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## 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 Registration Centre. The corporate identification number of our Company is U27209KL2017PL046762. For details of change in Registered Office of our Company, please refer to the chapter titled "History and Current Corporate Matters" on page 142 of the Prospectus.

Registered Office: Door No. 2546/A, 2546/B Mala, Pallipuram P.O. Mala, Thrissur - 680 732, Kerala, India. Telephone: +91 703 421 2002. E-mail: info@demacsteel.com; Fax: +91 703 421 2002. Website: www.demacsteel.com; Contact Person: Shrikanth K. Nair, Company Secretary & Compliance Officer. Corporate Identity Number: U27209KL2017PL046762

### PROMOTERS OF OUR COMPANY: VASUPATHI DAVI VARGHESE, DIVYAKUMAR JAIN, ANKUR JAIN, MAHENDRA KUMAR JAIN, MOLLY VARGHESE AND CYRIAC VARGHESE

"THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI (ICDR) REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE (NSE EMERGE)."

#### BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 46,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF OUR COMPANY AT AN ISSUE PRICE OF ₹ 90 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 80 PER EQUITY SHARE) FOR CASH, AGGREGATING ₹ 4,17,60,000 LACS ("PUBLIC ISSUE") OUT OF WHICH 2,33,600 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ 90 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 21,02,40,000 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 44,06,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ 90 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 3,96,57,60,000 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.84% AND 25.49% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT HAS BEEN DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM 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").

ISSUE PRICE: ₹ 90.00 PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH. | THE ISSUE PRICE IS 9.0 TIMES OF THE FACE VALUE

#### ISSUE PROGRAMME

BID/ISSUE OPENED ON: THURSDAY, DECEMBER 19, 2024 | BID/ISSUE CLOSED ON: MONDAY, DECEMBER 23, 2024

#### RISK TO INVESTORS:

- We depend on our dealers for a significant portion of our revenue, and any decrease in revenues or sales from any of our key intermediaries may adversely affect our business and results of operations.
- Our operations have significant raw material requirements in the form of pre-galvanized coils, and we may not be able to ensure the availability of the same for our operations at competitive prices and in a timely manner, which could have an adverse effect on our business, financial condition, results of operations and prospects.
- We are dependent on Jaihind Steel Private Limited, one of our Promoter Group entity for a portion of our revenue and business. We also purchase raw materials from Jaihind Steel Private Limited and Jaihind Tubes Private Limited, one of our Group Companies, and are dependent on it for part of our raw materials requirements. In the event, of loss of business from such Promoter Group entity or delay in receiving raw materials, our business and results of operations could be adversely affected.
- Our manufacturing unit and our operations are geographically concentrated in Kerala. Consequently, we are exposed to risks from economic, regulatory and other developments in the eastern region which could have an adverse effect on our business, results of operations and financial condition. Further, our continued operations are critical to our business and any shutdown of our manufacturing unit may adversely affect our business, results of operations and financial condition.
- The steel industry is highly cyclical and a decrease in steel prices may have an adverse effect on our Company's results of operations.

#### PROPOSED LISTING: FRIDAY, DECEMBER 27, 2024\*

This Issue is being made through the Book Building Process, in terms of Rule 192(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 (2) of the SEBI (ICDR) Regulations and in compliance with Regulation 253 of the SEBI (ICDR) Regulations, wherein not more than 10.02% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.07% of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.07% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 44.95% of the Net Issue shall be available for allocation on proportionate basis to Non-institutional investors and not less than 45.03% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI (ICDR) Regulations, subject to valid bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amount will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 241 of the Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 241 of the Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause pertaining to NSE. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited. The trading is proposed to be commenced on or before Friday, December 27, 2024.\*

\* Subject to the receipt of listing and trading approval from the NSE (NSE Emerge).

#### SUBSCRIPTION DETAILS

The Issue received applications for 118,214 Equity Shares (before technical rejections and after invalid bids Multiple/Duplicate) resulting in 48,52 times subscription (including reserved portion of market maker). The Details of the Applications received from various categories (before technical rejection) are as under:

##### Detail of the Applications Received:

Sr No	Category	No of applications*	No of shares	Reserved	No of times subscription	Amount
1	Market Maker	1	2,33,600	2,33,600	1.00	2,10,24,00.00
2	Non-Institutional Investors	9,688	4,91,61,600	19,80,800	24.82	4,42,22,91,200.00
3	Qualified Institutional Buyers (Excluding Anchors)	2	5,16,400	4,41,600	1.17	4,66,56,000.00
4	Retail Investors	1,09,523	17,52,36,800	19,84,000	88.33	15,77,01,37,600.00
	<b>TOTAL</b>	<b>1,18,214</b>	<b>22,51,50,400</b>	<b>46,40,000</b>	<b>48.52</b>	<b>20,26,01,08,800.00</b>

\* This excludes 137 applications for 219,200 Equity Shares aggregating to Rs. 19,726,400/- from Retail Individual which were not in bid book but which were banked.

##### Final Demand

Summary of the final demand as per NSE as on the Bid/Issue Closing Date at different Bid Prices is as under:

Sr. No	Bid Price	No. of Applications	Sum Quantity	Cumulative Share	% to Total
1	85	4,19,200	0.14	4,19,200	0.14
2	86	57,600	0.02	4,76,800	0.16
3	87	60,800	0.02	5,37,600	0.18
4	88	1,77,600	0.06	7,15,200	0.24
5	89	1,86,400	0.06	8,81,600	0.29
6	90	14,54,41,600	48.51	14,63,23,200	48.81
	<b>CUTOFF</b>	<b>15,34,84,800</b>	<b>51.19</b>	<b>29,98,08,000</b>	<b>100.00</b>
	<b>Total</b>	<b>29,98,08,000</b>	<b>100.00</b>		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange - NSE on December 24, 2024.

1) Allocation to Retail Individual Investors (After Technical Rejections): The Basis of Allotment to the Retail Individual Investors, who have bid at cut-off price or at or above the Issue Price of ₹ 90.00 per equity shares, was finalized in consultation with NSE. The category was subscribed by 87,1913 times i.e., for 172,867,200 Equity Shares. The total number of shares allotted in this category is 1,984,000 Equity Shares to 1,240 successful applicants. The category wise details of the Basis of Allotment are as under:

No. of Shares applied for (Category wise)	No. of Applications received	% to total	Total No. of Equity Shares applied in this category	% of total	Proportionate Shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding)	Total No. of shares allocated/allotted	Surplus/Deficit
1,600	1,08,117	100.00	17,29,87,200	100.00	19,84,000	68	5,929	1,240	19,84,000
<b>Total</b>	<b>1,08,117</b>	<b>100.00</b>	<b>17,29,87,200</b>	<b>100.00</b>	<b>19,84,000</b>	<b>68</b>	<b>5,929</b>	<b>1,240</b>	<b>0</b>

2) Allocation to Non-Institutional Investors (After Technical Rejections): The Basis of Allotment to Other than Retail Individual Investors, who have bid at Issue Price of ₹ 90.00 per equity shares or above, was finalized in consultation with NSE. The category was subscribed by 24,57189 times i.e., for 48,672,000 shares the total number of shares allotted in this category is 1,980,800 Equity Shares to 970 successful applicants. The category wise details of the Basis of Allotment are as under:

Sr. No	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate Shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding)	Total No. of shares allocated/allotted	Surplus/Deficit (14/17)
1	3,000	2,230	84.50	23,136,000	47.53	941,564	40	491	942,400	636
2	4,800	485	5.67	2,328,000	4.78	94,742	59	485	94,400	(342)
3	6,400	128	1.50	819,200	1.68	33,339	21	128	33,600	261
4	8,000	80	0.94	640,000	1.31	26,045	1	5	25,600	(445)
5	9,600	58	0.68	556,800	1.14	22,650	7	29	22,400	(260)
6	11,200	261	3.05	2,923,200	6.01	119,865	1	2	119,400	(565)
7	12,800	46	0.54	588,800	1.21	23,962	15	46	24,000	38
8	14,400	25	0.29	360,000	0.74	14,651	9	25	14,400	(251)
9	16,000	57	0.67	912,000	1.87	37,116	23	57	36,800	(316)
10	17,600	11	0.13	193,600	0.40	7,879	5	11	8,000	121
11	19,200	3	0.04	57,600	0.12	2,344	1	3	1,600	(174)
12	20,800	4	0.06	83,200	0.17	3,386	1	2	3,200	(186)
13	22,400	10	0.12	224,000	0.46	9,116	3	5	9,600	484
14	24,000	20	0.23	480,000	0.99	19,534	3	5	19,200	(334)
15	25,600	2	0.02	51,200	0.11	2,084	1	2	1,600	(484)
16	27,200	10	0.12	272,000	0.56	11,070	7	10	11,200	130
17	28,800	5	0.06	144,000	0.30	5,860	4	5	6,400	540
18	30,400	1	0.01	30,400	0.06	1,237	1	1	1,600	263
19	32,000	18	0.21	576,000	1.18	23,441	5	8	24,000	559
20	33,600	5	0.06	160,000	0.30	6,037	4	5	6,400	(437)
21	35,200	1	0.01	35,200	0.07	1,433	1	1	1,600	167
22	36,800	2	0.02	76,800	0.16	3,125	1	2	3,200	75
23	40,000	8	0.09	320,000	0.69	13,023	1	8	12,800	(223)
24	41,600	1	0.01	41,600	0.09	1,693	1	1	1,600	(93)
25	43,200	5	0.06	216,000	0.44	8,791	1	5	8,000	(791)
									1,600	1,600
26	44,800	4	0.05	179,200	0.37	7,293	1	4	6,400	(893)
									1,600	1,600
27	46,400	2	0.02	92,800	0.19	3,777	1	2	3,200	(577)
28	48,000	5	0.06	240,000	0.49	9,767	1	5	8,000	(5)
									1,600	1,600
29	49,600	2	0.02	99,200	0.20	4,037	1	2	3,200	(837)
									1,600	1,600
30	51,200	2	0.02	102,400	0.21	4,167	1	2	3,200	(867)
									1,600	1,600
31	52,800	1	0.01	52,800	0.11	2,149	1	1	1,600	(549)
32	54,400	3	0.04	163,200	0.34	6,642	1	3	4,800	(1,842)
									1,600	1,600
33	56,000	3	0.04	168,000	0.35	6,837	1	3	4,800	(2,037)
									1,600	1,600
34	57,600	1	0.01	57,600	0.12	2,344	1	1	1,600	(744)
35	59,200	1	0.01	59,200	0.12	2,409	1	1	1,600	791
36	60,800	2	0.02	124,800	0.26	5,079	1	2	3,200	(1,879)
									1,600	1,600
37	64,000	4	0.05	256,000	0.53	10,418	1	4	6,400	(4,018)
									4,800	4,800
38	68,800	3	0.04	196,800	0.40	8,009	1	3	4,800	(3,209)
									3,200	3,200
39	67,200	2	0.02	134,400	0.28	5,470	1	2	3,200	(2,270)
									1,600	1,600
40	68,800	1	0.01	68,800	0.14	2,800	1	1	3,200	400
41	73,200	1	0.01	73,200	0.15	3,060	1	1	3,200	140
42	69,600	1	0.01	69,600	0.16	3,256	1	1	3,200	(56)
43	84,800	2	0.02	169,600	0.35	6,902	1	2	6,400	(502)
44	88,000	2	0.02	176,000	0.36	7,163	1	2	6,400	(763)
									1,600	1,600
45	92,800	1	0.01	92,800	0.19	3,777	1	1	3,200	(577)
46	96,000	3	0.04	288,000	0.59	11,721	1	3	9,600	(2,121)
									1,600	1,600
47	100,800	1	0.01	100,800	0.21	4,102	1	1	4,800	696
48	110,400	1	0.01	110,400	0.23	4,493	1	1	4,800	307
49	112,000	2	0.02	224,000	0.46	9,116	1	2	9,600	484
50	120,000	1	0.01	120,000	0.25	4,884	1	1	4,800	(84)
51	123,200	3	0.04	369,600	0.76	15,042	1	3	14,400	(842)
52	136,000	1	0.01	136,000	0.28	5,535	1	1	4,800	(735)
53	139,200	1	0.01	139,200	0.29	5,669	1	1	6,400	735
54	155,200	1	0.01	155,200	0.32	6,316	1	1	6,400	84

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