

June 20, 2020

**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 Sir/Madam,

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Material impact of COVID-19 pandemic on the Company**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith the disclosure of material impact of COVID-19 pandemic on the Company.

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.**

## **Disclosure of material impact of COVID-19 pandemic on H. G. Infra Engineering Limited**

### **A. Impact on the business**

The construction works of the Company were impacted since March 23, 2020 due to the shutdown of project sites and offices following the lockdown imposed in Rajasthan and India from March 22, 2020 and March 25, 2020, respectively, on all the locations due to COVID-19. The Company has subsequently commenced its operation starting from April 24, 2020, in line with the directives from the National Highway Authority of India (NHAI) and Ministry of Road Transport and Highways (MORTH) after obtaining necessary permission from concerned government/local authorities.. The Company has now been able to resume operations at all locations after taking requisite Government permissions.

### **B. Ability to maintain operations including the project sites /office spaces functioning and closed down and schedule, if any, for restarting the operations**

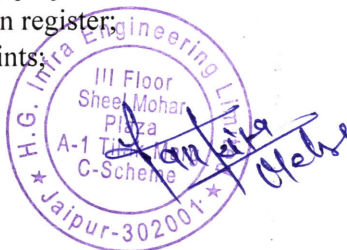
After obtaining necessary permission from concerned government/local authorities, the Company has restarted its operations gradually since April 24, 2020 in accordance with the guidelines suggested by Government adhering to the safety norms. To ensure the smooth functioning of the works in our various project sites, we have taken necessary steps to communicate with our employees, stakeholders, customers and vendors about the company's status and updated them on a regular basis. A review mechanism is in place to monitor the execution of the works systematically.

The Company has also adopted work from home policy during the lockdown period.

### **C. Steps taken to ensure smooth functioning of operations**

The Company has taken all necessary steps to adhere to the guidelines for social distancing provided by Ministry of Home Affairs along with the various directives issued by relevant state government authorities and has put in place safety measures which inter alia includes:

- Sanitization of premises and vehicles on regular basis;
- Maintenance of social distancing at all work places;
- Enforcing wearing of masks;
- Thermal Screening of all employees and visitors;
- Educating employees to wash their hands regularly;
- Avoiding large groups or gatherings at work places;
- Asking all employees to install Aarogya Setu App;
- Restricting employees having any symptoms of cold or fever to attend office;
- Avoiding all the non-essential visitors at work place;
- Conducting regular awareness programs for the employees;
- Quarantine center is made on every project site;
- Daily record of body temperature in register;
- Hand Sanitizer on all entry exit points;
- Staggered timing for staff mess.



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**D. Estimation of the future impact of COVID-19 on its operations**

The Company strongly believes that there is no material impact on the operations or financial results or positions of the Company due to the pandemic. Further, the timely steps announced by the Government of India, allowing extension of contract delivery period up to six months, additional Liquidity through relief given by NHAI, MORTH and additional investment in infrastructure projects, will enable the Company to further consolidate its position. However, the Company will continue to monitor any material changes to future economic conditions, as and when they arise.

**E. Impact of COVID-19 on capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain and demand for its products/services**

**Capital and financial resources** - We have adequate capital to meet the business requirements. The Company has taken steps to ensure adequacy of financial resources and has also been utilizing its banking facilities effectively during this period. The Company has also applied for COVID-19 related special credit facilities offered by few of its bankers.

**Profitability** - The Company has a very marginal impact on its revenues and profits in FY 2019-2020 due to the lockdown, and the same will accrue in FY 2020-2021 considering that these are project-based revenues.

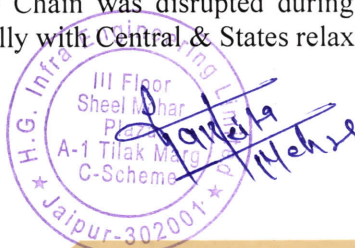
**Liquidity position** - Collection from customers have been normal during the lockdown period enabling the Company to meet all its liabilities (including employee payables) in a timely manner and without availing any moratorium as announced by the Reserve Bank of India. The Company has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds. The Company's liquidity position is adequate to meet the requirements of the operations of the Company.

**Ability to service debt and other financing arrangements** - The Company is servicing all debts & financial commitments as and when due and does not foresee any issues relating to servicing its debts or financing arrangements. The Company has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds.

**Assets** - The Company through the lockdown period and even subsequently has been able to maintain adequate control of its assets and there have been no significant changes to its control environment during the period. The Company will finalise its capex plans based on the situation as it evolves in the coming months.

**Internal financial reporting and control**- The Company has adequate internal financial reporting and control system.

**Supply chain** - The Supply Chain was disrupted during the lockdown period. However, the situation is improving gradually with Central & States relaxing lockdown norms.


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**Demand for its products/services** - Almost all the projects bid and awarded to the Company are government projects or government projects awarded to our clients. The Company continues to bid for new projects or government projects awarded to our private clients.

**Order book** -The Company currently has a strong order book in excess of Rs. 71,000 Million, leading to a clear visibility of revenue over the next 18-24 months.

**F. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business**

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. At present, we do not foresee any contract/agreements which will have significant impact on the business in case of non-fulfillment of obligations by any party.

**G. Impact of COVID-19 on Key Subsidiaries**

The Company does not foresee any significant impact of COVID 19 on the operations of its key Subsidiaries.

**H. Other relevant material updates about the listed entity's business**

The Company has been regularly updating the Stock Exchanges about its business.

For **H.G. Infra Engineering Limited**

*Ankita Mehra*

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Company Secretary & Compliance Officer

M. No. A33288



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