



JAINIK POWER CABLES LIMITED
(Formerly Known as Jainik Power and Cables Limited)
CIN: U27205DL2011PLC218425

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
39/101A, 1 st Floor, Community Centre, Wazirpur Industrial Area, Wazir Pur III, North West Delhi, Delhi, India, 110052	-	Ms. Kumari Sonal Company Secretary & Compliance Officer	info@jainikpower.com ; +91-9999268508	www.jainikpower.com

NAME OF PROMOTER(S) OF THE COMPANY

MR. SHASHANK JAIN, MR. PRATEEK JAIN, MRS. ANJU JAIN AND MR. SUBHASH CHAND JAIN

DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS

Type	Fresh Issue Size (by amount in Rs. Lakh)	OFS* Size (by amount in Rs. Lakh)	Total Issue Size (by amount in Rs. Lakh)	Eligibility & Share Reservation among NII & RII
Fresh Issue	Upto 46,63,200 Equity Shares aggregating to INR [●]	Nil	INR [●]	The Issue is being made pursuant to Regulation 229 of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is more than 10 crore rupees and upto 25 crore rupees. For details in relation to share reservation among QIB, NIIs and RIIs, see "Issue Structure" on page 285 of this Draft Red Herring Prospectus.

*OFS: Offer for Sale

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders)

Name	Type	No. of shares offered/ Amount in Rs.	WACA in Rs. Per Equity Shares
Nil			

P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 98 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing

GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



FAST TRACK FINSEC PRIVATE LIMITED
SEBI Registration No. INM000012500
Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
Tel No.: +91-11-43029809
Contact Person: Ms. Sakshi
Email: mb@ffinsec.com, investor@ffinsec.com
Website: www.ffinsec.com



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
SEBI Registration No.: INR000003241
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No: +91-11-40450193-97; Fax No: +91-11-26812683
Contact Person: Mr. Anuj Rana
Email: ipo@skyclinerta.com
Website: www.skyclinerta.com

OFFER PROGRAMME

BID/ISSUE FOR ANCHOR INVESTORS: [●]

BID/ISSUE OPENS ON: [●]

BID/ISSUE CLOSES ON: [●]

*Our Company in consultation with the Book Running Lead Manager consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

** Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.



JAINIK POWER CABLES LIMITED
(Formerly Known as Jainik Power and Cables Limited)

Our Company was originally incorporated as a Private Limited Company with the name “Jainik Enterprises Private Limited” pursuant to a certificate of incorporation dated May 02, 2011 issued by the RoC in accordance with provisions of the Companies Act, 1956. The name of our Company was subsequently changed to ‘Jainik Power and Cables Private Limited’ and fresh certificate of incorporation was issued by the RoC dated February 09, 2024, thereafter upon conversion into a public company, pursuant to a shareholders’ resolution dated February 15, 2024, the name of the company changed to ‘Jainik Power and Cables Limited’ and fresh Certificate of Incorporation was issued by the RoC dated May 08, 2024. The name of our Company was subsequently changed to ‘Jainik Power Cables Limited’ and fresh certificate of incorporation was issued by the RoC dated April 08, 2025. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U27205DL2011PLC218425. For further details of incorporation please refer to section titled “Our History and Certain Other Corporate Matters” beginning on page no.146 of this Draft Red Herring Prospectus.

Registered Office: 39/101A, 1st Floor, Community Centre, Wazirpur Industrial Area, Wazir Pur III, North West Delhi, Delhi, India, 110052
Telephone No.: +91-9999268508; **Website:** www.jainikpower.com; **E-Mail:** info@jainikpower.com
Company Secretary and Compliance Officer: Ms. Kumari Sonal;

PROMOTERS: MR. SHASHANK JAIN, MR. PRATEEK JAIN, MRS. ANJU JAIN AND MR. SUBHASH CHAND JAIN

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED DECEMBER 04, 2024: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

PUBLIC ISSUE OF 46,63,200 EQUITY SHARES OF FACE VALUE RS. 10/- EACH OF JAINIK POWER CABLES LIMITED. (“JAINIK” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF Rs. [●]/-PER EQUITY SHARE (“ISSUE PRICE”) INCLUDING A SHARE PREMIUM OF [●]/- PER EQUITY SHARE), AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”), OUT OF WHICH, [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]AND [●], RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, KINDLY REFER TO CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 248 OF THIS DRAFT RED HERRING PROSPECTUS. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF [●](A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●](WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, A REGIONAL NEWSPAPER 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 SME PLATFORM OF NSE (NSE EMERGE) FOR THE PURPOSE OF THE UPLOADING ON THEIR WEBSITE.

Potential Bidders may note the following

1. The Chapter titled “**Risk Factors**” beginning on page 28 of the Draft Red Herring Prospectus has been updated
2. The Chapter titled “**Objects of the issue**” beginning on page 87 of the Draft Red Herring Prospectus has been updated.
3. The Chapter titled “**Our Business**” beginning on page 117 of the Draft Red Herring Prospectus has been updated.
4. The Chapter titled “**Our Management**” beginning on page 151 of the Draft Red Herring Prospectus has been updated.
5. The Chapter titled “**General Information**” beginning on page 62 of the Draft Red Herring Prospectus has been updated.
6. The Chapter titled “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 210 of the Draft Red Herring Prospectus has been updated.

LEAD MANAGER



Fastrack Finsec
Category-I Merchant Banker

FAST TRACK FINSEC PRIVATE LIMITED
SEBI Registration No. INM000012500
Office No. V-116,1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
Tel No.: +91-11-43029809
Contact Person: Ms. Sakshi
Email: mb@ftfinsec.com; investor@ftfinsec.com
Website: www.ftfinsec.com

REGISTRAR TO THE ISSUE



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Contact Person: Mr. Anuj Rana
Email: ipo@skylinerta.com
Website: www.skylinerta.com

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THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

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SECTION III – RISK FACTORS

- 1. Our Company, only has one year of prior experience in manufacturing of aluminium goods which could adversely affect the results of operations and financial condition of the Company.***

Although the Company has experienced significant growth over the past five years, and has significantly expanded its operations and product portfolio, the company only has one-year experience in the area for manufacturing. As per our Restated Standalone Financial Statements, our revenues from operations increased at a CAGR of 129.79% from FY 2022 to FY 2024, while our EBITDA increased at a CAGR of 152.89% for the same period. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further, or at the same rate. The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on production of wide range of aluminum products.

- 3. Our business is dependent on effective inventory management and demand forecasting. Any inability to accurately predict demand and manage inventory levels may adversely affect our business, financial condition, results of operations, and cash flows.***

As is typical in the aluminum industry, we maintain a high level of inventory of raw materials, work in progress, and finished goods. We plan our production volumes based on our forecast of the demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability. In order to pursue our expansion strategy, we have entered the manufacturing industry and our inventory of raw materials and finished goods have been increased.

As of September 30, 2024, March 31, 2023 and 2024, our inventory of goods amounted to ₹ 1,246.25, ₹ 897.33 lakhs and ₹ 1338.48 lakhs, respectively. Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. As our customers are not obliged to purchase our products, there can be no assurance that customer demand will match our production levels. Our inability to accurately forecast demand for

Our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations.

- 5. Our lack of prior experience in manufacturing may have a material adverse effect on our business, operations, and financial performance.***

Our transition from a trading business to manufacturing in the aluminium industry exposes us to significant risks due to our lack of prior experience in the manufacturing sector. Manufacturing operations involve complexities such as process optimization, production planning, quality control, and waste management, which are areas where we may face operational inefficiencies or delays. If we are unable to successfully establish and manage manufacturing processes, it could adversely impact our ability to meet customer expectations and contractual obligations.

Further, the aluminium manufacturing industry requires substantial investments in infrastructure, machinery, and skilled labour. Any unforeseen cost overruns or delays in operational readiness could strain our financial resources, affect our cash flows, and reduce profitability. Additionally, our inexperience may limit our ability to achieve economies of scale or compete effectively with established players in the industry, potentially resulting in a loss of market share.

We are also exposed to regulatory and compliance risks. Aluminium manufacturing is subject to strict environmental and safety regulations. Our lack of familiarity with these requirements could result in non-compliance, penalties, or operational disruptions. Moreover, the energy-intensive nature of aluminium manufacturing exposes us to fluctuations in energy prices, which could adversely affect our cost structure.

There is no assurance that we will be able to mitigate these risks effectively. Any failure to overcome these challenges may have a material adverse effect on our business, financial condition, and operational results. While we are taking steps to address these issues, including investing in infrastructure, there can be no guarantee that these measures will be sufficient to achieve the desired outcomes.

10. The Company is dependent on few numbers of customers for sales. The loss of any of this large customer may affect our revenues and profitability.

Our top ten customers contribute 67.80%, 75.26%, 73.85% and 75.27% of our total sales for the year ended on September 30, 2024, March 31, 2024, 2023 and 2022 respectively. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. We cannot assure you that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

16. Our Company has experienced delays in paying statutory dues, which could result in penalties by the concerned authorities.

Our Company is obligated to make timely payments of various statutory dues, including but not limited to Goods and Services Tax (GST) under the Goods and Service Tax Act, 2017. There have been certain instances of delays in the payment of statutory dues in the past by our Company, as outlined below:

Return Type-GSTR-3B

Financial Year	Establishment with Delay filing	Delay period (Days)	Month	Due Date	Date of filing	Reason for delay
2021-22	1	1 day	March	20-04-2022	21-04-2022	Due to inadvertently
2019-20	1	3 days	May	24-06-2020	27-06-2020	Due to covid related problem
2018-19	1	22 days	March	23-04-2019	15-05-2019	Because the March GSTR-3B is to be filed after due reconciliation of input and output, and as GST provisions were new, some dealers filed their GSTR-1 late. Consequently, our GSTR-3B return was also filed late after the necessary reconciliation.
2017-18	1	15 Days	March	20-04-2018	05-05-2018	

Recognizing the significance of timely compliance with legal and regulatory obligations, our Company has undertaken corrective actions to prevent any recurrence of such delays. Specifically, we have assigned clear responsibility to relevant personnels, providing them with access to all necessary information and resources to

ensure that statutory payments are made within the stipulated deadlines. Additionally, Company have strengthened our internal processes to monitor and track due dates for all statutory obligations.

While these delays in the payment of statutory dues have not materially impacted our business or financial condition during the financial years 2017-18, 2018-19, 2019-20 and 2021-22, we acknowledge that any future delays may pose risks. We cannot guarantee that similar issues will not arise in the future. Any delays occur going forward, they may result in penalties, interest charges, or other regulatory actions, which could adversely affect our business operations, financial condition, profitability, and cash flow.

SECTION IV-INTRODUCTION THE ISSUE

GENERAL INFORMATION

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to be Underwritten	Amount Underwritten (Rs. In Lakh)	% of the Total Issue Size Underwritten
[●]	[●]	[●]	[●]

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

Note: - Company shall enter into the underwriting agreement prior to filing of the Red Herring Prospectus and shall disclose the details of the same in Red Herring Prospectus (RHP) of the Company.

OBJECTS OF THE ISSUE

Details of Utilization of Issue Proceeds

1. Working Capital Requirements:

(Amount in Lakhs)

Particulars	Statement of Working Capital Requirement					
	March 31, 2022	March 31, 2023	March 31, 2024	September 30, 2024	March 31, 2025	March 31, 2026
	(Restated)	(Restated)	(Restated)	(Restated)	(Estimated)	(Estimated)
<i>Current Assets</i>						
Inventories	225.38	897.33	1,338.48	1,246.25	1,704.66	3,045.59
Current Investments	1.77	6.42	4.65	4.65	-	-
Trade Receivables	2,095.43	1,897.41	908.09	1,188.04	2,403.04	3,667.19
Short-term Loans and Advances	63.26	44.93	30.37	1,262.43	324.76	31.41
Other Current Assets	82.97	237.04	141.63	88.89	210.35	179.41
Cash and Cash Equivalents	11.87	19.98	335.24	636.65	3,228.00	1,388.94
Total (A)	2,480.68	3,103.11	2,758.46	4,426.90	7,870.80	8,312.54
<i>Current Liabilities</i>						
Short-Term Borrowings	1,029.98	1,102.13	972.65	2,102.14	1,866.50	1,000.00
Trade Payables	1,014.68	1,650.69	895.79	1,056.51	730.36	926.41

Other Current Liabilities	8.33	39.41	93.74	25.90	121.87	154.58
Short-Term Provisions	5.36	4.62	59.51	47.74	318.50	460.43
Total (B)	2,058.34	2,796.85	2,021.69	3,232.30	3,037.23	2,541.42
Net Working Capital (A)-(B)	422.37	306.26	736.77	1,194.60	4,833.57	5,771.12
Sources of Working Capital						
Proceeds from IPO	-	-	-			2,350.00
Bank Balance (Un-utilized IPO Fund)					3,040.00	
Internal Accruals	422.37	306.26	736.77	1,194.60	1,793.57	3,421.12

Sources of Internal Accruals estimated by our Company to meet the requirement of working capital of Rs. 17.94 crores in FY 24-25 will be estimated cash profits of the company, along with the unutilised retained earnings amounting to approx. ₹ 8.00 Crores.

Sources of Internal Accruals estimated by our Company to meet incremental gap of Rs. 16.27 crores in FY 25-26 will be estimated cash profits of the company.

As per 30th September, 2024 net worth of the company is ₹ 19.83 cr.

Note: -

Details regarding unutilised IPO in FY 2024-25.

Particulars	Amount (₹ in lakhs)
Capital Expenditure	1,025.00

Less: Advance to be paid with IPO proceeds	700.00
	<hr/>
Unutilised remaining in FY 2024-25	325.00
Add: Working Capital	2,350.00
Add: General Corporate Purpose(GCP)	*
	<hr/>
Total Unutilised Proceeds shown in Working capital	3,040.00
	<hr/> <hr/>

Further it has been estimated by the company that they will fully utilize the IPO proceeds by the fiscal year 2026, hence, there will be no unutilised funds in the period.

*Amount of GCP will be included at the time of filing prospectus stage of company.

Fund and Set up a Plant

Our Company has started the manufacturing in the year 2023. Our existing manufacturing unit is located at Kh. No. 13/2, Jhundpur Industrial Area, Sonipat, Haryana-131023, admeasuring the total area of 77046.74 Sq. Feet. where we manufacture Aluminium Wire Rods of 9.5mm as per ISO 9001:2015 from Innovative Systemcert Pvt. Ltd., ISO 14001:2015 from United Accreditation Foundation. Our Company intends to expand its manufacturing capabilities through manufacturing existing and new products like Aluminium Power Cables.

Our Company proposes to acquire domestic plant and machineries at an estimated cost of ₹ 1,025 Lakhs. Our Company has identified the type of plant and machinery to be purchased for the manufacturing unit and obtained quotations from various vendors but we are yet to place order for 100% of the plant and machinery. The detailed list of plant & machinery and electrical to be acquired by our Company is provided below:

S. No.	Name of Machine/ Equipment	Name of Supplier	Qty.	Per Unit Cost (in Lakhs)	Date of Quotation & Validity of Quotation	Amount proposed to be incurred in 2025-26 (in lakhs)
1.	3-Ton Electric Overhead Travelling Crane	Globe General Industries	2	15.00	30.08.2024 Valid till 31.03.2025	25.00
2.	Parts and Equipment	Sagar Engineer Works	Not provided as the	This can only be ascertained once		150.00

	required for setting up of Cable and Conductor Plant Machinery ⁽¹⁾		quotation is for the parts only. Installation's quotations may be different.	the quantity is determined	30.08.2024 Valid till 31.03.2025	
3.	Silent Electric Generating Set. ⁽²⁾	BNP Enterprises (125 KVA)	1	13.50	30.08.2024 Valid till 31.03.2025	35.00
		BNP Enterprises (320 KVA)	1	28.25	30.08.2024 Valid till 31.03.2025	
4.	Skip Laying Machine 1+4 X 1600 ⁽³⁾	Sarvasv Machinery & Equipment P. Ltd	1	120.00	30.08.2024 Valid till 31.12.2025	150.00
5.	1+6 Skip Strander ⁽⁴⁾	Sarvasv Machinery & Equipment P. Ltd.	1	50.00	30.08.2024 Valid till 31.03.2025	75.00
	Rigid Wire Stranding Machine ⁽⁵⁾	Sarvasv Machinery &	1	100.00	30.08.2024	

		Equipment P. Ltd.			Valid till 31.03.2025	
6.	Building, Flooring, Shed & Electricity	Kansal Color Roofings India P. Ltd. And Mr. Prakash	1	309.54	30.08.2024 Valid till 31.03.2025	285.00
7.	Pit Mounted Weigh Bridge	Caliber Scales India P. Ltd.	1	7.75	30.08.2024 Valid till 31.03.2025	15.00
8.	PVC Coating machine	Sagar Engineering Works	1	125.00	16.11.2024 Valid till 16.11.2025	125.00
9.	All Electrical works					5.00

SECTION V- ABOUT THE COMPANY

OUR BUSINESS

OVERVIEW OF OUR BUSINESS

Company Background:

The company was originally established to operate in the aluminium industry, primarily engaging in the trading of aluminium scrap and ingots through imports. Initially, its focus was on procuring and supplying raw materials, such as aluminium ingots and scraps, to various manufacturers of aluminium wire rods and traders who, in turn, catered to other manufacturers.

The company was a supplier of aluminium scrap and ingots to aluminium wire rod manufacturers, which established their credibility and strong network within the industry. The operations were focused on sourcing raw materials and distributing them efficiently to the manufacturers of aluminium wire rods until the financial year 2018-19.

Diversification into Trading of Aluminium Wire Rods:

In the financial year 2019-20, the company made a significant strategic shift by expanding their business model into trading of aluminium wire rods in addition to the raw materials they were already dealing with. This expansion into wire rod trading was a natural progression, as the promoters aimed to gain insights into the complete supply chain of the aluminium wire rod industry.

The promoters, particularly Mr. Prateek Jain and Mr. Shashank Jain, took an active role in learning about the aluminium wire rod manufacturing process by visiting several plants of leading manufacturers. Their direct engagement with manufacturers, combined with their four years of hands-on trading experience, enabled them to gain an in-depth understanding of the wire rod production process.

Growth and Performance (2019-20 to 2022-23): -

From FY 2019-20 to FY 2022-23, the company successfully carried out trading of aluminium wire rods, with their trading volume and revenue showing significant portion of overall revenue. The company's total trading value from FY 2019-20 to FY 2022-23 amounted to Rs. 6,679 lacs from aluminium wire rod.

Shift Towards Manufacturing:

With growing confidence and expertise in the wire rod trading sector, the promoters set their sights on manufacturing aluminium wire rods, leveraging their extensive industry knowledge and longstanding relationship. This strategic shift marked a pivotal stage in their business evolution as they focused on building the necessary infrastructure, acquiring advanced technology, and making significant investments to establish a full-fledged manufacturing unit.

The promoters' ultimate vision is to transition from being solely traders of aluminium scrap, ingots, and wire rods to becoming a manufacturer, thereby offering a more integrated and value-added solution to the aluminium industry. By combining their experience in trading, knowledge of market trends, and hands-on exposure to the manufacturing processes, the promoter's purpose is to establish a competitive edge in the aluminium wire rod market and ensure the long-term success of their manufacturing venture.

BACKGROUND OF COMPANY

The company started manufacturing on 01.04.2023. It purchased land in the financial year 2021-22 and immediately began construction of a building for its manufacturing facilities. The company also purchased additional land in the financial year 2022-23 and incurred capital expenditure related to the existing manufacturing facility.

PERCENTAGE BREAKDOWN OF THE DOMESTIC AND INTERNATIONAL SUPPLIERS AND CUSTOMERS

Particular	For the period September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Supplier	%	%	%	%
Domestic	98.85	98.83	0	0
International	1.55	1.17	0	0
Customer	%	%	%	%
Domestic	100	100	100	100
International	0	0	0	0

Note 1: % is calculated using total amount of purchases in case of suppliers and sales in case of customers.

Note 2: As on date, out of 91 customers there is no international customers and out of 128 suppliers there are only 2 international suppliers.

OUR LOGISTIC

The company owns a fleet of three commercial trucks, with a 50-ton daily capacity, and these trucks operate in double shifts to ensure maximum efficiency. They handle local deliveries within a 100 km radius from the company's base, giving the company a combined daily capacity of 50 tons for regional transport.

For deliveries that extend beyond the 100 km radius, the company partners with reliable external transporters. These transporters handle the long-distance shipments, ensuring that the company can fulfill orders that are outside the operational scope of its in-house fleet.

By combining its in-house fleet for short-haul deliveries with trusted external partners for longer distances, the company achieves a flexible, cost-effective, and efficient transportation network. This structure allows the company to meet customer demands across a wider geographic area without the need for expanding its own fleet for long-distance routes.

COLLABORATIONS

As on the date of the Red Herring Prospectus, Our Company is not party to any collaboration agreement.

Company have established its image in the local market, largely due to the strong demand for aluminium wire rods, which are essential for the production of aluminium cables. While our company does not currently formalize B2B agreements or collaborations with written contracts, we maintain a healthy relationship with our customers through verbal understandings. These informal agreements have worked well so far, as our customers recognize the quality and reliability of our aluminium wire rods for their manufacturing needs.

The local market is experiencing significant demand for aluminium cables, and as a result, the need for our wire rods remains robust. This demand has created an environment where sales are not an issue, as the market has a continual appetite for our products.

PLANT AND MACHINERY

The list of machines that the company possesses as of the date of this Red Herring Prospectus, along with all the machines mentioned below, are owned by the company itself.

S. No.	Name	Use	Capacity	Quantity
1.	Furnace	Used in Melting of Raw Material	Holding Capacity Of 30 Tonns, Melting Capacity of 3 Tonns Per Hour	2
2.	Continuous Casting	Used to Cast Molten Aluminium Into 1800 Mm Cast Bar	Casting Speed Of 4 Tonns Per Hour	1
3.	Rolling Mill	Used to Roll and Convert 1800 Mm Cast Bar into Round Aluminium Wire Rod Of 9.5 Mm	Rolling Speed Of 4 to 5 Tonns Per Hour	1
4.	Coiler	Used in Packaging and Coiling Prepared Aluminium Wire Rod Into 2.5 Tonns Coils	Coiling Speed of 6 Tonns Per Hour	2
5.	Crane	Used for the Purpose of Loading/Unloading and Moving Material and Aluminium Coils	Can Lift Upto 5 Tonns Material at a Single Time	2
6.	Transformer	Used for Steady Supply of Electricity	400 KVA	1
7.	Spectrometer	Used for Checking Quality of Raw Material and Finished Goods by Aluminium Purity	Can Check Upto 100 Samples Per Hour And Run For Whole Day 24 X 7	1
8.	Senior Kelvin Double Bridge	Used for Checking Resistivity and Conductivity of Aluminium Wire Rod	Can Check Even Upto 50 Samples Per Hour	1

CAPACITY UTILISATION

Jainik Power Cables Limited demonstrates a robust capacity to produce approximately 2,000 tons of aluminium rod per month, equating to 24,000 tons annually. Notably, the company successfully manufactured 7,600 tons of aluminium wire rods during the aforementioned fiscal year.

It's imperative to acknowledge that since the inception of this plant on April 01, 2023, any production utilization data predating this date is non-existent and thus, not applicable to current assessments. This ensures a clear delineation of production capacity and utilization metrics, facilitating accurate analysis and strategic planning for future operations.

Particulars	Unit	March 31, 2024	Till September 30, 2024 (6 months)
Rod Manufacturing			
Installed Capacity	Ton	24,000	12,000
Actual Production	Ton	15,100	7600
Capacity Utilization	%	62.91	63.33

Note: -the abovementioned capacity utilisation has been certified by Dr Kuldeep Kumar Agrawal, Chartered Engineer (M-147399-3) certificate dated November 22, 2024.

Currently, the company is operating at approximately 63% capacity utilization. With the installation of new machinery, Company anticipates increasing production capacity by 20% annually over the next few years.

This new equipment will allow us to diversify our product portfolio by converting a portion of aluminium wire rods into aluminium cables. Starting in the financial year 2025–26, Company plan to allocate 25% of the existing production capacity for cable manufacturing. This allocation will increase by 25% annually, to achieve 100% conversion within the next 4–5 years.

Financial and Operational Advantages

Profitability Growth: -

- Current Product (Aluminium Rods): Our gross profit (GP) margin is 3.5%, and net profit (NP) margin is 2.5%.
- New Product (Aluminium Cables): Expected GP margin is 12–15%, and NP margin is 8–10%.

This transition to aluminium cables will significantly enhance profitability, with profits growing at a substantial rate due to the higher margins in cable manufacturing.

Turnover Growth:

- Stub period turnover: ₹160 crores.
- Current year expected turnover: ₹350–370 crores.

With the new production line operational from next year, turnover is projected to grow rapidly as the contribution of aluminium cables increases year over year.

Improved Capacity Utilization: New machinery will optimize resource use, reduce waste, and enhance operational efficiency.

By leveraging the higher margins in aluminium cable manufacturing and capitalizing on increased production, we expect significant financial growth.

SALES STRATEGY AND DISTRIBUTION CHANNELS

Company adopts a mixed sales approach to maximize its market reach and efficiency. The company utilizes the services of intermediary agents while also maintaining direct relationships with its clients, developed over a period of time through trust and credit worthiness.

Direct Sales: M/s Jainik Power Cables Limited deals directly with key clients, ensuring strong relationships, better understanding of their needs, and retention of higher profit margins.

Intermediary Agents: The company also works with agents who help expand its reach to new markets, leveraging their local expertise and networks.

ACHIEVEMENTS OF THE COMPANY

The achievements and certificates obtained by the company are as follows: -

Our company has received two important awards recognizing our exceptional work, dedication to quality, and contributions to society:

1. **Indian Achievers Award for Promising Company:** This award highlights our potential and ongoing efforts toward excellence. It acknowledges our growth, innovation, and commitment to delivering the best value to our stakeholders.
2. **India 5000 Best MSME Award:** This award celebrates our focus on quality, customer satisfaction, and the positive impact we have made on society through our services and management practices.

PRODUCT WISE REVENUE BREAKUP

The product-wise revenue breakup of the Company is as follows:

(Amount in Lakhs)

Product	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Aluminium Ash	1.07	3.14	0.00	0.00
Aluminium Dross	120.59	544.95	0.00	0.00
Aluminium Ingot	0.00	0.00	0.00	923.62
Aluminium Throb	0.00	0.00	2,288.87	1,898.42
Aluminium Wire Ingot	0.00	0.00	820.02	205.16
Aluminium Wire Rod	160,09.45	33,084.52	1,175.33	1,853.91
All type of Metal at MCX	0.00	103.04	793.40	305.03
Others	0.00	0.00	45.81	0.00
Iron & Steel Scrap	0.00	23.21	0.00	0.00
Exim Script	0.00	103.26	1,615.09	1,226.87
Total	161,31.11	33,862.12	6,738.52	6,413.01

OUR MANAGEMENT

BRIEF PROFILE OF OUR DIRECTORS

Ms. Anju Jain, Non-Executive Director of Company has been associated with Jainik Power Cables Limited since April 02, 2012 as Director of the Company. She is also a director of Passco Impex Private Limited since 18.01.2005 to till date.

Mr. Prateek Jain, Director & CFO Mr. Prateek Jain is promoter and Executive Director of the company, he is also holding the CFO position in the company. He assumed the charge as director on the board on 15th January,2024 and became CFO on 27th February,2024. He has a wide experience in Purchase and sales department. he is also a director of Passco Impex Private Limited since 01.11.2013 to till date.

Mr. Shashank Jain, Director of Company has been associated with Jainik Power Cables Limited since May 02, 2011 as Director of the Company. Prior to this, there is no employment in any company.

Mr. Manish Wahi, Independent Director Mr. Manish Wahi was appointed as a Non-Executive and Independent Director of the company, on 11th May 2024. He is a practicing Chartered accountant with over 5 years of experience in Risk Management, Taxation and Legal Compliance Monitoring system. He specializes in direct and indirect tax laws. Prior to this, there is no employment in any company.

Mr. Sachin Goyal, Independent Director Mr. Sachin Goyal was appointed as a Non-Executive and Independent Director of the company, on 11th May 2024. He is a Company secretary and lawyer by profession having 9 years of work experience. He specializes in areas related to company law and securities law and is well exposed in dealing with authorities like Registrar of companies, Regional director, National Company Law Tribunal and various Judicial Authorities. In past, he has been working in Frost Falcon Distilleries Limited as Company Secretary from April 01, 2019 to March 31, 2024.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Prateek Jain is the Promoter, Executive Director and Chief Financial Officer of the Company. He holds a Bachelor of Commerce (B. Com) degree from Delhi University. we here confirm that we will include the same under chapter titled “Our Management” in Red Herring Prospectus of the Company.

SECTION-VI-FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

PRODUCT WISE REVENUE BREAKUP

The product-wise revenue breakup of the Company is as follows:

(Amount in Lakhs)

Product	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Aluminium Ash	1.07	3.14	0.00	0.00
Aluminium Dross	120.59	544.95	0.00	0.00
Aluminium Ingot	0.00	0.00	0.00	923.62
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Aluminium Wire Ingot	0.00	0.00	820.02	205.16
Aluminium Wire Rod	160,09.45	33,084.52	1,175.33	1,853.91
All type of Metal at MCX	0.00	103.04	793.40	305.03
Others	0.00	0.00	45.81	0.00
Iron & Steel Scrap	0.00	23.21	0.00	0.00
Exim Script	0.00	103.26	1,615.09	1,226.87
Total	161,31.11	33,862.12	6,738.52	6,413.01

DETAILS OF PERIOD ENDED 30TH SEPTEMBER, 2024 AS COMPARED TO FINANCIAL YEAR 2024 (BASED ON RESTATED FINANCIAL STATEMENTS)

◆ **Restated Profit after Tax**

The restated profit before tax for the period ended 30th September,2024 stood at Rs.447.02 Lakhs. Whereas for the Financial Year 2023-24, it stood at Rs.501.86 Lakhs, which is almost equivalent to 2.76% and 1.47% of the total income of the corresponding period respectively. In line with the profit before tax.

Company had revenue from operations of ₹16,131.13 lakhs in the stub period which is 47.63% of the total revenue from operations registered in FY 2023-24. It incurred PAT of ₹447.02 lakhs registering PAT margin of 2.77%.

(Amount in lakhs)

Particulars	30 th September, 2024	FY 2023-24
Revenue from Operations	16,131.13	33,862.12
PAT	447.02	501.86
PAT Margin	2.77%	1.48%

It had better margins in stub period due to the following reasons:

1. **Better Negotiation Power:** With a full year of manufacturing experience, the company developed greater expertise, strengthening its ability to negotiate effectively with suppliers. This resulted in procuring raw materials at comparatively lower costs, further enhancing profitability.
2. **Capacity Utilisation:** As company's capacity utilization was increased. Higher capacity utilization enabled the company to produce an additional 100 tons (annualized) by 30th September 2024 compared to FY 2023-24. This optimization lowered re-heating costs and contributed to a higher PAT margin.

DETAILS OF FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

◆ Restated Profit after Tax

The restated profit before tax For the Financial Year 2023-24 stood at Rs. 501.86 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 14.65 Lakhs, representing an increase of 3325.64%, in line with the increase in scale of operations, increase in revenue.

Rationale for increase in income and expenses:

CONCLUSION

1. **Growth in Top Line:** The company's revenue from operations increased due to expansion and vertical integration of the business line. From being trader of Aluminum scrap, now Company melt it and convert it into aluminium wire rods.
2. **Increase in Customer base:** Since the company has vertically integrated, its customer base shifted from the user of scrap material to the user of aluminium wire rods. This increased their customer base which led to increase in top line.
3. **Commodity Rates (LME):** Sale price and cost price of the Aluminium is derived from London Metal exchange, which fluctuates from the market forces such as demand and supply and other factors such as boom in

automobile sector, fluctuation in energy prices such as coal and continuation of the Russo-Ukrainian war also exacerbated the fluctuation of LME aluminium prices.

Reasons For Change in PAT Margin:

(Amount in lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	33,862.12	6,738.40
PAT	501.86	14.66
PAT Margin	1.48%	0.22%

In FY 2023-24, the company undertook a strategic shift by transitioning to manufacturing, specifically focusing on Aluminium Wire Rod production. Manufacturing typically offers better operational efficiencies and higher margins compared to trading. This transition significantly boosted the company's financial performance:

- **FY 2023-24:** Revenue was increased drastically to ₹33,862.12 lakhs, with a PAT of ₹501.86 lakhs and a PAT margin of **1.48%**.
- 1. **Growth in Top Line:** The company's revenue from operations increased due to expansion and vertical integration of the business line. From being trader of Aluminium scrap, now Company manufactured the aluminium wire rods.
- 2. **Increase in Customer base:** Since the company has vertically integrated, its customer base shifted from the user of scrap material to the user of aluminium wire rods. This increased their customer base which led to increase in top line.

Conclusion: The remarkable growth in both revenue and profitability in FY 2023-24 highlights the benefits of transitioning to manufacturing. The higher turnover, combined with the better profit margins inherent in the manufacturing sector, enabled us to achieve this significant improvement in our financial results.

This strategic evolution underscores our commitment to value creation and long-term growth by focusing on high-margin manufacturing operations over lower-margin trading activities.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)

◆ **Restated Profit after Tax**

The restated profit before tax For the Financial Year 2022-23 stood at Rs.14.65 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 6.41 Lakhs majorly due to factors mentioned above.

Reasons for change in PAT Margin

(Amount in lakhs)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	6,738.40	6,413.01
PAT	14.66	6.40
PAT Margin	0.22%	0.10%

In FY22 and FY23, the company was primarily engaged in the trading business. Trading typically operates on narrow margins, and this was reflected in the company's financial performance during these years:

- **FY22:** Revenue stood at ₹6,413.01 lakhs, with a PAT of ₹6.40 lakhs, resulting in a PAT margin of **0.1%**.
- **FY23:** Revenue increased slightly to ₹6,738.40 lakhs, with a PAT of ₹14.66 lakhs and a PAT margin of **0.22%**.

As Revenue from operations increased by 5.07% which can be considered as nominal growth for any business, its PAT increased by ₹8.26 lakhs. This was primarily due to following reasons:

1. **Profit from sale of Fixed Assets:** As company sold plant and machinery during the FY 2022-23, it incurred profit on such sale of ₹1.2 lakhs, which is disclosed in other income as per accounting standards.
2. **Lower Depreciation:** As company has not made any major purchase of fixed asset and by following written down value method for calculation of depreciation, it was decreased by 26.33% i.e. ₹5.96 lakhs in FY 2022-23.

Thus, the improvement in FY23 was primarily due to better operational efficiency, cost optimization measures, and higher trading volumes, which contributed to a modest but noteworthy increase in profitability.

While there was some improvement in FY23, the trading business inherently has lower profitability due to its limited value addition.

OUR PROMOTER

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Red Herring Prospectus.