

Cert. No.: Ldh/CIL/2731

To,

The Board of Directors

Ceigall India Limited

A-898, Tagore Nagar,
Ludhiana, Punjab 141001
India
(the "Company")

ICICI Securities Limited

ICICI Venture House, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025
Maharashtra, India

JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
Maharashtra, India

IIFL Securities Limited

10th Floor, IIFL Centre,
Kamla City, Senapati Bapat Marg
Lower Parel (West)
Maharashtra, India

(ICICI Securities Limited, JM Financial Limited, IIFL Securities Limited and any other book running lead managers appointed by the Company are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")

Dear Sir/Madam,

RE: Certificate on Basis of Offer Price

Sub: Proposed initial public offering of equity shares of face value of ₹5 each (the "Equity Shares") of Ceigall India Limited (the "Company" and such offer, the "Offer")

We, M/s B D Bansal & Co., Statutory Auditors of the Company, in connection with calculation of the basis for offer price of the Equity Shares in the Offer, have verified the following information with respect to the Company, extracted from the Restated Financial Statements and other relevant records of the Company and certify as under:

1. EARNING PER SHARE (“EPS”) (as adjusted for changes in capital, if any), calculated in accordance with the Indian Accounting Standard 33 issued by the Institute of Chartered Accountants of India:

Fiscal / Financial period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2022	8.01	8.01	1
2023	10.65	10.65	2
2024	19.37	19.37	3
Weighted Average	14.57	14.57	

Notes:

- i) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
- ii) *Basic Earnings per Equity Share (₹) = Net profit after tax as restated / Weighted average no. of Equity Shares outstanding during the year*
- iii) *Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year*
- iv) *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’.*
- v) *The figures disclosed above are based on the Restated Ind-AS Financial Statements of our Company.*

2. AVERAGE RETURN ON NET WORTH (“RoNW”):

Fiscal / Period	RoNW (%)	Weight
2022	29.19%	1
2023	28.20%	2
2024	33.57%	3
Weighted Average	31.05%	-

Notes:

- i) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*
- ii) *Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period.*
- iii) *‘Net worth’ under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2022; 2023 and 2024, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. It includes NCI.*

3. NET ASSET VALUE (“NAV”) per Equity Share as per last balance sheet:

Financial Period	NAV per Equity Share (in INR)
March 31, 2024	57.68
After completion of the Offer	
- At Floor Price	[●]
- At Cap Price	[●]
- At Offer Price	[●]

Notes:

- (i) Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of year/period..
- (ii) ‘Net worth’ under Ind-AS: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. It includes NCI.

4. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price Band (no. of times)
Based on basic EPS for Fiscal [●]	[●]	[●]
Based on diluted EPS for Fiscal [●]	[●]	[●]

Industry P/E ratio

	P/E Ratio	Name of the company	Face value of equity shares (₹)
Highest	[●]	[●]	[●]
Lowest	[●]	[●]	[●]
Average	[●]	[●]	[●]

5. Comparison of Accounting Ratios with Listed Industry Peers¹

Name of Company	Face Value	Closing price on July 12, 2024 (₹)	Revenue, for Fiscal 2024 (in ₹ million)	EPS (₹)		NAV	P/E	RONW (%)
	(₹ Per Share)			Basic	Diluted	(₹ per share)		
Ceigall India Limited	5	Not Applicable	30,293.52	19.37	19.37	57.68	Not Applicable	33.57%
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	136.9	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 Ltd	1	468.15	77,178.73	15.93	15.93	87.21	29.39	18.30%
J Kumar Infra projects	5	860.40	48,792.05	43.71	43.71	349.44	19.68	12.51%

Notes:

i) With respect to the Company, the information above is based on the Restated Consolidated Financial Statements for the year ended March 31, 2024

ii) Financial information for listed industry peers mentioned above is for the year ended March 31, 2024 is based on disclosures/submissions made by these companies to the stock exchanges/financial hosted on their website

iii) EPS of the peers is taken as per disclosed in brief financial of Q4-2024, Diluted EPS refers to the diluted earnings per share of the respective company

iv) NAV is computed as the net worth at the end of the year divided by the closing outstanding number of equity shares

v) P/E Ratio has been computed based on the closing market price of the equity shares (Source: NSE) on [July 12, 2024], divided by the diluted EPS of March 31, 2024

vi) Return on Net Worth (%) = Net Profit after tax, as restated / Restated net worth at the end of the year/period.

vii) Net profit after tax is profit after tax including profit of JV/ Associates and excludes other comprehensive income

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we confirm that the information in this certificate is accurate and factually correct.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in the red herring prospectus and prospectus or any other

¹ Source: Quarterly Financials Results for the Q4 of FY 2023-24

documents in connection with the Offer (collectively, the “**Offer Documents**”). We also consent to the submission of this certificate as may be necessary, SEBI, Stock Exchanges, Registrar of Companies and to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisors, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

For BD Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

(Anil Kumar Gupta)
Partner
M. No. 089988
UDIN: 24089988BKELIT9155

Place: Ludhiana
Date: 26.07.2024

Encl.: As above

CC:

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110 020
Delhi, India

Legal Counsel to the Book Running Lead Managers as to Indian Law

Trilegal
One World Centre,
10th floor, Tower 2A & 2B,
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India