



IPO DETAILS

#IPOlogy

CEIGALL INDIA LIMITED



 **ISSUE OPEN**

01st August , 2024

 **ISSUE CLOSE**

05th August , 2024

Min. Lot Size
37 shares

Issue Price Band
₹380 - 401

Issue Size

Fresh Issue:
1.71Cr Eq shares
(₹684.25 Cr)

OFS:
1.42 Cr Eq shares
(₹568.41 Cr)

Face Value

₹5

Industry

Infrastructure Construction

Listing at

NSE, BSE

RATING

Subscribe

OPEN ACCOUNT

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

[For Facts & Figures](#)



CEIGALL INDIA LIMITED

Rationale

Considering the FY24 adjusted EPS of Rs 17.47, the company is going to list at a P/E of 22.96x with a market cap of Rs 6,985 Cr, whereas its peers namely PNC Infratech Ltd, G R Infraprojects Ltd, H.G. Infra Engineering Ltd, KNR Constructions Ltd, ITD Cementation India Ltd and J Kumar Infraprojects Ltd are trading at P/E of 14.5x, 15.1x, 20.6x, 14.5x, 32.1x & 19.5x respectively.

We assign "Subscribe" rating to this IPO as the company is one of the fastest growing EPC company with a healthy order book giving long term revenue visibility. Also, it is available at reasonable valuation as compared to its peers.

Objectives of the issue

Purchase of equipment

Repayment/ prepayment, in full or in part, of certain borrowings availed by the Company and the subsidiary, Ceigall Infra Projects Private Limited

General corporate purposes

Company Overview

Ceigall India Limited is an infrastructure construction company with expertise in specialized structural projects, including elevated roads, flyovers, bridges, railway overpasses, tunnels, highways, expressways, and runways.

The company derives 66.05% revenue from EPC Projects, 26.34% revenue from HAM projects and 0.32% revenue from O&M projects.

The company has completed over 34 projects, including 16 EPC, 1 HAM, 5 O&M and 12 Item Rate Projects, in the roads and highways sector. Currently, the company has 18 ongoing projects, including 13 EPC projects and 5 HAM projects which includes elevated corridors, bridges, flyovers, rail over-bridges, tunnels, expressway, runway, metro projects and multi-lane highways.

As of March 31, 2024, the company have 1,488.17 lane kilometers of ongoing projects. Also, the company has completed 2,158.72 lane kilometers of O&M projects.

The company's order book as of June 30, 2024, and for the fiscal years 2024, 2023, and 2022, were ₹9,470.84 Cr, ₹9,225.78 Cr, ₹10,809.04 Cr, and ₹6,346.13 Cr, respectively.



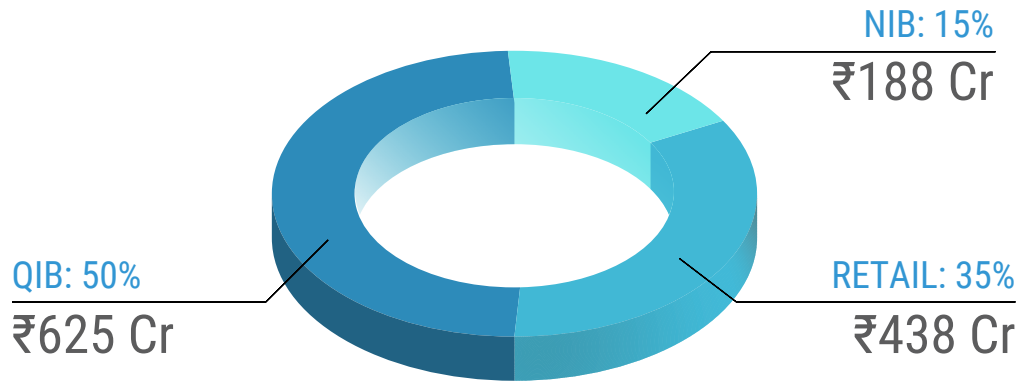
National Highway Projects Leader

The company has diversified geographical presence in construction and development and execution of major multi-lane highway projects with specialized structures in various states of India, including Punjab, Haryana, Rajasthan, Uttar Pradesh, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Delhi, Maharashtra and Bihar.

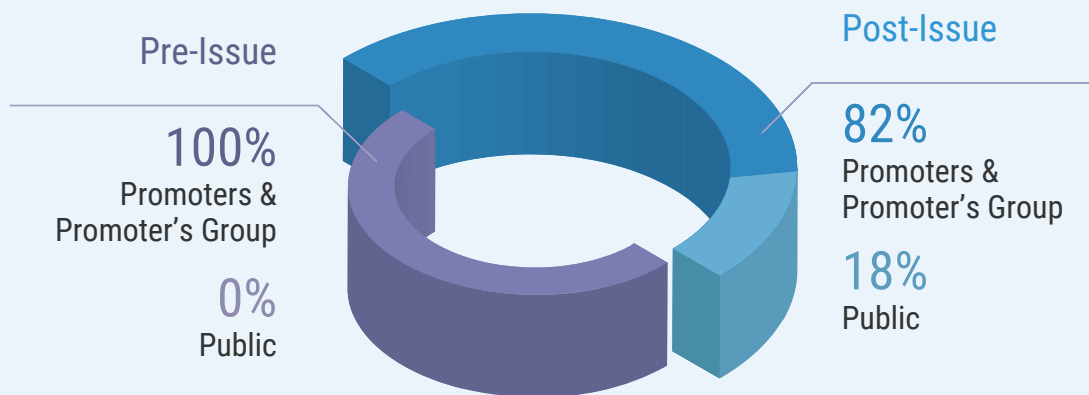


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Issue Details

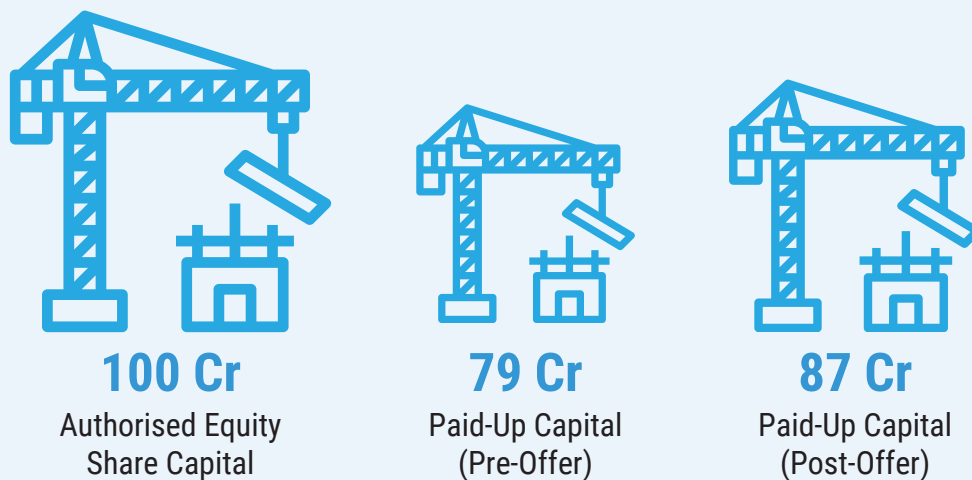
Issue Break-Up



Shareholding Pattern



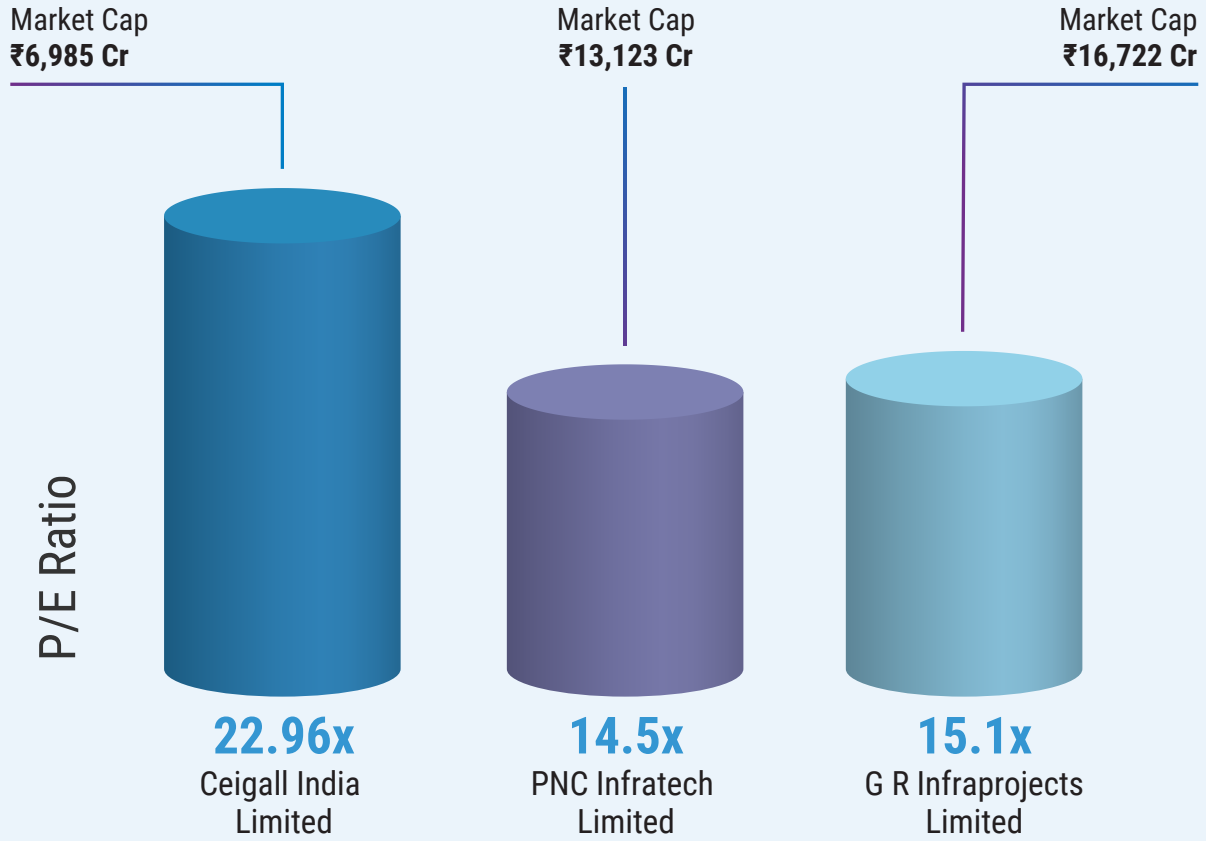
Capital Structure (in ₹ Cr.)





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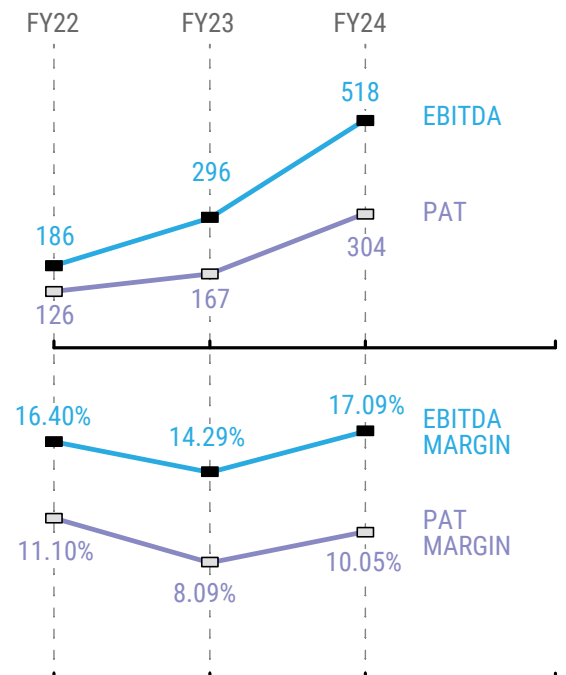
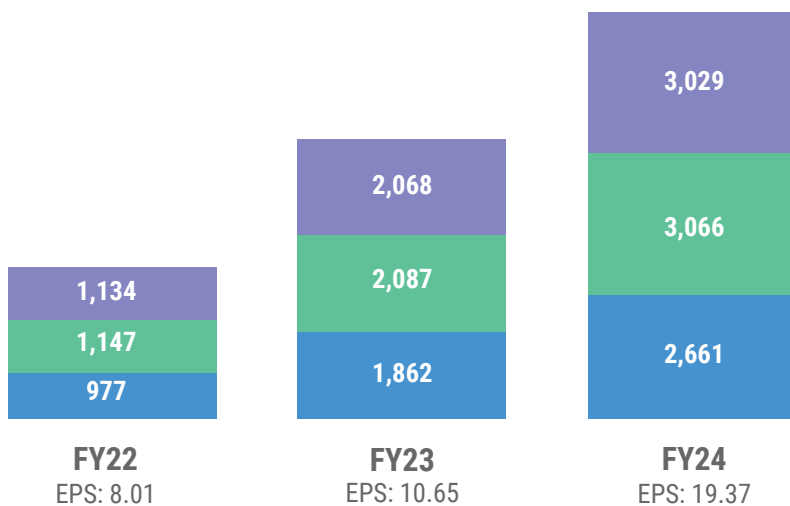
Valuations and Peer Comparison



Market Cap data of listed securities as on July 30, 2024

Financial Snapshot (in ₹ Cr)

- Revenue
- Total Income
- Total Expenses





CEIGALL INDIA LIMITED

Business Insights



Competitive Strengths

- One of the fastest growing EPC company with an experience in executing specialized structures.
- Healthy orderbook giving long term revenue visibility.
- Demonstrated project development, execution and operational capabilities.
- Efficient business model.
- Experienced management team.



Business Strategy

- Diversification by leveraging existing capabilities.
- Selectively expand geographical footprint.
- Continue to explore hybrid annuity-based model to optimize project portfolio.
- Continue focusing on enhancing execution efficiency.
- Continue to grow and benefit from the robust future growth of India's economy and infrastructure.



Risks

- The company's business is primarily dependent on contracts awarded by governmental authorities. As on June 30, 2024, the NHAI projects awarded to the company constituted 80.31% of the Order Book, while the remaining 19.69% of the Order Book was from contracts with other central, state governmental and local departments. Any adverse changes in the central, state or local government policies may lead to contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on business, profitability and results of operations.
- Delays in the completion of construction of ongoing projects could lead to termination of contracts or cost overruns or claims for damages, which could have an adverse effect on cash flows, business, results of operations and financial condition.

Promoters and Management Details

Ramneek Sehgal - Managing Director

Puneet Singh Narula - Managing Director

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