



February 03, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Scrip Code- 541019

National Stock Exchange of India Limited

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

Scrip Symbol- HGINFRA

Dear Sirs,

Sub: Investor Presentation Q3 FY22

Please find enclosed a copy of Investor Presentation on the unaudited financial results of the Company for the quarter and nine months ended December 31, 2021.

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.

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E-mail : info@hginfra.com

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H.G. Infra Engineering Ltd.

**Strong performance,
Stronger outlook**

**Investor Presentation
Q3 FY22**

Agenda



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Q3 & 9MFY22 Financial Highlights

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Q3 & 9MFY22 Operational & Project Highlights

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Stronger outlook strengthened by opportunities

4

Historical Financial Highlights

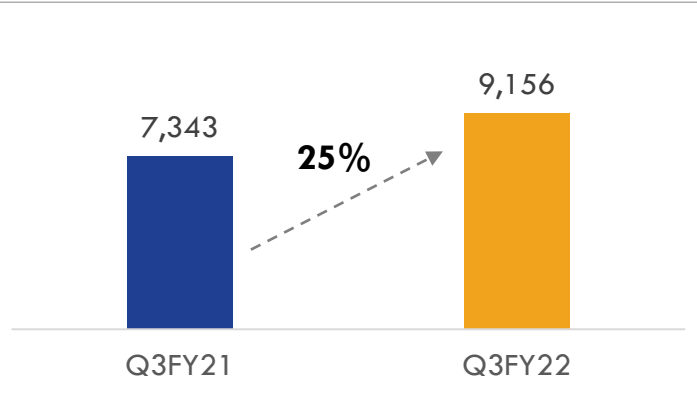
Q3 & 9MFY22 Financial Highlights



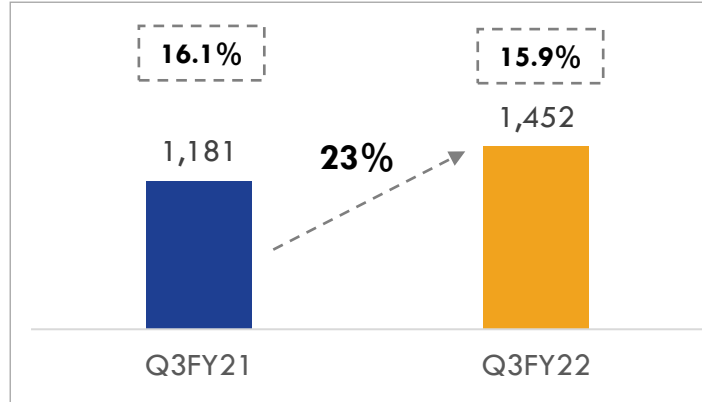
Q3 & 9MFY22 standalone financial highlights

Quarter Highlights

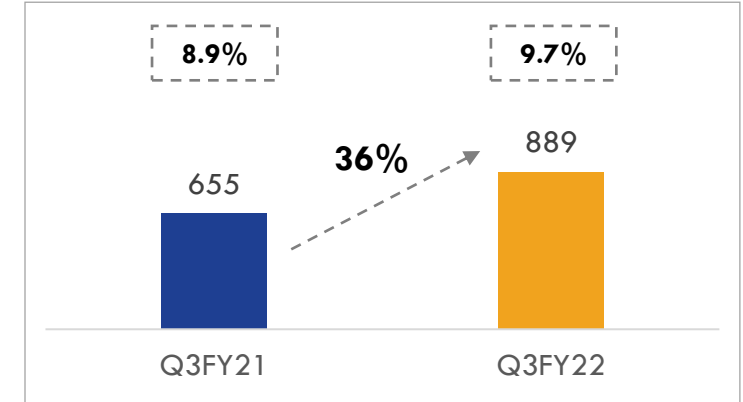
Revenue (Rs Mn)



EBITDA (Rs Mn) & EBITDA Margin (%)

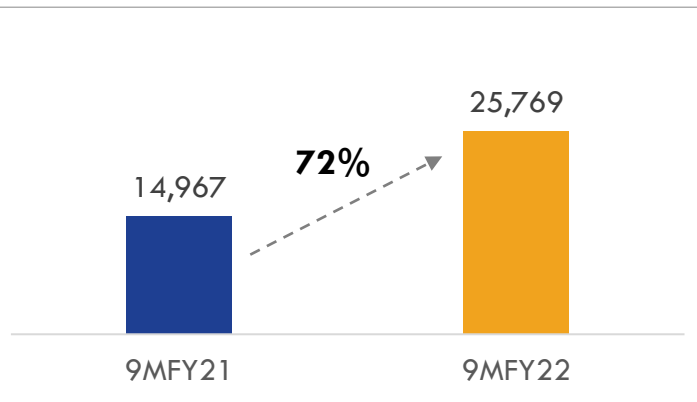


PAT (Rs Mn) & PAT Margin (%)

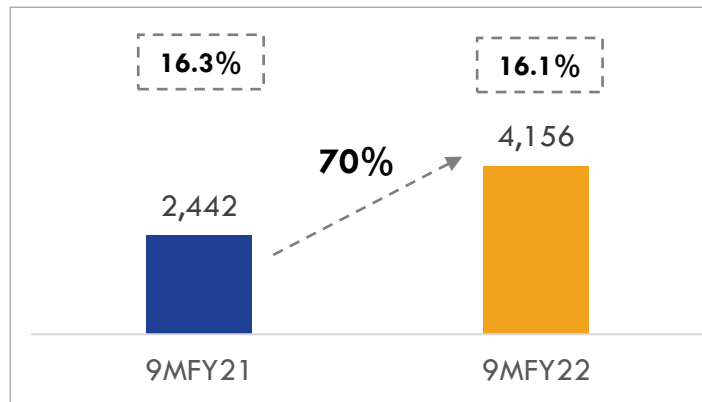


Nine Month Highlights

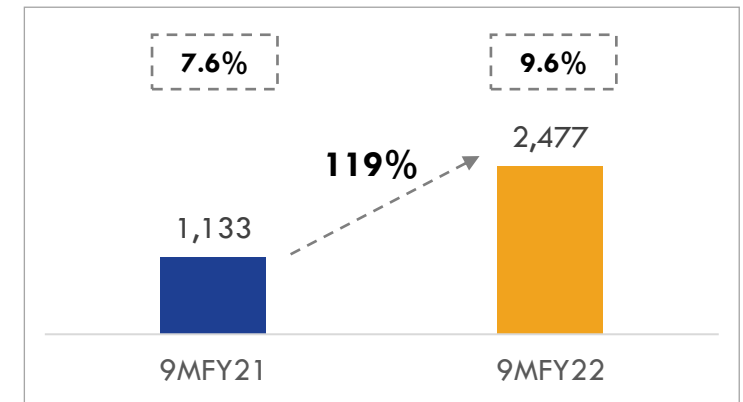
Revenue (Rs Mn)



EBITDA (Rs Mn) & EBITDA Margin (%)



PAT (Rs Mn) & PAT Margin (%)



Standalone profit & loss statement



Rs Mn

| Particulars | Q3FY22 | Q3FY21 | YoY | 9MFY22 | 9MFY21 | YoY |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Revenue from operations | 9,156 | 7,343 | 24.7% | 25,769 | 14,967 | 72.2% |
| Cost of material consumed | 4,390 | 3,376 | | 12,853 | 7,229 | |
| Contract and site expenses | 2,904 | 2,396 | | 7,559 | 4,363 | |
| Employee expenses | 323 | 315 | | 944 | 796 | |
| Other expenses | 86 | 76 | | 257 | 167 | |
| Total Operating expenses | 7,704 | 6,162 | | 21,613 | 12,555 | |
| EBITDA | 1,452 | 1,181 | 22.9% | 4,156 | 2,442 | 70.2% |
| EBITDA margin | 15.9% | 16.1% | | 16.1% | 16.3% | |
| Finance Cost | 125 | 144 | | 369 | 403 | |
| Depreciation | 216 | 216 | | 632 | 619 | |
| Other Income | 90 | 34 | | 175 | 77 | |
| PBT | 1,201 | 856 | 40.2% | 3,330 | 1,497 | 122.4% |
| PBT margin | 13.1% | 11.7% | | 12.9% | 10.0% | |
| Tax Expenses (Credits) | 312 | 201 | | 853 | 364 | |
| PAT | 889 | 655 | 35.6% | 2,477 | 1,133 | 118.6% |
| PAT margin | 9.7% | 8.9% | | 9.6% | 7.6% | |
| Other comprehensive income | -1 | -1 | | -3 | 2 | |
| Total comprehensive income | 888 | 655 | | 2,473 | 1,135 | |

Consolidated profit & loss statement



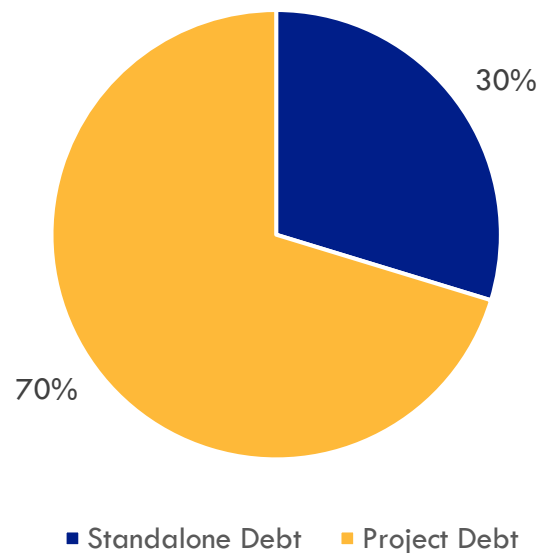
Rs Mn

| Particulars | Q3FY22 | Q3FY21 | YoY | 9MFY22 | 9MFY21 | YoY |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Revenue from operations | 9,514 | 7,816 | 21.7% | 26,744 | 15,460 | 73.0% |
| Cost of material consumed | 4,390 | 3,896 | | 12,853 | 7,229 | |
| Contract and site expenses | 2,910 | 1,989 | | 7,573 | 4,373 | |
| Employee expenses | 329 | 316 | | 959 | 807 | |
| Other expenses | 104 | 103 | | 307 | 220 | |
| Total Operating expenses | 7,732 | 6,304 | | 21,691 | 12,629 | |
| EBITDA | 1,782 | 1,512 | 17.9% | 5,053 | 2,830 | 78.5% |
| EBITDA margin | 18.7% | 19.3% | | 18.9% | 18.3% | |
| Finance Cost | 296 | 278 | | 832 | 632 | |
| Depreciation | 217 | 213 | | 632 | 619 | |
| Other Income | 88 | 50 | | 171 | 76 | |
| PBT | 1,357 | 1,070 | 26.8% | 3,759 | 1,655 | 127.1% |
| PBT margin | 14.3% | 13.7% | | 14.1% | 10.7% | |
| Tax Expenses (Credits) | 352 | 325 | | 998 | 399 | |
| PAT | 1,006 | 745 | 35.0% | 2,761 | 1,255 | 119.9% |
| PAT margin | 10.6% | 9.5% | | 10.3% | 8.1% | |
| Other comprehensive income | -1 | -1 | | -3 | 2 | |
| Total comprehensive income | 1,005 | 744 | | 2,758 | 1,258 | |

Debt breakup



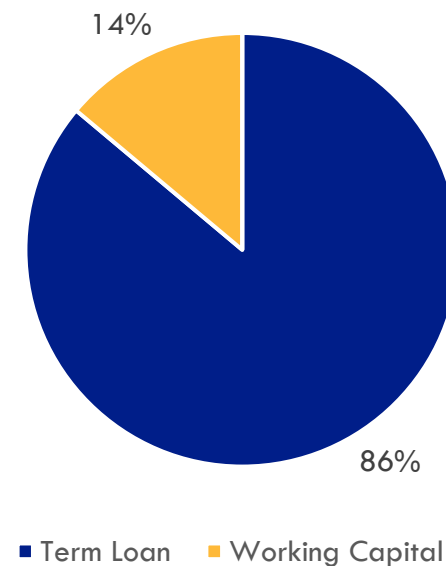
Consolidated Debt Breakup



| Rs Mn | Dec-21 |
|-------------------------------------|---------------|
| Standalone debt | 3,132 |
| Project debt* | 7,408 |
| Total consolidated debt | 10,540 |
| Consolidated Cash & Bank | 1,627 |

*Net off loan fees (51 Mn) amortizable for HAM projects.

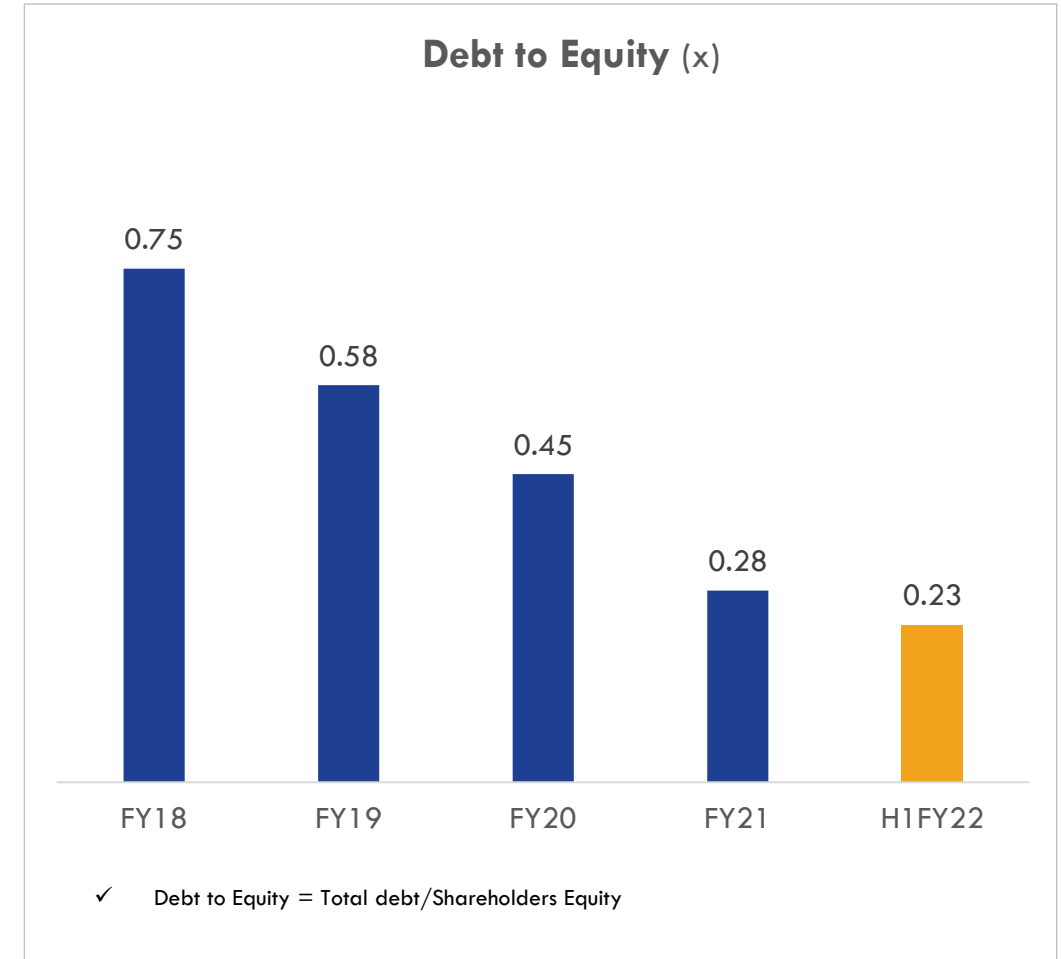
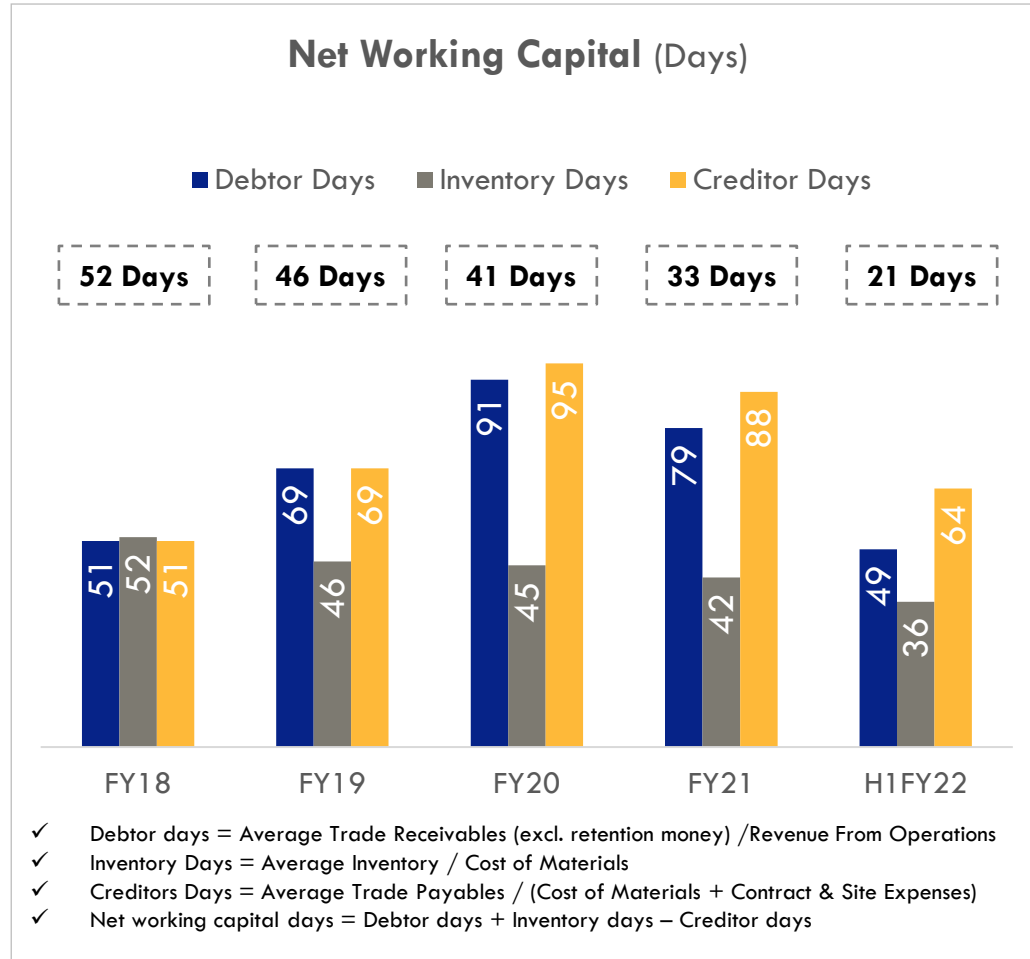
Standalone Debt Breakup



| Rs Mn | Dec-21 |
|-----------------------------------|--------------|
| Term loan + current maturities* | 1,727 |
| Non-Convertible Debentures (NCD) | 970 |
| Working capital | 435 |
| Total standalone debt | 3,132 |
| Standalone Cash & Bank | 1,609 |

*Includes payables under MSME Trade receivables discounting system (TReDS) - Rs 559.28 Mn for Dec'21.

Boosting financial robustness through healthy balance sheet



Standalone financials

Q3 & 9MFY22 Operational & Project Highlights



Recent developments



Projects Awarded

- **Awarded EPC project in the State of Karnataka in the month of Jan '22**
 - Development of 6 Lane highway with access control of Neelmangala-Tumkar including Tumkar bypass section of NH-48 under Bharatmala Pariyojna Phase I
 - Bid Project Cost – Rs 8,441 Mn

Projects Completed

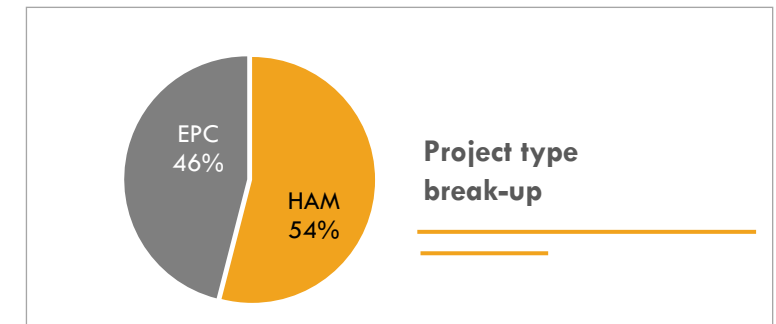
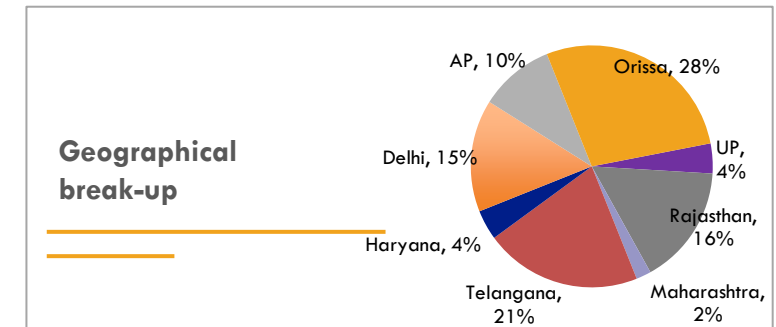
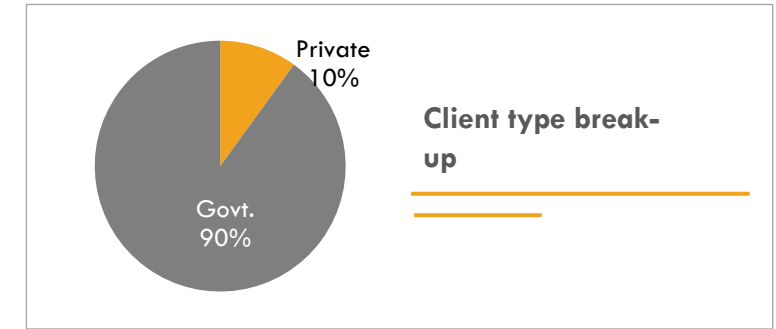
- **Received provisional completion certificate**
 - Rewari Ateli Mandi (HAM) and Jodhpur-Marwar Junction-Jojawar section
 - Completion effective from 15th November 2021 for both the projects
 - Rewari Ateli Mandi (HAM) completed 147 days ahead of revised scheduled completion date

Total Order Inflow FY22 to date - Rs 43,258 Mn

Robust & well diversified order book

| Project | Awarding Authority | Project Status | ~Completion Progress as on 31 st Dec'21 | Unexecuted Value (Rs Mn) |
|---------------------------------------|--------------------|-------------------------|--|--------------------------|
| Karala-Kanjhawala UER | NHAI | Under Execution | ~1% | 12,310 |
| Delhi Vadodara Pkg-9 | NHAI | Under Execution | 42% | 6,797 |
| Mancherial - Repallewa | Adani | Under Execution | 45% | 5,143 |
| Delhi Vadodara Pkg-8 | NHAI | Under Execution | 59% | 3,382 |
| Hapur Morradabad | IRB – MRM | Under Execution | 63% | 3,197 |
| Rewari Bypass Pkg-4 | NHAI | Under Execution | 45% | 2,210 |
| MoRTH Projects (MH) | MoRTH | Under Execution | 91% | 1,363 |
| Rewari Ateli Mandi | NHAI | Under Execution | 89% | 528 |
| Narnual Bypass | NHAI | Under Execution | 97% | 266 |
| Delhi Vadodara Pkg-4 | NHAI | Under Execution | 95% | 447 |
| Rajasthan Project (World Bank funded) | PWD | Under Execution | 88% | 735 |
| Gurgaon-Sohna (Rajiv chowk) | NHAI | Under Execution | 97% | 171 |
| Raipur-Visakhapatnam AP-1 | NHAI | Newly Awarded | A.D Awaited | 8,079 |
| Khammam-Devarapalle Pkg-1 | NHAI | Newly Awarded | A.D Awaited | 6,091 |
| Khammam-Devarapalle Pkg-2 | NHAI | Newly Awarded | A.D Awaited | 5,044 |
| Raipur-Visakhapatnam OD-5 | NHAI | Newly Awarded | A.D Awaited | 12,848 |
| Raipur-Visakhapatnam OD-6 | NHAI | Newly Awarded | A.D Awaited | 9,549 |
| Others | | Under Execution | | 1,342 |
| Total | | | | 79,502 |
| Neelmangala-Tumkur | NHAI | Newly Awarded – Jan '22 | A.D Awaited | 8,441 |
| Grand Total | | | | 87,943 |

* A.D – Appointed Date



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 st Dec '21 (Rs. Mn) | Physical Progress on 31 st Dec '21 (%) |
|-----------------------------|--------------------|----------------|-----------|--------------|-----------------------|---------------------|--------------------------|--|---|
| Gurgaon-Sohna (Rajiv chowk) | NHAI | Haryana | 12.7 | 6,060 | 2,424 | 2,879 | 656 | 2,499 | 98% |
| Rewari Ateli Mandi | NHAI | Haryana | 30.4 | 5,750 | 2,300 | 2,270 | 637 | 1,790 | 94% |
| Narnaul Bypass | NHAI | Haryana | 40.8 | 9,521 | 3,808 | 4,060 | 1,183 | 2,620 | 96% |
| Rewari Bypass Pkg-4 | NHAI | Haryana | 14.4 | 5,220 | 2,088 | 2,200 | 414 | 550 | 37% |
| Khammam Devarapalle Pkg-1 | NHAI | Telangana | 33.6 | 7,721 | 3,088 | 3,100 | 2 | - | - |
| Khammam Devarapalle Pkg-2 | NHAI | Telangana | 29.5 | 6,371 | 2,548 | 2,560 | 2 | - | - |
| Raipur Visakhapatnam AP-1 | NHAI | Andhra Pradesh | 31.8 | 10,601 | 4,240 | 4,520 | 2 | - | - |
| Raipur Visakhapatnam OD-5 | NHAI | Odisha | 44.0 | 14,921* | 5,968 | 6,670 | 2 | - | - |
| Raipur Visakhapatnam OD-6 | NHAI | Odisha | 45.5 | 11,231* | 4,492 | 5,550 | 2 | - | - |

* Excluding GST

Status of new projects



| Project | State | Project Type | BPC (Rs Mn) | LOA Received | Agreement Signed | Status of Land | Appointed Date |
|---------------------------|----------------|--------------|-------------|----------------------------|----------------------------|------------------------|--|
| Karala-Kanjhawala UER | Delhi | EPC | 13,931 | 23 rd July 2021 | 8 th Sept 2021 | ~95% land is available | Declared w.e.f. 28 th Oct 2021 |
| Raipur Visakhapatnam AP-1 | Andhra Pradesh | HAM | 10,601 | 30 th July 2021 | 14 th Sept 2021 | ~70% land is available | After achievement of financial closure (within 150 days from signing of Agreement) |
| Khammam Devarapalle Pkg-1 | Telangana | HAM | 7,721 | 15 th Sept 2021 | To be signed | ~15% land is available | |
| Khammam Devarapalle Pkg-2 | Telangana | HAM | 6,371 | 15 th Sept 2021 | To be signed | ~30% land is available | |
| Raipur Visakhapatnam OD-5 | Odisha | HAM | 14,921 | 25 th Oct 2021 | To be signed | 90% land is available | |
| Raipur Visakhapatnam OD-6 | Odisha | HAM | 11,231 | 25 th Oct 2021 | To be signed | 90% land is available | |

**Stronger
outlook
strengthened
by
opportunities**



Moving forward in our growth journey..

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

...& beyond

Core focus on Road EPC & HAM

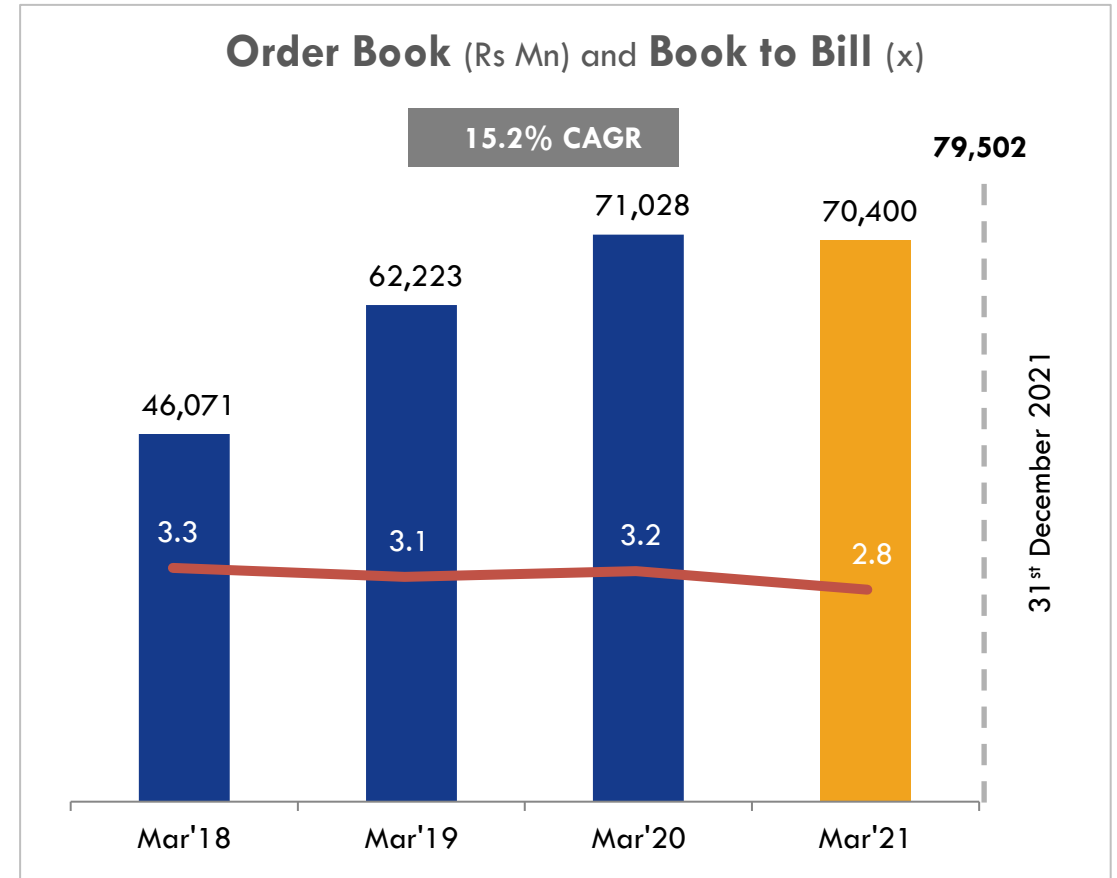
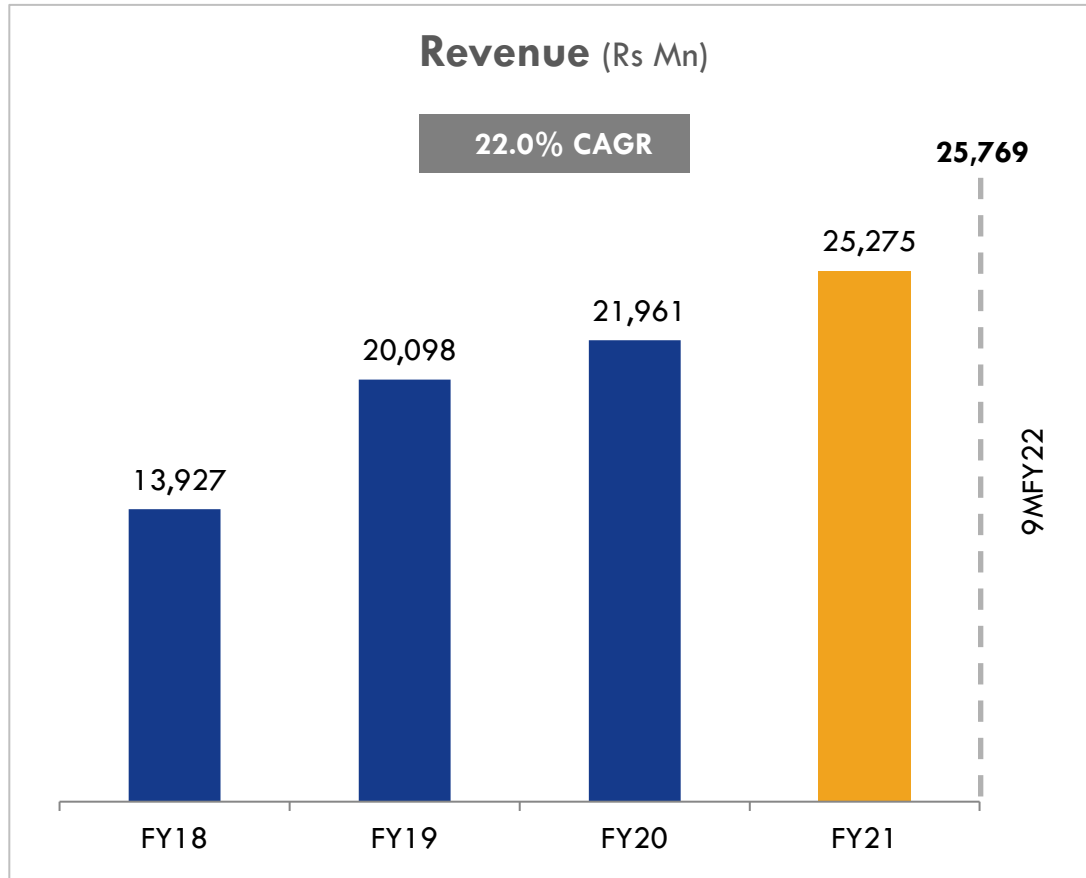
Diversification to other infra sectors

Maintain financial discipline

Historical Financial Highlights



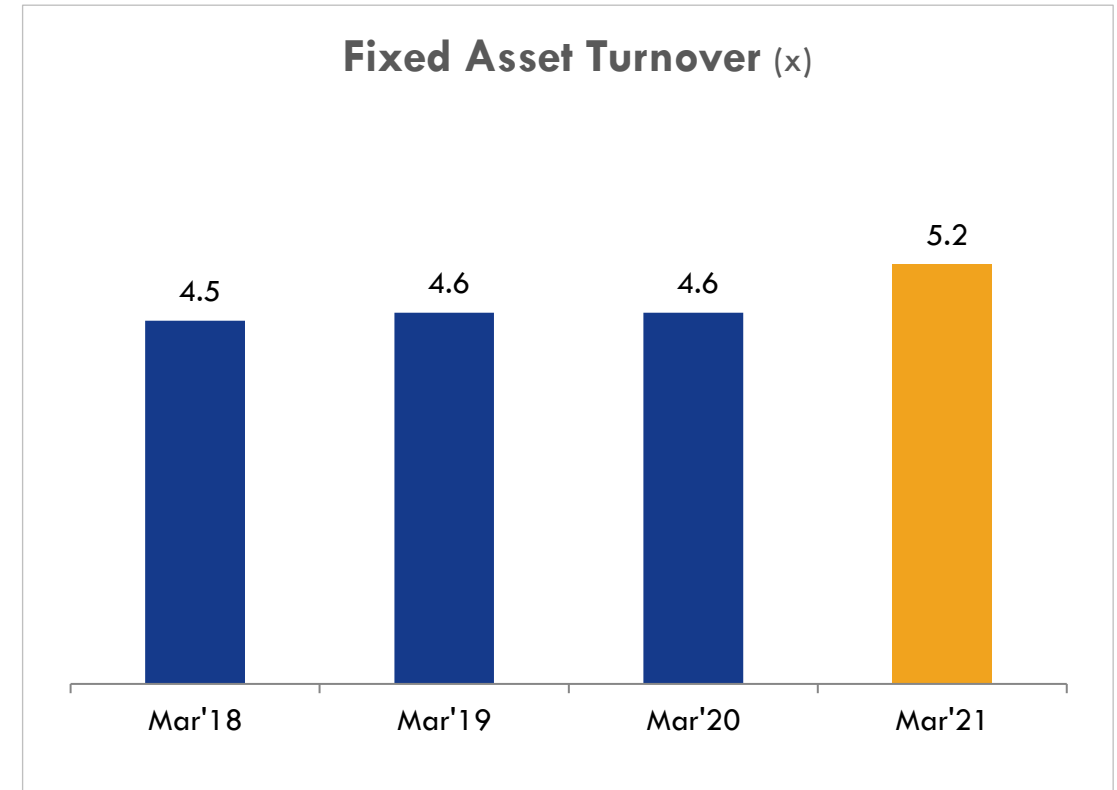
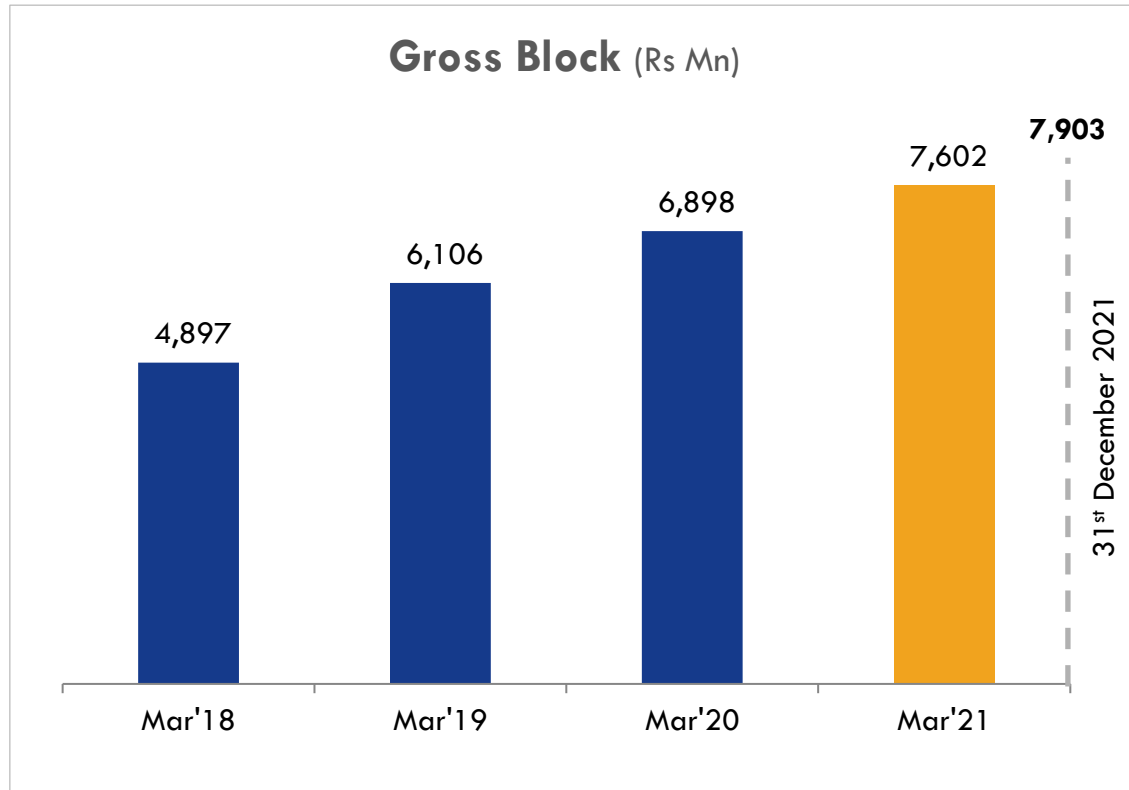
Robust execution capabilities reflected in strong growth in revenue and order book



Timely execution of all projects with no delays in any project

Standalone financials

Strong repository of asset base enabling efficient execution

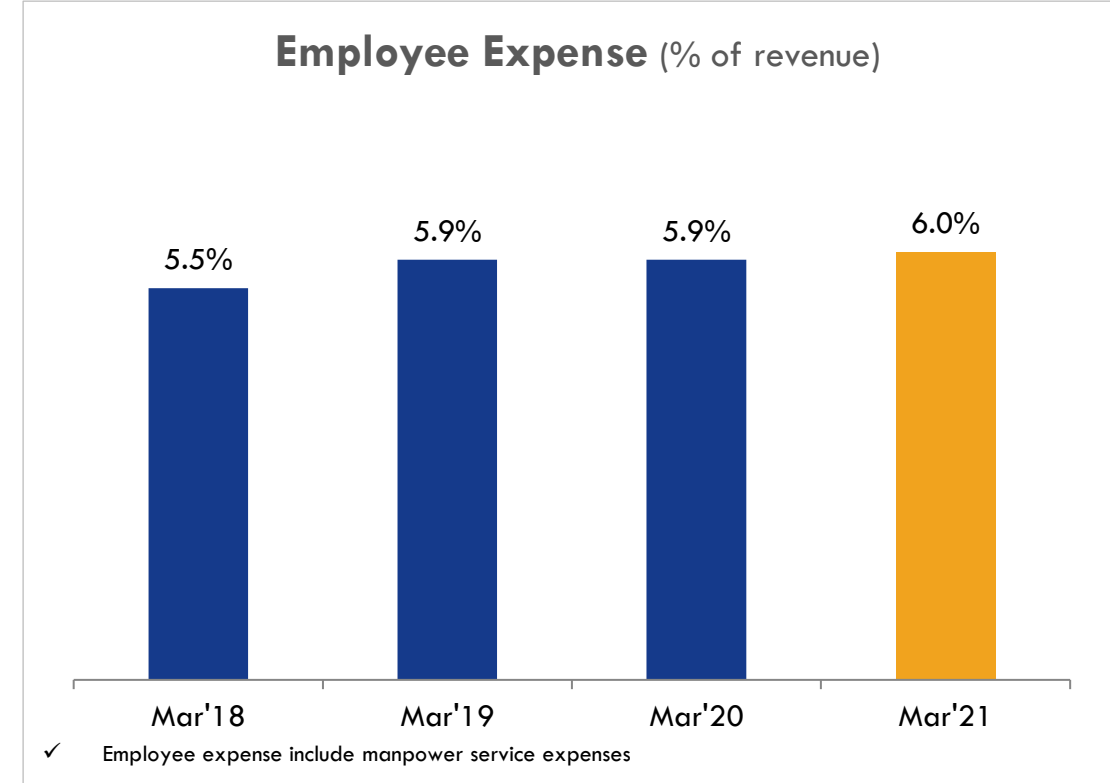
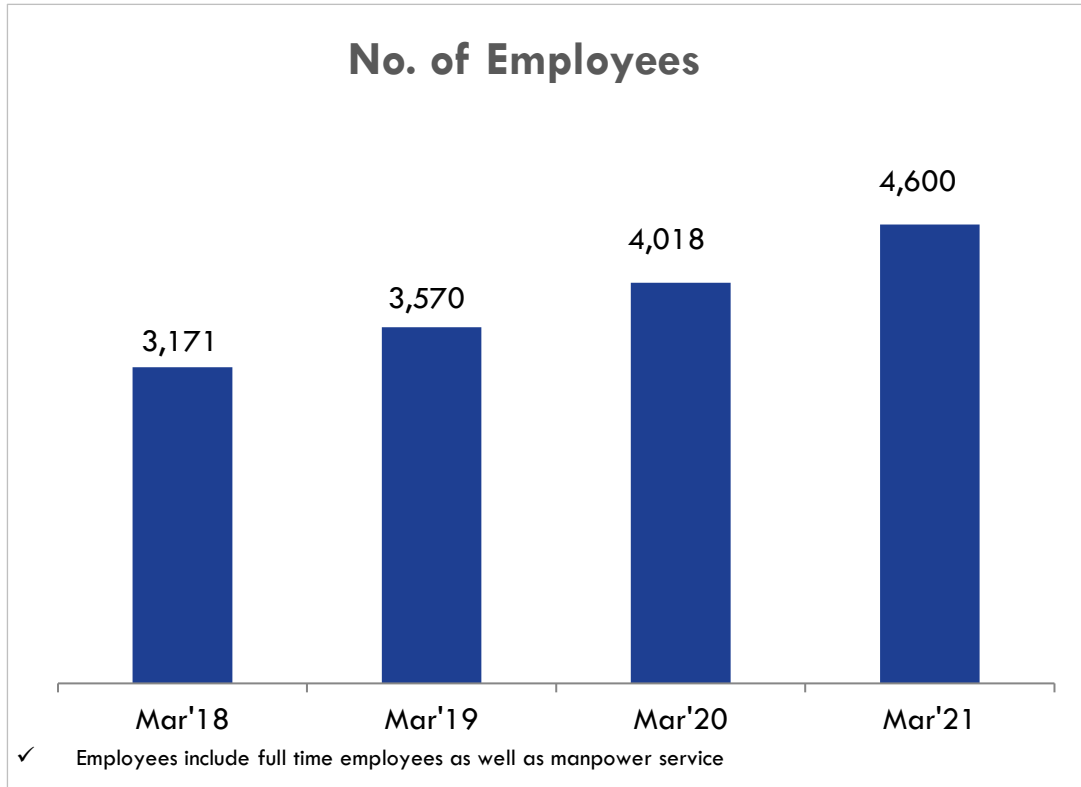


Invested ~Rs 2,705 Mn in plant and machinery in last 3 years

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

Standalone financials

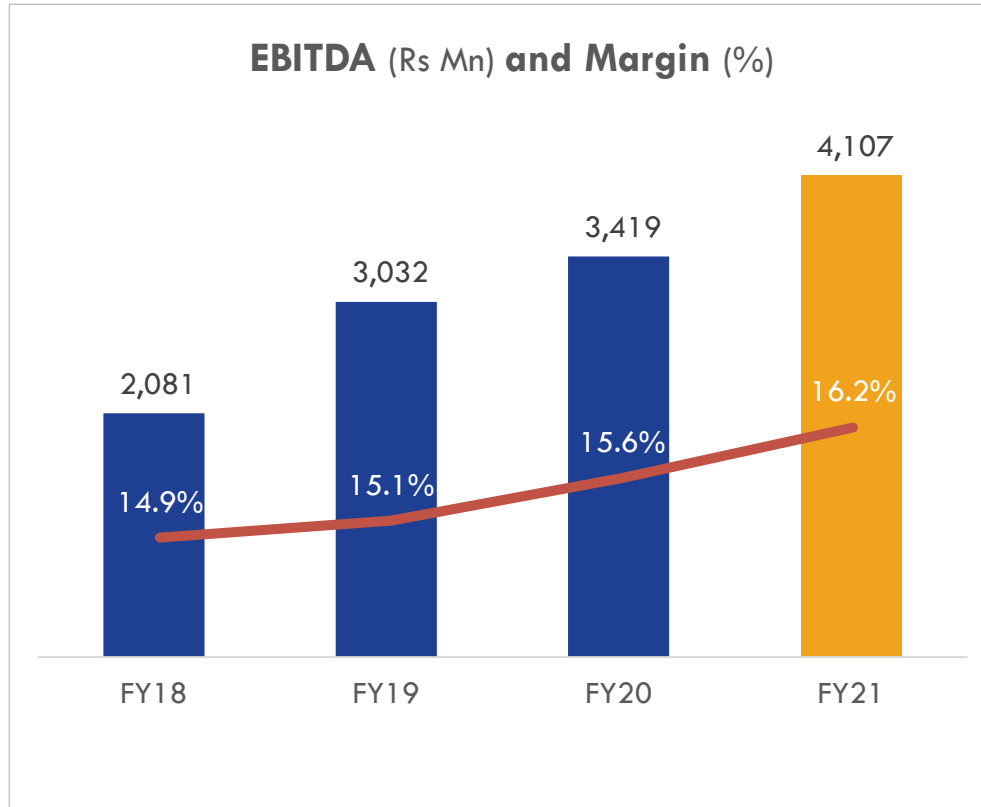
Coupled with rich resource pool of skilled and talented workforce



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

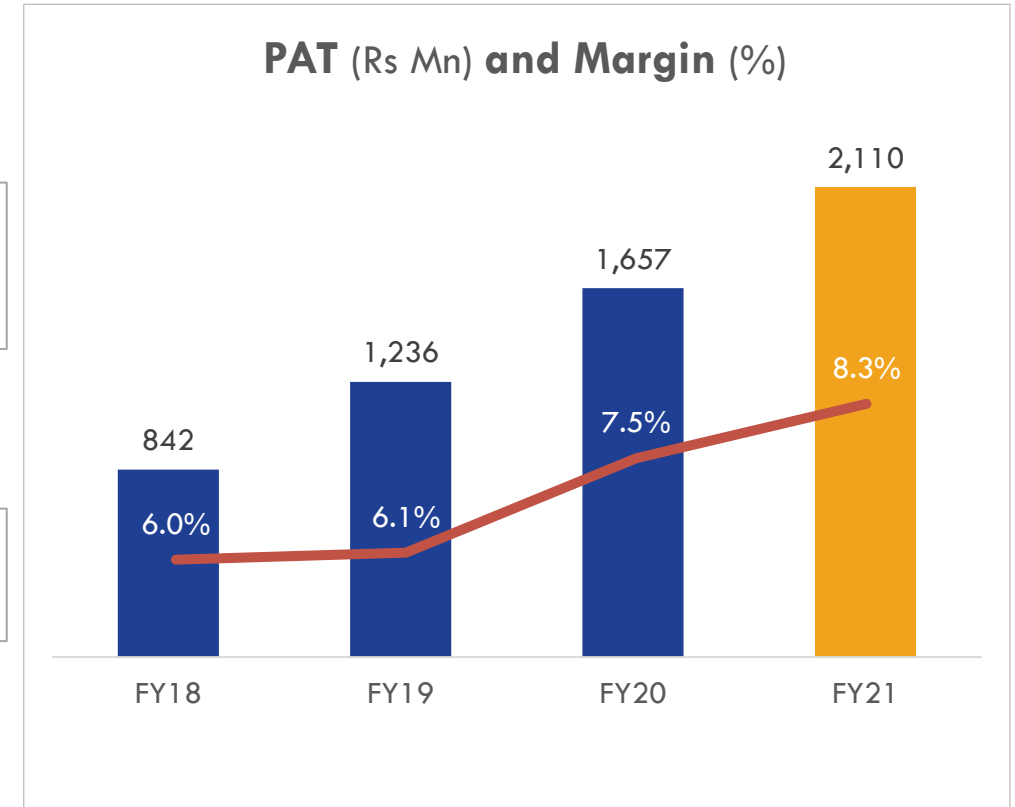
Standalone financials

Delivering value through a disciplined approach



27%
Return on Capital
Employed
FY21

20%
Return on Equity
FY21



Standalone financials

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

Standalone profit & loss statement



| (Rs mn) | FY21 | FY20 | FY19 |
|----------------------------|--------|--------|--------|
| Revenue from operations | 25,275 | 21,961 | 20,098 |
| Cost of material consumed | 11,857 | 8,926 | 8,919 |
| Contract and site expenses | 7,952 | 8,137 | 6,665 |
| Employee expenses | 1,093 | 1,114 | 1,191 |
| Other expenses | 267 | 365 | 291 |
| Total Operating expenses | 21,168 | 18,542 | 17,066 |
| EBITDA | 4,107 | 3,419 | 3,032 |
| EBITDA margin | 16.2% | 15.6% | 15.1% |
| Finance Cost | 596 | 524 | 490 |
| Depreciation | 844 | 756 | 755 |
| Other Income | 154 | 141 | 115 |
| PBT | 2,821 | 2,281 | 1,902 |
| PBT margin | 11.2% | 10.4% | 9.5% |
| Tax Expenses (Credits) | 712 | 623 | 667 |
| PAT | 2,110 | 1,657 | 1,236 |
| PAT margin | 8.3% | 7.5% | 6.1% |
| Other comprehensive income | -4 | 6 | (13) |
| Total comprehensive income | 2,106 | 1,663 | 1,223 |

Standalone balance sheet



| Rs Mn | Sep'21 | Mar'21 |
|--------------------------------------|---------------|---------------|
| Share Capital | 652 | 652 |
| Reserves | 11,204 | 9,670 |
| Shareholders' Funds | 11,856 | 10,322 |
| Secured Loans | 768 | 945 |
| Other liabilities | 242 | 864 |
| Total Non-Current Liabilities | 1,010 | 1,809 |
| Trade Payables | 3,630 | 4,146 |
| Other Current Liabilities | 60 | 131 |
| Current Tax Liabilities | 139 | 74 |
| Other Financial Liabilities | 213 | 144 |
| Contract Liabilities | 2,176 | 3,236 |
| Short Term Borrowings* | 1,970 | 1,945 |
| Total Current Liabilities | 8,188 | 9,676 |
| Total Liabilities | 21,054 | 21,807 |

| Rs Mn | Sep'21 | Mar'21 |
|---------------------------------|---------------|---------------|
| Fixed Assets incl. CWIP | 4,804 | 4,813 |
| Other Financial Assets | 2,923 | 2,771 |
| Other Non Current Assets | 149 | 181 |
| Total Non-Current Assets | 7,876 | 7,765 |
| Inventories | 1,648 | 1,680 |
| Sundry Debtors | 6,290 | 6,534 |
| Cash and Bank | 1,147 | 2,584 |
| Other Financial Assets | 183 | 91 |
| Contract Assets | 2,951 | 2,654 |
| Other Current Assets | 959 | 499 |
| Total Current Assets | 13,178 | 14,042 |
| Total Assets | 21,054 | 21,807 |

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs. 451.82 Mn for Sep'21 (Rs 754.11 Mn in Mar'21)

Consolidated profit & loss statement

| (Rs mn) | FY21 | FY20 | FY19 |
|-------------------------------|--------|--------|--------|
| Revenue from operations | 26,023 | 22,171 | 20,145 |
| Cost of material consumed | 11,857 | 8,926 | 8,919 |
| Contract and site expenses | 7,967 | 8,158 | 6,666 |
| Employee expenses | 1,108 | 1,123 | 1,194 |
| Other expenses | 334 | 413 | 320 |
| Total Operating expenses | 21,266 | 18,620 | 17,099 |
| EBITDA | 4,757 | 3,551 | 3,046 |
| EBITDA margin | 18.3% | 16.0% | 15.1% |
| Finance Cost | 941 | 598 | 490 |
| Depreciation | 844 | 756 | 755 |
| Other Income | 148 | 141 | 115 |
| PBT before share of associate | 3,120 | 2,338 | 1,916 |
| Share of profit of associate | 0 | -29 | 29 |
| PBT | 3,120 | 2,309 | 1,944 |
| PBT margin | 12.0% | 10.4% | 9.7% |
| Tax Expenses (Credits) | 753 | 643 | 671 |
| PAT | 2,367 | 1,666 | 1,273 |
| PAT margin | 9.1% | 7.5% | 6.3% |
| Other comprehensive income | -4 | 6 | (13) |
| Total comprehensive income | 2,363 | 1,672 | 1,260 |

Consolidated balance sheet



| Rs Mn | Sep'21 | Mar'21 |
|--------------------------------------|---------------|---------------|
| Share Capital | 652 | 652 |
| Reserves | 11,675 | 9,974 |
| Shareholders' Funds | 12,327 | 10,626 |
| Secured Loans | 6,854 | 5,570 |
| Other liabilities | 370 | 899 |
| Total Non-Current Liabilities | 7,224 | 6,469 |
| Trade Payables | 3,639 | 4,146 |
| Other Current Liabilities | 83 | 132 |
| Current Tax Liabilities | 139 | 74 |
| Other Financial Liabilities | 264 | 336 |
| Contract Liabilities | 1,747 | 2,959 |
| Short Term Borrowings* | 2320 | 2095 |
| Total Current Liabilities | 8,192 | 9,742 |
| Total Liabilities | 27,743 | 26,837 |

| Rs Mn | Sep'21 | Mar'21 |
|---------------------------------|---------------|---------------|
| Fixed Assets incl. CWIP | 4,810 | 4,818 |
| Other Financial Assets | 6,802 | 4,241 |
| Other Non Current Assets | 297 | 311 |
| Total Non-Current Assets | 11,909 | 9,370 |
| Inventories | 1,648 | 1,680 |
| Sundry Debtors | 5,391 | 5,817 |
| Cash and Bank | 1,189 | 2,626 |
| Other Financial Assets | 2,452 | 3,326 |
| Contract Assets | 3,194 | 2,654 |
| Other Current Assets | 1,960 | 1,364 |
| Total Current Assets | 15,834 | 17,467 |
| Total Assets | 27,743 | 26,837 |

*Includes payables under MSME Trade receivables discounting system (TReDS)- Rs. 451.82 Mn for Sep'21 (Rs 754.11 Mn in Mar'21)

Disclaimer



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