



# Ceigall

PURSUIT WITH EXCELLENCE

**Issue Opens - August 1, 2024 to August 5, 2024**

**Price Band**  
₹380 to ₹401

**Face Value**  
₹5

**Lot Size**  
37 Shares

**Issue Size**  
₹1,252.66 Cr

**Issue Type**  
Book Built

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# Important Events



Issue Size

**31,238,480 shares / ₹1,252.66 Cr**

Fresh Issue

**17,063,640 shares / ₹684.25 Cr**

Offer for Sale

**14,174,840 shares of ₹5 / ₹568.41 Cr**

Basis of Allotment

**Tuesday, August 6, 2024**

Initiation of Refunds

**Wednesday, August 7, 2024**

Credit of Shares to Demat

**Wednesday, August 7, 2024**

Ceigall India Listing Day

**Thursday, August 8, 2024**

## Objects of The Offer

The Company proposes to utilise the Net Proceeds towards funding the following objects:

- Purchase of equipment;
- Repayment/ prepayment, in full or in part, of certain borrowings availed by: a) our Company; and b) our Subsidiary, Ceigall Infra Projects Private Limited
- General corporate purposes.

# Brief profiles of the Directors



**Ramneek Sehgal** is the Managing Director and a Promoter of our Company. He has been with us since the company's founding and is responsible for its expansion, profitability, growth, and innovation. He oversees business planning, cost-effective operations, and market development. He holds a bachelor's degree in commerce from Osmania University.

**Puneet Singh Narula** is the Whole-Time Director, joining the company on May 2, 2023. He has a bachelor's degree in civil engineering from Guru Nanak Engineering College, Ludhiana, Punjab University, and is an associate member of the Institution of Engineers (India). He manages the company's overall operations and previously worked with IRCON International Limited, AFCONS Pauling Joint Venture, Galfar Engineering and Contracting (India) Private Limited, and KCC Buildcon.

**Arun Goyal** is an Independent Director and has been with the company since March 1, 2021. He holds a bachelor's degree in commerce from Punjab University, Chandigarh, and is an associate member of the Institute of Chartered Accountants of India. He previously spent 22 years with the Trident Group.

**Vishal Anand** is an Independent Director, associated with the company since October 26, 2021. He has a bachelor's degree in arts from Panjab University, Chandigarh, and a post-graduate diploma in business management from Infinity Business School. He has been a director at Anand Autocare Private Limited for 14 years.

**Gurpreet Kaur** is an Independent Director, also joining on October 26, 2021. She holds both bachelor's and master's degrees in commerce from Panjab University, Chandigarh, and a PhD in commerce and management studies from Himachal Pradesh University. She previously worked at Satish Chander Dhawan Government College for Girls, Ludhiana, Punjab for 33 years.



# About The Company.

Ceigall India Limited is a leading EPC company specializing in infrastructure projects like elevated roads, bridges, and tunnels. They have a strong track record of executing complex projects and have grown rapidly with a CAGR of 50.13% between FY21 and FY24. They are focused on the Indian market, particularly government infrastructure projects, and have a strong order book. Ceigall aims to capitalize on the growing infrastructure investment in India

## Description Of Their Business

They are an infrastructure construction company with experience in undertaking specialized structural work such as elevated roads, flyovers, bridges, railway over bridges, tunnels, highways, expressways and runways. They are one of the fastest growing engineering, procurement and construction ("EPC") company in terms of three-year revenue CAGR as of Fiscal 2024, among the companies with a turnover of over ₹ 10,000 million in Fiscal 2024 with over 20 years of experience in the industry.

Ceigall India Ltd. Company has completed over 34 projects, including 16 EPC, one HAM, five O&M and 12 Item Rate Projects, in the roads and highways sector. Currently, our Company has 18 ongoing projects, including 13 EPC projects and five HAM projects which includes elevated corridors, bridges, flyovers, rail over-bridges, tunnels, expressway, runway, metro projects and multi-lane highways. In addition to undertaking operation and maintenance ("O&M") activities in accordance with their contractual obligations under the EPC/HAM concession agreements, we have also undertaken independent O&M projects

*(in millions)*

S. No	Particulars	Fiscal 2024	% of total revenue	Fiscal 2023	% of total revenue	Fiscal 2022	% of total revenue
1.	EPC	20,253.30	66.05%	16,458.18	78.86%	8,479.65	73.96%
2.	HAM	8,075.19	26.34%	3,607.90	17.28%	2,640.70	23.03%
3.	O&M	97.06	0.32%	88.81	0.43%	53.10	0.46%
<b>Total</b>		<b>28,425.55</b>	<b>92.71%</b>	<b>20,154.89</b>	<b>96.57%</b>	<b>11,173.45</b>	<b>97.45</b>

# Track Record Of Financial Performance



(All amounts in Million INR unless otherwise stated)

Particulars	Notes	Year ended	Year ended	Year ended
		March 31, 2024	March 31, 2023	March 31, 2022
<b>(I) REVENUES:</b>				
Revenue from Operations	31	30,293.52	20,681.68	11,337.88
Other Income	32	368.36	188.74	127.15
<b>(I) Total Income (I)</b>		<b>30,661.88</b>	<b>20,870.41</b>	<b>11,465.04</b>
<b>(II) EXPENSES:</b>				
Cost of Materials Consumed	33	10,530.54	6,870.93	4,114.50
Cost of Construction	33.1	12,978.43	9,873.78	4,598.65
Employee Benefits Expenses	34	619.77	296.27	252.86
Finance Costs	35	941.54	517.11	105.47
Depreciation and Amortization Expenses	36	549.90	376.00	186.12
Other Expenses	37	988.17	684.40	512.72
<b>(II) Total Expenses (II)</b>		<b>26,608.34</b>	<b>18,618.50</b>	<b>9,770.32</b>
<b>(III) Profit Before Tax (I-II)</b>		<b>4,053.54</b>	<b>2,251.92</b>	<b>1,694.72</b>
<b>(IV) Tax Expenses:</b>				
Current Tax	38(a)	992.66	666.09	435.89
Deferred Tax	38(b)	17.81	(86.89)	0.22
<b>(V) Profit from Continued Operations (III-IV)</b>		<b>3,043.07</b>	<b>1,672.72</b>	<b>1,258.61</b>
<b>(VI) Other Comprehensive Income</b>	39			
Items that will not be reclassified to Profit & Loss				
(i) Re-measurement (gain)/loss on defined benefit plans		(8.04)	(5.78)	(7.66)
(ii) Tax on (i) above		2.02	1.46	1.93
<b>Total Other Comprehensive Income (VI)</b>		<b>(6.02)</b>	<b>(4.33)</b>	<b>(5.73)</b>
<b>(VII) Total Comprehensive Income for the Period (V-VI)</b>		<b>3,049.09</b>	<b>1,677.04</b>	<b>1,264.34</b>
<b>Net Profit attributable to</b>				
(i) Owners of the Company		3,061.44	1,672.72	1,258.61
(ii) Non-Controlling Interest		(18.37)	-	-
<b>Other Comprehensive Income attributable to</b>				
(i) Owners of the Company		(6.02)	(4.33)	(5.73)
(ii) Non-Controlling Interest		-	-	-
<b>Total Comprehensive Income attributable to</b>				
(i) Owners of the Company		3,067.46	1,677.04	1,264.34
(ii) Non-Controlling Interest		(18.37)	-	-
<b>(VIII) Earnings Per Equity Shares</b>	40			
Basic (In ₹)		19.37	10.65	8.01
Diluted (In ₹)		19.37	10.65	8.01

## Key financial information derived from the Restated Consolidated Financial Information:



(in ₹ million, unless stated otherwise)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	30,293.52	20,681.68	11,337.88
EBITDA <sup>(1)</sup>	5,176.62	2,956.29	1,859.15
EBITDA Margin <sup>(2)</sup> (%)	17.09%	14.29%	16.40%
Profit after tax	3,043.07	1,672.72	1,258.61
PAT Margin (%) <sup>(3)</sup>	10.05%	8.09%	11.10%
Net Worth <sup>(4)</sup>	9,064.13	5,930.62	4,312.51
Fixed Asset Turnover Ratio <sup>(5)</sup>	0.14	0.17	0.17
Total Debt to Equity <sup>(6)</sup>	1.17	1.18	0.73
ROE <sup>(7)</sup> (%)	33.57	28.20	29.19
RoCE <sup>(8)</sup> (%)	31.98	28.67	29.84

Order Book, as on June 30, 2024 and Fiscals 2024, 2023 and 2022, is as below:

Particulars	As on June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Order Book (in ₹ million)	94,708.42*	92,257.78*	108,090.43*	63,461.30*

\* As certified by Statutory Auditors by way of their certificate dated July 26, 2024

As on June 30, 2024, NHAI contributed 80.31% to our Order Book. The following table sets forth our Order Book, as on June 30, 2024 presented according to the categories we carry out our projects in:

Category	Number of Projects*	Total Project Value* (in ₹ million)	Percentage of total Order Book* (%)
HAM Projects	5	37,351.84	39.44%
EPC Projects	13	57,356.58	60.56%



# Strengths

1. Ceigall India Limited is one of the fastest growing EPC company with an experience in executing specialised structures.
2. They have healthy orderbook giving long term revenue visibility.
3. They have demonstrated project development, execution and operational capabilities.
4. Ceigall India Limited has efficient business model.
5. They have an experienced management team.

# Threats

1. The infrastructure sector is cyclical, influenced by economic conditions and government spending. Slowdowns can impact revenue and profitability.
2. Large-scale infrastructure projects involve complex execution challenges, which could impact project timelines and profitability.
3. Fluctuations in the prices of construction materials can affect margins.
4. The infrastructure sector is highly competitive, with both established players and new entrants vying for market share.

# Valuation and Outlook



The expected share price for Emcure Pharma Limited IPO is set between ₹380 to ₹401 per share. The company's valuation shows a Price-to-Earnings (P/E) ratio of 20.70x, based on a price above ₹401, and FY23 EPS is ₹19.37 whereas the industry P/E 18.34x

## Peer Analysis

Name of Company	Face Value (₹ Per Share)	Closing price on July 12, 2024 (₹)	Revenue, for Fiscal 2024 (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RONW (%)
				Basic	Diluted			
Our Company	5	Not Applicable	30,293.52	19.37	19.37	57.68	Not Applicable	33.57%
<i>Peer Group</i>								
PNC Infratech Limited	2	523.00	86,498.68	35.45	35.45	202.11	14.75	17.54%
G R Infraprojects Limited	5	1,724.80	89,801.50	136.90	136.87	786.27	12.60	17.40%
H.G. Infra Engineering Limited	10	1,688.50	53,784.79	82.64	82.64	376.71	20.43	21.94%
KNR Constructions Limited	2	363.90	44,294.86	27.64	27.64	124.37	13.17	21.51%
ITD Cementation India Limited	1	468.15	77,178.73	15.93	15.93	87.21	29.39	18.30%
J Kumar Infraprojects Limited	5	860.40	48,792.05	43.71	43.71	349.44	19.68	12.51%

The company, an EPC infrastructure contractor with a niche in NHAI projects, has recently partnered with Delhi Metro for rail infra projects; while operating in a competitive and fragmented segment, the issue is aggressively priced based on FY24 earnings, but with a strong order book and experience in specialized structures, roads, and highways and following an asset-light model and aiming for growth in revenue, profit margins, and return ratios, making it a recommended "**SUBSCRIBE**" to the issue.



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