



To,
The Board of Directors,
B.R. Goyal Infrastructure Limited
3-A, Shradhanand Marg Main Rd, Old
Agarwal Nagar, Indore, Madhya Pradesh
452001

TO,
BEELINE CAPITAL ADVISORS PRIVATE
LIMITED,
B/1311-1314, Shilp Corporate Park Near Rajpath
Club, Rajpath Rangoli Road, Sarkhej -
Gandhinagar Hwy, Ahmedabad, Gujarat 380054

(Beeline Capital Advisors Private Limited Referred to as the “Lead Manager”)

Dear Sir,

SUB: Proposed Initial Public Offering of Equity Shares of ₹ 10 Each (The “Equity Shares”) Of B.R. GOYAL INFRASTRUCTURE Limited (The “Company” and Such Offering, The “Issue”)

Dear Sir,

According to the revenue and other assumptions, information/explanation as provided by the Company, Terms of our engagement with the Company and as per relevant records produced before us, we certify that we have examined the correctness of working capital assessment of the Company and funding pattern of working capital gap as follows:

Working Capital Requirement

The business of B.R. GOYAL INFRASTRUCTURE Limited is a working capital intensive business. Considering the existing growth rate, the total working capital needs of the Company (as assessed by the Company based on their internal workings), is expected to reach Rs. 17,461.28 Lacs for FY 2024-25. The company will meet the requirement to the extent of Rs. 4000.00 Lacs from the Net Proceeds of the Issue and balance from Internal Accruals at an appropriate time as per the requirement.

As per the internal workings provided by the Company for future Projections and Restated Standalone Financial Statement of the Company issued by M/s A B M S & Associates dated 31ST March, 2022, 2023 and 2024 for last three years and stub period ended on 31ST July 2024, the position of estimated working Capital as per requirement arrived is as follows:

Details of Estimation of Working Capital requirement are as follows:

| S. No. | Particulars | Actual (Restated) | Actual (Restated) | Actual (Restated) | Actual (Restated) | Provisional |
|--------|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------|
| | | 31-March-22 | 31-March-23 | 31-March-24 | 31-July-24 | 31-March-25 |
| I | Current Assets | | | | | |
| | Trade receivables | 2,560.70 | 2,244.00 | 2,880.21 | 3638.17 | 3,630.09 |
| | Inventories - Raw Materials | 487.10 | 530.86 | 635.90 | 593.37 | 1,188.28 |
| | Inventories – WIP | 4,540.09 | 4,964.22 | 5,349.75 | 6629.25 | 7,111.12 |
| | Cash and cash equivalents | 2,277.35 | 2,823.54 | 2,852.83 | 2343.57 | 3,757.31 |
| | Short term loan & | 2,219.24 | 2,180.29 | 2,954.09 | 3398.17 | 4,205.23 |

INR in Lakhs

| | | | | | | |
|-----|--|------------------|------------------|------------------|------------------|------------------|
| | Advances | | | | | |
| | Other Current Assets | 880.94 | 440.75 | 1,017.75 | 1383.10 | 1,100.00 |
| | Total(A) | 12,965.43 | 13,183.65 | 15,690.52 | 17985.63 | 20,992.20 |
| II | Current Liabilities | | | | | |
| | Trade payables | 1,926.94 | 1,440.37 | 2,216.54 | 2380.08 | 2,530.92 |
| | Short Term Provisions | 130.64 | 117.63 | 132.49 | 141.68 | 119.24 |
| | Other Current Liabilities | 608.84 | 916.82 | 717.77 | 368.49 | 880.76 |
| | Total (B) | 2,666.41 | 2,474.82 | 3,066.80 | 2890.25 | 3,530.92 |
| III | Total Working Capital Gap (A-B) | 10,299.02 | 10,708.83 | 12,623.72 | 15,095.38 | 17,461.28 |
| IV | Funding Pattern | | | | | |
| | Short term borrowing & Internal Accruals | 10,299.02 | 10,708.83 | 12,623.72 | 15,095.38 | 13,461.28 |
| | IPO Proceeds | | | | | 4,000.00 |

Key assumptions for working capital projections made by the Company:

| Particulars | Actual March 31, 2022 | Actual March 31, 2023 | Actual March 31, 2024 | Actual July 31, 2024 | Projected March 31, 2025 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|--------------------------|
| Creditors (in days) | 43 | 19 | 24 | 88 | 21 |
| Debtors (in days) | 45 | 24 | 25 | 116 | 25 |
| Raw Material Holding Period (in days) | 20 | 19 | 30 | 73 | 25 |
| WIP Conversion Period (in days) | 78 | 54 | 47 | 190 | 50 |

Justification:

| S. No. | Particulars |
|--------------------|---|
| Debtors | <i>We expect Debtors days to be at 25 days approx. for FY 2024-25 based on increased sales of Products and better credit Management policies ensuring timely recovery of dues.</i> |
| Creditors | <i>We expect creditor payment days to be at 21 approx. for FY 2024-25 based on increased purchase and better credit period allowed by suppliers.</i> |
| Inventories | <i>We expect Inventory levels to maintain 25 days for Raw Materials and 50 days for WIP for FY 2024-25 due to their trading cycle, increase in sales and maintaining required level of Inventory.</i> |

The above certificate has been given on the specific request of the Company management for IPO of the company

FOR M/S. A B M S & Associates
Chartered Accountants
F.R.N. 030879C

CA Abhay Sharma
Partner
M. No. 411569
UDIN - 24411569BKHHAH4352

Place: Indore
Date: 25-12-2024