

Smallcap Mantra

H.G. Infra Engineering

CMP (₹)	297.35
1-M Return (%)	311/252.6
52-week H/L	469/286
FY18E PE (x)	17.3

HG Infra Engineering is primarily engaged in EPC, civil construction works and related infra projects on item rate and lump sum basis. Roads and highways segment - which is HG Infra's key area of operation - forms a dominant portion of its total order book. While current order book of ₹50.6 billion provides robust growth visibility, it is expected to add big chunk of orders to its kitty, led by improvement in financial pre-qualification and enormous opportunity in roads and highway segment. Further, diversification into newer geographies and water segment may propel HG Infra to sustain growth. We expect HG Infra's revenue and earnings to clock 31% and 46% CAGR, respectively, through FY17-FY20.

— Reliance Securities