



**NEWMALAYALAM STEEL LIMITED**

Newmalayalam Steel Limited (the “Company” or the “Issuer”) was incorporated on March 31, 2017 as ‘NewMalayalam Steel Private Limited’, a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by Board of Directors in their meeting held on December 15, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 19, 2023 and consequently the name of our Company was changed to ‘NewMalayalam Steel Limited’ and a fresh certificate of incorporation dated February 1, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U27209KL2017PLC048762. For details of change in Registered Office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” on page 131 of this Draft Red Herring Prospectus.

**Registered Office:** Door No. 2/546/A & 2/546/B Mala, Pallipuram P O, Mala, Thrissur - 680 732, Kerala, India; **Telephone:** +91 703 421 2002; **E-mail:** info@demacsteel.com; **Facsimile:** N.A.; **Website:** www.demacsteel.com; **Contact Person:** Shravan Kannan Dev, Company Secretary & Compliance Officer; **Corporate Identity Number:** U27209KL2017PLC048762

**PROMOTERS OF OUR COMPANY: VAZHAPPILY DAVIS VARGHESE, DIVYAKUMAR JAIN, ANKUR JAIN, MAHENDRA KUMAR JAIN, MOLLY VARGHESE AND CYRIAC VARGHESE**

**ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED APRIL 23, 2024; NOTICE TO THE INVESTORS (“THE ADDENDUM”)**

**INITIAL PUBLIC OFFER OF UPTO 46,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF OUR COMPANY AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND MALAYALAM EDITIONS OF [●] (A MALAYALAM LANGUAGE NEWSPAPER, MALAYALAM BEING THE REGIONAL LANGUAGE OF KERALA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).**

Potential Bidders may note the following: “COVER PAGE”, “DEFINITIONS AND ABBREVIATIONS”, “ISSUE DOCUMENT SUMMARY”, “RISK FACTORS”, “CAPITAL STRUCTURE”, “OBJECTS OF THE ISSUE”, “OUR BUSINESS”, “OUR MANAGEMENT”, “OUR PROMOTERS AND PROMOTER GROUP” AND “GOVERNMENT AND OTHER STATUTORY APPROVALS” have been updated in accordance with the suggestions made by NSE.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus and Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**Place:** Kerala, India  
**Date:** July 29, 2024

**On behalf of NewMalayalam Steel Limited**

**Sd/-  
Vazhappily Davis Varghese  
Managing Director**

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**Khandwala Securities Limited**  
Vikas Building, Ground Floor, Green Street, Fort,  
Mumbai – 400 023, Maharashtra, India.  
**Telephone:** +91 224 076 7373;  
**Facsimile:** +91 224 076 7377 / 78;  
**Email:** ipo@kslindia.com, rinav@kslindia.com;  
**Investor grievance email:** investorsgrievances@kslindia.com  
**Website:** www.kslindia.com;  
**Contact Person:** Rinav Manseta / Sanket Sharma  
**CIN No.:** L67120MH1993PLC070709  
**SEBI Registration Number:** INM000001899

**REGISTRAR TO THE ISSUE**

**KFin Technologies Limited**  
(formerly known as KFin Technologies Private Limited)  
Selenium Tower B, Plot No.31-32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad – 500 032,  
Telangana, India.  
**Telephone:** +91 406 716 2222  
**Toll Free No.:** 1800 309 4001  
**Facsimile:** +91 406 716 1563  
**Email:** nmsl.ipo@kfintech.com  
**Investor Grievance Email:** inward.ris@kfintech.com  
**Website:** www.kfintech.com  
**Contact Person:** M. Murali Krishna  
**SEBI Registration No.:** INR000000221  
**CIN No.:** L72400TG2017PLC117649

**BID/ISSUE PROGRAMME**

**ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]**

**BID/ISSUE OPENS ON: [●]**

**BID/ISSUE CLOSES ON\*\*: [●]**

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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, or “NewMalayalam”	NewMalayalam Steel Limited, a company incorporated under the Companies Act, 2013, having its registered office at Door No. 2/546/A & 2/546/B Mala, Pallipuram P O, Mala, Thrissur - 680 732, Kerala, India.
Our Promoters	Promoters of our Company, namely Vazhappily Davis Varghese, Divyakumar Jain, Ankur Jain, Mahendra Kumar Jain, Molly Varghese and Cyriac Varghese. For further details, please see the section entitled “Our Promoters and Promoter Group” on page 162 of this Draft Red Herring Prospectus.
Promoter’s Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

## SECTION II – ISSUE DOCUMENT SUMMARY

### Promoters

The Promoters of our Company is Vazhappily Davis Varghese, Divyakumar Jain, Ankur Jain, Mahendra Kumar Jain, Molly Varghese and Cyriac Varghese. For further details, please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning on Page No. 162 of this Draft Red Herring Prospectus.

### Aggregate Pre Issue Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<i>Promoters</i>					
1.	Vazhappily Davis Varghese	62,91,300	49.74	[•]	[•]
2.	Divyakumar Jain	36,49,400	28.85	[•]	[•]
3.	Ankur Jain	21,29,500	16.84	[•]	[•]
4.	Mahendra Kumar Jain	5,32,400	4.21	[•]	[•]
5.	Molly Varghese	10,000	0.08	[•]	[•]
6.	Cyriac Varghese	10,000	0.08	[•]	[•]
<b>Total</b>		<b>1,26,22,600</b>	<b>99.80</b>	<b>[•]</b>	<b>[•]</b>

As on date of this Draft Red Herring Prospectus, the members of our Promoter Group do not hold any shareholding in our Company. For further details, please refer to the chapter titled “*Capital Structure*” beginning on Page No. 65 of this Draft Red Herring Prospectus.

### **Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus**

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	No. of shares acquired in last one year from the date of this Draft Red Herring Prospectus	Weighted Average Price (in ₹)
Vazhappily Davis Varghese	Nil	Nil
Divyakumar Jain	Nil	Nil
Ankur Jain	Nil	Nil
Mahendra Kumar Jain	Nil	Nil
Molly Varghese	10,000	28.75
Cyriac Varghese	10,000	28.75

### **Average Cost of Acquisition of Equity Shares for Promoters**

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Vazhappily Davis Varghese	62,91,300	9.90
Divyakumar Jain	36,49,400	9.94
Ankur Jain	21,29,500	10.00
Mahendra Kumar Jain	5,32,400	10.00
Molly Varghese	10,000	28.75
Cyriac Varghese	10,000	28.75

## SECTION III – RISK FACTORS

### INTERNAL RISK FACTORS

#### BUSINESS RELATED RISKS

**10. Our Group Companies may have conflict of interest with us as they are engaged in similar industry segment and may compete with us. Further, any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoters and Directors could have a material adverse effect on our business and results of operations.**

Our Group Companies, Vytila Steel Private Limited, Jaihind Steel Private Limited and Jaihind Tubes Private Limited are engaged in the similar industry segment as that of our Company. In view of the same, there might be conflicts of interest in future. We have not entered into any non-compete agreements with our Group Companies and there can be no assurance that our Group Companies will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance. Further, our Promoters and Directors are directors and promoters of our Promoter Group entities, namely, Vytila Steel Private Limited, Jaihind Steel Private Limited, Jaihind Steel Tubes Private Limited, Starshine Aluminium Extrusions Private Limited, Jaihind Tubes Private Limited and Prime Metals. For details, please see the chapters titled “Our Business” and “Our Promoters and Promoter Group” on pages 109 and 158, respectively. These entities are engaged in the similar industry segment as that of our Company, thereby causing a conflict of interest between our Company and our Promoters and Directors. We have not entered into a non-compete arrangement with him to address such conflicts. We cannot assure you that a conflict will not arise, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

**11. There have been instances of delays in payment of statutory dues, i.e. GST by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations.**

In the past, there have been certain instances of delays in payment of statutory dues, i.e. GST, by the Company. The details of the delay caused in payment of statutory dues have been provided below:

Statutory Dues	Details of Financial Year	Period of Delay	Days of delay	Payment Dates	Reason for delay	Steps taken to address such delays
PF	FY_2017-18	September	03	18-10-17	Due to initial times of the Company.	Had ensured that such delay does not happen.
PF	FY_2020-21	March	-	13-04-21	All employees PF amount has been collected and deposited on 13/04/2021 except one employee Anjalu Hajowary 's amount due to mismatch of his name in PF portal and Aadhar card.Which was later deposited on 25/09/2021.	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.
PF	FY_2021-22	May	-	14-06-21	All employees PF amount has been collected and deposited on 14/06/2021 except one employee Rongjalu Hajowary's amount due to mismatch of his name in PF	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.

					portal and Aadhar card. Which was later deposited on 19/06/2021.	
PF	FY_2021-22	August	-	13-09-21	All employees PF amount has been collected and deposited on 13/09/2021 except the employee Anjalu Hajowary's amount not paid due to mismatch of his name in PF portal and Aadhar card. Which was later deposited on 25/09/2021.	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.
PF	FY_2022-23	April	-	14-05-22	All employees PF amount has been collected and deposited on time except two employees such as Philson Marak and Santosh Singh, due to mismatch of their names in PF portal and Aadhar card. These amounts were later deposited on 16/05/2022 & 18/05/2022 respectively.	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.
PF	FY_2022-23	May	-	14-06-22	All employees PF amount has been collected and deposited on 14/06/2022 except one employee Deepak Sangma 's amount not paid, due to mismatch of his name in PF portal and Aadhar card. Which was later deposited on 24/06/2022.	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.
PF	FY_2022-23	March	-	17-04-23	All employees PF amount has been collected and deposited on 17/04/2023 except one employee Birkha Bahadur Chetry, due to mismatch of his name in PF portal and Aadhar card, which was later deposited on 29/06/2023.	There was no delay from Company part. It was issue with one of the employees, which was corrected. Company has outsourced the PF/ ESI work to independent professional, so as to ensure that such mistakes does not happen in future.

Our Company has already made provisions in the financials of the Company for such delay payments. However, It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to payment of statutory dues. In the past also, the company has been regular in collecting and depositing the PF/ ESI. It is only in case of 1-2 employees where they had issues with Aadhar and PAN data etc which is actually the responsibility of the employee and not the company. The happening of such events may cause imposition of fine / penalty which may have minimal adverse effect on the results of our operations and financial position.

**12. There have been instances of delays in payment of statutory dues, i.e. EPF by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations.**

In the past, there have been certain instances of delays in payment of statutory dues, i.e. EPF, by the Company. The details of the delay caused in payment of statutory dues have been provided below:

Statutory Dues	Details of Financial Year	Period of Delay	Days of delay	Payment dates	Reason for delay	Steps taken to Address such delay
TS GST	FY_2017-18	Jul-17	45 days	12-10-17	First Year of GST Implementation, issues in compliances due to frequent changes, reconciliations, compliances from all ends etc,	The Company has outsourced the GST Compliance to independent professional so as to ensure timely compliances.
TS GST	FY_2017-18	Aug-17	30 days	20-10-17		
TS GST	FY_2017-18	Sep-17	1 day	21-10-2017		
TS GST	FY_2021-22	Apr-21	15 days	04-06-21	Delay due to Due to corona second wave staff restrictions.	Though the delay was due to Corona where the entire country was under lockdown. However. The Company has outsourced the GST Compliance to independent professional so as to ensure timely compliance.
TS GST	FY_2021-22	May-21	13 days	03-07-21		

Our Company has already made provisions in the financials of the Company for such delay payments. There has been no delay in payment of GST since May 2021. However, It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to payment of statutory dues. The happening of such event may cause imposition of fine / penalty which may have minimal adverse effect on the results of our operations and financial position.

**20. Certain Directors of our Company either do not hold any educational qualifications or are unable to trace copies of their educational qualifications. Accordingly, we have no disclosed details of their educational qualifications in the chapter titled “Our Management” of the Draft Red Herring Prospectus.**

Our Chairman, Mahendra Kumar Jain, Managing Director and Suman Jain do not hold any educational qualifications and therefore we cannot assure you that they possess the requisite qualifications to head our Company. Further, Vazhappily Davis Varghese, Non-Executive Director of our Company is unable to trace his educational qualifications, therefore details in respect of his educational qualifications have not been disclosed in the chapter titled “Our Management” of the Draft Red Herring Prospectus. Accordingly, the disclosures added in the chapter titled “Our Management” may not be adequate to inform the investors about the educational background of some of our Directors.

**32. Our Promoters have extended personal guarantees and personal properties as collateral security with respect to various loan facilities availed by our Company, Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.**

Our Promoters, Vazhappilly Davis Varghese, Mahendra Kumar Jain, Divya Kumar Jain, Ankur Jain, Suman Jain, Cyriac Varghese and Molly Varghese have extended certain personal guarantees in favour of certain banks / financial institutions with respect to various

facilities availed by our Company from them. Further, our Promoters, Vazhappilly Davis Varghese and Molly Varghese have extended their personal property, as collateral security to secure the loan facilities availed by our Company. In the event any of these guarantees are revoked or if the personal property of our Promoters are withdrawn, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If the guarantees is invoked or our manufacturing unit is foreclosed, the ability of our Company to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled “*Financial Indebtedness*” on page 212 of this Draft Red Herring Prospectus.



## CAPITAL STRUCTURE

### Shareholding of our Promoter

Set forth below are the details of the build-up of shareholding of our Promoters:

#### *Mahendra Kumar Jain*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
August 17, 2017	Transfer from Vazhappily Davis Varghese	Cash	199	1,000	1,000	Negligible	[•]
August 17, 2017	Transfer from Cyriac Varghese	Cash	1	1,000	1,000	Negligible	[•]
November 4, 2017	Preferential Allotment	Cash	5,124	1,000	1,000	0.04	
<i>Pursuant to a resolution passed by our Shareholders at the EGM dated November 04, 2023, the Equity Shares of face value of ₹ 1,000 each were sub-divided into Equity Shares of face value of ₹10 each.</i>							
Sub-division of Equity Shares		Cash	5,32,400	10		4.21	[•]
<b>Total</b>			<b>5,32,400</b>	<b>10</b>		<b>4.21</b>	<b>[•]</b>

#### *Molly Varghese*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
December 27, 2023	Transfer to Molly Varghese	Cash	10,000	10	28.75	0.08	[•]
<b>Total</b>			<b>10,000</b>	<b>10</b>		<b>0.08</b>	<b>[•]</b>

#### *Cyriac Varghese*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
March 30, 2017	Subscription to Memorandum of Association	Cash	1	1,000	1,000	Negligible	[•]
August 17, 2017	Transfer to Mahendra Kumar Jain	Cash	(1)	1,000	1,000	Negligible	[•]
<i>Pursuant to a resolution passed by our Shareholders at the EGM dated November 04, 2023, the Equity Shares of face value of ₹ 1,000 each were sub-divided into Equity Shares of face value of ₹10 each.</i>							
December 27, 2023		Transfer from Vazhappily Davis Varghese	10,000	10	28.75	0.08	[•]
<b>Total</b>			<b>10,000</b>	<b>10</b>		<b>0.08</b>	<b>[•]</b>

The details of the Shareholding of the Promoters as on the date of this Draft Red Herring Prospectus are set forth in the table below:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoter</b>					
1.	Vazhappily Davis Varghese	62,91,300	49.74	[•]	[•]

2.	Divyakumar Jain	36,49,400	28.85	[•]	[•]
3.	Ankur Jain	21,29,500	16.84	[•]	[•]
4.	Mahendra Kumar Jain	5,32,400	4.21	[•]	[•]
5.	Molly Varghese	10,000	0.08	[•]	[•]
6.	Cyriac Varghese	10,000	0.08	[•]	[•]
<b>Total</b>		<b>1,26,22,600</b>	<b>99.80</b>	[•]	[•]

As on date of this Draft Red Herring Prospectus, the members of our Promoter Group do not hold any shareholding in our Company.

**Promoter's Contribution and other Lock-In details:**

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<i>Vazhappily Davis Varghese</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]					[•]	
<i>Divyakumar Jain</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]					[•]	
<i>Ankur Jain</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]					[•]	
<i>Mahendra Kumar Jain</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]					[•]	
<i>Molly Varghese</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]				[•]		
<i>Cyriac Varghese</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]				[•]		

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoter's Contribution**”), and the Promoter's shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of six months from the date of Allotment.

The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

\* Subject to finalisation of Basis of Allotment.

- (1) For a period of three years from the date of allotment.
- (2) All Equity Shares have been fully paid-up at the time of allotment.

**All Equity Shares held by our Promoters are in dematerialized form.**

## OBJECTS OF THE ISSUE

**Our Company proposes to utilize the Net Proceeds from the offer towards funding the following objects:**

1. Purchase of software for electronic management of the inventory and expansion of the existing solar facility for power generation

### **Requirement of Funds and Utilisation of Net Proceeds**

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

Sr. No.	Particulars	Estimate amount
1.	Purchase of software for electronic management of the inventory and expansion of the existing solar facility for power generation	521.95
3.	Funding of expenditure towards civil construction of new factory shed cum storage facility within the existing factory premises situated at Kerala	255.95
4.	Advertising, Marketing and Brand Building	505.55
5.	Funding incremental working capital requirements of our Company	1,420.00
6.	Issue related expenses*	[•]
7.	General Corporate purposes#	[•]
	<b>Total</b>	[•]

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

# The amount utilised for general corporate purposes and pursuing inorganic acquisitions shall not exceed 35% of the Gross Proceeds. The amount to be utilised for general corporate purposes alone or for pursuing inorganic initiatives alone shall not exceed 25% of the Gross Proceeds.

### **Details of the Objects**

#### **1. Purchase of software for electronic management of the inventory and expansion of the existing solar facility for power generation:**

Our products find extensive application in the general households of Kerala. Accordingly, our products experience a constant demand on account of being an indispensable raw material in the construction industry in Kerala.

With a view to electronically manage the inventory status and to upgrade the current technology driving the manufacturing process and inventories status, the Company proposes to incur expenditure towards IT Equipment's and Storage for Rs.287.62 Lakhs from Net Proceeds of the Issue, details of the proposed / estimated expenditure obtained from *Slone Infosystems Limited* for the IT Equipment and storage is provided below:

Sr. No.	Description of Goods	Quantity	Rate	Per	Amount
1	Storage	3.0.No	56,00,000.00	No.	168.00
	Hp MSA 2052 7.6TB 12ssd+20TB				
	*12*3EXPANSION, USABLE				
	700TB WITH TIERING LICENCE				
2.	Storage	2.0 No	10,00,000.00	No.	20.00
	Promise Vtrak E830				
	San Storage Encbuser Type				
	588 SAS,4TB*24 (96TB),				
	Wih San Controller Carri				
3.	DUNK SWITCH	2.0 No.	16,00,000.00	No.	32.00
	DS-C9148-48 P0RT-K9 s;\7TCH				
	DS-SFP-FCBG-SW Module				
4.	DUNK SWITCH	5.0 No	4,75,000.00	No.	23.75
	3750X-48 PORT				
					243.75
	S-IGST 18 %			18%	43.87
	<b>Total</b>	<b>12.0 No.</b>			<b>287.62</b>

**Details in relation to the proposed expenditure in terms of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2015**

The date of quotation and validity is as follows:

Date of Quotation: **February 02, 2024**

Date of Validity: **May 31, 2024**

Name of the vendor: **Slone Infosystems Limited**

Percentage and value terms of the equipment for which orders are yet to be placed: **100% of the order is yet to be placed.**

There is no second-hand equipment which is proposed to be bought

**Expansion of the existing solar facility for power generation:**

Adequate and cost-effective supply of electrical power is required for our operations. Our business requires uninterrupted supply of electrical power in order to ensure smooth functioning of our business. The shortage or non-availability of electrical power may adversely affect our business and have an adverse impact on our results of operations and financial condition.

Further, it is proposed to utilize Rs.234.00 Lakhs towards expansion of the present solar facility from the Net Proceeds. Our Company has received quotation from the vendor **Kirloskar Solar** (detail mentioned below) for setting up of the aforementioned solar plant.

*Date of Quotation: February 02, 2024*

*Date of Validity: May 31, 2024*

**Estimated cost of Solar Installation:**

The estimated cost for set up of solar facility is set forth below:

*(Amount in lakhs)*

Solar Project	PER KW Rate	500 KWP
Cost Of Plant	40,000	200.00
TAX-13.8%	5,520	27.60
<b>TOTAL</b>	<b>45,520</b>	<b>227.60</b>

Other Expenses in relation to Solar Installation includes following:

*(Amount in lakhs)*

Sr. No	Particulars	Amount
1.	Feasibility	0.01
2.	Registration	5.91
3.	GST	0.82

After installation of solar facility, our power cost expenses will substantially reduce to a great extent and our dependence on state electric supply shall also be curtailed.

Sr. No.	Particulars	Estimate amount
1.	IT / Technological Upgradation of existing manufacturing facility	287.62
2.	Expansion of the existing solar facility for power generation	234.34
3.	Funding of expenditure towards civil construction of new factory shed cum storage facility within the existing factory premises situated at Kerala	255.94
4.	Advertising, Marketing and Brand Building	505.55
5.	Funding incremental working capital requirements of our Company	1,420.00
6.	Issue related expenses	[ss
7.	General Corporate purposes	[en
	Total	[ot

## OUR BUSINESS

### OVERVIEW

Our Company operates under the guidance of our Promoters, Vazhappily Davis Varghese, Divyakumar Jain, Ankur Jain, Mahendra Kumar Jain, Molly Varghese and Cyriac Varghese. Our Promoter, Vazhappily Davis Varghese with the intention of expanding the business operations of M/s. Demac Steel, incorporated our Company for expanding our portfolio and reach. Our Company is engaged in the business of manufacturing galvanised pipes, tubes, and sheets. Owing to the consistent efforts of our Promoters, we have been able to create a brand presence in Kerala, under the name of ‘Demac Steel’.

### OUR COMPETITIVE STRENGTHS

#### *Diversified Product Basket*

#### **Our Products**

Product	Usage
GP Pipes	Building Construction / Architecture, Automobiles & related equipment’s manufacturing, Industrial Equipment’s, Solar Panel Frames, Interior Works, Furniture’s & Décor, Signage, Agricultural Equipment’s Etc...
GI Pipes	Building Construction / Architecture, Automobiles & related equipment’s manufacturing, Industrial Equipment’s, Solar Panel Frames, Interior Works, Furniture’s & Décor, Signage, Agricultural Equipment’s Etc...
Coil	Coil is the raw material used for the production of Pipes.
Sheet	Gate works, General engineering, Construction, Vehicle body works, Fencing & Barricade Etc...
Slit	Coils are slitted into different widths, which is required for producing different sizes of tubes or pipes.
Others	It includes Scraps & Rejected pipes.

#### ***Brand recall and established track record.***

The reputation and the quality of our products has enabled us to establish brand equity of the products marketed under our brand name “Demac Steel”. We have a track record of developing home-grown brands, leveraging our deep understanding and market research of the steel industry. Our products are marketed by our dealers, sales and marketing teams. We believe that our brands enable us to better cater to the needs of our customers and increase the range and diversity of our products, leading to increased brand loyalty and repeat customers.

***Strategically located manufacturing facilities with modern infrastructure and integrated manufacturing facilities with a core focus on quality.***

Our strategically located multi-product manufacturing unit manufactures products close to our Dealers networks and reduces our costs of transportation by manufacturing almost all our product under one roof, thereby giving us an advantage over our competitors. Our manufacturing unit is situated in Kerala.

We believe that our brands enable us to better cater to the needs of our dealers and increase the range and diversity of our products, leading to increased brand loyalty and repeat orders.

#### ***Cost efficient sourcing and locational advantage***

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs.

**Cost Efficient Sourcing:** This involves selecting suppliers that offer raw materials at a lower cost. For instance, for the last few years procurement of raw materials domestically was not seeming viable due to high prices, therefore our Company started procuring raw materials from international sources. We believe that by sourcing from cost-efficient locations, we have been able to reduce production costs and improve our overall profitability, as well as provide cost benefits to our dealers/ customers.

**Locational Advantage:** Our Company is located in the Thrissur District, which is the central part of Kerala. This locational advantage helps us to supply our products all over Kerala, cost effectively and in a timely manner. Further, the distance to Cochin International Airport & Cochin Port is 25 Kilometres and 35 Kilometres respectively, from our manufacturing unit. Therefore, our location gives us the advantage with respect to domestic & international transportation.

With our experience, we are able to time our procurement of raw materials and being a large player in the industry we are also able to source these materials at a competitive price. The location of our current manufacturing unit gives us a significant competitive cost advantage in terms of raw material sourcing, manufacturing and labour costs.

#### **MANUFACTURING PROCESS**

- i. **Arrival Of Raw Material:** Once the raw materials reaches in the factory, it is unloaded & stored under the supervision of the Factory Manager.
- ii. **Checking Quality & Thickness:** After the proper storage of the coil, the surface quality and thickness is checked manually by the Supervisors.
- iii. **Slitting:** After the quality & thickness checking these coils are then slitted into different widths, which is required for producing different sizes of tubes or pipes in the slitting machine.
- iv. **Strips Loading In Accumulator:** After the slitting, these slitted strip coils are fed to the tube mill through the uncoiler where the strips are stored in the accumulator for smooth operation of the mill without stoppage after every slit gets over.
- v. **Levelling & Straightening:** The slitted strips are passed through a leveller to flatten the surface and to remove any wrinkles or bends if any.
- vi. **Forming Section:** In the forming section, the strips are folded to near round shape after passing through a number of rolls in the mill.
- vii. **H.F Welding:** Here the edges of the strips are heated to melting temperature and joined together by the aid of high frequency induction welding system.
- viii. **Finishing Mill 3+3 Stands:** After welding, the round sections are again passed through finishing rolls to achieve the actual size and shape.
- ix. **Straightening:** It is then passed through straightening rolls to achieve straightness
- x. **Cutting In To Specific Length:** Then the tubes are cut to the required length by using cold saw cutting machine. Normally the standard length is 6 M.
- xi. **Dimensional & Surface Check:** Dimensional and surface quality check is done manually by the Supervisor.

- xii. **Cooling & Bundling**: After the dimensional & surface check pipes will be bundled from the collection table.
- xiii. **Mechanical Tests As Per ISI Standards**: Pipes from each lot is taken to the lab and mechanical tests is done on it as per BIS standards.
- xiv. **Storage**: Pipes of each size & thickness will be stored in the warehouse in bundles separately.
- xv. **Dispatch As Per Customs Order**: Finally as per customer orders, the pipes are then dispatched from the warehouse.

### Capacity Installed and Capacity Utilisation

About 23% of our electricity requirements are met by our in-house solar plant and the balance portion of the electricity requirement to run the manufacturing facility is sourced from Kerala State Electricity Board.

In this regard, please find below the details of month-wise electricity consumption of our manufacturing plant for FY 2023-24:

Month	Solar Generated units	Billed by KSEB	Total Units Consumed
Apr-23	49,946.00	2,30,412.00	2,80,358.00
May-23	46,778.00	2,38,342.00	2,85,120.00
Jun-23	37,763.00	1,73,472.00	2,11,235.00
Jul-23	34,822.00	1,01,010.00	1,35,832.00
Aug-23	25,506.00	51,714.00	77,220.00
Sep-23	36,646.00	1,32,704.00	1,69,350.00
Oct-23	44,304.00	1,34,433.00	1,78,737.00
Nov-23	38,770.00	80,847.00	1,19,617.00
Dec-23	43,859.00	1,48,720.00	1,92,579.00
Jan-24	49,109.00	1,93,154.00	2,42,263.00
Feb-24	55,355.00	1,68,675.00	2,24,030.00
Mar-24	44,330.00	1,18,001.00	1,62,331.00
	<b>5,07,188.00</b>	<b>17,71,484.00</b>	<b>22,78,672.00</b>

Also, now the Company is proposing to double its solar capacity by installing a new solar facility with an installed capacity of 489.77 kWp, which will reduce the dependence of upto 50% on the state electricity board for the electricity requirement of the Company.

## OUR MANAGEMENT

### Brief Biographies of our Directors

**Mahendra Kumar Jain**, aged 64 years, is one of the Promoter, Chairman and Executive Director of our Company. He does not hold any formal educational qualification. He is associated with Vyttila Steel Private Limited, Demac Roofing Private Limited, Jaihind Tubes Private Limited, Jaihind Steel Private Limited and Jaihind Steel Tubes Private Limited, in the capacity of a director. He is also associated with Metal Craft Pte Ltd, in the capacity of director. He has more than two decades of experience in steel sector and has been associated with our Company since August 8, 2017 and since December 19, 2023 in the capacity of Chairman.

**Vazhappily Davis Varghese**, aged 65 years, is one of the Promoters and Managing Director of our Company. He does not hold any formal educational qualification. He has over nine years of experience in the steel industry. Presently, he is responsible for working capital management, procurement planning and sales & receivables management. He has been associated with our Company since incorporation in the capacity of Promoter and since March 31, 2022 in the capacity of Managing Director.

**Molly Varghese**, aged 60 years, is one of the Promoter and Whole- time Director of our Company. She has received a provisional certificate from University of Kerala certifying that she has passed the degree examination held for bachelor's degree in science. She attended University of Calicut to pursue a master's degree in science. In the past, she was associated with M/s. Demac Steel in the capacity of accounts manager. She has experience of nine years in the area of finance. Presently, she is responsible for internal review & verification of accounts. She has been associated with our Company since November 14, 2018.

**Cyriac Varghese**, aged 32 years, is one of the Promoter and Whole- time Director of our Company. He holds a bachelor's degree in mechanical engineering from Mahatma Gandhi University, Kerala. In the past, he was associated with M/s. Demac Steel in the capacity of manager- purchase and production. He has an experience of more than nine years in inventory management and production management. Presently, he heads procurement and production of our Company and has been associated with our Company since incorporation.

**Suman Jain**, aged 62 years, is a Non- Executive Director of our Company. She does not hold any formal educational qualification. She is associated with Vyttila Steel Private Limited, in the capacity of a director and with Jaihind Aluminum Traders, in the capacity of partner. She has more than two decades of experience in the steel sector and has been associated with our Company since November 1, 2018.



## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are Vazhappily Davis Varghese, Divyakumar Jain, Ankur Jain, Mahendra Kumar Jain, Molly Varghese and Cyriac Varghese. The details of the shareholding of our Promoters, as on date of this Draft Red Herring Prospectus has been provided below:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Vazhappily Davis Varghese	62,91,300	49.74
2.	Divyakumar Jain	36,49,400	28.85
3.	Ankur Jain	21,29,500	16.84
4.	Mahendra Kumar Jain	5,32,400	4.21
5.	Molly Varghese	10,000	0.08
6.	Cyriac Varghese	10,000	0.08
<b>Total</b>		<b>1,26,22,600</b>	<b>99.80</b>

For details, please see “Capital Structure – Build-up of Promoters’ shareholding, Minimum Promoters’ Contribution and lock-in – Build-up of the Equity Shareholding of our Promoters in our Company” on page 70.

### Details of our Promoters are as follows:

#### 1. Vazhappily Davis Varghese



Vazhappily Davis Varghese, aged 65 years, is the Managing Director of our Company. He resides at Vazapilly House, Opposite to K.E.C School, Chalakudy, Potta S O, Potta Mukundapuram, Thrissur - 680 722, Kerala, India.

The Permanent Account Number of Vazhappily Davis Varghese is ABNPV6045J.

For complete profile of Vazhappily Davis Varghese, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “Our Management” on page 138.

#### 2. Divyakumar Jain



Divyakumar Jain, aged 40 years, is the Executive Director of our Company. He resides at 56/3074, Jain Kunj, Thripathi Lane, SA Road South, M.G. Road, Ernakulam - 682 016, Kerala, India.

The Permanent Account Number of Divyakumar Jain is ADLPJ4150G.

For complete profile of Divyakumar Jain, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “Our Management” on page 138.

#### 3. Ankur Jain



Ankur Jain, born on March 27, 1990 aged 34 years, is the Promoter of our Company. He resides at House Number 56/3074, Jain Kunj, Thipthi Lane, Kochi SA Road South, Manorama Junction, M.G. Road, Ernakulam- 682 016, Kerala, India. Ankur Jain has attended Chinmaya Vidyapeet to pursue a bachelor's degree in business management. He was awarded the diploma in Outdoor Leadership and Management (Level 5) with distinction from Otago Polytechnic. He has been associated with our Company since 2017 and supervises the sales and marketing division of our Company. He holds an experience of more than eight years in sales and marketing and is also associated with Jaihind Steel Private Limited, where he supervises the sales operations.

The Permanent Account Number of Ankur Jain is AMLPJ6767C.

#### 4. Mahendra Kumar Jain



Mahendra Kumar Jain, aged 64 years, is the Chairman and Executive Director of our Company. He resides at 56/3074, Jain Kunj, Tripti lane, S.A. Road, Manorama JN, Ernakulam - 682 016, Kerala, India.

The Permanent Account Number of Mahendra Kumar Jain is ABWPJ9860A.

For complete profile of Mahendra Kumar Jain, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "*Our Management*" on page 138.

#### 5. Molly Varghese



Molly Varghese, aged 60 years, is the Whole-time Director of our Company. She resides at Vazapilly House, Opposite to K.E.C School, Chalakudy, Potta S O, Thrissur - 680 722, Kerala, India.

The Permanent Account Number of Molly Varghese is ADRPM4306P.

For complete profile of Molly Varghese, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "*Our Management*" on page 138.

#### 6. Cyriac Varghese



Cyriac Varghese, aged 32 years, is the Whole-time Director of our Company. He resides at Vazapilly House, Opposite to K.E.C School, Chalakudy, Potta S O, Thrissur - 680 722, Kerala, India.

The Permanent Account Number of Cyriac Varghese is AUZPC2891A.

For complete profile of Cyriac Varghese, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "*Our Management*" on page 138.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

#### Change in control of our Company

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

## Other ventures of our Promoters

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

*Vazhappily Davis Varghese*

S. No.	Name of the entity	Nature of interest / position
1.	Demac Roofing Private Limited	Managing Director and Shareholder

*Divyakumar Jain*

S. No.	Name of the entity	Nature of interest / position
1.	Starshine Aluminium Extrusions Private Limited	Director and Shareholder
2.	Jaihind Tubes Private Limited	Managing Director and Shareholder
3.	Vyttila Steel Private Limited	Director and Shareholder
4.	Demac Roofing Private Limited	Director and Shareholder
5.	Invaccs Software Technologies Private Limited	Director and Shareholder
6.	Jaihind Steel Private Limited	Managing Director and Shareholder
7.	Jaihind Steel Tubes Private Limited	Director and Shareholder
8.	Young Presidents Organisation (Kerala Chapter)	Director
9.	Jaihind Manufacturers LLP	Partner
10.	Jaihind Aluminum Traders	Partner
11.	Prime Metals	Partner
12.	Metal Craft Pte Ltd	Director

*Ankur Jain*

S. No.	Name of the entity	Nature of interest / position
1.	Vyttila Steel Private Limited	Director
2.	Jaihind Steel Private Limited	Director
3.	Jaihind Steel Tubes Private Limited	Director
4.	Starshine Aluminium Extrusions Private Limited	Director
5.	Jaihind Metals Hypermart Private Limited	Director
6.	Prime Metals	Partner
7.	Metal Craft Pte Ltd	Director

*Mahendra Kumar Jain*

S. No.	Name of the entity	Nature of interest / position
1.	Demac Roofing Private Limited	Director and Shareholder
2.	Vyttila Steel Private Limited	Director and Shareholder
3.	Jaihind Steel Private Limited	Director and Shareholder
4.	Jaihind Steel Tubes Private Limited	Director and Shareholder
5.	Starshine Aluminium Extrusions Private Limited	Director
6.	Metal Craft Pte Ltd	Director and Shareholder
7.	M/s. Navin Trading Company	Partner
8.	M/s. Prime Metals	Partner

*Molly Varghese*

S. No.	Name of the entity	Nature of interest / position
1.	-	-

*Cyriac Varghese*

S. No.	Name of the entity	Nature of interest / position
1.	Demac Roofing Private Limited	Director and Shareholder

Except as stated above and except as disclosed in “– Promoter Group” below and in “Our Management” on pages 165 and 138, our Promoters are not involved in any other ventures.

### **Interests of Promoters**

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or designated partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see *Restated Financial Information –Related Party Disclosures under AS 18*” from the chapter titled “*Restated Financial Information*” on Page No. 196.

- (b) Further, Vazhappily Davis Varghese, Divyakumar Jain, Mahendra Kumar Jain, Molly Varghese and Cyriac Varghese are also interested in our Company in the capacity of Directors, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “*Our Management*” on page 138. For further details of interest of our Promoters in our Company, see “*Restated Financial Information –Related Party Disclosures under AS 18*” from the chapter titled “*Restated Financial Information*” on Page No. 196.
- (c) Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on page 171 and 212, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company. Our Promoters have also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 212 of this Draft Red Herring Prospectus.
- (d) Except for Vyttila Steel Private Limited, Jaihind Steel Private Limited, Jaihind Steel Tubes Private Limited, Starshine Aluminium Extrusions Private Limited, Jaihind Tubes Private Limited and Prime Metals, our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.
- (e) Our Company has taken our Registered Office and manufacturing unit on lease from our Promoter, Vazhappily Davis Varghese and member of our Promoter Group, Molly Varghese. Our Promoter and member of our Promoter Group will be interested to the extent of the rent paid by our Company towards such lease.
- (f) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

### **Interest in property, land, construction of building and supply of machinery**

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

### **Payment or benefits to Promoter or Promoter Group**

Except as disclosed above and as stated in “*Restated Financial Information –Related Party Disclosures under AS 18*” from the chapter titled “*Restated Financial Information*” on Page No. 196, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

## Companies or firms with which our Promoters have disassociated in the last three years

Except as disclosed below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus:

S. No.	Name of Promoter	Name of the Entity from which Promoter has disassociated	Date of disassociation	Reason for disassociation
1.	Divyakumar Jain	Prime PEB Private Limited	March 20, 2024	Resignation from the position of a director.
2.	Cyriac Varghese	Prime PEB Private Limited	March 20, 2024	Resignation from the position of a director.

## Material guarantees

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

## Other confirmations

Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

## PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

*Natural persons who are part of the Promoter Group*

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Vazhappily Davis Varghese</i></b>		
1.	Molly Varghese	Spouse
2.	Late Vazhappily Davis	Father
3.	Mary Davis	Mother
4.	V D Joy	Brother
5.	-	Sister
6.	David Varghese	Son
7.	Cyriac Varghese	Son
8.	Angel Varghese	Daughter
9.	Late Malayil Thekkedath Cyriac	Spouse's father
10.	Late Rosamma Scaria	Spouse's mother
11.	Late Cyriac Jose	Spouse's brother
12.	Abraham Cyriac	Spouse's Brother
13.	Celin	Spouse's sister
<b><i>Divyakumar Jain</i></b>		
1.	Anuja Jain	Spouse
2.	Mahendra Kumar Jain	Father
3.	Suman Jain	Mother
4.	Ankur Jain	Brother
5.	Neha Patni	Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
6.	-	Son
7.	-	Daughter
8.	Jambu Kumar Jain	Spouse's Father
9.	Rekha Jain	Spouse's Mother
10.	-	Spouse's Brother
11.	Aditi Jain	Spouse's Sister
<b>Ankur Jain</b>		
1.	Saloni Jain	Spouse
2.	Mahendra Kumar Jain	Father
3.	Suman Jain	Mother
4.	Divyakumar Jain	Brother
5.	Neha Patni	Sister
6.	-	Son
7.	Nitaara Ankur Jain	Daughter
8.	Sunil Kumar Jain	Spouse's Father
9.	Rachana Jain	Spouse's Mother
10.	Shubham Jain	Spouse's Brother
11.	-	Spouse's Sister
<b>Mahendra Kumar Jain</b>		
12.	Suman Jain	Spouse
13.	Late Moolchand Jain	Father
14.	Late Manfuldevi Jain	Mother
15.	Mohan Lal Kala	Brother
16.	-	Sister
17.	Divyakumar Jain	Son
18.	Ankur Jain	Son
19.	Neha Patni	Daughter
20.	Late Sant Kumar N Jain	Spouse's Father
21.	Sita Jain	Spouse's Mother
22.	Vinod Kumar Jain	Spouse's Brother
23.	Sashi Jain	Spouse's Brother
24.	Ravi Santkumar Jain	Spouse's Brother
25.	-	Spouse's Sister
<b>Molly Varghese</b>		
26.	Vazhappily Davis Varghese	Spouse
27.	Late Malayil Thekkedath Cyriac	Father
28.	Late Rosamma Scaria	Mother
29.	Late Cyriac Jose	Brother
30.	Abraham Cyriac	Brother
31.	Celin	Sister
32.	David Varghese	Son
33.	Cyriac Varghese	Son
34.	Angel Varghese	Daughter
35.	Late Vazhappily Davis	Spouse's Father
36.	Mary Davis	Spouse's Mother
37.	V D Joy	Spouse's Brother
38.	-	Spouse's Sister
<b>Cyriac Varghese</b>		
39.	Irene David	Spouse
40.	Vazhappily Davis Varghese	Father
41.	Molly Varghese	Mother
42.	Abraham Cyriac	Brother
43.	Celin	Sister
44.	Zain Cyriac	Son

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
45.	-	Daughter
46.	Davis Paul C	Spouse's Father
47.	Roza Davis	Spouse's Mother
48.	-	Spouse's Brother
49.	-	Spouse's Sister

***Body corporates, partnership firms forming part of the Promoter Group***

S. No.	Name of entities
1.	Jaihind Steel Private Limited
2.	Jaihind Tubes Private Limited
3.	Demac Roofing Private Limited
4.	Jaihind Aluminium Traders
5.	Vyttila Steel Private Limited
6.	Invaccs Software Technologies Private Limited
7.	Metal Craft Pte Ltd
8.	Jaihind Steel Tubes Private Limited
9.	Starshine Aluminium Extrusions Private Limited
10.	Jaihind Manufacturers LLP
11.	Young Presidents Organization (Kerala Chapter)
12.	Jaihind International
13.	Greetamax Estates Private Limited
14.	Pioneer Mutimax Private Limited
15.	Nutech Multimax Private Limited
16.	SKP Infrarealty Private Limited
17.	Marble Arch Properties Private Limited
18.	S K P Merchants Private Limited
19.	NNP Ferro Alloys Private Limited
20.	SKP Realtors LLP
21.	Eastern Plywood and Hardware
22.	Eastern Aluminium and Steel Udyog
23.	Prime Metals
24.	M/s D. S. Sons & D S Enterprises
25.	Navin Trading Company
26.	Jaihind Metals Hypermart Private Limited
27.	Ganpati Developers
28.	Varun Kumar Jain and Co.
29.	M/s. Sita Jain
30.	M/s. Shashi Jain

**SECTION VII – LEGAL AND OTHER INFORMATION  
GOVERNMENT AND OTHER STATUTORY APPROVALS**

***Business Related Approvals***

<b>Sr. No.</b>	<b>Type of License/Approval</b>	<b>Issuing Authority</b>	<b>Reference / Registration / License No.</b>	<b>Date of Issue/Renewal</b>	<b>Valid up to</b>
1.	Integrated Consent to operate issued under the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention & Control of Pollution) Act, 1981 & the Environment (Protection) Act, 1986	Kerala State Pollution Control Board	<b>File No.:</b> KSPCB/TS/ICO/1004996/5/2024  <b>Consent No.:</b> KSPCB/TS/ICO/1004996/5/2024	May 18, 2024	January 31, 2029
2.	License issued to Factories, Commercial Ventures, Trades & Service Providers under Kerala Panchayatraj Act, 1994.	Poyya Gram Panchayat	400743/RPTL20/General/2024/716	April 1, 2024	March 31, 2025

***Licenses/ Approvals for which applications have been made by our Company and are pending:***

- a) Our Company has made an application dated March 22, 2024 before the Station Officer, Fire & Rescue Services, Mala, Department of Treasuries, Government of Kerala seeking renewal of no objection certificate for the firefighting arrangements installed in the manufacturing unit.
- b) Our Company has made an application dated May 15, 2024 before the Department of factory and Boilers, Kerala for amendment in change of name from Private Limited to Limited. The updated name is reflecting on their website but certificate is not yet provided.

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