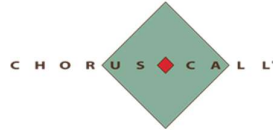




**“H.G. Infra Engineering Limited  
. Q4 FY '23 Earnings Conference Call”  
May 11, 2023**



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**MR. RAJEEV MISHRA – CHIEF FINANCIAL OFFICER – H.G. INFRA ENGINEERING LIMITED**

**MODERATOR:** **MS. SANA KAPOOR – GO INDIA ADVISORS**



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**Moderator:**

Ladies and gentlemen, good day, and welcome to the H.G. Infra Engineering Q4 FY '23 Earnings Conference Call hosted by Go India Advisors a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sana Kapoor from Go India Advisors. Thank you, and over to you, ma'am.

**Sana Kapoor:**

Thank you Faizan. Good afternoon, everybody, and welcome to H.G. Infra Engineering Limited Earnings Call to discuss the Q4 and FY '23 results. We have on the call Mr. Harendra Singh, Chairman and Managing Director, Mr. Arvind Khandelwal, President, Strategy; and Mr. Rajeev Mishra, Chief Financial Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risk that the company faces.

I now request Mr. Harendra Singh to take us through the company's business outlook and performance subsequent to which we will open the floor for Q&A. Thank you. and over to you, sir.

**Harendra Singh:**

Thank you, Sana. Good afternoon, ladies and gentlemen. Welcome everyone to the Q4 and FY23 earnings call. I hope you all are well and have got the chance to view the investors' presentation and the results that were uploaded on the exchanges. I'm pleased to announce that, with the grace of God, this year has been phenomenal for us, right from diversification of our order book by securing three non-road projects this year, followed by successfully entering into a share purchase agreement for monetizing of our four HAM projects, which would further strengthen our balance sheet.

Furthermore, we have strengthened our position in the highway and road sector with the two successful HAM projects in Q4 FY23. The company has established outstanding performance in FY23 across all areas. Let me start with the yearly financial performance of the company. In FY23, the standalone overall revenue was INR4,419 crores, which increased by 22.2% YoY from INR33,615 crores in FY22.

The EBITDA for FY23 was INR710 crores, showing a year-on-year growth of 21.5%, with an EBITDA margin of 16.1%. The PAT margins for FY23 was 9.5%, and the profit after tax for the period FY23 is INR422 crores, which is an increase from INR339 crores FY22. Before I



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move on to the operation and the detailed financial numbers of the company, let me share a few updates on the infrastructure sector to establish the business opportunities in the years to come.

Talking of roads, the central government intends to accelerate the construction of roads in FY24 with the awarding of new projects of 12,000 to 12,500 odd kilometers this year, along with focus on the project completion ahead of general election is expected to boost execution in FY24. MoRTH's target to build 45 kilometers of roadways each day of FY24. This implies construction of around 16,000 kilometers of road in a year, which will be a record high. MoRTH's plans to initiate the second phase of Bharat Mala Pariyojana soon.

And railways, again, the capital expenditure in the railway sector has been consistently increasing over the past four years, and is expected to reach a projected amount of 2.5 lakh Cr in FY23. The government aiming to upgrade the redevelopment of 1,275 odd stations, primarily through the EPC mode, under the Amrit Bharat scheme.

The government has allocated a budget of INR98,000 crores for the monetization and expansion of airports over the next five year, of this budget, INR60,000 crores will be used to enhance the existing airport, while INR38,000 crores has been set aside for the development of new greenfield airports. The world's fastest growing aviation market aims to boost the number of airports to 220 by 2025 from the current 148. It involves greenfield projects, new terminals, and makeover of the existing airports.

The water, again, where the Jal Jeevan mission is quite impressive. With increased budgetary allocation, the priority being accorded by the government of India to provide safe drinking water to the rural households. We as a company see abundant business opportunity to diversify and look forward to get some more projects in these front too.

Now, I would like to share the operational updates on order book, project execution and other significant events. As of February 23, our order book has reached INR12,595 crores. This is a big correction in the investor presentation. We have corrected because there are two projects which was having the GST, say, correction. So it is INR12,595 crores, with an order inflow of INR8,650 crores during the year. We have established our footprints in 11 states, with the EPC segment accounting for 55%, and the HAM segment accounting for 45%.

We would further like to grow our order book in this financial year, majorly from roads and highways segment. But we would like to further extend our presence in other sectors too, including water, railways, and other opportunities. During the year, we have secured three HAM projects and three non-road projects, which I would like to mention, apart from the Ganga Expressway projects of Adani.

Karnal ring road project, that is a HAM project in the state of Haryana, worth INR997 crores. Two HAM projects in Varanasi, Ranchi, Kolkata highway, that is package 13 and 10 in the state of Jharkhand, worth INR925 crores and INR1303 crores, respectively. Delhi -- DMRP EPC



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project, valued at INR412 crores, that is inclusive of EPC. RVNL new railway line project in Bilaspur, that is in Himachal Pradesh, that is INR466 crores, that is again inclusive of EPC, GST, sorry. North Central Railway has awarded new project of Kanpur railway station in the state of Uttar Pradesh, that is INR655 crores, that is inclusive of GST.

I will now touch upon the progress of ongoing projects. Talking of EPC projects, with regards to Ganga Expressway, we have executed the project around 12.9%. The harbour extension road project, that is the Karala-Kanjhawala project in Delhi, execution is around 53%. In the Neelmangala-Tumkur project, that is EPC-NHAI, the execution stood at 8.4%. The execution progress of Adani-Mancherial project is at 91.4%, where we have already received the PCOD in the month of December. DV package 9, execution progress total is 97.4%. We have already applied for COD very recently.

HAM projects where the execution states that the Raipur-Vishakhapatnam-Odisha package 5 and package 6 are at 33.4% and 38.3% respectively. They are moving quite well as per the schedule. The execution status of Raipur-Vishakhapatnam-AP 1 package is 38.8%. The execution status of Khammam-Devarapalle package 1 and package 2 is 6% and 16% respectively.

The Rewari bypass project package 4 is already 24% completed and we already applied the PCOD. We have received certain completion certificate during the year. We received the completion certificate for NHAI-DV package 8, DV package 4, IRB-Hapur-Moradabad project, Adani-Mancherial project, and two small Rajasthan-EPC projects, namely the Kundal-Jhadol and Bhavi-Khimsar. This is a very significant milestone which we just reached. That is monetization of four projects.

Since past few months, we were continuously under discussion with the prospective investors to monetize our initial four HAM projects, that is Gurgaon Sohna, Rewari-Ateli, Ateli-Narnaul, and Ateli-Rewari Bypass. So it's a pleasure to inform you that finally we have signed share purchase agreement with Highway Infrastructure Trust, which is supported by KKR, in the first week of May only, where HGs will be selling 100% stake in all these four wholly subsidiaries.

The enterprise value for the transaction is INR1,394 crores, having an equity value of INR531 crores. The valuation of the deal is around 1.55x the price to book, which is higher than 1.3 to 1.4 expected and guided by the management earlier. Equity and debt commitment for all four HAM assets are INR343 crores and INR996 crores respectively.

The entire transaction will be completed in two tranches, where first tranche will include three initial HAM projects where we already achieved the completion, and the second tranche will include Rewari Bypass project for which final completion approval is expected by September. Completion of the sale of the -- this expectation soon from first tranche, which will happen after the satisfaction of the condition precedence, set out in the share purchase agreement, which



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includes authority, third party and other regulatory approval and certain contractual commitments.

We believe this deal at a strong valuation will be going to strengthen the balance sheet of the company and will help the company to release capital for future growth. The diversification of order book along with monetization of HAM projects can give more positive triggers for the company in future.

Now I'd like to invite Rajeev Mishra, CFO, to highlight the quarter and last year's financial performance of the company.

**Rajeev Mishra:**

Thank you, sir. Let me give you the key updates on the financials. In FY '23, the standalone overall revenue was INR4,419 crores, which increased by 22.2% year-on-year growth from INR3,615 crores in FY '22. At the consol level, the revenue was INR4,622 crores as compared to INR3,751 in FY '22, with year-on-year growth of 23.2%. At standalone level, the EBITDA for FY '23 was INR710 crores with Y-o-Y growth of 21.5%, against -- and at consol level, the EBITDA was INR895 crores versus year-on-year growth of 26.1%.

The PAT margins for FY '23 at standalone level was 9.5% and the PAT for the period FY '23 was INR421 crores vis-a-vis INR339 crores in FY '22. At console level, the PAT was INR493 crores, versus INR380 crores in FY '22, with Y-o-Y growth of 29.8%. On the standalone basis, the gross debt of the company was INR504 crores, which included working capital debt of INR39 million crores, term loan and current maturities, and the trade limits of INR368 crores and NCD of INR97 crores. At the consol level, the gross debt was INR1,907 crores, which included the project debt of INR1,403 crores.

The company continues to remain and maintains an order book ratio of 2.9x. For all the 12 HAM projects, the total equity requirement anticipated till FY '26 stood at INR1,612 crores. Out of this, an investment of INR736 crores has been done as of March '23, and a projection of invest -- further project for INR440 crores, which is anticipated in this remaining financial year, FY '24.

Coming to the quarterly financial performance, on standalone basis, in Q4, the company achieved a standalone top line of INR1,470 crores, vis-a-vis INR1,026 crores. In terms of EBITDA, the company achieved INR238 crores with an EBITDA margin of 16.2% for the said quarter. The profit before tax for Q2 FY '23 amounted to INR200 crores, representing a growth of 64.8% Y-o-Y. The PAT also rose to INR148 crores, indicating a Y-o-Y growth of 62.1%. On the consol basis, the company has achieved a revenue of INR1,535 crores compared to Q4 of last year. Regarding the EBITDA, the company recorded INR297 crores with EBITDA margin of 19.3%.

Furthermore, the profit before tax for Q4 FY '23 is INR231 and PAT also experienced a Y-o-Y increase of INR117 crores, reflecting a growth of 64.4%. We are happy to share that the



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company's performance over the last five years has been exceptionally good with a five-year CAGR for revenue of 26%, EBITDA touching to 28% and PAT at 38%. The ROCE and ROE increased to 30% and 24% respectively. The company has worked dedicatedly to raise the net working capital cycle to 23 days in FY '23 as compared to 46 days in FY '19.

I would like to hand over the call to Mr. Harendra ji for further future guidance and the business opportunities.

**Harendra Singh:**

Thank you, Rajeev. Let me enlighten the forum for the way ahead. The HG has laid the groundwork for its expansion phase by emphasizing operational efficiency and effectiveness, cost optimization and timely project execution. The company anticipates securing orders worth INR8,000 to INR9,000 crores in FY '24 to maintain the book-to-bill ratio of more than 2.5x.

Furthermore, there is a strong NHI bid of around INR1,10,000 crores, which is in pipeline this year. In other sectors, the new projects in railways, we can expect INR15,000 crores to be bid where we already target for in Metro. And they are all yet to be bid, which gives us a huge opportunity to scale our business and order book.

We continue to stress the significance of diversification and as evidenced by our recent order wins for three non-road projects, we aim to have 20% to 25% of our order book comprising non-road projects within next two years, three years.

The floor is now open for question-and-answer. Thank you.

**Moderator:**

Thank you very much. We will now begin the question-and-answer-session. The first question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

**Mohit Kumar:**

Good evening, sir. And congratulations on a consistent performance and a very, very strong track record. So my question is sir, on the guidance for FY '24. Can you please provide us what do you expect the revenue and the margin for FY '24 and the order inflow?

**Harendra Singh:**

So order inflow, already we have just touched upon that we are expecting about INR8,000 to INR9,000 crores of order, which again, if I can, tentatively, I can just break it out. We have INR5,000-odd crores of HAM projects which tentatively would be targeting to look upon this year. And INR1,500-odd crores of EPC projects for NHAI and highway projects only. Balance of about, say, INR2,000 odd crores likely to, we are targeting for – expect other than those sectors.

As far as execution is concerned, I can just go into the breakup of the total orders in hand. We are already in under-execution orders of five HAM projects, majorly five HAM projects. It's INR3,000 crores of order out of which we are expecting to execute INR1,800 crores during the year. But the NHAI, EPC project that is majorly two, one is the Delhi-UER projects and the second is the Neelmangala-Tumkur projects, where we expect that during the year we will be doing INR850 odd crores of execution.



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And the Ganga Expressway project around, we are expecting some INR2,000 crores of execution where it's around INR3,900 odd crores of balance work is there. And this INR400 crores of execution we are expecting from three of the non-highway projects or railway registration projects like that. And INR100 odd crores of execution is tentatively from other small leftover work. This taking together is coming out with about 20% to 22% year-on-year, rather 23%.

**Mohit Kumar:** Sir, second question was on the monetization. If I remember correctly, I think you are getting \$5.3 billion or INR530 crores for an investment of around INR300 odd crores, is a number, right?

**Harendra Singh:** It's INR343 crores to be very specific.

**Mohit Kumar:** Okay, I understood that. For the tending of road for the FY '23, I think was slightly on the lower side. However, the HAM proportion was much, much higher. You did mention that \$1.1 trillion order is in the pipeline. Is this tender, as of now, open for bidding? In a sense, open for bidding? And you expect this number to increase as we complete FY '24? And why the HAM proportion in this pipeline?

**Harendra Singh:** So, what you are talking? I think, you are talking of the bidding pipeline of NHAI?

**Mohit Kumar:** Yes, NHAI.

**Harendra Singh:** That has been indicated as already being given as a guidance from NHAI Ministry that they are looking for awarding this much of size of orders. They're almost about 6,500 kilometers to 5,000 kilometers from NHAI and balancing from MoRTH.

**Mohit Kumar:** So, my question was, this \$1.1 trillion number looks to be slightly on the lower side for the industry.

**Harendra Singh:** So, I can look at -- so what you want to say, please?

**Mohit Kumar:** No. My question was, is this \$1.1 trillion number, is it, I think it's on the lower side. We used to do \$1.5 trillion, \$1.6 trillion?

**Harendra Singh:** No, say what actually we have estimated as is what we would be aiming upon to, we are not considering those projects for where we actually, as far as geographically, we would not be interested for. Like last year, we bid for almost INR72,000 crores of orders, say all bids, from NHAI. So, this year, we are looking at about INR1,10,000 crores to be bid for all NHAI projects.

**Mohit Kumar:** Understood, sir. Thank you, and all the best, sir. Thank you.

**Moderator:** Thank you. The next question is from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.



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**Parikshit Kandpal:** Yes, hi, Harendra ji, congratulations on the monetization of these four HAM assets, and an exceptional year in terms of execution. So, my first question is on the diversification. So, we got three projects this year on the railways and metro. So, did we bid for any water projects because a lot of our competitors have got water projects, and we have been planning, strategizing to bid for water projects. If you can just enlighten us at how much was the bid we have put in the water segment in FY '23? And what are the plans for FY '24?

**Harendra Singh:** Thank you very much for your good wishes, Parikshit. And this year, we bid for five water projects of water, three in, say, Rajasthan, state of Rajasthan, and two are in the state of MP. But definitely, we could not invest any of the project because our estimation, which we actually have calculated, we stood about L4 to L5 range. So, it's not that we are not pursuing this particular opportunity. This is a huge potential in this particular nearby states like MP and even UP and Rajasthan.

In Rajasthan, of course, there were many bidding, bids were about to be bid or awarded. But of late, I think, very recently, it has been decided there will be awarded in the subsequent part of this financial year, Rajasthan, I think, post-election. So, we are keeping a very, say, watch on this particular bidding opportunity, and we will be doing so.

**Parikshit Kandpal:** Okay. My second question is on the HAM portfolio. So, out of 12 HAM assets, four have been monetized. The balanced eight HAM assets, do you have any kind of understanding with KKR in future, whether they'll have a ROFO on our assets, or we retain the option of storing it out with other partners as well? So, how will this strategy be working out there in terms of future monetization in the portfolio?

**Harendra Singh:** See, the understanding has been very clear. Ultimately, it has to be a good association from any of your part. They are having the, say, backup of their fund management, and we are having the backup, our DNA of our EPC. So, this is our understanding, where we are actually looking beyond that is after four HAM projects. They pull that if we want to, whatever we continue to develop or construct. We would be looking at, but definitely it all depends upon the technical due diligence, the other due diligence, other factors which really matter, where the valuation is also there. But we believe that this is a strong relationship which is going to be a continuing feature.

**Parikshit Kandpal:** Okay. So, do you think to extend this relationship beyond those, like, maybe in TBCB or power sector, like KTR as well? Because this will largely be restricted to the other sectors.

**Harendra Singh:** But very recently, it has been concluded for the highway, but they are sure they're interested in the company, and we can look and look beyond even wherever you would be interested in other sectors, other than the highway sectors even. But I cannot comment right now.

**Parikshit Kandpal:** Okay. And this is the last question to Rajeev sir. Rajeev sir, if you can give a break-up of, so out of the 12 HAM projects, four is already invested, equity is already done. The balance eight





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project, what is the total investments in equity? What is the balance requirement over the next, till FY '26, year-wise if you can give us?

**Rajeev Mishra:** The total requirement of all these projects in the equity was INR16,120 crores, out of which we have invested, sorry, INR735 crores, we have invested in till March. And out of the projects, almost INR440 crores, we have to invest in this FY '24. And for the remaining, we have already configured the projections to INR359 crores, which is required in FY '25 for the remaining projects, which are all under execution in eight projects.

**Parikshit Kandpal:** So you said, INR440 crores in FY '24, and INR359 crores in FY '25?

**Rajeev Mishra:** That is required.

**Parikshit Kandpal:** Okay, INR359 crores in FY '25, INR440 crores in FY '24. And balance in FY '26, right?

**Rajeev Mishra:** INR76-odd crores.

**Parikshit Kandpal:** INR76-odd crores. Okay, sir. Thank you and wish you all the best. And again, congratulations on the great deal which you have closed. Thank you.

**Moderator:** Thank you. The next question is from the line of Jiten Rushi from Axis Capital. Please go ahead.

**Jiten Rushi:** Good evening, sir. Thank you for my question and congratulations on the good set of numbers and the closure of the deal. Sir, my question is on the project of this Khammam-Devarapalle package 1 and package 2. So this quarter in Q4, we haven't seen any execution. And also the Tumkur project also we saw a significantly low execution. So any reason what is happening on these three projects, sir?

**Harendra Singh:** Sure, I think you're talking about Khammam-Devarapalle package 1 and package 2. The execution in quarter 4 of this particular is around INR21 crores and INR48 crores be respectively in KD 1 and KD 2. This is again because in this project there has been quite a big variation which is actually been encountered because of canal irrigation department. They are asking for, so almost 50% of the land has got affected because of that there's a certain approval is likely to come from NHAI whether they are going for this variation or not. So this is why I think the execution has been at a slower pace. But I don't believe that it is going to have the effect for a much longer time. So this is going to be resolved very soon and we will be picking back to the normal trend of this milestone which we will be looking at.

And in Neelmangala-Tumkur also there has been a small variation which is likely to be there because it is in two phase, where the first service road being constructed for the first phase and the second phase is the main carriageway to be constructed. So then service road and main carriageway they are looking at the combination where whatever we complete in the service road it can be finally started. So there is a certain approval which is likely to come from NHAI.



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- Jiten Rushi:** So basically sir, in the KD 1 and KD 2 you said that the variation approval will come. So what could be the variation? Like, it will be on the higher side?
- Harendra Singh:** No, definitely on the higher side there are two kinds of variation. One is the usage of Pond Ash. In this particular way the NTPC has already been called, already called the bids and invited the tenders for transportation of fly ash that we also built into that as we did for material project. But for sure I think all the variations are on positive side, it's not on negative.
- Jiten Rushi:** When can we expect a smooth execution to pick up in KD 1 and KD 2?
- Harendra Singh:** The execution is already on. It's not that the execution is not going on at all. It's a standstill. Everything is going on, moving on well on the aspect of the milestone. We will be achieving that.
- Jiten Rushi:** So this INR21 crores and INR14 crores are still unbilled hence the revenue has not...
- Harendra Singh:** Total billed revenue during the year because it's all billed revenue. This INR21.85 crores and INR48.6 crores.
- Jiten Rushi:** And sir, even this Tumkur also should start positively as you said the variation will be coming soon.
- Harendra Singh:** Yes.
- Jiten Rushi:** And sir, on the EBITDA and the gross margin we have seen significant improvement. So any reason for this improvement this quarter, or it was because of the normal course of business?
- Harendra Singh:** I think, it's a normal trend. It's not that anything, which is actually added into this margin. It's a very small where you can see the range of where employee cost and the cost of material being used. So the OPM has increased. OPM being increased, EBITDA has shown the improvement that is why.
- Jiten Rushi:** So the margin guidance remains at what, 15.5% or 16%? What is your view?
- Harendra Singh:** Sorry?
- Jiten Rushi:** The EBITDA margin guidance for next couple of years?
- Harendra Singh:** Yes, tentatively as we expect out of these projects which we already started the execution and we will be starting the execution is roughly around the range of 16%.
- Jiten Rushi:** Yes, 15%. So going forward, we can see some decline in margin because of the mix --change in mix.
- Harendra Singh:** Decline, no, I'm saying 16%.



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- Jiten Rushi:** 16%, okay, sorry. Sir, some capex front. You have done a significant capex this year. If at all, you can highlight almost gross capex was almost INR340 crores, right, sir? Any capex view going forward, in next year...
- Harendra Singh:** Yes, this year I think, you can see the increase in the term loan because of that only. This addition of INR220-odd crores of term loan being added during the year. So the closing balance is INR333 crores of term loan. There is hardly any increase in the OD limits and NCD, etcetera. But this has been increased because we have added some INR299 crores of gross block which is the majority of that portion is the construction equipment which we added.
- So we are phasing out of the old construction equipment where there are already some there is some life which we have considered as a part of the, and the technology upgradation of all these equipment that has been done strategically. So the year on now, looking to the subsequent years, we would be happy enough that if the order is for any of the ordering execution of 20% growth for the company, it should be somewhere around INR100-odd crores will be added for next two, three years.
- Jiten Rushi:** Okay, sir, I have more questions. I'll come back in the queue. Thank you.
- Harendra Singh:** Thank you.
- Moderator:** Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Thank you. Congratulations on the robust performance and on the monetization of HAM projects. Sir, broader questions has been answered. A couple of things just to understand. First is on the, have we bidded any of the projects where bid is yet to be open?
- Harendra Singh:** Yes, there are six bid results are yet to be opened. Four projects of Chambal Expressway and one more of NHAI project or rather one more of MoRTH projects and three projects of railway which is yet to be opened.
- Shravan Shah:** So these six projects is what, how much and railway three projects?
- Harendra Singh:** They all together is about INR8,000 crores of six, seven projects and railway projects are a small amount of INR300 crores to INR500 crores. So total INR8,000 crores.
- Shravan Shah:** Okay, got it. Second is on the recently won projects, three HAM projects and Kanpur Central Railway and Bhanupali-Bilaspur in terms of the appointed date, what is the expected deadline?
- Harendra Singh:** Correct, RVNL for this Bilaspur project they have already has assigned appointed date of 24th of May, they released the letter so that will be on 24th of May. They said tomorrow we are signing the agreement and this is how I think for -- Kanpur Railway, for sure I think this is going



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to delay because not more but at least two, three months because it will take all possible permissions from the nearby authorities where it is majorly utility shifting, electrical, etcetera.

**Shravan Shah:** Okay, so maybe by July, August we will get the appointed date for Kanpur Central Railway Station?

**Harendra Singh:** Probably, as of now. As of now it is like that only, August.

**Shravan Shah:** And then for three HAM projects, Kamal and Varanasi, package 10 and package 13?

**Harendra Singh:** See for Kamal the total land availability as of now is around 90% and the crop which was sown there now being harvested, the wheat crop, and we are taking the position of the land, as soon as we complete the land position by June end we believe that, tentatively by June end or max by July we will be taking the appointed date by that time.

**Shravan Shah:** And for Varanasi package 10 and package 13, October, November or December?

**Harendra Singh:** Yes, of course I think, it is post-monsoon only in any case because the land compensation is being paid to the field owners and we believe that it is significantly going to improve once the harvesting has already been done. So by October, November we believe that there is a chance that the appointed date is likely to be declared.

**Shravan Shah:** Okay, just a couple of data points in terms of the retention money, mobilization advance and unbilled revenue as on March?

**Harendra Singh:** Unbilled revenue which is your last point which has been increased for this financial year because of the two, three major developments that have been there. Where the variation is not yet approved, so if you are talking of the unbilled revenue which is now INR600 crores, something crores -- to be rather very specific. So this is how I mean, INR150-odd crores is in HAM only. And then all EPC projects are unbilled, this is also INR170-odd crores, which is unbilled in the UER and Delhi-Vadodara package 8 and package 9.

And Adani projects also, now the change is there where the Ganga Expressway is also INR170-odd crores of unbilled is there. But now there is a variation being passed where the Arzac construction which was at a different stage. Now they have relaxed the payment at not at every two meters. Now they have relaxed the payment. So that is how I think within this quarter only we would be getting significant decrease in the unbilled because they would be paying us right on the, not at that stage, prior to that stage even.

**Shravan Shah:** Sorry sir, just to clarify, unbilled revenue total is INR610 crores, retention money is how much and mobilization is what?

**Harendra Singh:** INR500, INR580 crores to be very specific. And out of INR580 crores, I have given that the HAM projects is around Rs150 crores. NHAI EPC project is INR165 odd crores. One major



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amount is there by the Ganga Expressway project which is INR170 crores. Where it is going to be reduced drastically down because they have now relaxed the stage payment for all the three contractors like VN, Patel and ITG.

- Shravan Shah:** Okay, and retention money and mobilization advance, sir?
- Harendra Singh:** Retention money total for this debtor balance is what you are talking is one is the debtor balance. [inaudible 0:36:18].
- Shravan Shah:** No, as on December it was INR190 odd crores retention money. So what's the figure for March?
- Harendra Singh:** No, I think the debtor is INR735 crores and INR111 crores is retention.
- Moderator:** Thank you. Mr. Shah, may we request that you return to the question queue for follow-up questions. Thank you, we'll take the next question from the line of Prem Khurana from Anand Rathi. Please go ahead.
- Prem Khurana:** Yes, thank you for taking my question, sir. And congratulations on closing the transaction for four hybrids and that too with a pretty good valuation. Sir, just, I mean, somewhere in your remarks, I mean, you said. I think initially, I mean, in reply to one of the questions, I mean, you said you're expecting some number from INR1,800 odd crores from five hybrid annuities of INR3,000 odd crores of balance potential. And you gave us the breakup for some of these other projects. What I realized is, I mean, eventually you have not conceded any contribution from these three hybrids that you've secured recently. So why would that be the case? I mean, because I mean, just now you said, I mean, you would be able to have-
- Harendra Singh:** We have already taken, I think I just forgot about it. INR500 crores of execution we have taken from these HAM projects. So nearly awarded HAM projects, INR500 crores.
- Prem Khurana:** Oh, okay, sure. So which essentially would imply that, I mean, you're looking at more than 23% kind of growth for the year? I mean, on a Y-o-Y basis.
- Harendra Singh:** Roughly, it is around 23%, let's say.
- Prem Khurana:** Oh, okay, sure, sure. So thank you, that clarifies. Second question was, I mean, if you could talk about competitive intensity, why I ask this is essentially, you said, I mean, you bid for almost INR72,000 odd crores projects in FY23 on NHAI site, but we could have only three projects worth around INR3,000 odd crores, which is even less than 5% conversion ratio. So how do you see the conversion ratio kind of work for us, I mean, in FY24?
- I mean, we're looking at around INR5,000 crores of orders on hybrid and INR1,500 odd on EPC side from NHAI. Do you see competitive intensity to go down now, or I mean, it'll remain there, and you would have to bid for more to be able to get your numbers in place?



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- Harendra Singh:** We believe that, I think, with the new, this compulsion of triple B rated companies, they would be only allowed to bid for HAM project, that is where, and there are many projects which for many other mediocre companies, they are having those projects where the, say, good amount of execution has to be done. So we believe that way. I think now, nowadays, we have seen the trend of about five to seven bidders, earlier it was 10 to 12 bidders in all the HAM projects. But EPC, for sure, we are putting our finger across, but we are expecting that at least INR1,000 crores to INR1,500 odd crores from, it can be from even Maharashtra State Road Corporation where they have also called certain EPC projects. So we are looking at those projects as well, from EPC line, not only NHAI, but some more, some state projects as well, especially Maharashtra.
- Prem Khurana:** Sure, sure, I think that answers my question. I'll come back in the queue for more. Thank you, and all the very best for the future
- Moderator:** Thank you. The next question is from the line of Nikhil Abhyankar from ICICI Securities. Please go ahead. Mr. Abhyankar, your line is in talk mode. Please go ahead with your question.
- Nikhil Abhyankar:** Yes. Congrats sir, on a good set of numbers. I've got two questions. So first is on the margins. So is it the case that you have given the margin guidance conservatively, given the cost prices are coming down, the input pressures are coming down? So is there any chance as we go along the year, you might, are operating margins might surprise us on the upside?
- Harendra Singh:** I think that whatever you are saying, the price escalation clause is either way, stay positive or negative. If the prices are going down, then definitely the price escalation which we would be getting would be equivalent to that. So earlier what has happened is because of the steep rise in the commodity of the steel, even especially steel and crude. So it has happened where the dip in the margins, which we have seen in the past one, one and a half years, but now it is almost, I believe that 15% is 15.25%. That is a decent range which we will be looking upon for all under execution projects.
- Nikhil Abhyankar:** Okay. The other question is on last year, there was a lot of talk about government reducing the grants to 20%. So is there any word on that from the ministry?
- Harendra Singh:** No, as of now, I think they have not given any signal or that there's going to be reduced, but they have actually touched upon the lenders as well as concessioners' interest across the entire fraternity, but how it will look like. They always give positive responses. Definitely, it is going to cool down the margins, this competition. So that is how we believe. I think nothing has happened as of now. There was this and second was the network criteria, but nothing has happened as of now.
- Nikhil Abhyankar:** And are we pushing from our end to bring the grant down so that?
- Harendra Singh:** There are various theories of these kind of meetings and discussions where they and we together at the NHBS forum, where the National Highway Builders Association, they are all looking to have a conducive arrangement of the project being done with quality, with standards within the



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timeline, and that is their intention also, and we also are looking into that. But I don't know how long it is going to take.

**Nikhil Abhyankar:**

Okay, sir. Thanks a lot and all the best.

**Moderator:**

Thank you. Ladies and gentlemen, please limit your questions to two per participant. Should you have a follow-up question, we would request you to rejoin the question queue. The next question is from the line of Anupam Gupta from IIFL. Please go ahead.

**Anupam Gupta:**

Good afternoon, sir. Just have a couple of questions. Firstly, the INR530 crores of inflow that is expected from the sale of four projects, when do you expect the money to flow into the balance sheet? Should we comment this year or?

**Harendra Singh:**

Yes, of course, this year only. So since we have executed already, there's a speeding time. So now we are going to have the compilation and completion of the completion preference, where for these three projects, which we already have completed. So we would be applying to NHAI for getting NOC from them. It's a usual process that they take, normally take, let's say, almost two and a half months for that. NOC from all the lenders also, that is what is required. And there are certain obligations from either side of both the parties.

But then again, by September, we believe that this all three, first tranche, all these three projects where the fund can, we believe that should be transferred to our account. And followed by this Rewari package, where six months is the requirement or from the completion date, from the provision completion date. So once we, we already applied the PCOD. So with that, by October or November, we will be applying to NHAI for the necessary permissions. So by January, we are, we do expect for the fourth, the second tranche for the fourth project as well.

**Anupam Gupta:**

Okay. Okay. And second question, sir, on the execution side, you have given a guidance of close to 23% growth. Do you see any risk to this from let's say the election code of conduct coming in by the end of this year, this calendar year, in terms of approval? So let's say you talked about appointed dates coming through for the new HAM projects. So do you see any risk to the execution from the elections being there in multiple states?

**Harendra Singh:**

You see, I think we have guided upon that the majority of execution is going to be where the appointed date is being declared as of now. As of now. So it's just INR500 crores of three HAM projects, which were the Karnal project or Jharkhand two projects. So that is only what we have assumed. But we don't see that by December, in any cases, the government would be looking into the declaration of the appointed date. I don't see any challenge in that.

**Anupam Gupta:**

Okay. And just continuing this on, so let's say if I were to look into FY25, given that you have INR12,500 crores of order books, ideally a 20% growth can be sustained in FY25 as well, or is it a bit high?



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- Harendra Singh:** We do expect that whatever arrangement has been done in the houses for the capex technology, human resource, and that any addition of the range of 8,000, 9,000 orders being added during the year, and what we believe that 20% is the ideal growth for that range of execution that we would be aiming for, and that we believe that it's all doable, achievable.
- Anupam Gupta:** Okay. Understand. That's all from my side, sir. Thank you.
- Moderator:** Thank you. Participants, to ask a question, you may press star and one. The next question is from the line of Abhineet Anand from Emkay Global Financial Services. Please go ahead.
- Abhineet Anand:** Yes. Yes, thanks for the opportunity. I just wanted to know, you told that you paid for 72,000 crores of... Sorry?
- Moderator:** Sorry to interrupt you, Mr. Anand. May we request that you return to the question queue? we'll take the next question from the line of Sarvesh Gupta from Maximal Capital. Please go ahead.
- Sarvesh Gupta:** Good evening, sir, and congratulations on a good set of numbers. So one thing on the Ganga Expressway, which is where, you know, a lot of your execution will be coming this year. So on the ground situation in terms of, you know, land acquisition and other approvals for the 80% odd remaining, how are we placed? And secondly, in terms of the payments from your counterparty, how is it happening given their own challenges that we had earlier seen?
- Harendra Singh:** Yes. So in this Ganga Expressway, unlike the other projects also, we have experienced a good amount of land available on the day one. So almost 98% as of date, it's all available. So that is a good part. And we have already set up six big camps along the alignment where, say, 151 kilometers being bifurcated as a three project, not a single project. So that is how I think the big force being deployed as far as the execution is concerned. So we're doing, touching around INR6 crores a day as of now. So there's a base of execution, which we are doing.
- So bearing few of the days where the early, I think this rainy season, rainy days has impacted. So but otherwise, as far as payment is concerned, we are getting payment right on time. It was a gap of about, say, was a month or two at the initial time in Feb and March. But during the month of April, only we have received INR190 crores from the client.
- And they are very clear and we are very clear because the government, UP government is having the clear guidance and clear instructions to them to complete the project by December 24. So this is how I think for us together, this means the main target is to achieve. And there are almost, almost we are, we have taken the INR2,000 crores of execution to be done during the year. So that's, which is the run rate which we are doing is almost doable.
- Sarvesh Gupta:** Understood. And secondly, sir, in terms of your cash flows, so I think we are getting around INR500 odd crores from the sale and post tax, how much it will be? And then against that, again, we have to anyway spend 440 crores in the new HAM projects. And your working capital will





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also go up. So overall for the year, your interest cost and debt will not sort of come down much, right?

**Harendra Singh:** No, no, as far as for the year 24, the repayment of the debt is just around, if you see, INR363 crores of term debt. They are out of that INR190 crores, including INR189 crores, which is inclusive of NCD payment, repayment. So this would be repaid during the year only. And if you see anything which is safe, net of tax INR531 crores is going to be calculated because it's the first what we have invested and then when the return, actually the amount is being transferred to you. So this is going to be calculated. We are not calculated yet as of now. So ultimately INR440 odd crores, which is going to be invested into HAM is hardly matter that what is the cash inflow for coming from HAM monetization.

**Sarvesh Gupta:** So overall debt level should remain broadly at the similar level by the end of next financial year?

**Harendra Singh:** No, not at all. I think it's going to be roughly come down to around INR350 crores as of the earlier level. Understood. And what would be of your interest cost because your debt is much lower. So what is the non-interest cost which is included in your financial cost for FY23?

**Harendra Singh:** Around INR63 crores of total cost where around say INR14 crores or INR15 odd crores is for bank charges, BG commission, etcetera. And the remaining is the interest cost on the mobilization advance, which we have received from the client, even the OD limits and the NCD interest and term load interest cost.

**Sarvesh Gupta:** Understood, sir. Thank you, sir.

**Harendra Singh:** Thank you.

**Moderator:** Thank you. The next question is from the line of Deepika from Philip Capital. Please go ahead.

**Deepika:** Hi, sir. Congratulations on great set of numbers. My question pertains to the deal. How much inflows do we expect this year? I mean, when is the deal executed for these three projects that you said would be completed? When will the first tranche be completed? And how do we expect the inflows and in what manner?

**Harendra Singh:** So we will be getting the inflows one by one. They all project to have a different range of say monetization to the total enterprise value, which is the INR1300 something crores out of this debt. If you take out the INR531 crores is the equity realization. All four projects do have a different set of numbers. So once you complete conditional precedence for the one project, we will be getting the amount.

**Deepika:** By this year only and how much and are we expecting something in Q1?



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- Harendra Singh:** No, Q1 is not at all possible because all NOCs are not going to happen by that time. So we would be getting, the arrangement would be done. We believe that in quarter two, say mostly in first tranche and then quarter three or quarter four for the second tranche.
- Deepika:** Okay, sir. Also, I want to also talk about the next quarter, quarter one. So how do we expect the Q? We are targeting a very strong number for FY24, which looks quite achievable also. But how do we see quarter one, especially when not being affected with the heavy monsoons across the different geographies in our country?
- Harendra Singh:** Yes, I think in April, we have experienced rains across the entire country and most of the projects got impacted because of that exhibition. In March, even it got impacted. Otherwise, say we all lost INR150 crores of execution in March as well. But I don't see much of a challenge. I think as we are expecting the 23% year or this in quarter two quarter again for last year to this year would be going on that range.
- Shravan Shah:** Okay, thank you, sir. All the best for the future.
- Moderator:** Thank you. Next question is from the line of Shreyans Mehta from Equirus. Please go ahead.
- Shreyans Mehta:** Yes, congratulations on a great set of numbers and for the deal. So my two questions. One, as far as the monetization is concerned, could we see some deals happening at the pre-construction stage now, given that we're getting better deals at this time?
- Harendra Singh:** No, it's not like that. I think there are always the inclination from any potential buyer to enter into such stage. But we always believe that it is better to initiate your discussion once we are nearing your completion. And that is how I think six, seven, eight months when we actually complete the work and by that time actually technical due diligence and everything happens.
- So there's not the right stage which we are not actually as not initiated and don't believe that we can actually believe that we are expecting for these five projects which are under execution, that from March till October, November, these all five would be completed next year, the 24th. So the right time for that is from January onward we'd be putting on to the market or the buyers that this is going to happen. And this is how I think whatever is important is that we're not at the pre-construction this construction stage.
- Shreyans Mehta:** Got it, sure. And so besides railways and water, are we targeting any other segment like say NMLPs or Ropeways?
- Harendra Singh:** Yes, of course, Ropeways we are exploring. We have already hired two consultants to give a deep insight of all these projects where the operation and maintenance is a big number which is going to be there. So, but again, this is development team is working on it. Because I think in Parvatmala project like Bharatmala, Parvatmala, they have given this name.



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So they are exploring the possibility for at least say 300 to 400 odd crores of Ropeway to be awarded in next two, three years. So it gives a real opportunity and tunnel also we expect that in border roads organization and many of the organization they are looking upon it. But we would be already, it's all highway projects rather in tunnel, even in railway. But we will be looking into this particular sector as well to just tie up with any of the JV partners.

**Shreyans Mehta:**

Okay, sure. And so lastly, I mean, just wanted to understand the secret of the margins which we are making. So we are at the higher end of what the industry is making. So what gives us this confidence that we will be able to manage and how are we managing that in terms of the industry margins?

**Harendra Singh:**

I think it's not very specific around. So there are many areas we've worked upon and God is so kind that in last five years, once we entered into this market, we have learned a lot, we have improvised upon, we always try to evolve upon any practices. It can be technology, digitalization, it can be human resources, capex addition, key equipment being added. So there's somehow the things are being arranged or being worked out in that range. So as I already expressed that God is so kind and we are actually yielding this kind of results. But the team is quite motivated, that's more important.

The entire team top to bottom at the project level also has totally geared up to look into all the MIS and the process controls. They are working hard on bang on those targets, right from time to even operational efficiency. So these are all helping us and they're likely, it's not that it's a total arrangement being done. So we always keep on annual operating plan to be rolling. So we always keep on certain targets for any technology to any human resource learning and development and mentoring. So I think things are happening quite well and we believe that this is a continuous process. It's not that we have achieved any level of it.

**Shreyans Mehta:**

Got it. So I mean, so lastly, if I can, in terms of debtors, what could be outstanding of the total debtors, the Adani debtors for our Ganga Expressway?

**Harendra Singh:**

Adani debtors, I already said that is a INR290 crore to be very specific. Out of this, we received INR189 crores during the month of April here. And see, now May, they will be paying us INR110 crores tomorrow or on Monday. So things are rolling.

**Shreyans Mehta:**

Got it. Sure sir. Thank you and all the best.

**Moderator:**

Thank you. The next question is from the line of Chinmay from Emkay Global Financial Services. Please go ahead.

**Chinmay:**

Yes, hi, sir. I just had a question. In roads, we have bid for 72,000 worth of NHAI projects. Just wanted to know what is the amount for railways and water?

**Harendra Singh:**

For this particular year? See, I couldn't get to the question. Yes, please.



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- Chinmay:** In FY '23, how many orders have we bid for in railways and water segment?
- Harendra Singh:** Okay, so in railways or metro or any of those, I think we bidded for almost INR8,000 crores to INR9,000 crores, where INR1,000 crores of bid is yet to be opened. So INR8,000 crores bid already opened. And in railways, it is metro even. So three projects we bidded. And in water, only four projects we bidded, five, in fact, from UP and, let's say, MP and Rajasthan. Very, not a very big amount. So it was INR1,600 crores of the total project which we bidded last year.
- Chinmay:** All right, and one more question. In order to reach 20% to 25% of order book in terms of railways and water, do we have any expectation or any target in terms of how many orders would we like to bid upon?
- Harendra Singh:** So you are looking for the forthcoming year?
- Chinmay:** Yes, FY'24.
- Harendra Singh:** Yes, sure, I think it's more important for us. We have already arranged that the business development unit has been created where the two experts, they are exploring the opportunity line in this area. So we are doing all our due diligence to bid for those projects. So with a small caution, we always just put our fingers crossed and look for the margins intact. And that is how I think 20% to 25% is not a big number which we'll be looking upon of the total orders by end of '25 or '26, where the total orders are from beyond the highway projects.
- Chinmay:** Okay, so those were my questions. Thank you.
- Moderator:** Thank you. The next question is from the line of Jiten Rushi from Axis Capital. Please go ahead.
- Jiten Rushi** Thank you for taking my question. So the first thing you said that you are planning to bid for is 50,000 total railway projects. So this will include station redevelopment project also or it will be excluding station redevelopment projects?
- Harendra Singh:** No, it's not that there is station projects. Of course, I think within the next three, four, five months, once we have already started the design of this particular project, because there's a lump sum EPC. So once we start that, and then we will be looking at the comparison which we are accumulating at the pre-bid stage. But then again, we will start exploring. There are bids, but we will be taking a pause of about three, four months once we actually come up to the right expectations, what we have estimated, and what includes the design post-bid.
- Chinmay:** Okay, one more thing I want to ask. Like last year, we had a big fat order from Adani. And we had said that NHAI awarding was aggressive and we could not capitalize on that. So this year, being the election year, we expect some code of conduct from the January and then other state elections too. How are we targeting to recoup the orderings? Because railways have saved us last year. And if you remove Adani, a big fat order, roads have been a dampener in terms of



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inflows in FY '23. So how do we see that? Like, if you don't get the order, then probably your guidance can, you know, there is a delay on the guidance part. So any thought on that?

**Harendra Singh:** See, already we have learned from NHIA that there are almost 2,300 kilometers of bids, which they could not award during this financial year of March. So there, this pipeline is going to be continued with bidding from June onwards. So right now, I think there is a shuffle. Then again, there is again, NHAO, it's an NHO, rather. NH, there are the projects where the huge opportunities are likely to come, where the sanctions are already at their appraisal stage. So by January, if you see, that every time it's the second half of the year, there's eventually 70% of the bids, or 70% of the awarding being done, 70 to 80. Now this year, I think it will continually, it continually will be there in quarters, from quarter two, three.

**Chinmay:** Yes, but this time, you can see that slowdown, not because election?

**Harendra Singh:** See, January is, I think, almost eight, seven, eight months from now. So by that time, I think most of the bids will be awarded.

**Chinmay:** This NHO, what is the opportunity, NHO, you said?

**Harendra Singh:** It's a, again, like Bharatmala, like it is a National Highway Development Program, NHDP, NHEO is some scheme of that Bharatmala, other than Bharatmala.

**Chinmay:** The last question, what is the mobilization advance as of March?

**Harendra Singh:** Mobilization advance? INR360 odd crores, I think.

**Chinmay:** 360. Okay, thank you, and all the best, sir.

**Harendra Singh:** Thank you.

**Moderator:** Thank you. The next question is from the line of Shravan Shah, from Dolat Capital. Please go ahead.

**Shravan Shah:** Sir, just to get the number right, retention money, you said INR111 odd crores, as of March, and mobilization advance is INR360 crores.

**Harendra Singh:** See, mobilization advance is not INR360, it's INR328 to be, INR328, no? INR358, out of which, mobilization advance is INR304, and material advance is INR54 crores.

**Management:** Okay, Yes, INR360, correct, INR359. And the debtor is INR703 crores, and there's retention and miscellaneous deposit, that is withheld. So withheld, we have already considered into debtor balance. It's total INR880 crores, INR 879.

**Shravan Shah:** Sorry, I'm slightly confused. So total debtor is INR871 crores, so out of that, how much is retention money?



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- Harendra Singh:** 879, out of that, 111 is retention money, and the withheld amount is also there, INR67 crores. So withheld amount, we usually consider in the debtor balance, because it is a rolling amount, which is being released and being deducted from most of the running bills.
- Shravan Shah:** Okay, okay, and so what will be the capex for the '24 and '25?
- Harendra Singh:** The tentatively, as I already have discussed, there's about, say, INR100 crores to be added during the year, this year. This is a net of capex. Actually, there are a few equipments which we would be selling during the year as well, just INR30 crores. So net capex addition would be INR100 odd crores.
- Shravan Shah:** Okay, got it. And, sir, any idea you initially mentioned in terms of the NHAI launching the second phase of Bharatmala? Any idea when they are likely to launch and any broader idea in terms of the size, because Bharatmala phase one, when started with INR6,00,000, increased to INR11, INR12 lakh odd crores. So any broader idea? So just for trying to understand in terms of the next four, five, seven, eight years of visibility?
- Harendra Singh:** No, I think it's a very early stage to comment upon, but definitely the entire proposal is at the approval stage from the government. And we believe that our government is having a very priority focus on infra development, especially highways. So they would be looking into this proposal and approve this proposal by the end of this year.
- Shravan Shah:** Okay. Thank you. Thank you and all the best.
- Moderator:** Thank you. The next question is from the line of Shikhar Mundra from Vivog Commercial. Please go ahead.
- Shikhar Mundra:** So, hello. I wanted to understand for the four subsidiaries which we have sold, what was the equity of those subsidiaries and what was the debt?
- Harendra Singh:** The equity is INR343 crores in all four HAM SPVs. Okay. Yes, the debt is INR996 Cr.
- Shikhar Mundra:** And so what is the, okay, so the whole enterprise of the whole enterprise value was INR1,394 crores. And what is the amount?
- Harendra Singh:** This 1,393, it's INR133 crores which is the cash lying in the SPV, which has been netted off from the debt.
- Shikhar Mundra:** Okay, so this 99, okay, so...
- Harendra Singh:** To be very specific, it is INR860 odd crores and INR531 crores.
- Shikhar Mundra:** Okay, so basically the book value of these projects was INR343, the equity value was INR343 crores and we are getting a INR531 crores equity value. So is it an other income of basically around INR200 crores?



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- Harendra Singh:** It's not other income, it is a return on value, it is a valuation which we are getting. That is a return on equity which we have invested in these four HAM projects over a period of last three and a half years.
- Shikar Mundra:** So it's basically a INR200 crores of income which is generated by the sale.
- Harendra Singh:** Of course, it's INR180. Yes, it's almost INR180, INR190 crores which is over and above what we invested in INR531.
- Shikar Mundra:** Okay, all right, and what do you mean by the valuation of the bill was 1.55 price to book?
- Harendra Singh:** 1.5 times, 1.55 is the valuation means if you see to the number INR531 divided by INR343, it is coming at 1.55, 1.55.
- Shikar Mundra:** And out of these four projects, like how many of them were completed?
- Harendra Singh:** So all three of those projects, which we are at the tranche one, we are aiming and looking for the payment to come, all completed. Fourth one, we already applied the completion, but most likely within the week, 10 days, we will be getting the completion of that. That is a provisional completion. There is some work of POS and some of the work Minsco, where six or 4% will be executed within the next six months. So post that, we will be looking at the second tranche of this particular Rewari Bypass Project, where the payment is likely by January, we would be completing.
- Shikar Mundra:** Okay, okay, and the construction was done by our company only, right?
- Harendra Singh:** Of course, I think, only EPC was done by us.
- Moderator:** Thank you, Mr. Mundra. I request that you return to the question queue for follow-up questions. Ladies and gentlemen, we'll take the last question from the line of Khushbu Gandhi from Yes Securities. Please go ahead. Ms. Gandhi, your line is in talk mode. Please go ahead with your question.
- Khushbu Gandhi:** Yes, so thank you for giving me the opportunity. So there's a clarification on the revenue guidance which is due for FY '24. So you quoted that 22 to 23% growth we are expecting. But when you give us the bifurcation, it's coming to about 18% to 19%. So we are expecting a revenue of INR5,200 crores in FY '24?
- Harendra Singh:** It's INR5,200, and then INR500, I missed, and it's roughly around INR5,500 crores, which is 23%, 24% of the total.
- Khushbu Gandhi:** If you don't mind, can you give me the clarification again, the bifurcation again?



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- Harendra Singh:** No, no, the breakup which I already have given for the HAM projects, under-execution HAM projects, new HAM projects, Ganga Expressway projects, NHAI EPC projects, this is all together which is coming for the year, the FY '24 is roughly around INR5,500 to INR5,600.
- Khushbu Gandhi:** Okay, then. Thank you.
- Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for closing comments.
- Harendra Singh:** Thank you. We had a successful year and we are committed to deliver better with our dedication and hard work in the future. Our strong financial performance, diverse order book growth, healthy balance sheet, and dedicated workforce give us the confidence that we will continue to excel. We appreciate everyone joining us today on the call and hope that we have addressed your all questions. If you have any further inquiries, please do not hesitate to reach out to us on our IR advisor, GoIndia Advisors. Thank you again for your participation.
- Moderator:** Thank you. Ladies and gentlemen, on behalf of Go India Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines.