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THE COMPANY HAS A ROBUST AND WELL-DIVERSIFIED ORDER BOOK

"We are optimistic and believe that the infrastructure sector has abundant opportunities," affirms **Harendra Singh, Chairman and Managing Director, H.G. Infra Engineering Ltd.**

How is the group positioned in the current fiscal year?

For nine months ended, standalone revenue stood at Rs 2,577 cr, a growth of 72.2% year on year. EBITDA stood at Rs 416 cr with a margin of 16.1%, and PAT stood at Rs 248 cr with a margin of 9.6%. We have an expanding portfolio of HAM Projects and have diversified into several states and other sectors.

What growth do you foresee of Indian EPC companies in present times and which sector will prove to be the cornerstone of progress?

The highway sector is the backbone of the all-round development of any country and consequently of the

economy. India has the second-largest road network in the world. The allocation for MORTH has seen a 68% increase with approximately ₹1,99,107.71 cr set aside for it in the Union Budget 2022-23. This is in line with the massive target Finance Minister Nirmala Sitharaman has set for expanding the National Highways network by 25,000 km in 2022-23. This size of capital investment by the Government will give EPC companies like HG Infra a position to prosper more. With the correct allocation of funds, working on implementation lag, flexibility from the Government, eased eligibility criteria, the Indian EPC companies with the right strategy are bound to grow.

No specific sector can be pinpointed; a sufficient degree of infrastructure in all sectors whether roads, irrigation, power, hydro, power, railways, airways or water supply is

required for the progress of the country.

Which are your ongoing projects? Where? The timeline of its completions.

Currently, the Company has nine ongoing projects and six new projects on a PAN India basis which are diversified into nine states as of now viz Rajasthan, Haryana, Uttar Pradesh, Maharashtra, Andhra Pradesh, Telangana, Karnataka, Odisha and Delhi.

The timeline of completion of a project depends on the complexity of the project and various factors like alignment, geography, terrain, facilities proposed, lane configuration, number and type of structures. The construction period of current projects ranges from two to three years. However, with strategic planning, our goal is to always complete the project before its scheduled completion date.

What is the company's current order book position? How much growth do you expect in the days to come?

The Company has a robust and well-diversified order book. As of 31st Dec 2021, the unexecuted value stands at ₹ 7950 cr, excluding the project awarded in January 2022 with an unexecuted value of ₹ 844.11 cr. Our Project type break-up includes 46% EPC projects and 54% HAM Projects, while our client type break-up includes 90% projects awarded by the Government and 10% projects awarded by Private clients.

We are optimistic and believe that the infrastructure sector has abundant opportunities, which can be correlated with the recent budget announcement where the Government has envisaged "Gati Shakti" to gather space with 25,000 km highway expansion. The long-term visibility of awarding activity and government spending continues to imbibe confidence and rightly positions us to tap into the various opportunities coming our way.

Construction and Infrastructure sectors are the backbone of the Indian economy? According to you what boost is required for the sector to boom technically?

The Government has been relentlessly focusing on boosting the infrastructure sector.

There is still space for planning, financing and working

on a speedy dispute resolution system, land acquisition processes and minimising bureaucratic procedures. A single window approval system, if introduced, for road projects and any other infra projects, may reduce the time taken in lengthy processes. It will ease out procedures for approvals like forest clearance, environment clearance, labour license, installation of HSD outlet, and approval from Ministries like Railway for ROBs, etc.

How do you manage turnkey engineering projects ensuring delivery of complex production plants bringing together high order of engineering skills with intricate stages of supply chain and capital management?

Over the years and decades of experience, HG Infra has built a strong in-house team that proficiencies in every stage involved in the lifecycle of a project. The Company have departments dedicated to Planning, Design, Operations and other functions which smoothen the intricacies involved by centralising project management.

The Company's Capex stands strong at ₹ 791 cr as of 30th September'21 which brings down the total spending. Additionally, the Company is associated with top-notch organisations that further ease procedures at the various stages.

Your opinion on the recent union budget. What proactive role policymakers need to play for the EPC industry?

The current budget focuses on fast-tracking the economy, stimulating businesses and generating job opportunities.

It emphasises sectors like infrastructure, agriculture, healthcare, and MSMEs.

It will lead to ease of movement of goods, people and expects to see substantial inflow in the order bookings for players like HG Infra having a strong presence across states and operational expertise.

Throughout the years, NHAI's initiatives have significantly improved, accelerating the functioning of the sector as a whole, having focused on faster payments, digitalisation for integrated planning and coordination, and improved ease of business among others. ■