

### Issue Highlights:

**Issuer:** H.G. Infra Engineering Limited

**Issue Type:** 100% Book Built Issue IPO

**Issue Open:** Monday, Feb 26, 2018

**Issue Close:** Wednesday, Feb 28, 2018

**Offer Size:** Fresh Issue Rs. 300/- Crs & Offer for sale of 60,00,00/- Equity shares. (Rs.457.80 Crs\* & Rs.462 Crs^)

**Face Value:** Rs.10 per Equity Share

**Price Band:** Rs.263 - Rs.270 per Equity Share

**Minimum Order Quantity Retail:** 55 Equity Shares and in multiples thereof

**Maximum Bid amount for Retail:** Rs. 2 Lakhs

**Listing:** NSE & BSE

### Issue Size and Investor Category Allocation

**QIB:** 50% of the issue size

**NIB:** 15% of the issue size

**Retail Individual:** 35% of the issue size

\* Lower Band; ^ Upper Band

### Book Running Lead Managers:

SBI capital market limited, HDFC bank

### Registrar:

Link Intime India Private Limited

### Key Business Strategies:

- Established roads and highways sector focused construction developer
- Strong project management and execution capabilities
- Efficient business model
- Visible growth through growing Order Book and improved pre-qualification credentials

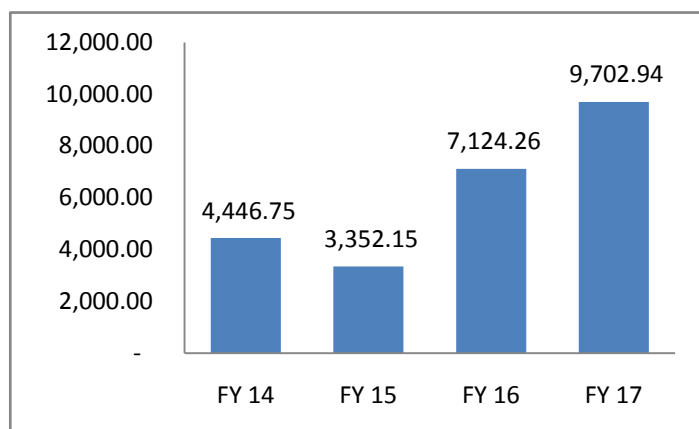
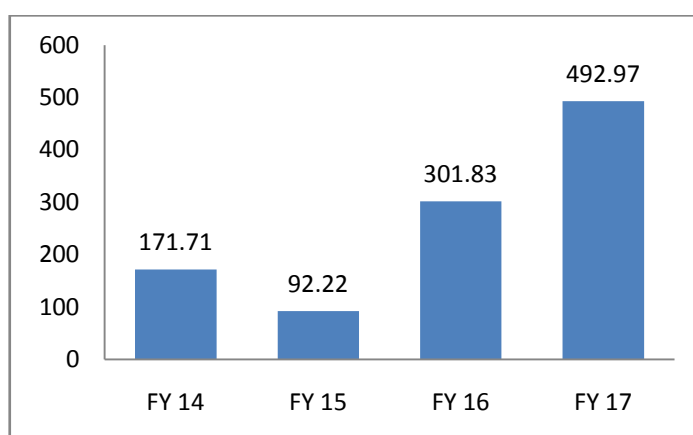
### Key Strengths:

- Continue focusing on EPC (engineering, procurement and construction) business in the roads and highways sector and enhancing execution efficiency

- Selectively expand their geographical footprint
- Selectively explore hybrid annuity based model to optimize project portfolio
- Diversify beyond projects in the roads and highways sector by leveraging existing capabilities

### About the Issuer:

- They are a infrastructure construction, development and management company and their expertise lies in EPC services and undertaking civil construction and related infrastructure projects on item rate and lump sum basis, primarily in the roads and highway sector.
- They have executed or are executing projects across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh.
- During the last five years, Company has completed 12 projects above the contract value of Rs.400.00 million in the roads and highways sector aggregating to a total contract value of Rs. 16,281.94 million.
- As of July 31, 2017, they had a total Order Book of Rs. 39,488.43 million, consisting of 29 projects in the roads and highways sector, six civil construction projects and two water supply projects.
- While their principal business of civil construction comprises of projects in the roads and highways sector, they were engaged in the year 2013 as the sub-contractor to execute two water supply projects in Rajasthan on a single responsibility turnkey basis.
- They enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management systems, and health and safety management systems, respectively, issued by LMS Assessment Services Private Limited.

**Revenue from Operations (Rs. Million)**

**Net Profit After Tax (Rs. Million)**


### SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Amount in Rs. Millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds</b>					
Share capital	180.20	180.20	152.50	152.50	152.50
Reserves and surplus	1,578.68	1,045.34	691.84	645.46	536.47
<b>Non-current liabilities</b>					
Long-term borrowings	634.78	284.47	155.04	43.71	91.84
Other long-term liabilities	295.37	88.45	87.10	14.50	23.78
Long-term provisions	7.53	5.66	3.97	3.21	1.93
Deferred Tax Liability (Net)	-	-	-	12.82	38.00
<b>Current liabilities</b>					
Short-term borrowings	932.89	589.87	399.93	573.50	522.26
Trade Payables	632.37	460.15	198.41	259.58	235.23
Other current liabilities	1,048.86	1,089.56	557.69	441.28	663.09
Short-term provisions	69.50	10.22	3.18	1.54	0.89
<b>Total</b>	<b>5,380.18</b>	<b>3,753.92</b>	<b>2,249.66</b>	<b>2,148.10</b>	<b>2,265.99</b>

**SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(Amount in Rs. Millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
<b>ASSETS</b>					
<b>Non-current assets</b>					
Fixed assets					
Tangible assets	2,041.34	1,160.85	835.79	857.72	979.15
Intangible assets	2.48	0.83	0.54	0.25	0.31
Capital work-in-progress	6.86	48.34	-	-	-
Non-current investments	3.96	3.82	0.93	0.82	-
Deferred Tax Assets (Net)	20.06	8.24	1.46	-	-
Long-term loans and advances	174.45	183.94	153.28	131.96	117.06
Other non-current assets	60.73	72.04	98.56	82.60	26.22
<b>Current assets</b>					
Inventories	488.93	432.76	217.86	204.99	186.89
Trade receivables	1,131.52	926.64	419.09	289.88	357.15
Cash and bank balances	71.77	41.07	14.29	25.29	16.95
Short-term loans and advances	782.45	547.91	261.70	289.21	317.61
Other current assets	595.63	327.48	246.16	265.38	264.65
<b>Total</b>	<b>5,380.18</b>	<b>3,753.92</b>	<b>2,249.66</b>	<b>2,148.10</b>	<b>2,265.99</b>

**SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED**

(Amount in Rs. Millions)

Particulars	Year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
<b>REVENUE</b>					
Revenue from Operations	9,702.94	7,124.26	3,352.15	4,446.75	3,236.26
Other Income	36.78	23.76	25.18	19.09	18.14
<b>Total Revenue ( A )</b>	<b>9,739.72</b>	<b>7,148.02</b>	<b>3,377.33</b>	<b>4,465.84</b>	<b>3,254.40</b>
<b>EXPENSES</b>					
Cost of material consumed	4,066.23	2,793.63	1,188.78	2,407.15	1,577.01
Contract and site expenses	3,916.19	3,089.32	1,479.31	1,288.74	979.43
Employee benefits expense	416.30	299.18	207.19	212.94	208.53
Finance costs	192.66	159.90	158.21	133.74	127.22
Depreciation and amortisation expense	256.02	183.37	171.46	133.86	141.66
Other expenses	105.83	161.43	37.50	31.48	20.13
<b>Total expenses ( B )</b>	<b>8,953.23</b>	<b>6,686.83</b>	<b>3,242.45</b>	<b>4,207.91</b>	<b>3,053.98</b>
<b>Profit before tax and Material Adjustment ( C = A-B )</b>	<b>786.49</b>	<b>461.19</b>	<b>134.88</b>	<b>257.93</b>	<b>200.42</b>
<b>Tax expense ( D )</b>					
Current tax	308.00	165.01	58.50	86.37	62.78
Deferred tax	(14.48)	(5.65)	(15.84)	(0.15)	2.74
<b>Total ( D )</b>	<b>293.52</b>	<b>159.36</b>	<b>42.66</b>	<b>86.22</b>	<b>65.52</b>
<b>Net Profit after taxation ( C-D )</b>	<b>492.97</b>	<b>301.83</b>	<b>92.22</b>	<b>171.71</b>	<b>134.90</b>
<b>Net Profit before restatement adjustments</b>	<b>492.97</b>	<b>301.83</b>	<b>92.22</b>	<b>171.71</b>	<b>134.90</b>
<b>Restatement adjustments:</b>					
<b>Material restatement adjustments</b>	<b>55.26</b>	<b>68.58</b>	<b>(60.89)</b>	<b>(91.95)</b>	<b>28.99</b>
<b>Less: Deferred tax on above adjustment</b>	<b>14.89</b>	<b>16.91</b>	<b>(15.05)</b>	<b>(29.23)</b>	<b>12.48</b>
<b>Net Profit before the adjustments on account of changes in accounting policies</b>	<b>533.34</b>	<b>353.50</b>	<b>46.38</b>	<b>108.99</b>	<b>151.41</b>
<b>Adjustments on account of changes in accounting policies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit as restated</b>	<b>533.34</b>	<b>353.50</b>	<b>46.38</b>	<b>108.99</b>	<b>151.41</b>

**Source for Note: DRHP**
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