



February 08, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai- 400 051

Scrip Code- 541019/973671

Scrip Symbol- HGINFRA

Dear Sir/Madam,

Sub: Security Cover Certificate under Regulation 54(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that the Company has maintained requisite security cover of 100% or higher for its Secured Listed Non-Convertible Debentures as at December 31, 2022 as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, by way of creation of charge on movable assets of the Company (Construction Equipment), sufficient to discharge the principal amount and the interest thereon at all times for the non-convertible debt securities issued.

The security cover certificate under Regulation 54(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed herewith.

This is for your information and records.

Thanking you,

Yours faithfully,

For H.G. Infra Engineering Limited

ANKITA Digitally signed by
ANKITA MEHRA
MEHRA Date: 2023.02.08
17:31:45 +05'30'

Ankita Mehra

Company Secretary and Compliance Officer
M. No.: A33288

Encl.: as above

H. G. INFRA ENGINEERING LTD.

Independent Auditor's Certificate ('Report') on Statement of Security Cover and Compliance of Financial covenants specified in Schedule II clause 18 of the Debenture Trust Deed between H.G. Infra Engineering Limited ('the Company') and Mitcon credential Trusteeship Services Limited.

To,
The Board of Directors
H. G. Infra Engineering Limited
III Floor, Sheel Mohar Plaza,
A-1, Tilak Marg,
C-Scheme, Jaipur -302001
Rajasthan.

1. This Report is issued in accordance with the terms of our engagement letter dated October 04, 2022 with H.G. Infra Engineering Limited (hereinafter the "Company").
2. We, Shridhar and Associates, Statutory Auditor, have been requested by the Company to examine the following accompanying statement containing: -
 - a) Security Coverage ratio for Non-convertible debentures ('the SCR for Non-convertible debentures) as on 31 December 2022 in Annexure-I, prepared by the management of the Company, pursuant to the requirements in terms of Regulation 54 read with 56(l)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended) (referred to as 'the Regulations') as mentioned in the Debenture Trust Deed entered between the Company and Mitcon Credential Trusteeship Services Limited ('the Debenture Trustee') on 15 December, 2021 (' the Debenture Trust Deed'); and
 - b) Compliance with the covenants as specified in Schedule II clause 18 of the Debenture Trust Deed dated 15 December, 2021 between the Company and Mitcon Credential Trusteeship Services Limited.

The aforesaid Statement has been prepared by the management of the Company and attached to this certificate for onward submission to the Mitcon Credential Trusteeship Services Limited and which has been digitally signed by us for identification purposes only.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management of the Company is also responsible to comply with the regulations.
4. The management responsibility includes: -
 - With respect to the SCR for Non-convertible debentures: -
 - a) ensuring that the calculation of Security Coverage Ratio for Secured Debt Securities is mathematically correct.
 - b) ensuring that the Company complies with the applicable requirements of the Debenture Trust Deed from time to time, including legal representation of the aforesaid requirement and providing all relevant information to the Debenture Trustees and to us in this regard.

- c) ensuring that the assets offered as security are accurately identified and are in agreement with the books of account including Fixed Assets Register and the book values are correct.
- d) ensuring compliance with all the covenants of Debenture Trust Deed between the Company and Debenture Trustee.
- e) Ensuring preparation of the Annexure I to the statement in a specified format prescribed by the SEBI and complies with all the requirements of the SEBI.

Independent Auditor's Responsibility

5. Pursuant to the request of the Company our responsibility is to provide limited assurance whether: -
- i) the Company has complied with the covenants as specified in as specified in Schedule II clause 18 of the Debenture Trust Deed between the Company and Debenture Trustee.
 - ii) the particulars (book value of the assets, secured debts, and coverage ratio) contained in column A to O of Annexure I in the Statement are in agreement with the unaudited books of accounts for the period ended 31 December 2022 and other relevant records and documents maintained by the Company.
 - iii) the calculation of the Security Coverage Ratio (cover on book value) for Non-convertible debentures given in Annexure I in the Statement is mathematically correct.
6. Audited financial statements ('FS') of the Company for the year ended March 31, 2022 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India, those standards require that auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, on which we had issued an unmodified audit opinion dated May 23, 2022.
7. We have examined the attached Statement, with reference to the following records, documents, and unaudited books of accounts:
- With respect to the SCR for Non-convertible debentures
 - a) Obtained unaudited standalone financial statements for the period ended 31 December 2022 including Fixed Assets Register as on 31 December 2022 and other relevant records and documents, as applicable, maintained by the Company to agree with the book value of Assets as specified in the Statement.
 - b) We have obtained the Form CHG-9 which was filed with ROC on 06th August, 2022 that relates to modification of charge for debentures. The charge form contains the details of 126 assets that was hypothecated by the Company in favor of Debenture Trustee.
 - c) We have verified the Interest Service Coverage ratio (ISCR) from the Unaudited Standalone financial results of the Company for the quarter and nine months ended 31 December 2022.
 - d) In the computation of Total debt to EBIDTA, we have calculated the Total debt as at 31 December, 2022 by summing up the Non-current and current borrowings based on management financial statements as at 31 December 2022.
 - e) We have calculated EBIDTA as at 31 December, 2022 by adding up the Finance cost, Depreciation and amortization expenses in the Profit before Tax less Other income disclosed in the Unaudited standalone financial results for the quarter and nine months ended 31 December, 2022.
 - f) Performed necessary inquiries with the management and obtained necessary representations.
 - Management representation for compliance with all the covenants as per the Debenture Trust Deed between the Company and Debenture Trustee.

8. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

10. Based on our examination, as above, and according to the information and explanations and other documents made available to us by the Company, and representations given to us, we are of the opinion that: -
 - i) the Company has complied with the covenants as specified in Schedule II clause 18 of the Debenture Trust Deed between the Company and Debenture Trustee.
 - ii) the amounts furnished in the column A to O of Statement in Annexure - I containing Security Coverage Ratio for Non-convertible debentures (cover on book value), read with notes thereon, are in agreement with the unaudited books of account for the period ended 31 December 2022, and other relevant records and documents maintained by the Company; and
 - iii) the calculation of the Security Coverage Ratio (cover on book value) for Secured Debt Securities specified Annexure - I, of the Statement, is mathematically correct.

Restriction on Use

11. This certificate is being solely issued at the request of the management of the Company for onward submission to Mitcon Credential Trusteeship Services Limited. Our certificate is not suited for any other purpose and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior written consent.

Place: Mumbai
Date: 08-02-2023

For Shridhar and Associates
Chartered Accountant
Firm Registration No. 134427W
ABHISHEK Digitally signed by
PACHLANGIA ABHISHEK
A PACHLANGIA
Date: 2023.02.08
16:15:13 +05'30'
Abhishek Pachlangia
Partner
Membership No. 120593
UDIN:23120593BGWJHR7021

Statement of Certificate on Security Cover Ratio as on December 31,2022

To,

 MITCON Credentia Trusteeship Services Limited
 Debenture Trustee of H.G. Infra Engineering Limited

We hereby certify that:

- a) The Company has vide its Board Resolution and information memorandum/offer document and under Debenture Trust Deed, has issued the following listed debt securities and outstanding as on December 31, 2022:

Rs in Millions

Sr no.	ISIN	Series	Private Placement /Public Issue	Secured/Unsecured	Sanction amount
1	INE926X07017	HGEL-6M-TBILL-21-12-24-PVT	Private Placement	Secured	970

- b) Security Cover for listed debt securities:

- 1) The financial information as on December 31,2022 has been extracted from the unaudited books of accounts for the period ended December 31,2022 and relevant record for the listed entity.
- 2) The assets (cover on book value) of the listed entity provide coverage of 1.11 Times of the principal amount, which is in accordance with the terms of issue/ debenture trust deed (calculation as per the statement of security cover ratio for the secured debt securities – Annexure -I).

ISIN wise details (Secured)

Rs in Millions

Sr no	ISIN	Facility	Types of charge	Sanction Amount	Outstanding amount as on December 31, 2022	Cover Required	Assets required
1	INE926X07017	Secured Non-Convertible Debt Securities	Pari-Passu	970	970	1.10	1.10

- c) Compliance with Covenants of Debenture Trust Deed

The company has complied with all the covenants as specified in Schedule II clause 18 of the Debenture Trust Deed between the company and HG Infra Engineering Limited.

ABHISHEK
 Digitally signed
 by ABHISHEK
PACHLAN
 PACHLANGIA
GIA
 Date: 2023.02.08
 16:15:41 +05'30'

For and on behalf of the Board of Directors
 H G Infra Engineering Limited

HARENDRA SINGH
 Digitally signed by
 HARENDRA SINGH
 Date: 2023.02.08
 15:00:51 +05'30'

Harendra Singh
 Chairman and Managing Director
 DIN: 00402458
 Place: Jaipur
 Date: February 8, 2023

H. G. INFRA ENGINEERING LTD.

Annexure I- Format of Security Cover

Statement of Security cover against the Non-Convertible Debentures

[illegible]

Annexure I- Format of Security Cover

[illegible]

Lease Liabilities														
Provisions														
Others														
Total														
Cover on Book Value														
Cover on Market Value ^{ix}														
		Exclusive Security Cover Ratio	1.1		Pari-Passu Security Cover Ratio									

ⁱ This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.

ⁱⁱ This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.

ⁱⁱⁱ This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.

^{iv} This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari- passu charge along with debt for which certificate is issued.

^v This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.

^{vi} This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.

^{vii} In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.

^{viii} Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value.

^{ix} The market value shall be calculated as per the total value of assets mentioned in Column O