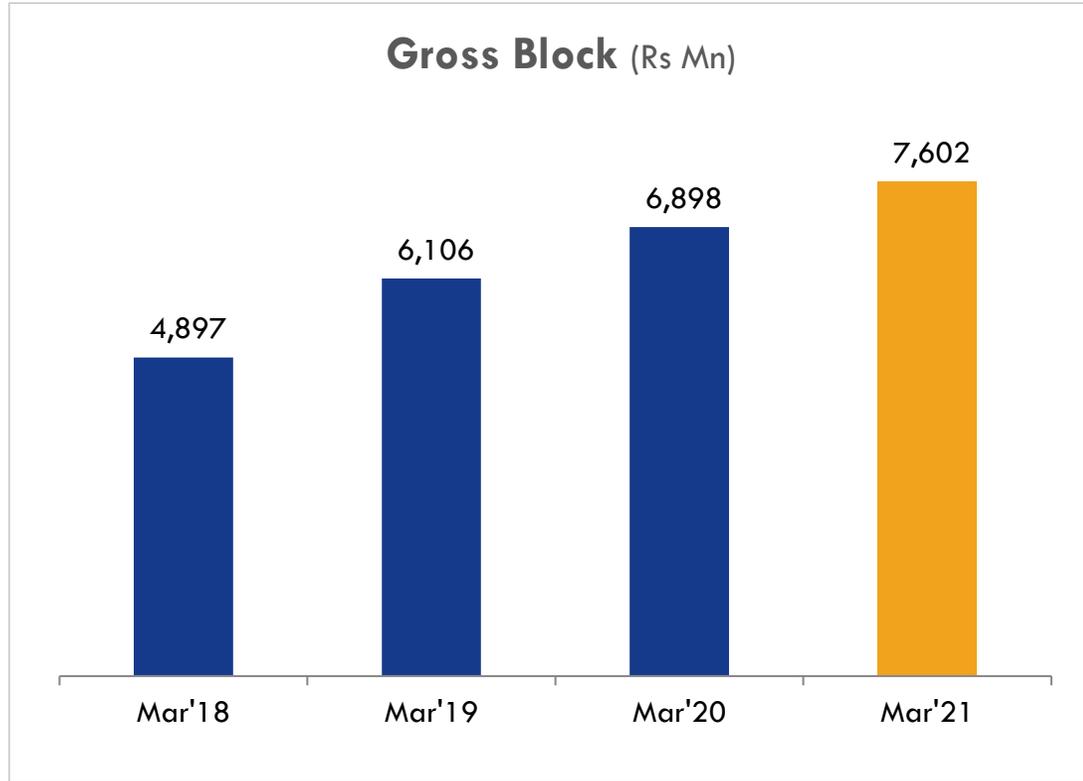
FY21



## Current Order Book

|                       |                    |
|-----------------------|--------------------|
| <b>Rajasthan</b>      | <b>10</b> Projects |
| <b>Maharashtra</b>    | <b>7</b> Projects  |
| <b>Haryana</b>        | <b>4</b> Projects  |
| <b>Telangana</b>      | <b>3</b> Projects  |
| <b>Uttar Pradesh</b>  | <b>1</b> Project   |
| <b>Andhra Pradesh</b> | <b>1</b> Project   |

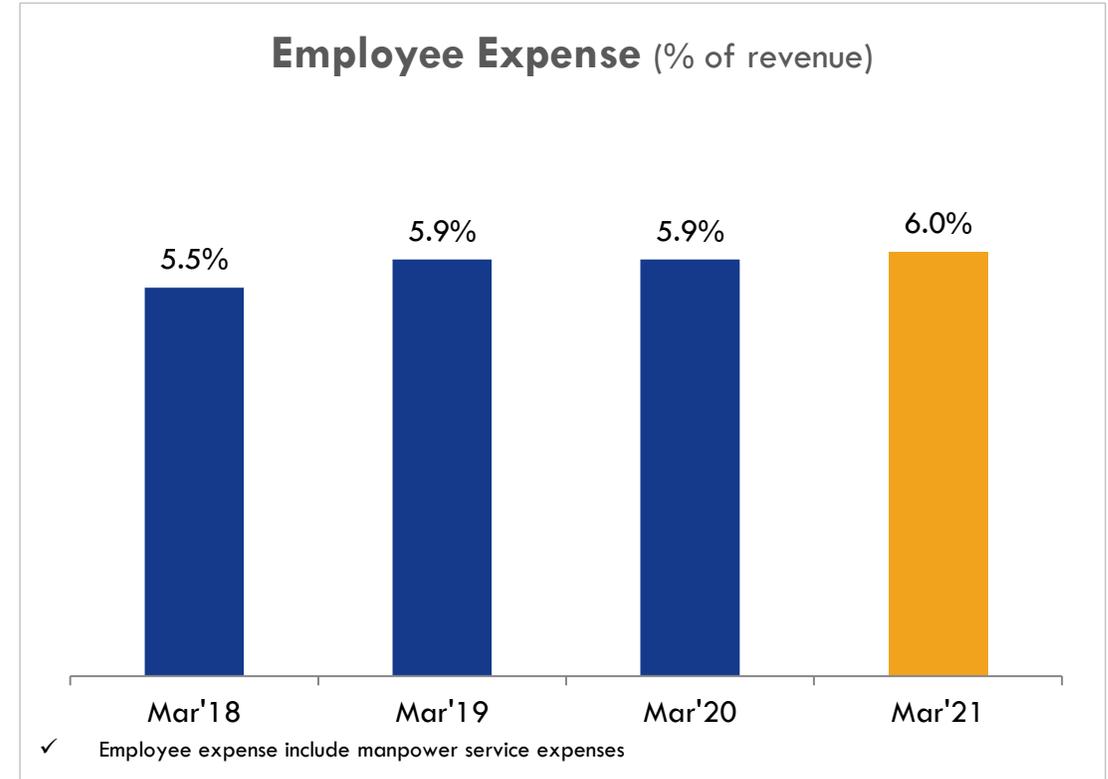
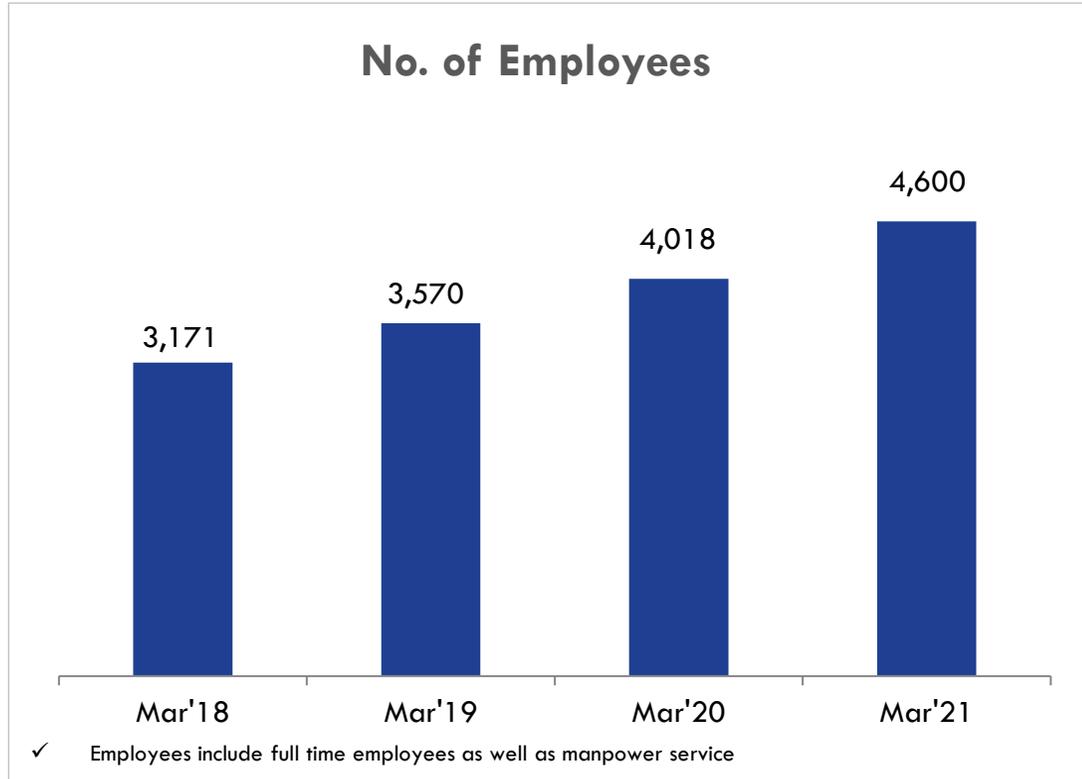
# Strong repository of asset base enabling efficient execution



Invested ~Rs 2,705 Mn in plant and machinery in last 3 years

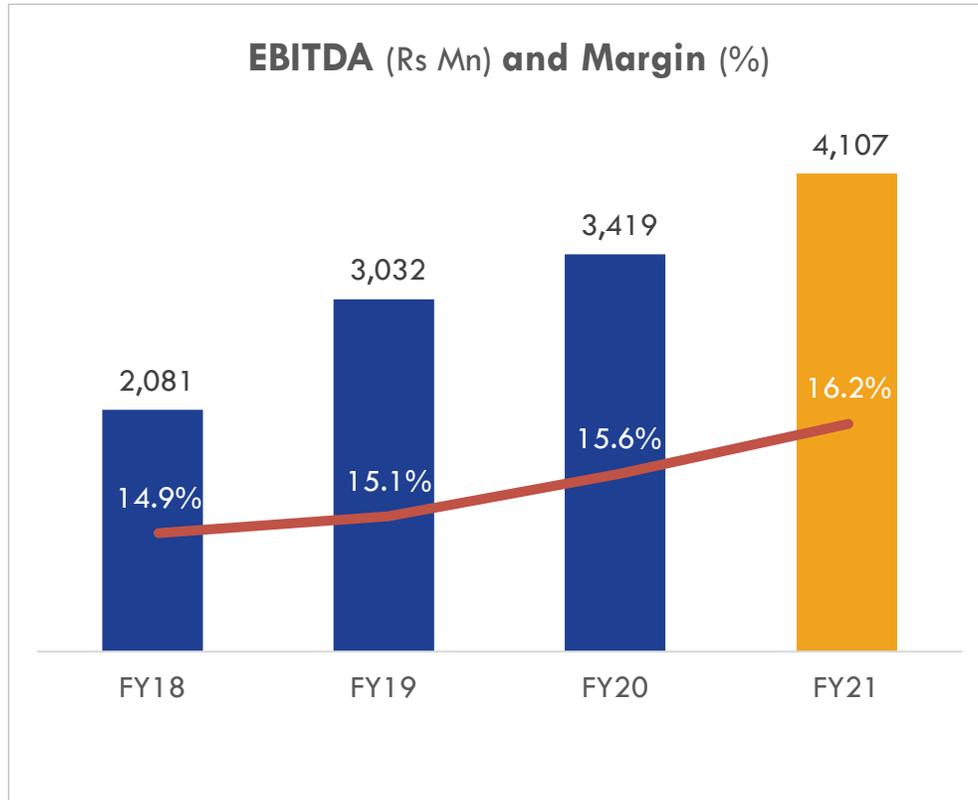
Fleet of modern construction equipment totaling 1,800+ for large scale execution

# Coupled with rich resource pool of skilled and talented workforce



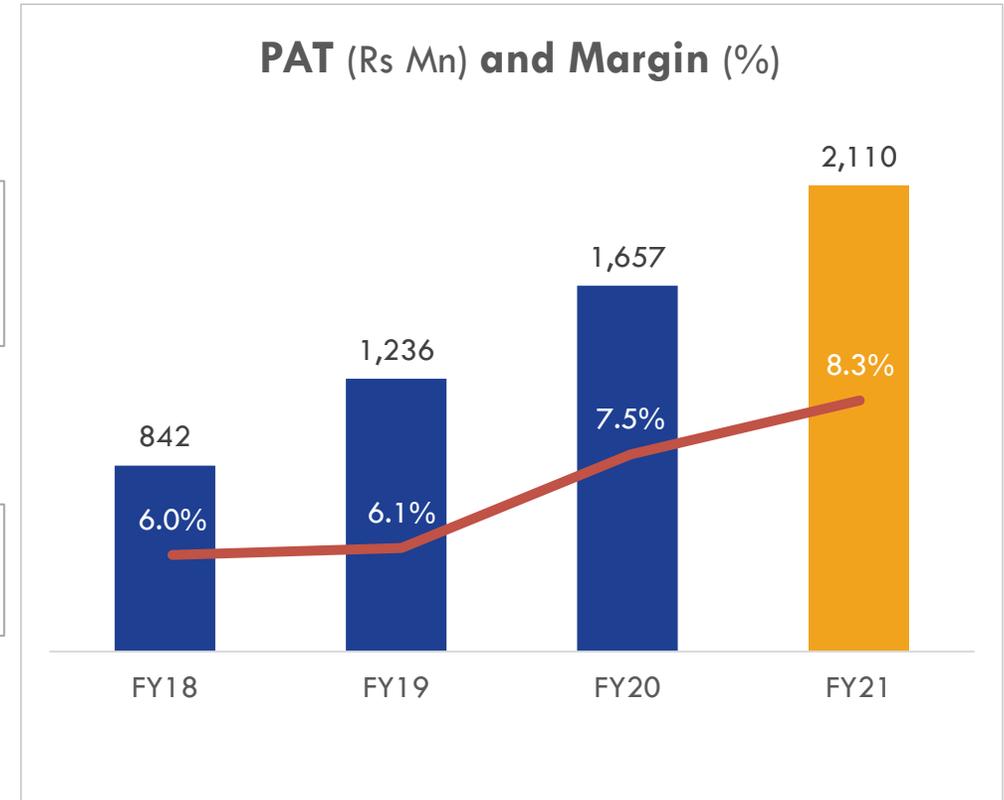
**Over 80% of full-time employees are skilled workers such as qualified engineers, management professionals**

# Delivering value through a disciplined approach



**27%**  
Return on Capital  
Employed  
FY21

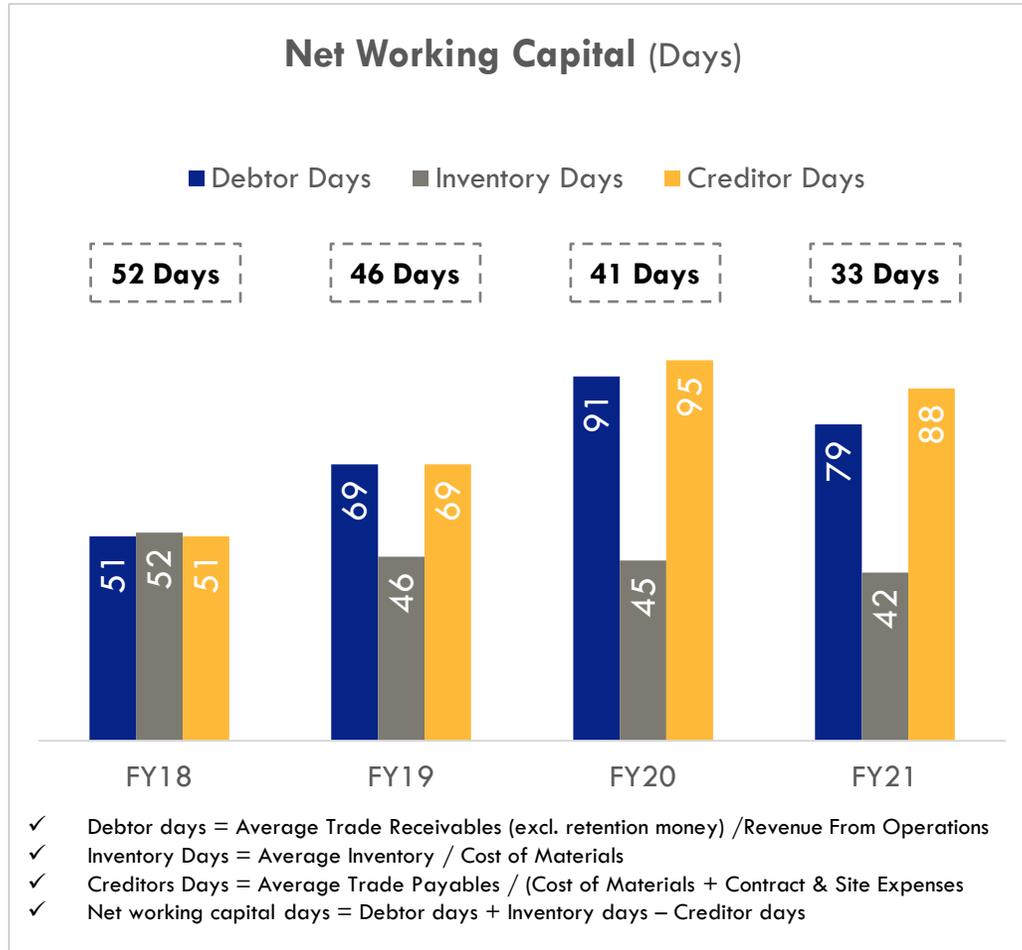
**20%**  
Return on Equity  
FY21



**Strict discipline in selecting and executing orders translating into robust margins and return profile**

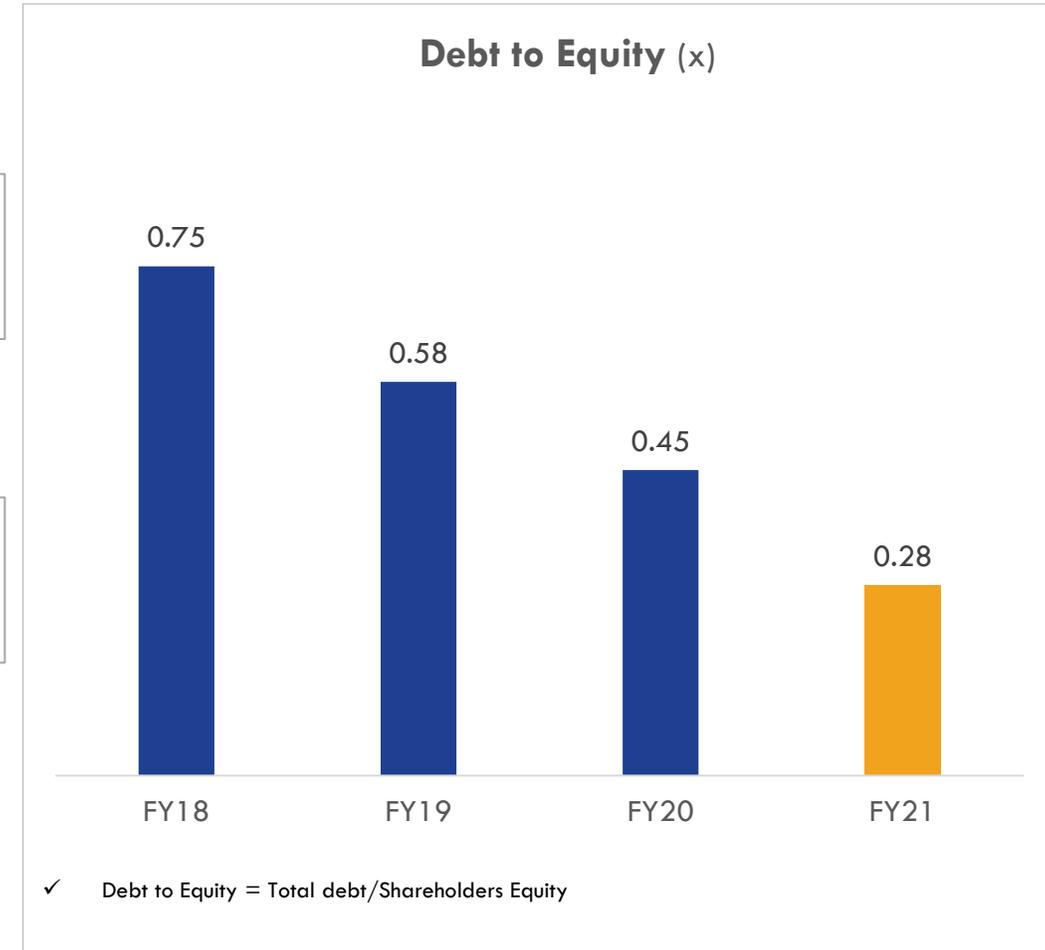
\*ROCE = EBIT/Total Assets – Current Liabilities | ROE = Net Income/ Shareholder's Fund

# Boosting financial robustness through healthy balance sheet



**Rs 5,273 Mn**  
Cash Flow from Operations  
FY21

**Rs 2,704 Mn**  
Free Cash Flow (FCF)\*  
FY21



\* FCF = Cash Flow from Operations – Investment in subsidiaries – Net capex

**Stronger  
outlook  
strengthened  
by  
opportunities**

---



# Moving forward in our growth journey..

|                                    | Phase I (2008-2012)                                   | Phase II (2013-2017)   | Phase III (2018-2021)...                              |
|------------------------------------|---|--|---|
|                                    | <b>Subcontractor with major experience in 1 state</b> | <b>Upcoming prime contractor starting contracts with NHA</b> | <b>Leading road developer with pan India presence</b> |
| <b>Capabilities</b>                | PWD/ Civil construction                               | Highways/ Expressways  | High value Road EPC & HAM                             |
| <b>Revenue as prime contractor</b> | ~25%  | ~50%   | ~75%  |
| <b>EPC PQ</b>                      | ~Rs 500 Mn  | Rs 15,000 Mn   | Rs 28,000 Mn  |
| <b>Geographical Presence</b>       | 2 State   | 6 states   | 8 States  |
| <b>Revenue</b>                     | Rs 2,872 Mn (FY12)                                    | Rs 10,560 Mn (FY17)  | Rs 25,275 Mn (FY21)                                   |
| <b>EBITDA Margin</b>               | 13.8% (FY12)  | 12.0% (FY17)   | 16.2% (FY21)  |
| <b>PAT</b>                         | Rs 132 Mn (FY12)                                      | Rs 534 Mn (FY17)   | Rs 2,110 Mn (FY21)                                    |
| <b>Gross Block</b>                 | Rs 1,193 Mn (FY12)                                    | Rs 2,294 Mn (FY17)   | Rs 7,602 Mn (FY21)                                    |
| <b>Debt/Equity</b>                 | 1.75x (FY12)  | 1.16x (FY17)   | 0.28x (FY21)  |

...& beyond

**Core focus on Road EPC & HAM**

**Diversification to other infra sectors**

**Maintain financial discipline**

## .. On the back of well laid out strategy

### Core focus on road EPC & HAM



- Continue focus on EPC Projects and timely execution with strong discipline in order selection
- Look at selective HAM projects with a goal of maintaining healthy IRR
- Explore opportunities to monetize HAM projects and free up equity



### Diversification to other infra sectors

- De-risk business by expanding into sectors like Railways (track laying), Water Infra (pipeline laying) and Airports (runways/taxiways)



### Maintain financial discipline

- Continue focus on projects with desirable levels of EBITDA Margins/ IRR
- Maintain strict cost controls to improve profitability and deleverage balance sheet
- Continue focus on WC management and cash generation

# Tapping opportunities beyond road



## Railways & Metro

- A National Rail Plan was introduced to develop capacity, infrastructure and enhance rail freight ahead of the demand.
- As part of the National Rail Plan, Vision 2024 has been launched for accelerated implementation of certain critical projects by 2024 such as 100% electrification of railways, multitracking of congested routes, upgradation of speed certain routes and so forth.
- Under the Union Budget'21, the Government of India has placed significant emphasis on the expansion of metro rail network. A total of 702 km of conventional metro is operational and another 1,016 km of metro and RRTS is under construction in 27 cities.



## Water Infrastructure

- In 2019, the Jal Jeevan Mission was introduced for the purpose of augmenting local water sources, recharging existing sources, and promoting water harvesting and de-salination.
- In Union Budget'20, Rs 3.60 lakh crore were approved for the scheme over 5 years. Out of which, Rs 11,500 crore were allocated for the year 2020-21.
- In Union Budget'21, Jal Jeevan Mission (urban) was launched with an investment outlay of Rs 2.87 lakh crore over 5 years.



## Airports

- The Udaan Scheme was introduced in 2017 to boost national economic developments, job growth and air transport infrastructure development of all regions and states of India.
- The scheme's aim is to develop new airports and enhance the existing regional airports and to add several hundred new regional flight routes to connect more than 100 underserved and unserved airports in smaller towns.
- The budget proposed rolling out of AAI Airports in Tier 2 and 3 cities under the Asset Monetization Programme. Proceeds from privatization of airports will be used for accomplishing the government's goal of building 100 new airports by 2024.

**Target of 10% of order book from new sectors in FY22**

**Established "New Businesses" Department and hired senior professional having strong experience in infrastructure sector for Business Development**

# Disclaimer



This presentation and the accompanying slides (the “Presentation”), which have been prepared by HG Infra Engineering Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

# Thank You

HG Infra Engineering Ltd  
Rajeev Mishra, CFO  
[rajeev.mishra@hginfra.com](mailto:rajeev.mishra@hginfra.com)



III Floor, Sheel Mohar Plaza, A-1,  
Tilak Marg, C-Scheme,  
Jaipur - 302001

---

Pareto Capital (Investor Relations)  
Pooja Dokania  
[pooja.dokania@paretocapital.in](mailto:pooja.dokania@paretocapital.in)  
Rishav Das  
[rishav.das@paretocapital.in](mailto:rishav.das@paretocapital.in)



210, B Wing, Kanakia Wall Street  
Andheri East, Mumbai - 400069

