



(Please scan this QR Code to view the Draft Prospectus)

**Draft Prospectus**  
Dated: January 23, 2024  
Please read Section 26 of Companies Act, 2013  
Fixed Price Issue

**SHIVAM****SHIVAM CHEMICALS LIMITED**

Corporate Identity Number is U24100MH2010PLC208870

REGISTERED OFFICE		CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069		Rishita Taparia <i>Company Secretary and Compliance Officer</i>	Email: <a href="mailto:info@shivamchem.com">info@shivamchem.com</a> Telephone: +91 98199 68855	<a href="http://www.shivamchem.com">www.shivamchem.com</a>
<b>THE PROMOTERS OF OUR COMPANY</b>				
<b>SANJIV GIRDHARLAL VASANT, SOHAM SANJIV VASANT AND SHIVAM SANJIV VASANT</b>				
<b>DETAILS OF ISSUE</b>				
TYPE	FRESH ISSUE SIZE (IN LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII & RII
Fresh Issue	Fresh Issue of upto 45,87,000 Equity Shares aggregating ₹ [●] Lakhs	Not Applicable	Total Issue of upto 45,87,000 Equity Shares aggregating ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations. As the Company's post issue face value capital is more than ten crore rupees and upto twenty five crore rupees.
<b>DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS</b>				
NAME OF SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT	AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS* (IN ₹ PER EQUITY SHARE)	
Not Applicable				
<b>RISK IN RELATION TO THE FIRST ISSUE</b>				
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 the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 66 of this Draft 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.				
<b>GENERAL RISK</b>				
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their 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 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 contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 21 of this Draft Prospectus.				
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in this Draft 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
<b>LISTING</b>				
The Equity Shares issued through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE"). Our Company has received an In-Principle Approval letter dated [●] from BSE Limited for using its name in this Offer Document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").				
<b>LEAD MANAGER TO THE ISSUE</b>			<b>REGISTRAR TO THE ISSUE</b>	
				
<b>ARYAMAN FINANCIAL SERVICES LIMITED</b> 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg Fort, Mumbai – 400 001 Tel No.: +91 22 6216 6999 Email: <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a> Website: <a href="http://www.afsl.co.in">www.afsl.co.in</a> Investor Grievance Email: <a href="mailto:feedback@afsl.co.in">feedback@afsl.co.in</a> Contact Person: Vatsal Ganatra/ Jigar Bhanushali SEBI Registration No. INM000011344			<b>CAMEO CORPORATE SERVICES LIMITED</b> Subramanian Building, No. 1, Club House Road, Chennai – 600 002. Tel.: +91 - 44 – 40020700 (5 Lines) E-mail: <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a> Investor Grievance Email: <a href="mailto:investor@cameodina.com">investor@cameodina.com</a> Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a> Contact Person: K. Sreepriya SEBI Registration. No.: INR000003753	
<b>ISSUE OPENS ON</b>			<b>ISSUE CLOSSES ON</b>	
[●]			[●]	



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**Draft Prospectus**  
Dated: January 23, 2024  
Please read Section 26 of Companies Act, 2013  
Fixed Price Issue



### SHIVAM CHEMICALS LIMITED

Our Company was incorporated as “Sun Organosys Private Limited” on October 12, 2010 under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 208870. The name of our Company was changed to “Shivam Chemicals Private Limited” vide Ordinary Resolution dated January 17, 2012 and a fresh certificate of incorporation consequent to conversion was issued on January 30, 2012 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Shivam Chemicals Limited” vide Special Resolution dated November 04, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 21, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U24100MH2010PLC208870. For further details, please refer to the chapter “History and Certain Corporate Matters” beginning on page no. 98 of this Draft Prospectus.

**Registered Office:** Office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069

**Tel No.:** +91 98199 68855; **Email:** [info@shivamchem.com](mailto:info@shivamchem.com); **Website:** [www.shivamchem.com](http://www.shivamchem.com)

**Contact Person:** Rishita Taparia, Company Secretary and Compliance Officer; **Corporate Identity Number :** U24100MH2010PLC208870

**OUR PROMOTERS: SANJIV GIRDHARLAL VASANT, SOHAM SANJIV VASANT AND SHIVAM SANJIV VASANT**

#### THE ISSUE

**INITIAL PUBLIC OFFER OF UPTO 45,87,000 EQUITY SHARES OF ₹ 10 EACH (“EQUITY SHARES”) OF SHIVAM CHEMICALS LIMITED (“SCL” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH UPTO 2,31,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 43,56,000 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.00% AND 25.64% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●]TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled “Issue Information” beginning on page no. 179 of this Draft Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, 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 no. 188 of this Draft Prospectus. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### RISK 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 the face value. The Issue (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis of Issue Price” beginning on page no. 66 of this Draft 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 RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their 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 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 contents of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page no. 21 of this Prospectus.

#### COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 makes this Draft 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 Issued through this Draft Prospectus is proposed to be listed on the SME Platform of BSE Limited. Our Company has received an in-principle approval letter dated [●] from BSE for using its name in this issue document for listing our shares on the SME Platform of the BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”).

#### LEAD MANAGER TO THE ISSUE



**ARYAMAN FINANCIAL SERVICES LIMITED**  
60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg  
Fort, Mumbai – 400 001  
**Tel No.:** +91 22 6216 6999  
**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Vatsal Ganatra/ Jigar Bhanushali  
**SEBI Registration No.** INM000011344

#### REGISTRAR TO THE ISSUE



**CAMEO CORPORATE SERVICES LIMITED**  
Subramanian Building, No. 1,  
Club House Road,  
Chennai – 600 002.  
**Tel.:** +91 - 44 – 40020700 (5 Lines)  
**E-mail:** [priya@cameoindia.com](mailto:priya@cameoindia.com)  
**Investor Grievance Email:** [investor@cameoindia.com](mailto:investor@cameoindia.com)  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**Contact Person:** K. Sreepriya  
**SEBI Registration. No.:** INR000003753

#### ISSUE OPENS ON

[●]

#### ISSUE CLOSES ON

[●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the 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 such provision.

The words and expressions used in this Draft 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. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

#### General Terms

Term	Description
Shivam Chemicals Limited / SCL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Shivam Chemicals Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiary, on a Consolidated basis.
“you”, “your”, or “yours”	Prospective Investor in this issue

#### Company Related Terms

Term	Description
SCL	Shivam Chemicals Limited
AoA/ Articles/ Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Shivam Chemicals Limited.
Auditors of the Company	M/s PSRD & Co, Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted on December 22, 2023 in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page no. 101 of this Draft Prospectus.
Board of Directors / Board	The Board of Directors of Shivam Chemicals Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Soham Sanjiv Vasant
CIN/ Corporate Identification Number	U24100MH2010PLC208870
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being, Rishita Taparia.
Corporate Social Responsibility Committee	The Committee of the Board of Directors constituted on December 22, 2023 in accordance with Section 135 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page no. 101 of this Draft Prospectus.
Director(s)/ Our Directors	Director(s) of Shivam Chemicals Limited, unless otherwise specified.
Executive Directors	Executive Directors are the Managing Director & Whole Time Director of our Company.
Equity Shares	Equity Shares of our Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term — Group Companies includes companies (other than our Promoters) with which there were related party transactions as disclosed in the Restated Consolidated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in — Our Group Companies on page no. 120 this Draft Prospectus.

Term	Description
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “Our Management” beginning on Page no.OUR MANAGEMENTof this Draft Prospectus.
ISIN	International Securities Identification Number. In this case being INE0SGR01013
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “Our Management” on page no. 101 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MD or Managing Director	The Managing Director of our Company being Sanjiv Vasant.
MOA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination And Remuneration Committee of our Company, constituted on December 22, 2023 in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “Our Management” on page no. 101 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
Promoter(s) / Core Promoter	Sanjiv Girdharlal Vasant, Soham Sanjiv Vasant and Shivam Sanjiv Vasant
Promoters Group	Such persons, entities and companies constituting our promoters group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoters and Promoters Group” on page no. 115 of this Draft Prospectus.
Registered Office	The Registered Office of our Company situated at Office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069.
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai – 400002.
Restated Consolidated Financial Statements	The Restated Consolidated Financial Statements of our Company for the period ended September 30, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, which comprises of the Restated Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Stakeholders’ Relationship Committee	The stakeholder’s relationship committee of our Company, constituted on dated December 22, 2023 in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “Our Management” on page no. 101 on this Draft Prospectus.
Shareholders	Shareholders of our Company
Subsidiary Company	Subsidiary of our Company namely, Shivam Chemicals and Minerals Private Limited, located at Office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069.
Stock Exchange/ BSE SME	SME Platform of BSE Limited.
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.

## Issue Related Term

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot / Allotment / Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	The successful applicant(s) to whom the Equity Shares are being / have been allotted.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of the Prospectus.
Application Supported by Blocked Amount/ ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Applicants, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Application Amount mentioned in the relevant ASBA Form and includes the account of a RIIs which is blocked upon acceptance of a UPI Mandate Request made by the RIIs using the UPI Mechanism.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form/ Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <i>General Information</i> ” on page no 42 of this Draft Prospectus.
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be, which are Clearing Members and registered with SEBI as Banker to the Issue with whom the Escrow Agreement is entered and in this case being [●].
Banker(s) to the Issue Agreement	The agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the LM, and Banker(s) to the Issue in accordance with the UPI Circulars, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Applicants, on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page no 188 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms (in case of RIIs only ASBA Forms under UPI) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.

Term	Description
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the UPI Circulars issued by SEBI as per the list available on the websites of Stock Exchange.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange.
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked by the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker	Shreni Shares Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited (SME Exchange of BSE Limited i.e. BSE SME).
Draft Prospectus	This Draft Prospectus dated January 23, 2024 issued in accordance SEBI ICDR Regulation.

Term	Description
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Application Amount when submitting an Applicant.
First or Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applicants, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Foreign Institutional Investors/ FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
Fresh Issue	Fresh Issue of upto 45,87,000 Equity Shares of face value ₹ 10 each for cash at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs by our Company.
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 60 of this Draft Prospectus.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchange and the LM.
Issue	The Initial Public Offer of upto 45,87,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including securities premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs.
Issue Agreement	The agreement dated December 22, 2023 entered amongst our Company, the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications, including any revisions thereof
Issue Price	The Price at which the Equity Shares are being Issued by our Company in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per equity share
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page no. 60 of this Draft Prospectus
Issue Size	The Public Issue Upto 45,87,000 of Equity shares of ₹ 10 each at price of ₹ [●] per Equity share, aggregating to ₹ [●] lakhs by our Company.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	In our case being Shreni Shares Limited
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated December 22, 2023
Market Maker Reservation Portion	The Reserved portion of upto 2,31,000 Equity shares of ₹ 10 each at an Issue Price of ₹ [●] per share aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters' of 20% and locked-in for a period of three years from the date of Allotment.



Term	Description
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Net Issue of upto 43,56,000 Equity Shares of ₹ 10 each at price of ₹ [●] per Equity Shares aggregating to ₹ [●] lakhs by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company i.e. gross proceeds of the Fresh Issue, less Issue expenses to the extent applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Issue expenses, see “Objects of the Issue” beginning on page no. 60 of this Draft Prospectus.
Non Institutional Applicant/ NIIs	All Applicants including FPIs that are not Qualified Institutional Buyers or Retail Individual Applicants and who have Applied for Equity Shares for a cumulative amount more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs).
Non Resident or NRI	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and Closing date and other information.
Public Issue Account	A bank account opened with Bankers to the Issue under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Issue Bank	A bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made.
Refund Bank(s)	The bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar Agreement	The agreement dated December 23, 2023 among our Company, the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar / Registrar to the Issue	Registrar to the Issue being Cameo Corporate Services Limited.
Retail Individual Investors / RII(s)	Individual Applicants, who have Application for the Equity Shares for an amount not more than ₹ 2,00,000 in any of the applying options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)

Term	Description
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period or withdraw their Applications until Issue Closing Date.
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank	[●], being the Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circular
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, which offer services, (i) in relation to ASBA, where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.  Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website. The said list shall be updated on the SEBI website.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	The underwriters in this case are Aryaman Financial Services Limited and Shreni Shares Limited.
Underwriting Agreement	The Agreement among our Company and the Underwriters dated December 22, 2023.
“Unified Payments Interface” or “UPI”	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.

Term	Description
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circular

#### Technical / Industry related Terms

Term	Description
GDP	Gross domestic product
HFI	High-Frequency Indicators
CAD	Current Account Deficit
CAGR	Compound annual growth rate
IMARC	International Market Analysis Research and Consulting Group
BSE	bovine spongiform encephalopathy
DDGS	Distiller's dried grain with soluble
TMR	Total Mixed Ration
FAO	Food and Agriculture Organization
IMF	International Monetary Fund
WEO	World Economic Outlook

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
AOA	Article of Association
Amt	Amount
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
BSE SME	SME Platform of BSE Limited
Banking Regulation Act	Banking Regulation Act, 1949
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compound Annual Growth Rate
CAN	Confirmation of Allocation Note

Term	Description
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
CST	Central Sales Tax
CY	Calendar Year
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
ESIC	Employee’s State Insurance Corporation
EGM/ EoGM	Extraordinary General Meeting
EPS	Earnings Per Share
ESOP	Employee Stock Option Plan
EMDEs	Emerging Markets and Developing Economies
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non Resident Account

Term	Description
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
Fis	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods & Services Tax
GVA	Gross Value Added
HNIs	High Networth Individuals
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IGST	Integrated Goods and Services Tax Act, 2017
ICSI	Institute of Company Secretaries of India
IMF	International Monetary Fund
INR / ₹/ Rupees/₹	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
IFRS	International Financial Reporting Standards
i.e.	That is
IAS Rules	Indian Accounting Standards, Rules 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
ISIN	International Securities Identification Number. In this case being INE0SGR01013.
ISO	International Organization for Standardization
IST	Indian Standard Time
KMP	Key Managerial Personnel
KM / Km / km	Kilo Meter
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology

Term	Description
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

<b>Term</b>	<b>Description</b>
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
SGST	State Goods and Services Tax Act, 2017
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
Wilful Defaulter	An entity or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, and the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

## CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL

### Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One represents 1, 00,000.

### Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus is derived from our Restated Consolidated Financial Statements. Certain additional financial information pertaining to our Group Companies is derived from its financial statements. The Restated Consolidated Financial Statements included in this Draft Prospectus are for the period ended September 30, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer “*Financial Information*” beginning on page no 123 of this Draft Prospectus.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page nos. 21 , 81 and 150 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Consolidated Financial Statements of our Company.

### Currency and Units of Presentation

All references to “Rupees”, “₹” Or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

### Definitions

For definitions, please refer the Chapter titled “*Definitions and Abbreviations*” on page no.1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 206 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources



believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify the new premises may adversely affect the operations, finances and profitability of the Company;
- Increased competition in Chemical Industry.
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our Intellectual Property Rights
- Changes in consumer demand
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoters group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business; and
- The occurrence of natural disasters or calamities.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 21, 81 and 150 of this Draft Prospectus, respectively.

Neither our Company, our Directors, our Promoters, the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II - SUMMARY OF OFFER DOCUMENT

### A. Summary of Business

Our company is a manufacturer of Hydrated Lime (Calcium Hydroxide) & a distributor of various products such as Poultry feed supplement (MBM), Di-Calcium Phosphate (Feed Grade), Magnesium Oxide, Limestone Powder, etc. With rich experience and knowledge we have built a well-established marketing network across India and we distribute animal feed products for various well renowned manufacture over the years, we have successfully supplied an impressive quantity of over 2.50 Lakh metric tons of various products, reflecting our commitment to meeting the demands of the market. The cumulative value of these supplied products has exceeded INR 7,500 million, underscoring our financial significance in the sector. With an average monthly sales volume of 2,650 metric tons, we maintain a consistent presence and contribute to the steady flow of products in the market. Our journey began with a primary focus on animal feed supplement trading till FY 2022-23 and our evolution into manufacturing is happened through the establishment of a 100% owned subsidiary.

Our wholly owned subsidiary company Shivam Chemicals and Minerals Private Limited is located at Dahej Gujarat with a manufacturing capacity of 60,000 MT. They are engaged in manufacturing of Hydrated lime (Calcium hydroxide) product..

For more details, please refer chapter titled “Our Business” beginning on page 81 of this Draft Prospectus.

### B. Summary of Industry

We operate in the animal feed industry. For more details, please refer chapter titled “Industry Overview” beginning on page 74 of this Draft Prospectus.

### C. Our Promoters

Our Company is promoted Sanjiv Girdharlal Vasant, Soham Sanjiv Vasant and Shivam Sanjiv Vasant.

### D. Size of Issue

<b>Issue</b>	Upto 45,87,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>of Which:</b>	
<b>Market Reservation</b>	<b>Maker</b> Upto 2,31,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<b>Net Issue</b>	Upto 43,56,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.

### E. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ In lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Funding Working Capital Requirements in Our Company	705.00	705.00
2.	Investment in Subsidiary Co. M/s Shivam Chemicals & Minerals Pvt. Ltd. for financing the augmentation of its working capital capabilities	562.00	562.00
3.	General Corporate Purpose	[●]	[●]
	<b>Total</b>	[●]	[●]

### F. Pre-Issue Shareholding of our Promoters and Promoters Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre Issue shareholding of our Promoters and Promoters Group as a percentage of the paid-up share capital of the Company

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Sanjiv Girdharlal Vasant	86,79,998	69.99%	86,79,998	51.10%
Soham Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%
Shivam Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%
<b>Total</b>	<b>1,05,39,998</b>	<b>84.99%</b>	<b>1,05,39,998</b>	<b>62.04%</b>
<b>Promoters Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)</b>				
Rajshree Girdharlal Vasant	9,30,000	7.50%	9,30,000	5.47%
Mayuri Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%
<b>Total</b>	<b>18,60,000</b>	<b>15.00%</b>	<b>18,60,000</b>	<b>10.94%</b>
<b>Total Promoters &amp; Promoters Group Holding</b>	<b>1,23,99,998</b>	<b>99.99%</b>	<b>1,23,99,998</b>	<b>72.98%</b>
<b>Total Paid up Capital</b>	<b>1,24,00,000</b>	<b>100.00%</b>	<b>1,69,87,000</b>	<b>100.00%</b>

#### G. Summary of Restated Consolidated Financial Statement

(₹ in lakhs)

Particulars	September 30, 2023 (Consolidated)	March 2023 (Consolidated)	March 2022 (Standalone)	March 2021 (Standalone)
Share Capital	1240.00	40.00	40.00	40.00
Net Worth	1383.79	1335.35	971.41	527.71
Total Income	6,434.41	15,658.34	17,798.84	9,557.75
Profit after Tax	48.44	363.94	443.70	86.50
Basic & Diluted EPS ( based on actual no of shares)	0.39	90.99	110.93	21.63
Basic & Diluted EPS (based on equivalent weighted avg. no of shares)	0.39	2.94	3.58	0.70
Net Asset Value Per Share (₹)-based on actual no. of equity shares at the end of the year	11.16	333.84	242.85	131.93
Net Asset Value Per Share (₹)-based on equivalent weighted avg. no. of equity shares at the end of the year after bonus issue	11.16	10.77	7.83	4.26
Total Borrowings	1435.38	1351.37	509.50	153.39

H. There are no Auditor's Qualifications in any of the Financial Statements of the Company.

I. Summary of Outstanding Litigation are as follows

(₹ in lakhs)

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
<b>Company</b>						
By the	-	-	-	-	-	-

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Company						
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By Promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
<b>Group Companies</b>						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	1	Unascertainable
*For further details of the outstanding litigation proceedings, see “Outstanding Litigations and Material Developments” beginning on page 161 of this Draft Prospectus.						

#### J. Risk Factors

Investors should read chapter titled “Risk Factors” beginning on page no. 21 of this Draft Prospectus to get a more informed view before making any investment decisions.

#### K. Summary of contingent liabilities

There are no material contingent liabilities as on September 30, 2023

#### L. Summary of Related Party Transactions

Our Company has entered into certain transactions with our related parties including our Promoters, Promoters Group, Directors and their relatives as mentioned below:

(₹in lakhs)

Particulars	September 30, 2023 (Consolidated)	March 2023 (Consolidated)	March 2022 (Standalone)	March 2021 (Standalone)
Remuneration	25.50	63.00	120.00	66.00
Rent	22.50	33.75	45.00	36.00
Salary	12.00	24.00	38.45	7.20
Interest on loan	-	2.21	17.21	19.75
<b>2) Balances at the end</b>				
Due to Promoters & promoters group	654.02	-	336.50	90.50
Investment in Equity Shares	150.00	150.00	-	-

Particulars	September 30, 2023 (Consolidated)	March 2023 (Consolidated)	March 2022 (Standalone)	March 2021 (Standalone)
<b>3) Eliminated transaction</b>				
Borrowing & advances	1089.00	712.00	-	-

For further information, please refer Page No“123 - SECTION VII- FINANCIAL INFORMATIONd Party Transactions” in the chapter titled “Financial Consolidated Statements as Restated” beginning from page no. 123 of this Draft Prospectus

- M.** There are no financing arrangements whereby the Promoters Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.
- N.** The weighted average price of acquisition of Equity Shares by our Promoters in last one year preceding the date of this Draft Prospectus is below:

Name of Promoters	Weighted Average price of Acquisition (₹)
Sanjiv Girdharlal Vasant	Nil
Soham Sanjiv Vasant	Nil
Shivam Sanjiv Vasant	Nil

- O.** The average cost of acquisition of Equity Shares by our Promoters is below:

Name of Promoters	Average price of Acquisition (₹)
Sanjiv Girdharlal Vasant	3.10
Soham Sanjiv Vasant	3.10
Shivam Sanjiv Vasant	Nil

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.*

- P.** Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.
- Q.** Except for Bonus Shares our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus.
- R.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.
- S.** Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Prospectus, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page no’s 81, 150, 74 and 123, respectively of this Draft Prospectus, together with all other financial information contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Consolidated Financial Statements for the period ended on 30<sup>th</sup> September 2023, year ended March 31, 2023, March 31, 2022 and March 31, 2021 as included in “Financial Information” on page no 123 of this Draft Prospectus.

The risk factors are classified as under for the sake of better clarity and increased understanding:



#### INTERNAL RISK FACTORS

- 1. We derive revenue from distribution of animal feed nutrients and chemical products with preserving quality of the highest international standards and any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition.***

We derive revenue from distribution of animal feed nutrient and chemical products, which primarily comprises the Poultry feed supplement( MBM), Di calcium phosphate, soya de- oiled cake, limestone powder, magnesium oxide and hydrated lime- slaked lime. For the period ended September 30, 2023 and the financial years 2023, 2022 and 2021, our revenue from our business was ₹ 6,424.48 lakhs, ₹ 15,651.68 lakhs, ₹ 17,794.49 lakhs and ₹ 9,549.77 lakhs respectively. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of such products could have an adverse effect on our business, results of operations and financial condition.

- 2. 100% Trading activities till FY 22-23 in holding company and started manufacturing activity in its wholly owned subsidiary company from FY 23-24, diversification into manufacturing could lead to increased costs, resource***



*allocation issues, and potential conflicts of interest between the two entities.*

Our company Shivam Chemicals Limited is entirely engaged in trading activities of products; whereas our subsidiary company Shivam Chemicals & Minerals Private Limited has started its manufacturing operation in May 2023. Firstly, the diversification into manufacturing introduces additional operational complexities and potential challenges in managing both sectors effectively, this could lead to increased costs, resource allocation issues, and potential conflicts of interest between the two entities.

Secondly, the success of the manufacturing subsidiary may heavily depend on market demand, competition, and the ability to establish a strong presence in the manufacturing sector. Failure to do so could impact the overall profitability of the company. Additionally, the company may need to allocate significant financial resources to support the expansion into manufacturing, potentially affecting its liquidity and financial stability.

**3. *Manufacturing activity is carried out by the subsidiary company & they have recently started its manufacturing activity of producing hydrated lime product.***

Our wholly owned subsidiary company Shivam Chemicals & minerals Pvt. Ltd, is engaged in manufacturing of hydrated lime product. They are newer in this manufacturing activity; the company has recently started its operation in May 23.

In the upcoming years of operation, uncertainties and challenges may arise that could impact the company's performance and financial results. Without experience in manufacturing facilities, the company may face difficulties in setting up and running efficient production processes, may struggle with optimizing workflows, managing inventory, ensuring quality control, and meeting production targets. It is important to carefully assess the potential risks and rewards associated with a company with limited manufacturing experience in a specific product.

**4. *Our subsidiary's company's Manufacturing activity are Capital intensive***

Our subsidiary company Shivam Chemicals & Minerals Pvt. Ltd has set up its manufacturing facility at Dahej , Gujarat. Company is highly capital intensive, it requires a significant amount of capital investment in order to operate and grow its business. This typically involves substantial investments in machinery, equipment, infrastructure, and other fixed assets. Being capital intensive a larger portion of the company's expenses is allocated towards these capital investments, which can impact profitability and financial stability. This can lead to *longer break-even period and lower returns on investment.*

**5. *Capacity utilization will gradually increase Year over Year and any inability to fully utilize the capacity could have an adverse effect long-term profitability, business & financial condition.***

Company is currently unable to fully utilize its production capacity, since it is the first year of operation of company. In the initial stages of operation, the company may not generate sufficient revenue to cover its fixed costs, resulting in potential financial strain. Additionally, the slow utilization of capacity may indicate a lack of demand for the company's products or services, which could impact its long-term profitability. So these factors as they may affect the company's ability to generate returns and potentially result in a longer timeframe for achieving profitability.

**6. *We are trading in many products, for details you can refer our business chapter, however major revenues which account for more than 20% of revenue for FY 22-23 are generated from Animal Feed Supplement Di-Calcium Phosphate, Di Calcium Phosphate and Poultry Feed Supplement. Any adverse changes in market conditions, such as a decline in demand or increased competition for those specific products, could significantly impact the company's revenue and profitability.***

Relying heavily on certain products that account for more than 20% of revenue can pose risks to the company. Based on Fiscal 2023 we are generating 20.36 %, 23.17% and 52.03% from Animal Feed Supplement, Di Calcium Phosphate (Feed Grade) and Poultry Feed Supplement respectively. Any adverse changes in market conditions, such as a decline in demand or increased competition for those specific products, could significantly impact the company's revenue and profitability. Additionally, if there are supply chain disruptions or issues with the production or distribution of these products, it could lead to delays or shortages, affecting customer satisfaction and potentially leading to a loss of market share. Furthermore, relying heavily on a few products increases the company's vulnerability to changes in consumer preferences or technological advancements that could render those products obsolete or less desirable. It is important for the company to diversify its product portfolio and mitigate the risks associated with over-dependence on a few key products.

7. ***Our company Shivam Chemicals Limited has concentrated customer base, making us significantly dependent on few customers for our revenue. The loss of any one or more of such customer may have a material effect on our business operations and profitability.***

The percentage of income derived from our customers for the period ending on September 30, 2023 & Fiscal 2022-23 are given below:

Particulars	For the period ended September 30, 2023		For year ended March 31, 2023	
	Revenue	Percentage (%)	Revenue	Percentage (%)
Income from Top 5 customers	2,352.90	37.93%	6036.87	38.57%
Income from Top 10 customers	3505.47	56.51%	9160.00	58.52%

The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients, such as changes in government policies and bankruptcy, change of management, mergers and acquisitions in other cases could impact our business. It may be difficult to find such large contracts from any other customers that continue to rely on us for their requirements. If any of our major clients replaces us, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

8. ***The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue.***

The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilization of Net Proceeds. As per Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the Objects of the Issue, at a price and manner as specified in the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

9. ***Our Promoters, certain of our Directors, Key Managerial Personnel and Senior Managerial Personnel are interested in our Company's performance in addition to their remuneration, salary and reimbursement of expenses.***

In addition to regular remuneration, salary or benefits and reimbursement of expenses, our Promoters, certain of our Directors, KMPs and Senior Managerial Personnel of our Company are interested in our Company, to the extent of their shareholding in our Company, bonuses or other distributions on such Equity Shares. Further, Sanjiv Vasant, Soham Vasant, Shivam Vasant, Mayuri Vasant and Rajshree Vasant (Promoter and Promoter Group) received payments towards rent for property provided by them to the Company on lease & payment towards interest given by them to company. For details you can refer our related party annexure in "Restated Consolidated Financial Information" in chapter titled "Financial Information" beginning from Page no 123, we cannot assure you that our Promoters, Directors, KMPs and our Senior Managerial Personnel will exercise their rights to the benefit and best interest of our Company. As shareholders of our Company, our Promoters, Directors, KMPs or our Senior Managerial Personnel may take or block actions with respect to our business which may conflict with the best interests

of the Company or that of minority shareholder. For further information on the interest of our Promoter and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “Our Management” and “Our Promoters and Promoter Group” on pages 101 and 115, respectively.

**10. Our Company, our Directors, our Subsidiaries, Promoters and certain of our Group Companies are involved in certain legal proceedings. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.**

Our Company, our Directors, our Subsidiaries, Promoters and certain of our Group Companies are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Company, and our Subsidiaries, Promoters, Group Companies and Directors have been set out below:

<i>Name of Entity</i>	<i>Criminal Proceeding</i>	<i>Tax Proceeding</i>	<i>Statutory or Regulatory Proceeding</i>	<i>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</i>	<i>Material Civil Litigation</i>	<i>Aggregate amount involved (Rs in lakhs) to the extent quantifiable</i>
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By Promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
<b>Group Companies</b>						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	1	Unascertainable
*For further details of the outstanding litigation proceedings, see “Outstanding Litigations and Material Developments” beginning on page 161 of this Draft Prospectus.						

For further details, see “Outstanding Litigation and Material Developments” on page 161. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against us or our Company, our Directors, Promoters, Subsidiaries and Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

**11. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operation.**

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses

would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition.

Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Our Company requires the following statutory and regulatory registrations, licenses, permits and approvals for our business but the same have not been obtained/not renewed by us, as on date of this Draft Prospectus.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of the relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see "Key Industry Regulations and Policies" and "Government and Other Statutory Approvals" beginning on page no 91 and 165 respectively of this Draft Prospectus.

**12. *We have significant working capital requirements. If we experience insufficient cash flows to fund our working capital requirements or if we are not able to provide collateral to obtain letters of credit and bank guarantees in sufficient quantities, there may be an adverse effect on our business, cash flows and results of operations.***

Our business requires significant working capital, including in connection with trading activity as well as in manufacturing activity which is carried out by our subsidiary company. The actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, fluctuations in traded item prices, economic conditions, changes in the terms of our financing arrangements, changes in the credit terms of customers and suppliers, inventory fluctuations, additional market developments and new opportunities in the animal feed business. We also avail suppliers' credit from lender For the financial years 2023, 2022 and 2021, the working capital cycle of our Company was 20 days, 12 days and 20 days respectively, based on standalone financials of Shivam chemicals Ltd & our working capital requirement in our subsidiary company is projected based taken on management judgment.

Our sources of additional financing, required to meet our working capital needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions.

In many cases, a significant amount of our working capital is required to finance day-to-day operations, such as purchasing inventory, managing accounts payable and receivable, and meeting other short-term financial obligations. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and may result in increases in any future short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition.

**13. *We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Industry Overview" beginning on page 74 of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

**14. We are dependent on third party transportation providers for the delivery of our products to our customer**

We rely on third party transportation providers for the supply of our products to our customer. Strikes / non-availability of transportation could have an adverse effect on our ability to deliver the same to our customer. Increase in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customer. In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including delivery of our products to customers by third-party transportation provider. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition. Details of our expenses for the period ending on 30 September, 2023, Fiscal 2023, 2022 and 2021 are as below:

(₹ in lakhs)

Particulars	Period ending on 30th September, 2023 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)
Freight & Transportation Expenses	343.10	661.28	835.79	564.92
% of Revenue from Operation	5.34%	4.22%	4.70%	5.92%

**15. The business operates on a high volume, low margin model, as evidenced by its average PAT (Profit after Tax) margin of less than 2% based on Restated Consolidated Financial Statements, any economic downturns or market fluctuations, will have potentially impact its ability to generate returns for investors & company's growth.**

A situation where a company experiences low profit margins despite high volume transactions can pose risks. The low profit margin indicates that the company's profitability is relatively slim compared to its revenue. This can make the business more vulnerable to economic downturns, increased competition, or fluctuations in input costs. Additionally, the company may have limited flexibility to absorb unexpected expenses or invest in growth opportunities; low profitability may raise concerns about the company's competitiveness, pricing strategy, or cost management. The reliance on high volume sales to generate revenue also means that any decline in demand or market conditions could significantly impact the company's financial performance. Details of our Revenue, PAT & Average PAT (%) for the period ending on 30 September, 2023, Fiscal 2023, 2022 and 2021 are as below:

(₹ in lakhs)

Particulars	Period ending on 30th September, 2023 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)
Revenue from operation	6,424.48	15,651.68	17,794.49	9,549.77
PAT	48.44	363.94	443.70	86.50
PAT %	0.75%	2.33%	2.49%	0.91%
Average PAT (%)	1.62%			

**16. We might have to change the name of our Group Company namely Superior Lime Private Limited (SIPL) which could hamper our business reputation which lead us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.**

Superior Lime Private Limited (SIPL) is our Group Company and some of our Directors are also on the Board of our Group Company. SIPL was incorporated in the year 2013 under the Companies Act. Name of our Group Company is resembling to 1 (one) other company namely "Superior Lime Industries Private Limited" (SLIPL) which was incorporated in the year 2022 and this Company does not belong to our group. SIPL filed an application with RoC for rectification of name of SLIPL. Regional Director North, Western Region Ministry of Corporate Affairs, Ahmedabad in exercise of the powers conferred on me under Section 16 of the Companies Act, 2013 via order dated Feb 09, 2023 allowed the application of our Group Company and thereby directed Superior Lime Industries Private Limited to change its name within a period of 3 months by following the requisite procedure. However due to some technical glitch on MCA portal, it is showing that the order is against our Group Company & our Group Company is not complied with RD order i.e Order of Regional Director Not Complied ("ORDNC"). Further Superior Lime Industries

Private Limited had challenged said RD order in Honorable High Court Gujarat at Ahmedabad, which is pending as on date. There can be no assurance that this litigation will be decided in favour of our Group Company and consequently it may divert the attention of our management and Promoter and waste our corporate resources and our Director and Promoter may incur significant expenses in such proceedings. Further We might have to change the name of our Group Company namely Superior Lime Private Limited (SIPL) which could hamper our business reputation which lead us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition..

- 17. *Some of our Promoters Group and Group Companies have similar objects and have engaged in the line of business similar to our Company. There are no non –compete agreements between our Company and such Promoters Group and Group Companies. We cannot assure that our Promoters will not favor the interests of such Companies over our interest or that the said entities will not expand which may increase our competition, which may adversely affect business operations and financial condition of our Company.***

Some of our Promoters Group and Group Companies have similar objects and have engaged in the line of business similar to our Further, we have not entered into any non-compete agreement with the any of these entities. Superior lime Pvt. Ltd, Speciality agrovet which are our promoter group & promoter group company also engaged in the similar line of business as our Company. We cannot assure that our Promoters who have common interest in said entities will not favor the interest of the said entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our promoters group entities in circumstances where our respective interests conflict. In cases of conflict, our promoters may favour their companies in which our promoters have interest. There can be no assurance that our promoters or our Group Companies or members of the Promoters Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with our Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to “Common Pursuits” in the chapter titled “Our Group Entities” beginning on page no. 115

- 18. *Our Promoters Sanjiv Vasant, Shivam Vasant and Soham Vasant has provided personal guarantees to lenders for certain loan facilities availed of by our subsidiary company, also Company has extended guarantee on behalf of its subsidiary Shivam Chemicals & Minerals Private Limited to lenders for certain loan facilities availed of by our subsidiary company, which if invoked may adversely affect his ability to manage the affairs of our Company and which in turn may adversely impact our business and operations***

Our Promoters Sanjiv Vasant, Shivam Vasant and Soham Vasant has provided personal guarantees to lenders for certain loan facilities availed of by our subsidiary company, also has extended guarantee on behalf of its subsidiary Shivam Chemicals & Minerals Private Limited to lenders for certain loan facilities availed of by our subsidiary company which if invoked may adversely affect his ability to manage the affairs of our Company and which in turn may adversely impact our business and operations.

In case the subsidiary company, who have availed the loans, default in their payment obligations pursuant to which such guarantees issued by him are invoked, the lenders are entitled to raise demand on the guarantor Sanjiv Vasant, Shivam Vasant and Soham Vasant for an amount of up to ₹ 995 lakhs. In case of any invocation of guarantee against, Sanjiv Vasant, Shivam Vasant and Soham Vasant he may use his personal or any other available resources (including the sale of Equity Shares of our Company held by him) to satisfy such demand, which in turn may impact the trading price of the Equity Shares. In the event of a default by the subsidiary on its payment obligations, the holding company may be obligated to fulfill these financial commitments. This scenario poses a potential financial risk to the holding company, which, in turn, may impact potential financial outflows, impacting the holding company's liquidity, financial performance, the overall financial stability and performance of our organization. Details of loan availed by subsidiary company from banks are given under Financial Indebtness chapter.

- 19. *We have incurred substantial indebtedness in our company which exposes us to various risks which may have an adverse effect on our business and results of operations. We may also be unable to obtain future financing to fund our operations, expected capital expenditure and working capital requirements on favorable terms, or at all.***

As on September 30, 2023 we have ₹ 1,435.38 lakhs of outstanding debt including current maturities of long- term Debts on our balance sheet, which also include unsecured loan of ₹ 654.02 lakhs by our Promoter & Promoter Group. Our level of indebtedness has important consequences to us, such as:

- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- Increasing our vulnerability to general adverse economic, industry and competitive conditions;

- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- Affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability

Our business requires funding for capital expenditure and working capital requirements. The actual amount and timing of future capital expenditure may depend on several factors, among others, new opportunities, availability of land, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition. Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

**20. *Our Company has availed certain unsecured loans from Promoter & Promoter Group that may be recalled by them at any time.***

Our company currently also relies on unsecured loans from Promoter & Promoter Group, which may be called back by them lenders at any time. As of September 30, 2023, our company had borrowed ₹ 654.02 lakhs in unsecured loans, accounting for 45.56% of our total borrowings. If any lender demands repayment on short notice, we may struggle to find alternative financing sources on favorable terms. This could impact our ability to fund new projects and fulfill customer order. Consequently, our business, cash flow, financial condition, and operational results may be affected. For more information about our company's indebtedness, please refer to the "Financial Indebtedness" section starting on page 159

**21. *Our success significantly depends upon the services of our Promoters and other Key Managerial Personnel and our ability to retain them. Our inability to attract, hire, train and retain key managerial personnel may adversely affect the operations of our Company.***

Our performance depends largely on the efforts and abilities of our Promoters Sanjiv Vasant and Shivam Vasant, Soham Vasant and other key personnel. We believe that the inputs and experience of our promoters are factors for the growth and development of our business and the strategic direction taken by our Company. Sanjiv comes with 35 years of experience in the chemical industry. Soham has over 10+ years of experience in the business; he is engaged in marketing of all products and is also instrumental in winning new customers for the company. Shivam has technical capabilities to oversee the implementation of the project and is responsible for infusing fresh ideas into the business. If we lose the services of our promoters or any member of our management team or key personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which may require a long period of time. This might significantly delay or prevent the achievement of our business objectives, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Any inability on our part to retain and hire such personnel or find suitable replacements in a timely manner may adversely affect our business, financial condition and results of operations.

**22. We have reported negative net cash flows in the past and may do so in the future.**

The following table sets forth net cash inflow/(outflow) from operating, investing and financing activities for Period ended on September 30 2023, Fiscals 2023, 2022 and 2021:

(₹ in lakhs)

Particulars	Period ending on 30th September, 2023 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)
Net cash flow from Operating activities	148.55	598.09	(300.06)	150.32
Net cash flow from Investing activities	(195.35)	(1,392.36)	(8.46)	44.48
Net cash flow from Financing activities	57.72	802.48	327.76	(200.89)

We had negative cash flows from operating activities for the Fiscal 2022 due to the increase in Trade Payables, decreases in trade receivables and increases in loans and advances during the year. Further we had negative cash flows from investing activities for the period ending on September 30 2023, Fiscal 2023 and 2022 since the Company has invested in purchased of assets during this period. We had negative cash flows from financing activities for Fiscal 2021 due to repayment of borrowings and interest amounts.

We cannot assure you that our net cash flows will be positive in the future. If our Company is not able to generate sufficient cash flows and may not be able to generate sufficient amounts of cash flow to finance our projects, make new capital expenditure, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

**23. We are dependent on a few suppliers for supply of trading item and any major disruption to the timely and adequate supplies of our trading item could adversely affect our business, results of operations and financial condition.**

Our Company is dependent on a few suppliers for procuring the trading items for supply of its products and we currently have long term contracts or exclusive supply arrangements with few of our vendor For the financial year ended March 31, 2023, our top five suppliers and top ten suppliers accounted for approximately 62.02% and 83.22%. We believe that the quality of purchased items, location advantage, etc. is also some of the major reasons our Company prefers to procure these traded item from these supplier Any failure of the supplier to deliver this traded item in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations.

**24. Our Company does business with customers on Purchase Order basis and do not enter into any agreement with our customer and we not have fixed customer base.**

Our Company is operates on a purchase order (PO) basis without entering into long-term contracts, Since the company does not have long-term commitments from customers, there may be a higher level of uncertainty regarding future sales and revenue. This lack of contractual obligations can result in fluctuations in demand and potentially impact the company's financial performance.

The potential risks associated with relying solely on PO-based sales, as it may lead to a less predictable revenue stream. Additionally, without long-term contracts, there may be a higher level of competition and price volatility in the market, which could further impact the company's profitability.

Conducting a comprehensive risk assessment and understanding the potential impact of the company's PO-based approach is crucial in determining the level of risk associated with it.

**25. If we are unable to accurately identify customer demand and currently we are not maintaining an optimal level of inventory in our stores, our business, results of operations and cash flows may be adversely affected.**

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. While we aim to accurately forecast the demand for our products and avoid under-stocking and over-stocking, our estimates and



forecasts may not always be accurate. Critical factor to ensure success in our line of business is timely supply of products. Higher waiting time, late delivery, wrong product or out of stock can directly lead to walkouts of our valuable customer. If we over-stock inventory across the board, our capital requirements may increase and we may incur costs relating to aging and obsolescence of inventory. We are not maintaining any inventory or holding very low inventory in trading company as we run our business on PO basis. We have started manufacturing activity from current FY in our subsidiary company. Our inability to accurately forecast demand for our products and manage our inventory may therefore have an adverse effect on our business, results of operations and cash flows.

**26. Our industry is highly competitive, with the potential to adversely affect our pricing ability and disrupt our sales. Our inability to compete effectively may adversely affect our business and results of operations.**

In the animal feed & chemical (hydrated lime, limestone powder) industry, characterized by a fast-paced and competitive environment, our pricing capabilities and sales dynamics face potential disruption. Our products contend with local feed retailers, construction projects, non-branded alternatives, economy brands, and offerings from established competitors. This heightened competition may exert pressure on pricing, leading to diminished profit margins, market share losses, or challenges in growing our market presence, all of which could significantly impact our business and operational results. We are committed to aligning our animal feed nutrient products with evolving market trends while maintaining affordability. Exclusive management of product pricing across various channels is a key strategy. However, uncertainties exist and we cannot guarantee immunity from future pricing pressures. Efforts to counter such challenges through technological advancements, operational efficiencies, cost-effective sourcing, innovative manufacturing processes, or other productivity initiatives may not fully offset the impact of competitive pricing. If our attempts to maintain or enhance margins and revenues prove inadequate against competitive pricing in the animal feed and chemical (hydrated lime, limestone powder) sector, it could adversely affect our business, financial condition, and operational performance.

**27. We do not own our registered office which is being used by us currently.**

Our registered office located at Office No. 108, 1st Floor, Hubtown Solaris, Off N. S. Phadke Marg, Saiwadi, Andheri (E), Maharashtra -400 069 is taken on rent from Promoter & Promoter Group. Upon the termination of the rent agreement, we are required to return the said premise to the licensor & owner respectively. Further, the term of the rent agreement may or may not be renewed. In the event the licensor and owner terminate or does not renew the rent agreement on commercially acceptable terms, or at all, we shall be required to vacate the premises. We may be required to identify alternate premises and enter into fresh lease and rent agreement. Such a situation could result in loss of business and may adversely affect our operations and profitability. For further details, please see paragraph titled "Properties" under the chapter titled "Our Business" beginning on page no 81 of this Prospectus.

**28. The company's logo is not registered "  ".**

Company logo is not registered with trademark authority, but the name logo i.e. "Shivam Chemical" is registered & such trademark is registered in the name of the director i.e. Sanjiv Vasant which can pose risks. This could lead to brand dilution, confusion among customers, and potential legal disputes, which can negatively impact the company's reputation and financial performance. This concentration of power may limit the company's ability to adapt or make changes. If the director decides to leave or transfer the trademark, it could impact the company's brand value. Legal protection and the company's ability to defend its trademark rights may be affected.

**29. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is ₹ 3.10/- per shares which is lower than the Issue Price. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "Capital Structure" beginning on page 51 of this Draft Prospectus.

**30. Our subsidiary company is dependent on the continuing operation of our manufacturing facilities.**

Any significant interruption at our manufacturing facilities could have a material adverse effect on our business, results of operations and financial condition. Our Company has one unit where the manufacturing of all our the products such as hydrated lime, quick lime takes place which is located at Gujarat, which are subject to the normal risks of industrial production, including equipment breakdowns, labor shortages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may

lead to time over-run in the execution of the project and timely delivery of our product. Our manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations.

**31. *Industrial accidents at our manufacturing facility may adversely affect our operation.***

Our manufacturing facility are subject to operating risk resulting in fatal accidents which can cause injury to the labour and employees of the company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse effect on our operations. Though, we have taken adequate safety measures in order to avoid such mishaps, but in case of any such happening of the event out of our control, we cannot assure you whether it will be sufficient or not. Further occurrence of such accidents could impact our production schedules, costs, revenue and ability to meet customer demand.

**32. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.***

We regularly commit resources prior to receiving payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customer. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

**33. *Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.***

Our business and assets could suffer damage from fire, unfitness of container or land and / or rail conveyance and / or air conveyance for the safe carriage, war, civil war, revolution, rebellion, insurrection, or civil strife arising there from or any hostile act by or against a belligerent power, strikers, locked out workmen or person taking part in labor disturbances, riots or civil commotions, intervention of government authorities (for e.g. Armed and Paramilitary forces, Police force, Fire Brigade, etc.) in connection with curbing and stopping, use of any weapon or device employing atomic or nuclear fission and / or fusion or other like reaction or radioactive force or matter natural calamities, the goods transported to our customers by our supplier could suffer from damage, misappropriation or other causes, resulting in losses, which may not be covered / fully compensated by insurance. Legal proceedings or other actions may be initiated against us or any of our employees for acts and conduct of our employees which may occur due to various reasons including misconduct with customer. In the event of personal injuries, damage or other accidents suffered by our employees or our customers or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our principal types of coverage include Building, All except mentioned above. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

**34. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**35. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange(s) which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we might have to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. This could have an adverse effect on our profit and reputation.

**36. *Our operations are prone to chemical and could expose us to the risk of liabilities, lost revenues and increased expenses.***

Our operations involve processing of hydrated lime, quick lime and other processes on large scale. This can cause irritation to eyes, skin, respiratory system, and gastrointestinal tract, severe irritation or burning of eyes, including permanent damage may result in the suspension of operations and the imposition of civil and criminal liabilities. There may be additional claims of injury by employees or members of the public due to such chemical which will increase our expenses, liabilities & loss of revenue as a result of these events may materially impact our financial position.

**37. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, might adversely affect Our Company's results of operations and its financial condition.***

We are subject to Indian laws and government regulations, including laws in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations inter alia impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our Company's operations and products. In addition, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. For further details, please see "Key Industry Regulation and Policies" on page no. 91 of this Draft Prospectus. Failure to comply with any existing or future regulations applicable to us might result in levy of fines, commencement of judicial proceedings and/or third party claims, and might adversely affect our results of operations and financial condition.

Further, there can be no assurance that our Company will not be involved in future litigation or other proceedings or be held responsible in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which would be material. Any accidents involving hazardous substances might cause personal injury and loss of life, substantial damage to or destruction of property and equipment and would result in a suspension of operations. The loss or shutdown of operations over an extended period at any of our Company's facilities would have a material adverse effect on our Company's business and operations.

**38. *The outbreak of COVID-19 or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

An outbreak of a novel strain of corona virus (COVID-19) was recognized by the World Health Organization as a public health emergency of international concern on January 30, 2020, and as a pandemic on March 11, 2020. The outbreak of COVID-19 has significantly and adversely impacted and will likely continue to impact economic activity and has contributed to significant volatility in global financial markets and led to operational challenges. It is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, stagnation, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. In particular, a number of governments and organizations have revised GDP growth forecasts for 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as issuing advisories and imposing country or state wide lockdowns, including restrictions on travel and temporary closure of business operations and increased remote working protocols, which have significantly slowed down economic activity.

On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. The COVID-19 pandemic and resulting government actions may affect our business, results of operations and financial condition, in the future, in a number of ways such as requiring a complete or partial closure of our operations. The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The demand for our products is dependent on and directly affected by factors affecting industries where our products are supplied.

We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. Further, due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

## **RISK FACTORS RELATED TO EQUITY SHARES**

### ***39. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with our future performance;
- Adverse media reports about us or our shareholders;
- Future sales of the Equity Shares;
- Variations in our half-yearly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about the performance of companies engaged in industrial capital goods sector generally;
- Perception in the market about investments in the Industrial sector capital goods;
- Significant developments in the regulation of the trading and distribution industry in our key trade locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India’s economic liberalization and deregulation policies; and
- Significant developments in India’s fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share. Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

### ***40. Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of ₹ 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**41. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

**42. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

**43. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by broker. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

**44. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

## **EXTERNAL RISK FACTORS**

**45. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

**46. *Outbreaks of livestock diseases in general and poultry in particular, can significantly restrict our ability to supply our products.***

Events beyond our control, such as the outbreak of disease, could significantly restrict our ability to supply our products. An outbreak of disease could result in governmental restrictions on sale of our animal feed nutrient products. This could result in the cancellation of orders by our customers and create adverse publicity that may have a material adverse effect on our ability to market our products successfully and on our business, reputation and prospects.

An outbreak of the most highly pathogenic strain of avian influenza, H5N1, a disease contagious to turkey, poultry and other birds, was identified in poultry farms owned by ACI Godrej in Bangladesh, resulting in the destruction or death

of a substantial portion of its poultry flock, if such instances arises in India then this could affect our sales and our results of operations. In addition, any disease or epidemic affecting the health of cattle in India may result in a decrease in the sale of our cattle feed products. Consequently, the outbreak of any such diseases in the future may adversely affect our business, results of operations and financial condition

**47. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**48. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

**49. *With time we might be liable to other labor laws which were not applicable before leading to increase cost and time to be invested in its compliance.***

Employees form the integral part of the operation of our business. Any labor disputes or unrests could lead to lost production, increased costs or delays which could lead to penalties. We are subject to a number of stringent labor legislation that protects the interests of workers and defines our duties and obligations towards them in the capacity of principal employers, including legislations that sets forth detailed procedures for employee removal and dispute resolution and impose financial obligations on us. We are also subject to state and local laws and regulations. If labor laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows. Any organizational changes, including changes in salaries and wages and other employee benefits that are, or are perceived to be negative, could result in an increased attrition rate. We cannot assure you that there may not be incidences of labor unrest and absenteeism from work by some of our employees. Labour shortages could increase the cost of labor and hinder our productivity and ability to adhere to our delivery schedules for our projects, which would materially and adversely affect our business, financial condition, results of operations and prospects.

**50. *Our Company is subject to risk arising from changes in interest rates and banking policies.***

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements. We are dependent on various banks for arranging of our working capital requirement etc. Accordingly, any change in the existing banking policies or increase in interest rates may have an adverse impact on profitability of our company.

**51. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses

relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and may adversely affect our business, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the amount of commission to pass the increase in costs on to our customer. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**52. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**53. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

**54. *Any disproportionate increase in labor costs including increase in wage/salary demand, labor unrest or labor claims arising from accidents may adversely affect our business operations and financial conditions.***

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labor unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

**55. *Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.***

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

**56. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Such activities in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.



## SECTION IV: INTRODUCTION

### THE ISSUE

<b>Equity Shares:</b> <sup>(1)</sup> Present Fresh Issue <sup>(2)</sup> of Equity Shares by our Company:	Upto 45,87,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>Which Comprises:</b>	
<b>Market Maker Reservation Portion</b>	Upto 2,31,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<b>Net Issue to Public</b>	Upto 43,56,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
	<b>Of which</b> <sup>(3)</sup> :
	Upto 21,78,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	Upto 21,78,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity shares outstanding prior to the Issue</b>	1,24,00,000 Equity Shares of face value of ₹10 each
<b>Equity shares outstanding after the Issue</b>	Upto 1,69,87,000 Equity Shares of face value of ₹10 each
<b>Use of Net Proceeds</b>	Please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page no. 60 of this Draft Prospectus.

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Information” beginning on page no. 179 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated December 18, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on December 20, 2023.

<sup>(3)</sup> The allocation’ is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) Individual applicants other than retail individual investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 185 of this Draft Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

*(₹ in lakhs)*

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholder's Fund</b>				
Equity share capital	1,240.00	40.00	40.00	40.00
Reserves and Surplus	143.79	1,295.35	931.41	487.71
<b>Total Equity</b>	<b>1,383.79</b>	<b>1,335.35</b>	<b>971.41</b>	<b>527.71</b>
<b>Non-Current Liabilities</b>				
Long term Borrowings	602.99	677.22	5.96	14.40
Deferred tax Liabilities (Net)	-	-	-	0.15
Long term Provisions	30.56	30.56	30.60	31.83
<b>Total Non-Current Liabilities</b>	<b>633.56</b>	<b>707.79</b>	<b>36.56</b>	<b>46.38</b>
<b>Current Liabilities</b>				
Short-term Borrowings	832.38	674.15	503.54	138.99
Trade Payables				
Dues of Micro enterprises and Small enterprises	-	-	-	-
Dues of Others	384.46	201.77	640.34	203.41
Other Current Liabilities	25.01	23.24	1.48	8.84
Short-term Provisions	91.63	181.89	215.46	68.33
<b>Total Current Liabilities</b>	<b>1,333.48</b>	<b>1,081.04</b>	<b>1,360.82</b>	<b>419.57</b>
<b>Total Equity and Liabilities</b>	<b>3,350.83</b>	<b>3,124.18</b>	<b>2,368.79</b>	<b>993.66</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment				
i) Property, Plant & Equipment	1,569.26	423.14	44.91	45.77
ii) Intangible Assets	0.13	0.13	-	-
iii) Capital work in progress	-	1,006.78	-	-
Long term loans and advances	0.71	30.11	225.00	-
Deferred tax Assets (Net)	3.23	0.57	0.24	-
<b>Total Non-Current Assets</b>	<b>1,573.34</b>	<b>1,460.73</b>	<b>270.15</b>	<b>45.77</b>
<b>Current Assets</b>				
Inventories	28.65	-	4.56	8.05
Trade Receivables	1,359.30	1,207.89	1,405.20	718.23
Cash and Cash Equivalents	45.76	34.84	26.61	7.38
Short-term Loans and Advances	77.98	125.02	431.23	139.46
Other Current Assets	265.80	295.71	231.04	74.77
<b>Total Current Assets</b>	<b>1,777.48</b>	<b>1,663.45</b>	<b>2,098.65</b>	<b>947.89</b>
<b>Total Assets</b>	<b>3,350.83</b>	<b>3,124.18</b>	<b>2,368.79</b>	<b>993.66</b>

## ANNEXURE II

## STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For period ended September 30, 2023 (Consolidated)	For year ended March 31, 2023 (Consolidated)	For year ended March 31, 2022 (Standalone)	For year ended March 31, 2021 (Standalone)
<b>INCOME</b>				
Revenue from Operations	6,424.48	15,651.68	17,794.49	9,549.77
Other Income	9.93	6.65	4.36	7.98
<b>Total Income</b>	<b>6,434.41</b>	<b>15,658.34</b>	<b>17,798.84</b>	<b>9,557.75</b>
<b>EXPENSES</b>				
Raw Material Consumed	206.42	-	-	-
Purchases	5,508.10	14,020.08	15,750.95	8,367.23
Change in Inventories	(17.56)	4.56	3.49	14.10
Employee Benefit Expenses	90.60	191.02	262.15	205.93
Finance Costs	26.28	39.38	28.36	34.38
Depreciation & Amortization Expenses	56.55	8.55	9.58	9.98
Other Expenses	481.09	899.93	1,145.51	798.12
<b>Total Expenses</b>	<b>6,351.48</b>	<b>15,163.53</b>	<b>17,200.04</b>	<b>9,429.74</b>
<b>Profit/(Loss) before exceptional and extraordinary items</b>	<b>82.93</b>	<b>494.81</b>	<b>598.80</b>	<b>128.01</b>
Exceptional items	(5.32)	-	-	-
Extraordinary Items	-	-	-	-
<b>Profit/(Loss) Before Tax</b>	<b>88.25</b>	<b>494.81</b>	<b>598.80</b>	<b>128.01</b>
Current Tax	42.48	131.20	155.49	42.07
Deferred Tax	(2.67)	(0.33)	(0.39)	(0.56)
<b>Total tax</b>	<b>39.81</b>	<b>130.87</b>	<b>155.10</b>	<b>41.51</b>
<b>Profit/(Loss) for the year</b>	<b>48.44</b>	<b>363.94</b>	<b>443.70</b>	<b>86.50</b>
Earnings per share (Face Value-10)				
Basic	0.39	2.94	3.58	0.70
Diluted	0.39	2.94	3.58	0.70

## ANNEXURE III

## CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For period ended September 30, 2023 (Consolidated)	For year ended March 31, 2023 (Consolidated)	For year ended March 31, 2022 (Standalone)	For year ended March 31, 2021 (Standalone)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) before tax	88.25	494.82	598.80	128.01
<u>Adjustments</u>				
Add : Depreciation	56.55	8.55	9.58	9.98
Less: Adjustment for Goodwill	-	(0.13)	-	-
Less : Other Income	(0.54)	(1.20)	(0.26)	(1.17)
Add : Finance Cost	26.28	39.38	28.36	34.38
<b>Operating profit before working capital changes</b>	<b>170.54</b>	<b>541.42</b>	<b>636.49</b>	<b>171.20</b>
Increase/ (Decrease) in Trade payables	182.69	(438.57)	436.93	127.50
Increase/ (Decrease) in Short term provisions	(90.26)	(33.57)	147.13	15.39
Increase/ (Decrease) in Long term provisions	-	(0.04)	(1.23)	31.83
Increase/ (Decrease) in Other Current Liability	1.78	21.76	(7.36)	(0.80)
(Increase)/ Decrease in Inventory	(28.65)	4.56	3.49	14.10
(Increase)/ Decrease in Trade Receivables	(151.42)	197.32	(686.97)	(99.81)
(Increase)/ Decrease in Short Term Loans and advances	47.04	306.21	(291.77)	(30.75)
(Increase)/ Decrease in Current Assets	29.91	(64.67)	(156.27)	(36.28)
(Increase)/ Decrease in Long Term Loans and advances	29.41	194.89	(225.00)	-
<b>Cash flow from operations</b>	<b>191.03</b>	<b>729.29</b>	<b>(144.57)</b>	<b>192.39</b>
Less: Tax paid during the year	42.48	131.20	155.49	42.07
<b>Net Cash Flow from Operating Activities</b>	<b>148.55</b>	<b>598.09</b>	<b>(300.06)</b>	<b>150.32</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(195.89)	(1,393.69)	(8.74)	(5.39)
Goodwill	0.54	1.20	0.26	1.17
Sale of fixed assets	-	0.14	0.02	48.70
<b>Net Cash Flow from Investing Activities</b>	<b>(195.35)</b>	<b>(1,392.36)</b>	<b>(8.46)</b>	<b>44.48</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance cost	(26.29)	(39.39)	(28.35)	(34.38)
Proceeds from Short-term Borrowings	-	170.61	364.55	110.10
Proceeds of Short-term Borrowings	158.24	-	-	-
Proceeds/(Repayment) of Long-term Borrowings	-	-	-	(276.61)
Proceeds/(Repayment) from Long-term borrowings	(74.23)	671.26	(8.44)	-
<b>Net Cash Flow from Financing Activities</b>	<b>57.72</b>	<b>802.48</b>	<b>327.76</b>	<b>(200.89)</b>
<b>Net change in Cash and Cash Equivalents ( I+II+III)</b>	<b>10.92</b>	<b>8.23</b>	<b>19.23</b>	<b>(6.09)</b>
Cash and Cash Equivalents at the beginning of the year	34.84	26.61	7.38	13.47
Cash and Cash Equivalents at the end of the year	45.76	34.84	26.61	7.38

## GENERAL INFORMATION

Our Company was incorporated as “Sun Organosys Private Limited” on October 12, 2010 under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 208870. The name of our Company was changed to “Shivam Chemicals Private Limited” vide Ordinary Resolution dated January 17, 2012 and a fresh certificate of incorporation consequent to conversion was issued on January 30, 2012 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Shivam Chemicals Limited” vide Special Resolution dated November 04, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 21, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U24100MH2010PLC208870. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 98 of this Draft Prospectus.

### BRIEF COMPANY AND ISSUE INFORMATION

<b>Registered Office</b>	<b>Shivam Chemicals Limited</b> Office No. 108, 1st floor, Hubtown Solaris, off N.S. Phadke Marg, Saiwadi, Andheri (E), Mumbai – 400069. <b>Tel No.:</b> +91 98199 68855 <b>Email ID:</b> <a href="mailto:info@shivamchem.com">info@shivamchem.com</a> <b>Website:</b> <a href="http://www.shivamchem.com">www.shivamchem.com</a>
<b>Date of Incorporation</b>	October 12, 2010
<b>Company Registration Number</b>	208870
<b>Company Identification Number</b>	U24100MH2010PLC208870
<b>Address of the Registrar of Companies</b>	<b>Address:</b> 100, Everest, Marine Drive, Mumbai 400 002. <b>Tel No:</b> +91- 22- 2281 2627 / 2202 0295/ 2284 6954 <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Issue Programme</b>	<b>Issue Opens on:</b> [●] <b>Issue Closes on:</b> [●]
<b>Designated Stock Exchange</b>	<b>BSE Limited</b>
<b>Company Secretary and Compliance Officer</b>	<b>Rishita Taparia</b> Office No. 108, 1st floor, Hubtown Solaris, off N.S. Phadke Marg, Saiwadi, Andheri (E), Mumbai – 400069. <b>Tel No.:</b> +91 98199 68855 <b>Email ID:</b> <a href="mailto:info@shivamchem.com">info@shivamchem.com</a>

### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Sanjiv Girdharlal Vasant	Chairman and Managing Director	03036854	A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai - 400058.
Soham Sanjiv Vasant	Whole Time Director	03036861	A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai - 400058.
Shivam Sanjiv Vasant	Whole Time Director	08512942	A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai – 400058.
Mayuri Sanjiv Vasant	Non-Executive Director	10431555	A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai – 400058.
Himani Bhootra	Non-Executive Independent Director	09811030	17/642, Chopasani Housing Board, Jodhpur, Rajasthan-342008.
Kunal Bharat Shingala	Non-Executive Independent Director	09838502	F 901/902, Oberoi Splendor, J.V. Link Road, Opp. Majas Depot, Andheri (East), Mumbai, Maharashtra, 400060

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “Our Management” beginning on page no. 101 of this Draft Prospectus.

## CHIEF FINANCIAL OFFICER

### **Soham Sanjiv Vasant**

Office No. 108, 1st floor, Hubtown Solaris,

Off N.S. Phadke Marg, Saiwadi,

Andheri (E), Mumbai – 400069.

**Tel No.:** +91 98199 68855

**Email ID:** [info@shivamchem.com](mailto:info@shivamchem.com)

**Website:** [www.shivamchem.com](http://www.shivamchem.com)

## COMPANY SECRETARY AND COMPLIANCE OFFICER

### **Rishita Taparia**

Office No. 108, 1st floor, Hubtown Solaris,

Off N.S. Phadke Marg, Saiwadi,

Andheri (E), Mumbai – 400069.

**Tel No.:** +91 98199 68855

**Email ID:** [info@shivamchem.com](mailto:info@shivamchem.com)

## INVESTOR GRIEVANCES

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode, etc.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

### LEAD MANAGER



### **ARYAMAN FINANCIAL SERVICES LIMITED**

60, Khatau Building, Ground Floor

Alkesh Dinesh Modi Marg

Opp. P. J. Towers (BSE Building),

Fort, Mumbai – 400 001

**Tel No.:** +91 – 22 – 6216 6999

**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)

**For Investor Grievances:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)

**Website:** [www.afsl.co.in](http://www.afsl.co.in)

**Contact Person:** Vatsal Ganatra/ Jigar Bhanushali

**SEBI Registration No.:** INM000011344

## REGISTRAR TO THE ISSUE



### CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, No. 1, Club House Road,  
Chennai – 600 002.

**Tel.:** +91 - 44 – 40020700 (5 Lines)

**E-mail:** [priya@cameoindia.com](mailto:priya@cameoindia.com)

**Investor Grievance Email:** [investor@cameodina.com](mailto:investor@cameodina.com)

**Website:** [www.cameoindia.com](http://www.cameoindia.com)

**Contact Person:** K. Sreepriya

**SEBI Registration. No.:** INR 000003753

## LEGAL COUNSEL TO THE ISSUE

### M/S. ABDUS SAMEE ABDUL QADIR MANIYAR (A. A. MANIYAR) (ADVOCATE)

Office No. 2-A, Ground Floor,

Ali Chambers, Tamarind Street,

Fort, Mumbai 400 001

**Tel No.:** +91 – 22 - 2265 5505

**Email:** [advaamaniyar@gmail.com](mailto:advaamaniyar@gmail.com)

## STATUTORY AUDITORS OF OUR COMPANY

### M/s PSRD & Co., Chartered Accountants

207, 2<sup>nd</sup> Floor, Hubtown Solaris, N S Phadke Road,

Opp. Telli Galli, Andheri (East),

Mumbai 400069.

**Tel No.:** 022 6221 5141

**Email ID:** [pravin@psrd.in](mailto:pravin@psrd.in)

**Contact Person:** Pravin Oza

**Membership No.:** 119427

**Firm Registration No.:** 126390W

**Peer Review No:** 015442

## CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:

Date	From	To	Reason for Change
December 11, 2023	<b>M/s. Bharat Kanakia &amp; Associates., Chartered Accountants</b>  602, Abhinandan Swami CHS Ltd, Plot No. 21, Road No-25, Sion- 400022.  <b>Tel:</b> +91 2836 7161 <b>E-Mail:</b> <a href="mailto:hemantmhambrey@gmail.com">hemantmhambrey@gmail.com</a> <b>Contact Person:</b> CA Hemant Mhambrey <b>Membership No:</b> 38238 <b>Firm Registration No:</b> 103645W <b>Peer Review No:</b> NA	<b>M/s. PSRD &amp; Co., Chartered Accountants</b>  207, 2 <sup>nd</sup> Floor Hubtown Solaris, N S Phadke Road, Opp. Telli Galli, Andheri (East), Mumbai 400069.  <b>Tel No.:</b> 022 6221 5141 <b>Email ID:</b> <a href="mailto:pravin@psrd.in">pravin@psrd.in</a> <b>Contact Person:</b> Pravin Oza <b>Membership No.:</b> 119427 <b>Firm Registration No.:</b> 126390W <b>Peer Review No:</b> 015442	Casual Vacancy

## BANKERS TO OUR COMPANY

# IndusInd Bank

### IndusInd Bank Limited

IndusInd Bank Limited, Ground Floor,  
Building No. 8, Solitaire Corporate Park, Chakala,  
Andheri East, Mumbai- 400093

**Contact Person:** Balgovind Choudhary

**Tel. No.:** +91 8793121250

**Email ID:** balgovind.choudhary@indusInd.com

**Website:** <https://www.indusind.com>

## BANKER(S) TO THE ISSUE / REFUND BANK / SPONSOR BANK

[•]

## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and it's updated from time to time.

## INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

## REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicant can submit Application Form for the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Brokers Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## REGISTRAR AND SHARE TRANSFER AGENTS

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## COLLECTING DEPOSITORY PARTICIPANTS

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.



## **INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE**

Aryaman Financial Services Limited (AFSL) is the sole Lead Manager (LM) to the issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISING AUTHORITY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **CREDIT RATING**

As the Issue is of Equity Shares, the appointment of a credit rating agency is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations there is no requirement of appointing an IPO Grading agency.

## **GREEN SHOE OPTION**

No green shoe option is applicable for the Issue.

## **TRUSTEES**

As this is an Issue of Equity Shares, the appointment of trustees is not required.

## **TYPE OF ISSUE**

The present Issue is considered to be 100% Fixed Price Issue

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s PSRD & Co., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Prospectus & Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Consolidated Financial Statements dated 15<sup>th</sup> January, 2024 and Report on Statement of Tax Benefits dated 15<sup>th</sup> January, 2024 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **FILING OF ISSUE DOCUMENT**

The Draft Prospectus and Prospectus shall be filed on SME Platform of BSE Limited

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus has not been submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400 002, Maharashtra, India at least (3) three working days prior from the date of opening of the Issue.

## ISSUE PROGRAMME

Event	Dates
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company, or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investor after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investor can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated December 22, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and 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:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
<b>Aryaman Financial Services Limited</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Email: <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>	Upto 43,56,000	[●]	94.96%
<b>Shreni Shares Limited</b> (Formerly Known as Shreni Shares Private Limited) No. 217, Hive 67 Icon, Poisar Gymkhana Road, Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai – 400067, Maharashtra, India Tel. No.: +91 – 022 – 20897022 Email: <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a>	Upto 2,31,000	[●]	5.04%
<b>Total</b>	<b>Upto 45,87,000</b>	<b>[●]</b>	<b>100.00%</b>

Note: Includes Upto 2,31,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would Issue a public notice in the newspapers, in which the pre- Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## MARKET MAKER



### SHRENI SHARES LIMITED

(Formerly Known as Shreni Shares Private Limited)  
No. 217, Hive 67 Icon, Poisar Gymkhana Road,  
Lokmanya Tilak Nagar Poisar, Near Raghuleela  
Mall, Kandivali West, Mumbai – 400067,  
Maharashtra, India.

Tel No: 022 – 20897022

Email: [shrenishares@gmail.com](mailto:shrenishares@gmail.com)

Website: [www.shreni.in](http://www.shreni.in)

Investor Grievance E-mail: [info@shreni.in](mailto:info@shreni.in)

Contact Person: Ms. Tanya Goyal

SEBI Registration No.: INM000012759

## Details of the Market Making Arrangement for this Issue

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with BSE to fulfill the obligations of Market Making) dated December 22, 2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

Shreni Shares Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations. The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by Stock Exchange and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

- Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership  
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:
  - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

- The following spread will be applicable on the SME Exchange Platform:

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

6.

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
₹ 20 Crore to ₹ 50 Crore	20%	19%
₹ 50 Crore to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hour. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus and after giving effect to this Issue, is set forth below:

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price(3)
A.	Authorized Share Capital		
	1,80,00,000 Equity Shares of face value of ₹ 10 each	1,800.00	-
B.	Issued, Subscribed And Paid-Up Equity Capital before the Issue		
	1,24,00,000 Equity Shares of face value of ₹ 10 each	1,240.00	-
C.	Present Issue in Terms of this Draft Prospectus		
	Issue of up to 45,87,000 Equity Shares of face value of ₹ 10 each <sup>(1)</sup>	458.70	[●]
	Which Comprises:		
	Reservation for Market Maker portion 2,31,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	23.10	[●]
	Net Issue to the Public Net Issue to Public of 43,56,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share to the Public	435.60	[●]
	Of which <sup>(2)</sup>		
	21,78,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	217.80	[●]
	21,78,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	217.80	[●]
D.	Paid-up Equity Capital after the Issue		
	Upto 1,69,87,000 Equity Shares of face value of ₹ 10 each		1,698.70
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue <sup>(3)</sup>		[●]

<sup>(1)</sup> The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on December 18, 2023 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on December 20, 2023

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

<sup>(3)</sup> To be finalized upon determination of the Issue Price.

### CLASSES OF SHARES:-

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

### CHANGES IN AUTHORIZED SHARE CAPITAL

The Initial Authorized Share Capital of the Company was increased from ₹ 10,00,000 (Ten Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 10 each to ₹ 50,00,000 (Fifty Lakhs) divided into 5,00,000 (Five Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 15, 2012.

The Authorized Share Capital of the Company was increased from ₹ 50,00,000 (Fifty Lakhs) divided into 5,00,000 (Five Lakh) Equity Shares of ₹ 10 each to ₹ 18,00,00,000 (Eighteen Crore) divided into 1,80,00,000 ( One Crore Eighty Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on September 27, 2023

## NOTES TO THE CAPITAL STRUCTURE

Equity Share Capital History of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Year/ Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation <sup>(1)</sup>	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	Nil
April 02, 2012 <sup>(2)</sup>	90,000	10	10	Cash	Further Allotment	1,00,000	10,00,000	Nil
June 30, 2012 <sup>(3)</sup>	3,00,000	10	10	Cash	Further Allotment	4,00,000	40,00,000	Nil
September 30, 2023 <sup>(4)</sup>	1,20,00,000	10	NA	Other than Cash	Bonus Issue	1,24,00,000	12,40,00,000	Nil

<sup>(1)</sup> As per the Initial Memorandum of Association of the Company, the initial paid-up capital of the Company is 10,000 Equity Shares of ₹ 10/- each aggregating to ₹ 1,00,000/-. The list of shareholders upon Incorporation is given below:

Sr. No	Name	No. of Equity Shares
1.	Sanjiv Girdharlal Vasant	5,000
2.	Soham Sanjiv Vasant	5,000
<b>Total</b>		<b>10,000</b>

<sup>(2)</sup> Further Allotment 90,000 Equity Shares of face value of ₹ 10 each allotted on April 02, 2012.

Sr. No	Name	No. of Equity Shares
1.	Sanjiv Girdharlal Vasant	65,000
2.	Soham Sanjiv Vasant	2,500
3.	Rama Girdharlal Vasant	7,500
4.	Rajshree Girdharlal Vasant	7,500
5.	Mayuri Sanjiv Vasant	7,500
<b>Total</b>		<b>90,000</b>

<sup>(3)</sup> Further Allotment of 3,00,000 Equity Shares of face value of ₹ 10 each allotted on June 30, 2012.

Sr. No	Name	No. of Equity Shares
1.	Sanjiv Girdharlal Vasant	2,10,000
2.	Soham Sanjiv Vasant	22,500
3.	Rama Girdharlal Vasant	22,500
4.	Rajshree Girdharlal Vasant	22,500
5.	Mayuri Sanjiv Vasant	22,500
<b>Total</b>		<b>3,00,000</b>

<sup>(4)</sup> Further Allotment 120,00,000 Equity Shares of face value of ₹ 10 each allotted on September 30, 2023

Sr. No	Name	No. of Equity Shares
1.	Sanjiv Girdharlal Vasant	84,00,000
2.	Soham Sanjiv Vasant	9,00,000
3.	Shivam Sanjiv Vasant	9,00,000
4.	Rajshree Girdharlal Vasant	9,00,000
5.	Mayuri Sanjiv Vasant	9,00,000
<b>Total</b>		<b>120,00,000</b>

Details of Equity Shares issued for consideration other than cash or out of revaluation of reserves:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefit accrued to Company
September 30, 2023 <sup>(1)</sup>	1,20,00,000	10	NA	Bonus Issue	Capitalization of Surplus

<sup>(1)</sup> Further Allotment 1,20,00,000 Equity Shares of face value of ₹ 10 each allotted on September 30, 2023.

Sr. No	Name	No. of Equity Shares
1.	Sanjiv Girdharlal Vasant	84,00,000
2.	Soham Sanjiv Vasant	9,00,000
3.	Shivam Sanjiv Vasant	9,00,000
4.	Rajshree Girdharlal Vasant	9,00,000
5.	Mayuri Sanjiv Vasant	9,00,000
<b>Total</b>		<b>120,00,000</b>

No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

Our Company has not issued any equity shares lower than the Issue Price during the preceding 1 (one) year except as stated below:

Date of Allotment	Name of the Allottees	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Promoters / Promoters Group	Reasons for Allotment	Benefit accrued to Company
September 30, 2023	Sanjiv Girdharlal Vasant	84,00,000	10	NA	Promoter	Bonus Issue	Capitalization of Surplus
	Soham Sanjiv Vasant	9,00,000			Promoter		
	Shivam Sanjiv Vasant	9,00,000			Promoter		
	Rajshree Girdharlal Vasant	9,00,000			Promoter Group		
	Mayuri Sanjiv Vasant	9,00,000			Promoter Group		
<b>Total</b>		<b>1,20,00,000</b>					



## Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as on the date of this Draft Prospectus.

Category (I)	Category of shareholder(II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Underlying Outstanding convertible securities (as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C)		No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class							
A	Promoters & Promoters Group	5	1,23,99,998	-	-	1,23,99,998	99.99%	1,23,99,998	-	1,23,99,998	99.99%	-	-	-	-	1,23,99,998
B	Public	2	2	-	-	2	Negligible	2	-	2	Negligible	-	-	-	-	-
C	Non Promoters Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>1,24,00,000</b>	<b>-</b>	<b>-</b>	<b>1,24,00,000</b>	<b>100.0%</b>	<b>1,24,00,000</b>	<b>-</b>	<b>1,24,00,000</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,23,99,998</b>

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the Pre-Issue Equity Share Capital (%)
1.	Sanjiv Girdharlal Vasant	86,79,998	69.99%
2.	Soham Sanjiv Vasant	9,30,000	7.50%
3.	Shivam Sanjiv Vasant	9,30,000	7.50%
4.	Rajshree Girdharlal Vasant	9,30,000	7.50%
5.	Mayuri Sanjiv Vasant	9,30,000	7.50%
<b>Total</b>		<b>1,23,99,998</b>	<b>99.99%</b>

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the Pre-Issue Equity Share Capital (%)
1.	Sanjiv Girdharlal Vasant	86,79,998	69.99%
2.	Soham Sanjiv Vasant	9,30,000	7.50%
3.	Shivam Sanjiv Vasant	9,30,000	7.50%
4.	Rajshree Girdharlal Vasant	9,30,000	7.50%
5.	Mayuri Sanjiv Vasant	9,30,000	7.50%
<b>Total</b>		<b>1,23,99,998</b>	<b>99.99%</b>

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the Pre-Issue Equity Share capital (%)
1.	Sanjiv Girdharlal Vasant	280,000	70.00%
2.	Soham Sanjiv Vasant	30,000	7.50%
3.	Shivam Sanjiv Vasant	30,000	7.50%
4.	Rajshree Girdharlal Vasant	30,000	7.50%
5.	Mayuri Sanjiv Vasant	30,000	7.50%
<b>Total</b>		<b>4,00,000</b>	<b>100.00%</b>

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of two years prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the Pre-Issue Equity Share capital (%)
1.	Sanjiv Girdharlal Vasant	280,000	70.00%
2.	Soham Sanjiv Vasant	30,000	7.50%
3.	Shivam Sanjiv Vasant	30,000	7.50%
4.	Rajshree Girdharlal Vasant	30,000	7.50%
5.	Mayuri Sanjiv Vasant	30,000	7.50%
<b>Total</b>		<b>4,00,000</b>	<b>100.00%</b>

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

Our Company has not issued any warrants, convertible debentures, loan or any other instrument which would entitle the shareholders to equity shares upon exercise or conversion.

Except as disclosed in this Draft Prospectus, our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise.

## SHAREHOLDING OF OUR PROMOTERS

Build-up of the shareholding of our Promoters in our Company since incorporation

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	F V (₹)	Acquisition / Transfer Price	Cumulative No. of shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
<b>SANJIV GIRDHARLAL VASANT</b>								
Upon Incorporation	Subscription to MOA	Cash	5,000	10	10	5,000	0.04%	0.03%
April 2, 2012	Further Allotment	Cash	65,000	10	10	70,000	0.52%	0.38%
June 30, 2012	Further Allotment	Cash	2,10,000	10	10	2,80,000	1.69%	1.24%
September 30, 2023	Bonus Issue	Other than Cash	84,00,000	10	NA	86,80,000	67.74%	49.45%
November 3, 2023	Transfer	Cash	(2)	10	15	(2)	Negligible	Negligible
<b>SOHAM SANJIV VASANT</b>								
Upon Incorporation	Subscription to MOA	Cash	5,000	10	10	5,000	0.04%	0.03%
April 2, 2012	Further Allotment	Cash	2,500	10	10	7,500	0.06%	0.04%
June 30, 2012	Further Allotment	Cash	22,500	10	10	30,000	0.24%	0.18%
September 30, 2023	Bonus Issue	Nil	9,00,000	10	NA	9,30,000	7.50%	5.47%
<b>SHIVAM SANJIV VASANT</b>								
April 28, 2018	Transfer via Gift	Other than Cash	30,000	10	Nil	30,000	0.24%	0.18%
September 30, 2023	Bonus Issue	Nil	9,00,000	10	NA	9,30,000	7.50%	5.47%

Notes:

None of the shares belonging to our Promoters have been pledged till date.

The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

## PRE-ISSUE AND POST-ISSUE SHAREHOLDING OF OUR, PROMOTERS AND PROMOTERS GROUP:

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Sanjiv Girdharlal Vasant	86,79,998	69.99%	86,79,998	51.10%
Soham Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%
Shivam Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%
<b>Total</b>	<b>1,05,39,998</b>	<b>84.99%</b>	<b>1,05,39,998</b>	<b>62.04%</b>
<b>Promoters Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)</b>				
Rajshree Girdharlal Vasant	9,30,000	7.50%	9,30,000	5.47%
Mayuri Sanjiv Vasant	9,30,000	7.50%	9,30,000	5.47%

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Total</b>	<b>18,60,000</b>	<b>15.00%</b>	<b>18,60,000</b>	<b>10.94%</b>
<b>Total Promoters &amp; Promoters Group Holding</b>	<b>1,23,99,998</b>	<b>99.99%</b>	<b>1,23,99,998</b>	<b>72.98%</b>
<b>Total Paid up Capital</b>	<b>1,24,00,000</b>	<b>100.00%</b>	<b>1,69,87,000</b>	<b>100.00%</b>

Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.

We hereby confirm that:

None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Draft Prospectus except as disclosed in this Draft Prospectus.

None of the members of the Promoters Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

#### PROMOTER'S CONTRIBUTION AND LOCK-IN DETAILS

Details of Promoter's Contribution locked-in for three (3) years

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in(1)	As a % of Post Issue Share Capital
Sanjiv Girdharlal Vasant	34,65,000	20.40%
<b>Total</b>	<b>34,65,000</b>	<b>20.40%</b>

(1) For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer "Notes to Capital Structure" on page no. 51 of this Draft Prospectus

We confirm that in compliance with Regulation 237 of SEBI ICDR Regulations, the minimum Promoters contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.

Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.

The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.

Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

Details of share capital locked-in for one (1) year

Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoters Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue

Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.

Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoters Group or to a new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares

As on the date of this Draft Prospectus, the Lead Manager or its subsidiaries do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.

None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "Our Management" beginning on page no. 101 of this Draft Prospectus.

Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "Issue Procedure" beginning on page no. 188 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.

An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Fresh Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines

No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.

Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoters Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.

Our Promoters and Promoters Group will not participate in the Issue.

Our Company has not re-valued its assets and we do not have any revaluation reserves till date.

## SECTION V- PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises of Fresh Issue by our Company.

#### Issue Proceeds and Net Issue Proceeds

The details of the proceeds of the Issue are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses <sup>(1)</sup>	[●]
<b>Net Proceeds of the Issue</b>	[●]

<sup>(1)</sup> The Issue expenses are estimated expenses and subject to change.

#### Net Fresh Issue

Our Company proposes to utilize the Net Proceeds from Issue towards funding the following objects (collectively, referred to herein as the “Objects”):

1. Funding Working capital requirements in our Company;
2. Investment in Subsidiary Co. M/s Shivam Chemicals & Minerals Pvt Ltd. for financing the augmentation of its working capital capabilities
3. General Corporate Purpose;

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

#### Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Funding Working Capital Requirements in Our Company	705.00	705.00
2.	Investment in Subsidiary Co. M/s Shivam Chemicals & Minerals Pvt. Ltd. for financing the augmentation of its working capital capabilities	562.00	562.00
3.	General Corporate Purpose	[●]	[●]
	<b>Total</b>	[●]	[●]

#### Requirements of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factor We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factor For further details, see “Risk Factors” – The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net

Proceeds from the Issue. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

## DETAILS OF THE FUND REQUIREMENTS

### 1. Funding Working capital requirements in our Company

Our Company requires additional working capital for smooth day-to-day operations of the business by providing funds to cover various funding requirements such as purchases, employee salaries, utility bills, and other operational costs. Adequate working capital allows the business to meet its immediate financial obligations and maintain a consistent flow of goods and services. Working capital enables the business to take advantage of favorable market conditions and seize opportunities for growth. It provides the flexibility expand the product line, allowing the business to meet customer demands and stay competitive in the market. Without sufficient working capital, the business may miss out on potential sales or fail to meet customer expectations, leading to a loss of market share. Working capital is crucial for managing the cash conversion cycle in a trading business. This cycle involves the time it takes to convert sales into collections from customers, and pay supplier. sufficient working capital allows the business to effectively manage this cycle, ensuring a steady cash flow and minimizing the risk of cash shortages or liquidity problems.

#### Existing Working Capital and source of funding

The details of Company's existing working capital gap and source of their funding based on standalone financial (short term loans & advances excluded loans and advances to subsidiaries company) for the Financial Year 2021, 2022 & 2023 are provided in the table below. Our company has used average ₹281.64 lakhs from banking facility as on last 3 fiscal years ending on March 23, March 22 and March 21 respectively:

(Rs in lakhs)

Sr. No.	Particulars	FY 2020-21 (Standalone)	FY 2021-22 (Standalone)	FY 2022-23 (Standalone)
<b>A.</b>	<b>Current Assets:</b>			
1.	Trade Receivables	718.22	1,405.18	1,207.65
2.	Inventories	8.05	4.56	-
3.	Short term loans and advances	0.75	478.57	209.64
4.	other current assets	167.60	97.04	20.49
	<b>Total Current Assets (A)</b>	<b>894.62</b>	<b>1,985.36</b>	<b>1,437.78</b>
<b>B.</b>	<b>Current Liabilities</b>			
1.	Trade Payables	203.41	640.34	156.13
2.	Other Current Liabilities	8.84	56.33	36.84
3.	Short Term Provisions	22.05	150.00	130.00
	<b>Total Current Liabilities (B)</b>	<b>234.30</b>	<b>846.67</b>	<b>322.97</b>
<b>C.</b>	<b>Total Working Capital Gap (A - B)</b>	<b>660.32</b>	<b>1,138.69</b>	<b>1,114.82</b>
<b>D.</b>	<b>Funding Pattern:</b>			
1.	Working Capital Facilities from Banks	32.11	144.61	668.20
2.	Owned Funds <sup>(1)</sup>	628.21	994.08	446.62
	<b>Total Funding Pattern</b>	<b>660.32</b>	<b>1,138.69</b>	<b>1,114.82</b>



(1) The Statutory Auditors of the Company, M/s. PSRD& Co., Chartered Accountants, vide their certificate dated January 15, 2024 have confirmed that the Company's Owned Funds as on March 31, 2023 aggregates to ₹ 1,384.79 lakhs.

### Basis of estimates & assumptions for holding period

Our Company proposes to utilize ₹ 705.00 lakhs of the Net Proceeds for our working capital requirements. The amount will be utilized during Fiscal 2024-25 towards our Company's working capital requirements. The balance portion of our Company working capital requirements shall be met from the debt facilities availed from banks and owned funds. The incremental and proposed working capital requirements, as approved by the Board and key assumptions with respect to the determination of the same are prepared by the management. Further Statutory Auditors have, pursuant to a certificate dated January 15, 2024, certified the working capital requirements of our Company for the Financial Year 2024-25.

Our Company's expected working capital requirements for Financial Year 2024-25 and the proposed funding of such working capital requirements are as set out in the table below:

(Rs in lakhs)

Sr. No.	Particulars	Financial Year 2024-25 (Projected)
<b>A.</b>	<b>Current Assets:</b>	
1.	Trade Receivables	1,972.54
2.	Inventories	-
3.	Short term loans and advances	107.11
4.	Other Current Assets	14.77
	<b>Total Current Assets (A)</b>	<b>2,094.42</b>
<b>B.</b>	<b>Current Liabilities</b>	
1.	Trade Payables	310.98
2.	Other Current Liabilities and Short Term Provisions	136.24
	<b>Total Current Liabilities (B)</b>	<b>447.22</b>
<b>C.</b>	<b>Total Working Capital Gap (A – B)</b>	<b>1,647.20</b>
<b>D.</b>	<b>Funding Pattern:</b>	
1.	Working Capital Facilities from Banks <sup>(2)</sup>	500.00
2.	Owned Funds	442.20
3.	Part of the Net proceeds to be utilized	<b>705.00</b>

(2) We have assumed ₹ 500 lakhs as working capital facilities from our sanctioned amount of Rs 1000 lakhs.

### Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Trade Receivables	In Fiscal 2023, our trade receivables were 30 days. We have increased credit period in projected financials to attract more customers and increase sales by offering them more lucrative terms, thereby strengthening customer relationships and growing the business scale. The credit period assumed 40 days in Fiscal 2024-25.
<b>Current Liabilities</b>	
Trade Payables	During Fiscal 2023, our trade payables were 10 days. Hence it is assumed credit period of 10 days in Fiscal 2024-25.

### 2. Investment in Subsidiary Co. M/s Shivam Chemicals & Minerals Pvt Ltd. ("SCMPL") for financing the augmentation of its working capital requirement

Our Company has a wholly owned subsidiary by the name of Shivam Chemicals & Minerals Pvt Ltd. ("SCMPL"). SCMPL is primarily engaged in the business of manufacturing of chemical products i.e. hydrated lime. With state-of-

the-art facilities and a focus on quality assurance, they provide high-quality hydrated lime for various industries such as construction, water treatment, and agriculture.

We intend to utilize a part of the Net Proceeds amounting to ₹ 562 lakhs to make a further investment in our Subsidiary i.e. Shivam Chemicals & Minerals Pvt. Ltd. We shall be deploying Net Proceeds in SCMPL in form of equity infusion or debt or a combination thereof. The mode of investment shall be finalized prior to filing of the Prospectus.

The subsidiary is intends to use this capital towards its working capital requirement. No commercial production started till FY 2022-2023 and hence no WC data is provided till FY 2022-23. We have recently initiated the manufacturing process in May 2023. The subsidiary has setup plant in order to effectively utilize its capacity; the company would require adequate well-funded working capital.

#### **Basis of estimates & assumptions for holding period**

Our subsidiary company proposes to utilize ₹ 562.00 lakhs of the Net Proceeds for our working capital requirements. The amount will be utilized during Fiscal 2024-25 towards our Company's working capital requirements. The balance portion of our Company working capital requirements shall be met from the debt facilities availed from banks, related parties and owned funds. The incremental and proposed working capital requirements, as approved by the Board and key assumptions with respect to the determination of the same are prepared by our management. Further Statutory Auditors have, pursuant to a certificate dated January 16, 2024, certified the working capital requirements of our Company for the Financial Year 2024-25.

Our Company's expected working capital requirements for Financial Year 2024-25 and the proposed funding of such working capital requirements are as set out in the table below

Sr. No.	Particulars	Financial Year 2024-25 (Projected)
<b>A.</b>	<b>Current Assets:</b>	
1.	Trade Receivables	704.22
2.	Inventories	195.62
3.	Other Current Assets	280.68
	<b>Total Current Assets (A)</b>	<b>1,180.52</b>
<b>B.</b>	<b>Current Liabilities</b>	
1.	Trade Payables	154.62
2.	Other current liabilities	5.34
	<b>Total Current Liabilities (B)</b>	<b>159.60</b>
<b>C.</b>	<b>Total Working Capital Gap (A – B)</b>	<b>1020.92</b>
<b>D.</b>	<b>Funding Pattern:</b>	
1	Working Capital Facilities from Banks <sup>(1)</sup>	100.00
2.	Loan from Holding Company	290.66
3.	Owned Funds /Internal Accruals	68.26
4.	Part of the Net proceeds to be utilized	562.00

<sup>(1)</sup> SCMPL sanctioned working capital facilities as on date of this Draft Prospectus comprised ₹ 245.00 lakhs from banks and other financial institutions

#### **Justification for holding period levels**

Particulars	Details
<b>Current Assets</b>	
Inventories	Inventories include raw material, stock in progress, finished goods. Raw materials are procured from domestic market, accordingly we need to store it at our facility as per production schedule. The availability, quality and condition of material are critical to us, due to which our requirement for smooth fund flow is high. Company assumed inventories holding period to be 25 days for Fiscal 2025 which is based on estimated production and delivery time, market demand analysis, and industry benchmarks.
Trade Receivables	For growth in business, revenue and profit, we need to survive in competitive market.

Particulars	Details
<b>Current Assets</b>	
	Our industry practice is to provide a good credit period, thereby our funds get deployed in the operating cycle. The holding level for debtor is expected to be 90 days for Fiscal 2025.
<b>Current Liabilities</b>	
Trade Payables	Our Company intends to improve our relations and ensure timely supply which will require us to have ready inventory and paying the Creditors in short period of time will enable us to avail various trade discounts and better margins. Accordingly, we assumed that the Trade Payables be paid within a cycle of approximately 30 days for Fiscal 2025.

### 3. General Corporate Purpose

Our management will have flexibility to deploy ₹ [●] lakhs, aggregating to [●] % of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity/ business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

### ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●], which is [●] of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in lakhs)				
Sr. No.	Particulars	Amount (₹ in lakhs) <sup>(1)</sup>	% of Total Expenses <sup>(1)</sup>	% of Total Issue size <sup>(1)</sup>
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]%	[●]%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	[●]	[●]%	[●]%
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]%	[●]%
4	Advertisement and Marketing Expenses	[●]	[●]%	[●]%
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]%	[●]%
<b>Total</b>		[●]	[●]%	[●]%

<sup>(1)</sup> Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

<sup>(2)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ [●]/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(3)</sup> The SCSBs would be entitled to processing fees of ₹ [●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(4)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of [●] % of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

## **Appraisal and Bridge Loans**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

## **Year wise Deployment of Funds / Schedule of Implementation**

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire net issue proceeds is proposed to be deployed in the Financial Year 2024-25.

## **Monitoring of Utilization of Funds**

Since the proceeds from the Issue do not exceed ₹ 10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

## **Interim Use of Funds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

## **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

## **Other Confirmations / Payment to Promoters and Promoters' Group from the IPO Proceeds**

There are no anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors and Key Managerial Personnel. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our Board of Directors, our Key Management Personnel or Enterprise in which our KMP's has significant influence except in the normal course of business in compliance with applicable law.

## BASIS OF ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ [●] per Equity Share and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors”, “Financial Information” and the chapter titled “Our Business” beginning on page nos. 21, 123 and 81 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

1. In house manufacturing through 100% owned subsidiary
2. Well educated and experienced board of directors and management team
3. Technological competitive advantage
4. Logistic Efficiency

For more details on qualitative factors, refer to chapter “Our Business” on page no.81 of this Draft Prospectus.

### Quantitative Factors

The information presented in this section is derived from our Restated Consolidated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements as Restated” on page no.123 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings / Loss Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weights
2023	2.94	3
2022	3.58	2
2021	0.70	1
<b>Weighted Average</b>		<b>2.78</b>
<b>September 30, 2023*</b>		<b>0.39</b>

<sup>(1)</sup> Based on Restated Consolidated Financials of our Company

\* Not Annualized

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together with paragraph 7 of Companies (Accounting) Rules, 2014.
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Consolidated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 123 Daft Prospectus.

## 2. Price Earnings Ratio (“P/E”) in relation to the Price of ₹ [●] per share of ₹ 10 each

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2023	[●]
P/E ratio based on Weighted Average EPS	[●]

Industry P/E Ratio*	P/E Ratio
Narmada Agrobases Limited	48.08
Godrej Agrovet Limited	35.46
<b>Industry Average</b>	<b>41.77</b>

\*For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.

## 3. Return on Net worth (RoNW)

Year ended March 31,	RoNW (%) <sup>(1)</sup>	Weight
2023	27.25%	3
2022	45.68%	2
2021	16.39%	1
<b>Weighted Average</b>	<b>31.58%</b>	

(1) Based on Restated Consolidated Financials of our Company

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

## 4. Net Asset Value (NAV) at the end of the year

Financial Year	NAV (₹)
NAV as at March 31, 2023 based on actual no. of equity shares	333.84
NAV as at March 31, 2023 based on equivalent weighted avg. no. of equity shares	10.77
NAV after Issue	[●]
Issue Price (₹)	[●]

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

## 5. Key Performance Indicators

All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated – January 15, 2024 and the Audit Committee has confirmed that it has verified and audited details of all the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus, if any. During the three years period prior to the date of filing of this Draft Prospectus, no fresh allotment was made except for issuance of equity shares on bonus issue as disclosed in this section and section entitled “Capital Structure” on page no 51 of this Prospectus. Further, the KPIs herein have been certified by PSRD & Co. Statutory Auditor, by their certificate dated January 15, 2024. For further details, please refer to the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 81 and 150 respectively. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the

Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the section “Objects of the Offer”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations as amended from time to time.

(₹ in Lakhs, except percentages and ratios)

Particulars	September 30, 2023 (Consolidated)	Fiscal 2023 (Consolidated)	Fiscal 2022 (Standalone)	Fiscal 2021 (Standalone)
Revenue from operations	6,424.48	15,651.68	17,794.49	9,549.77
EBITDA <sup>(1)</sup>	165.76	542.73	636.75	172.37
EBITDA Margin (%) <sup>(2)</sup>	2.58%	3.47%	3.58%	1.80%
Restated profit for the year / period	48.44	363.94	443.70	86.50
Restated profit for the year / period Margin (%) <sup>(3)</sup>	0.75%	2.33%	2.49%	0.91%
Return on Equity ("RoE") (%) <sup>(4)</sup>	3.56%	31.55%	59.20%	17.85%
Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>	3.88%	19.89%	42.36%	23.84%
Net Debt / EBITDA Ratio	8.54	2.41	0.75	0.74

**Notes:**

<sup>(1)</sup> EBITDA is calculated as restated profit for the year / period plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

<sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations.

<sup>(3)</sup> Restated profit for the year / period margin is calculated as restated profit for the year / period divided by revenue from operations.

<sup>(4)</sup> RoE is calculated as Net profit after tax divided by Total Equity.

<sup>(5)</sup> RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

Explanation for the Key Performance Indicators

**Revenue from operations:** Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.

**EBITDA:** EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.

**EBITDA margin:** EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.

**Restated profit for the year / period:** restated profit for the year / period represents the profit / loss that Our Company makes for the financial year or during the given period. It provides information regarding the profitability of the business of our Company.

**Restated profit for the year / period margin:** Restated profit for the year / period Margin is the ratio of Restated profit for the year / period to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

**Return on Equity ("RoE"):** RoAE refers to Restated profit for the year / period divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoE is indicative of the profit generation by our Company against the equity contribution.

**Return on Capital Employed ("RoCE"):** RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

**Net Debt/ EBITDA:** Net Debt to EBITDA is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

**6. Set forth below are the details of comparison of key performance of indicators with our listed industry peer, figures are taken on standalone basis:**

Particulars	For the year ended March 31,					
	Narmada Agrobase Ltd.			Godrej Agrovet Ltd.		
	2023	2022	2021	2023	2022	2021
Revenue from Operations	5003.00	3497.00	5826.00	686,453.00	617,044.00	438,983.00
EBITDA	207.00	198.00	228.00	55,258.00	59,554.00	47,392.00
EBITDA Margin (%)	4.14%	5.66%	3.91%	8.05%	9.65%	10.80%
Profit for the Period / Year	65.00	55.00	75.00	30,364.00	36,021.00	27,900.00
PAT margin (%)	1.30%	1.57%	1.29%	4.41%	5.83%	6.32%
Return on Average Equity ("RoAE") (%)	4.14%	3.61%	5.14%	15.01%	19.37%	16.74%
Return on Capital Employed ("RoCE") (%)	6.74%	6.36%	8.08%	15.77%	16.68%	15.65%
Net Debt / EBITDA Ratio*	4.60	4.59	3.29	1.31	1.66	1.34

**7. Past Transfer(s) / Allotment(s)**

- a) Except as mentioned below we had not undertaken any new issuance of Equity Shares (other than bonus issue) or any convertible securities, whether in a single transaction or a group of transactions during the 18 months preceding the date of the Draft Prospectus.

Date of Issue	No of Equity shares	Price per Equity Shares
September 30, 2023 (Bonus)	1,20,00,000	Nil

- b) There have been no secondary sales / acquisitions of Equity Shares or any convertible securities (where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) equivalent to or exceeding 5% of the fully diluted paid-up share capital of the Company (calculated on the date of completion of the sale), whether in a single transaction or a group of transactions during the 18 months preceding the date of the Draft Prospectus

- c) We had not undertaken any primary / new issuance of Equity Shares or any convertible securities during the period of preceding 3 years from the date of the Draft Prospectus or this Prospectus as disclosed in the section entitled "Capital Structure" on page 51.

Weighted Average Cost of Acquisition (WACA) based on primary / secondary transactions (secondary transactions where by promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) during the 3 years preceding the date of the Draft Prospectus or this Prospectus (irrespective of the size of transactions) is given below:

Past Transactions	WACA	IPO Price
WACA of Primary issuance	Nil	[●]
WACA of Secondary transactions	Nil	N.A

**8. Comparison with Industry Peers**

Particulars	CMP*	EPS (₹)		PE Ratio		RONW (%)	NAV per share(₹)	Face Value (₹)	Revenue from Operations (₹in Lakhs)
		Basic	Diluted	Basic	Diluted				
Shivam Chemicals Limited <sup>(i)</sup>	[●]	2.94	2.94	[●]	[●]	27.32%	10.78	10	15,693.77
<b>Peer Group **</b>									



Particulars	CMP*	EPS (₹)		PE Ratio		RONW (%)	NAV per share (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakhs)
		Basic	Diluted	Basic	Diluted				
Narmada Agrobases Limited	23.08	0.48	0.48	48.08	48.08	4.11%	11.72	10	5,002.60
Godrej Agrovet	557.1	15.71	15.71	35.46	35.46	10.77%	142.78	10	937,368.00

\* CMP for our Company shall be considered as Issue Price

\*\*Source: www.bseindia.com.

Notes:

(i) The figures of Shivam Chemicals Limited are based on Restated Consolidated Financial Statements for the year ended

March 31, 2023 NAV per share is calculated on weighted average number of shares (Basic).

(ii) Current Market Price (CMP) is the closing price of peer group scripts as on 15 January, 2024.

(iii) The figures for the peer group are based on the Consolidated Audited Financials for the year ended March 31, 2023.

9. The face value of our share is ₹10.00 per share and the Issue Price is of ₹ [●] per share are [●] times of the face value.
10. The Company in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameter The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share.

## STATEMENT OF TAX BENEFITS

To,  
**The Board of Directors,**  
Shivam Chemicals Limited  
Office No. 108, 1st floor,  
Hubtown Solaris, off N.S. Phadke Marg  
Saiwadi, Andheri (E),  
Mumbai – 400069

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Shivam Chemicals Limited, its subsidiary and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company, Subsidiary Company and shareholders of the Company (hereinafter referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) presently in force in India (together referred to as the “**Direct Tax Laws**”), the Goods and Service Tax laws & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and/ or the Company’s shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholder. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company.

We do not express any opinion or provide any assurance as to whether:

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

The contents of this Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus in connection with the proposed initial public offering of the Company.

Yours faithfully,

**For, PSRD & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 1263990W**

**Pravin Oza.**  
Partner  
**Mem No: 119427**  
**UDIN: 24119427BKGFHY5319**

**Place: Mumbai**  
**Date: 15<sup>th</sup> January, 2024**

## **Annexure**

### **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SUBSIDIARY AND COMPANY'S SHAREHOLDERS**

Outlined below are the possible special tax benefits available to **Shivam Chemicals Limited ("the Company")**, its subsidiary and to its Shareholders under the Direct and Indirect Tax Laws in force in India.

#### **A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

##### **1. Direct Tax**

There are no special direct tax benefits available to the Company.

##### **2. Indirect Tax**

There are no special indirect tax benefits available to the Company.

#### **B. SPECIAL TAX BENEFITS AVAILABLE TO THE SUBSIDIARY**

##### **1. Direct Tax**

There are no special direct tax benefits available to the subsidiary Company.

##### **2. Indirect Tax**

There are no special indirect tax benefits available to the subsidiary Company.

#### **C. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

##### **1. Direct Tax**

There are no special direct tax benefits available to the Shareholders of the Company.

##### **2. Indirect Tax**

There are no special indirect tax benefits available to the Shareholders of the Company.

## SECTION VI – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

#### GLOBAL ECONOMIC OVERVIEW

The baseline forecast is for global growth to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024, well below the historical (2000–19) average of 3.8 percent. Advanced economies are expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening starts to bite. Emerging market and developing economies are projected to have a modest decline in growth from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to tighter monetary policy aided by lower international commodity prices. Core inflation is generally projected to decline more gradually, and inflation is not expected to return to target until 2025 in most cases.

Monetary policy actions and frameworks are key at the current juncture to keep inflation expectations anchored. Chapter 2 documents recent trends in inflation expectations at near- and medium-term horizons and across agents. It emphasizes the complementary role of monetary policy frameworks, including communication strategies, in helping achieve disinflation at a lower cost to output through managing agents' inflation expectations. Given increasing concerns about geo-economics fragmentation, Chapter 3 assesses how disruptions to global trade in commodities can affect commodity prices, economic activity, and the green energy transition.

Divergent growth prospects across the world's regions pose a challenge to returning to pre pandemic output trends. Despite signs of resilience earlier in 2023, the impact of policy tightening to reduce inflation is expected to cool economic activity going forward. While risks to the outlook are more balanced than earlier in the year, on account of Swiss and US authorities' having acted decisively to contain financial turbulence, they remain tilted to the downside, implying little margin for policy error. Monetary policy should stay the course to bring inflation to target, while fiscal consolidation is needed to tackle soaring debts. Structural reforms are crucial to revive medium-term growth prospects amid constrained policy space. Accelerating the green transition, increasing resilience to climate shocks, and improving food security for millions of people require strengthened multilateral frameworks and adherence to rules-based platforms for international cooperation.

[World Economic Outlook, October 2023: Navigating Global Divergences \(imf.org\)](https://www.imf.org/en/Publications/WEO/Issues/2023/10/04/wEO-23-09)



# Latest World Economic Outlook Growth Projections

(Real GDP, annual percent change)	PROJECTIONS		
	2022	2023	2024
<b>World Output</b>	<b>3.5</b>	<b>3.0</b>	<b>2.9</b>
<b>Advanced Economies</b>	<b>2.6</b>	<b>1.5</b>	<b>1.4</b>
United States	2.1	2.1	1.5
Euro Area	3.3	0.7	1.2
Germany	1.8	-0.5	0.9
France	2.5	1.0	1.3
Italy	3.7	0.7	0.7
Spain	5.8	2.5	1.7
Japan	1.0	2.0	1.0
United Kingdom	4.1	0.5	0.6
Canada	3.4	1.3	1.6
Other Advanced Economies	2.6	1.8	2.2
<b>Emerging Market and Developing Economies</b>	<b>4.1</b>	<b>4.0</b>	<b>4.0</b>
Emerging and Developing Asia	4.5	5.2	4.8
China	3.0	5.0	4.2
India	7.2	6.3	6.3
Emerging and Developing Europe	0.8	2.4	2.2
Russia	-2.1	2.2	1.1
Latin America and the Caribbean	4.1	2.3	2.3
Brazil	2.9	3.1	1.5
Mexico	3.9	3.2	2.1
Middle East and Central Asia	5.6	2.0	3.4
Morocco	1.3	2.4	3.6
Saudi Arabia	8.7	0.8	4.0
Sub-Saharan Africa	4.0	3.3	4.0
Nigeria	3.3	2.9	3.1
South Africa	1.9	0.9	1.8
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	4.0	4.0	3.9
Low-Income Developing Countries	5.2	4.0	5.1

Source: IMF, *World Economic Outlook*, October 2023

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/2023 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.5 percent in 2023 and 5.7 percent in 2024 based on calendar year. For Italy, data and forecasts reflect information available through September 21, 2023. For the United Kingdom, data and forecasts do not incorporate the significant statistical revisions released on September 29, 2023.

## INDIAN ECONOMY GROWTH RATE & STATISTICS

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at ₹ 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022-23 estimated at ₹ 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

### Market Size

India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹ 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was ₹ 70.67 trillion (US\$ 848.92 billion), as against ₹ 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022–2023.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

(Link: <https://www.ibef.org/economy/indian-economy-overview>)

## GLOBAL ANIMAL FEED MARKET

The animal feed market is projected to reach \$961.2 billion by 2030, at a CAGR of 4.6% during the forecast period 2023-2030. The report provides an in-depth analysis of the global animal feed market across five major regions, emphasizing the current market trends, market sizes, recent developments, and forecasts till 2030.

Succeeding extensive secondary and primary research and an in-depth analysis of the market scenario, the report conducts the impact analysis of the key industry drivers, restraints, opportunities, and trends. The growth of this market is driven by the increasing commercialization of the livestock sector, the rising demand for animal-based products, and

the growing focus on research & development in the animal feed sector. However, fluctuating raw material prices restrain the growth of this market. Additionally, the growing awareness about animal health is expected to generate growth opportunities for the players in this market.

The key players operating in the global animal feed market are Charoen Pokphand Foods PCL (Thailand), New Hope Liuhe Co., Ltd. (China), Cargill, Incorporated (U.S.), Brf S.A. (Brazil), Tyson Foods, Inc. (U.S.), Nutreco N.V. (Netherlands), Archer-Daniels-Midland Company (U.S.), Alltech Inc. (U.S.), For Farmers N.V. (Netherlands), De Heus Animal Nutrition (Netherlands), Royal Agrifirm Group (Netherlands), and Guangdong HAID Group Co., Ltd. (China).

The global animal feed market is segmented by type (compound feed, feed concentrates, and roughages), source (plant-based (cereal and grains, oilseed, and other plant-based sources), animal-based, fodder & DDGS, and novel sources), form (dry feed (pellets, crumbles, mash, others), wet feed), animal type (poultry (starter feed, grower feed, layer feed, finisher feed, others), ruminants (beef cattle (calf feed, backgrounding feed, feedlot feed), dairy cattle (calf feed, heifer feed, lactating feed, dry cattle feed), and others), swine (starter feed, grower feed, finisher feed), aquaculture, and others), and geography. The study also evaluates industry competitors and analyzes the country-level markets.

(Link: [Animal Feed Market by Type, Source, Form, and Geography - Global Forecast to 2030 \(researchandmarkets.com\)](https://www.researchandmarkets.com) )

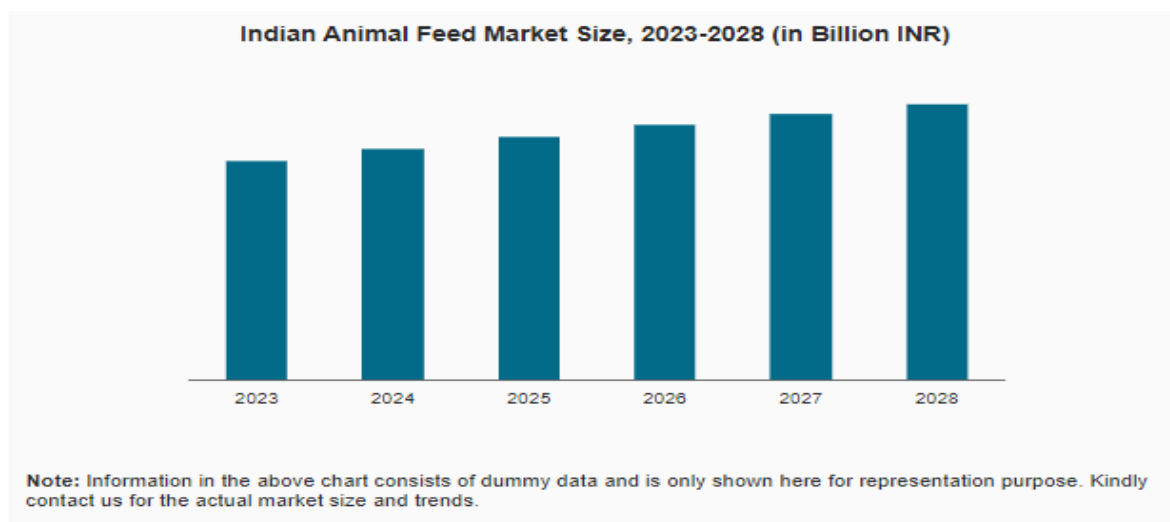
## INDIAN ANIMAL FEED MARKET

The Indian animal feed market size reached INR 956.7 Billion in 2022. Looking forward, IMARC Group expects the market to reach INR 1,578.2 Billion by 2028, exhibiting a growth rate (CAGR) of 8.2% during 2023-2028.

India currently represents one of the largest feed producers in the world. Animal feed includes various raw, processed and semi-processed products that are fed to livestock. Some of the most common feeds include pasture grasses, cereal grains, hay and silage crops, and other by-products of food crops, such as brewers' grains, pineapple bran and sugar beet pulp. These products are carefully formulated with the help of nutritional additives, like vitamins and minerals, to maintain the overall health of animals and improve the quality of various end-products, including eggs, meat and milk. In this country, there has been a rise in public concern regarding the safety of animal-origin food products due to the prevalence of food-borne bacterial infections, bovine spongiform encephalopathy (BSE) and dioxin contamination. These concerns have prompted regulatory organizations to inspect and improve feeding practices in the country.

### Market Trends:

Recently, it was noted that raw materials used in the production of animal feed, like soybean meal, sorghum and maize, are being diverted for the consumption of humans, leading to a shortage in the feed industry. Furthermore, the expensive nature, and price and supply volatility of these raw materials is encouraging industry players to switch to sustainable and lower-cost ingredients for livestock production. Some of these novel ingredients include insect meal and Distiller's dried grain with solubles (DDGS). Besides this, currently has a separate set of livestock policies that focus on increasing the overall productivity. Some of the schemes that are acting in favor of the animal feed market include E-Pashu Haat, Livestock Insurance Scheme, Rashtriya Gokul Mission, and National Livestock Mission.

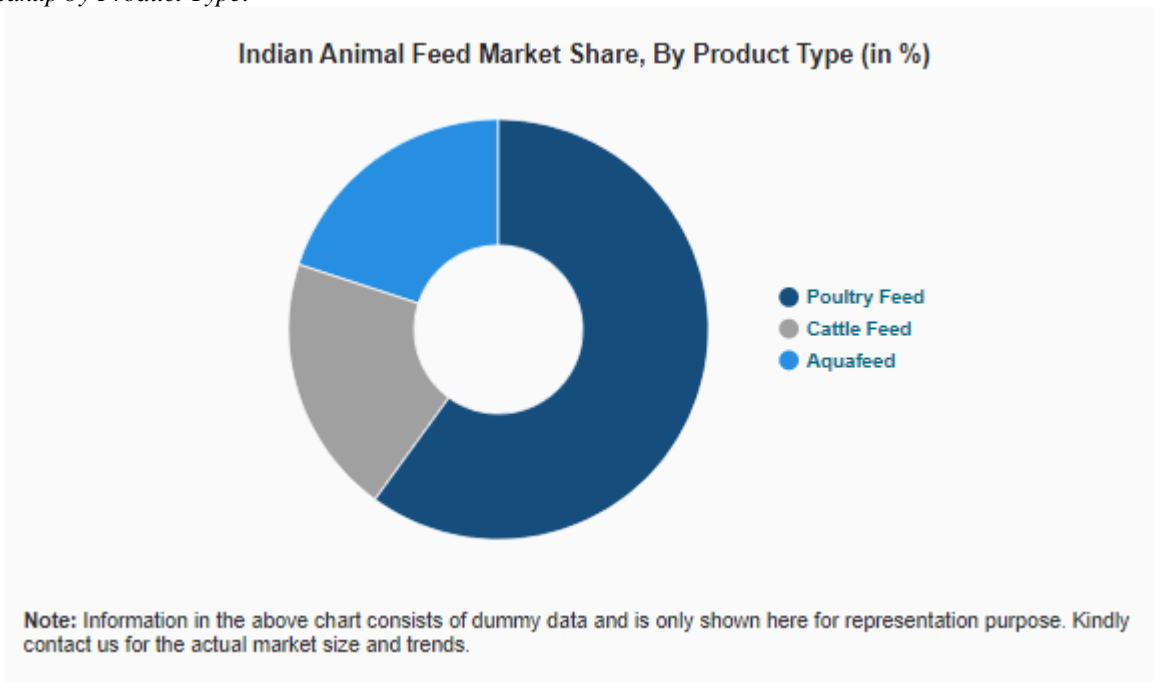




### Key Market Segmentation:

IMARC Group provides an analysis of the key trends in each sub-segment of the Indian animal feed market report, along with forecasts at the country and regional level from 2023-2028. Our report has categorized the market based on product type.

Breakup by Product Type:



<https://www.imarcgroup.com/indian-animal-feed-market#:~:text=Market%20Overview%3A,8.2%25%20during%202023-2028>

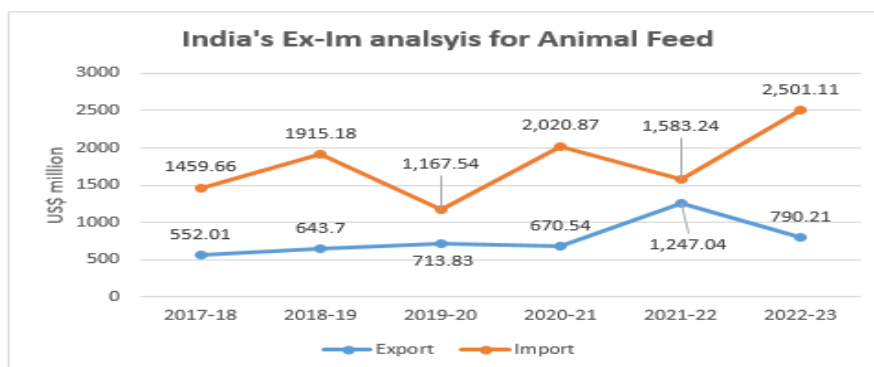
### GOVERNMENT INITIATIVES

Under the National Livestock Mission Scheme, Central Government provides 50% capital subsidy (maximum up to ₹50 Lac) to the beneficiaries of setting up of feed/fodder value addition unit for Hay/Silage/ Total Mixed Ration (TMR) TM preparation, Fodder block making or storage facilities for fodder.

Eligible Entities can avail loan up to 90% of the project cost for establishment of the feed manufacturing unit. Under the scheme, the Central Government provides 3.0% interest subvention with two years moratorium

### India's Ex-Im Analysis

India established a total trade of US\$ 3.29 billion in Animal Feed (HS 23) in 2022-23. While exports rose to US\$ 2.5 billion (0.1% YoY growth) during the same year, imports dipped to US\$ 790.21 million (decline by 36.6% YoY).



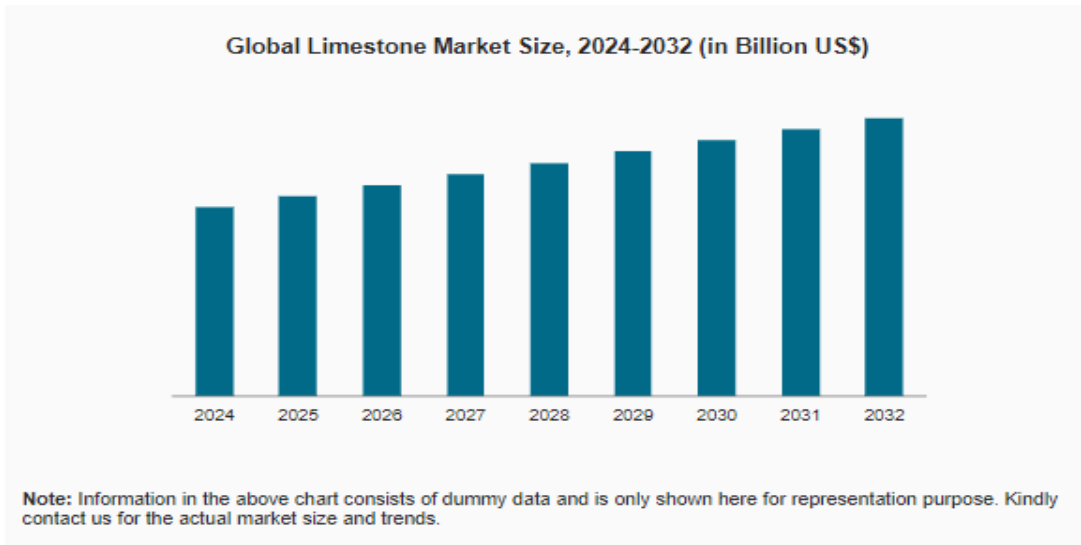
Source: Ministry of Commerce and Industry

<https://www.tpci.in/indiabusinesstrade/blogs/meeting-the-rising-demand-strategies-for-expanding-indias-animal-feed-exports/>

## CHEMICAL INDUSTRY – LIMESTONE POWDER

### Market Overview:

The global limestone market size reached US\$ 82.4 Billion in 2023. Looking forward, IMARC Group expects the market to reach US\$ 116.2 Billion by 2032, exhibiting a growth rate (CAGR) of 3.9% during 2024-2032.



Limestone acts as an agricultural additive that aids in improving the quality of the soil by supplying calcium for plant and soil nutrition. Furthermore, widespread adoption of limestone for wastewater treatment, preparation of drinking water and removal of acid gas from flue gases is also providing a boost to the market growth. Additionally, extensive utilization of limestone as a filter additive, coating pigment, brightening agent and surface finish additive for paper and pulp processing, is contributing to the market growth. Other factors, including the implementation of infrastructural development initiatives and the construction of smart cities, along with rapid industrialization, are projected to drive the market further.



<https://www.imarcgroup.com/limestone-market>

### India Lime Market Analysis

By the end of financial year 2022, the value of India's limestone production amounted to an estimated 97.4 billion Indian rupees. This figure is estimated to have decreased to approximately 68.9 billion Indian rupees in financial year 2023.

The India production of lime is projected to record a CAGR of 3.2% during the forecast period. According to FAO, lime production accounts for 3.14 million metric tons in 2018 as compared to last year where the production of lime accounts for 2.3 million metric tons. Production of lime is increasing in India due to an increase in the area of production which accounts for 286 thousand hectares in 2018.

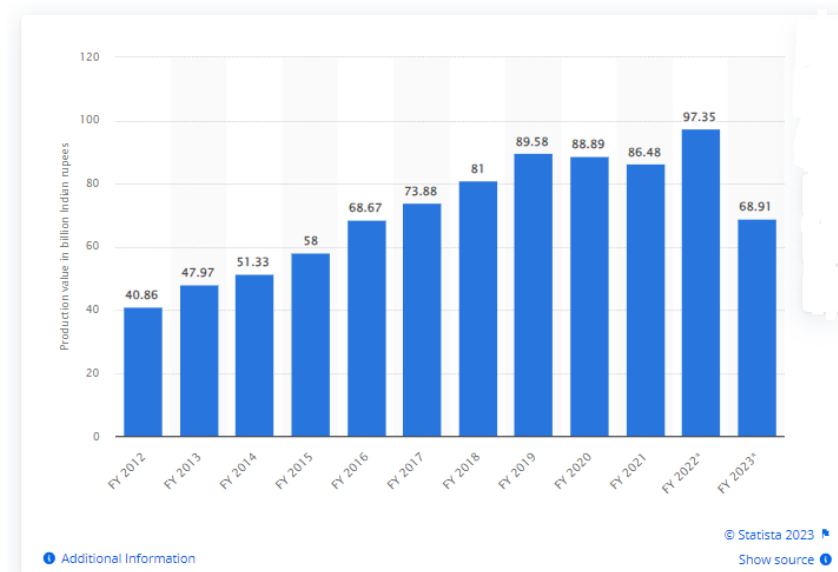
With increasing demand from consumers and high health benefits, the market is expected to grow over the forecast period. Limes are highly used for the production of citric acid, lime oil, lime juice, and other products that are used in the household food items, as well as chores. Therefore, the growing demand for the products will eventually increase the demand for lime and as a result, the growing interest in health benefits and cleaning applications will be a major force driving the Indian market.

## India Lime Market Trends

### Growing Demand for Lime Ingredients Creates Production Opportunity

India is the leading producer of Lime globally. The major regions producing almost 80% of limes in India are Gujarat, Madhya Pradesh, Andhra Pradesh, Karnataka, and Odisha. The production of lime in India is continuously increasing due to the growing demand of foods that include lime as an ingredient (including juice, jams, bakery, and confectionery) in India. The growing demand for limes due to health benefits will drive the market during the forecast period.

Lime is used as an ingredient in the production of pectin, citric acid, lime oil, lime juice and many other products. This growing markets creates a steady demand for these products throughout the year. Pectin and citric acid are two products that have witnessed a continuous demand during last few decades. India consumes the maximum portion of lime in the Asia-Pacific region.



<https://www.statista.com/statistics/669219/india-limestone-production-value/#:~:text=By%20the%20end%20of%20financial,estimated%2097.4%20billion%20Indian%20rupees>

## OUR BUSINESS

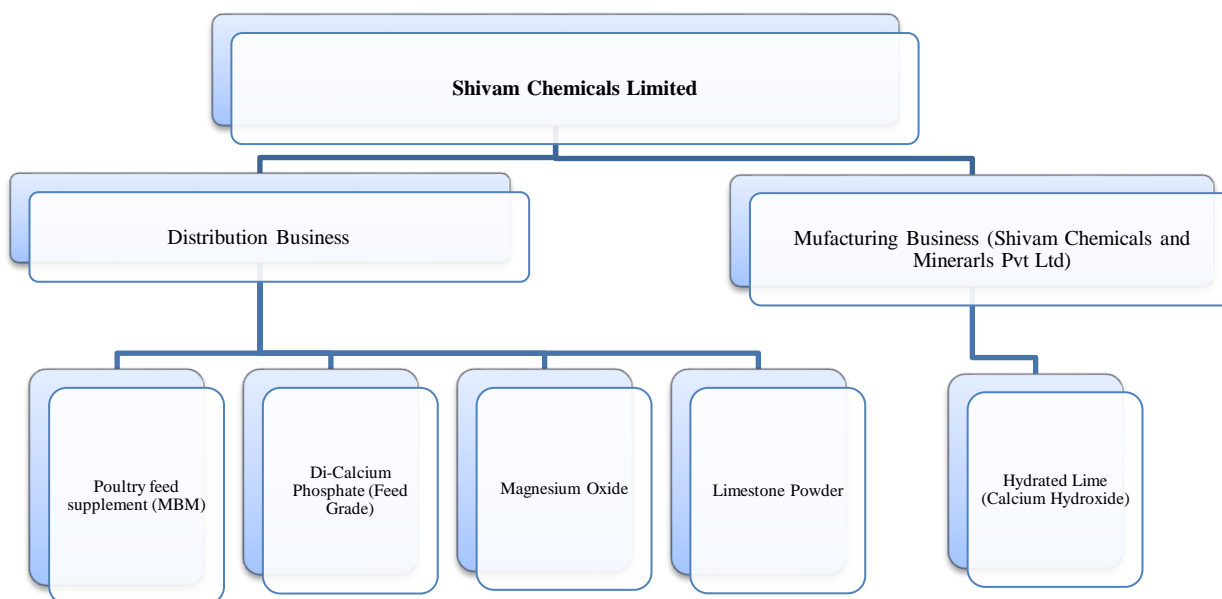
This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page no 21,123 and 150 respectively of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to Shivam Chemicals Limited as the case may be.

### OVERVIEW

Our company is a manufacturer of Hydrated Lime (Calcium Hydroxide) & a distributor of various products such as Poultry feed supplement (MBM), Di-Calcium Phosphate (Feed Grade), Magnesium Oxide, Limestone Powder, etc. With rich experience and knowledge we have built a well-established marketing network across India and we distribute animal feed products for various well renowned manufacture over the years, we have successfully supplied an impressive quantity of over 2.50 Lakh metric tons of various products, reflecting our commitment to meeting the demands of the market. The cumulative value of these supplied products has exceeded INR 7,500 million, underscoring our financial significance in the sector. With an average monthly sales volume of 2,650 metric tons, we maintain a consistent presence and contribute to the steady flow of products in the market. Our journey began with a primary focus on animal feed supplement trading till FY 2022-23 and our evolution into manufacturing is happened through the establishment of a 100% owned subsidiary.

Our wholly owned subsidiary company Shivam Chemicals and Minerals Private Limited is located at Dahej Gujarat with a manufacturing capacity of 60,000 MT. They are engaged in manufacturing of Hydrated lime (Calcium hydroxide) product.

Our product portfolio is summarized as follows:



As on September 30, 2023 we have 26 employees on a consolidated basis & 15 contract labors in our subsidiary company.

Our Key performance indicators for the period ended September 30, 2023 and last three fiscal’s years on consolidation basis are as follows:

*(Rs in lakhs)*

Particulars	September 30, 2023 (Consolidated)	2023 (Consolidated)	2022 (Standalone)	2021 (Standalone)
Share Capital	1240.00	40.00	40.00	40.00

Particulars	September 30, 2023 (Consolidated)	2023 (Consolidated)	2022 (Standalone)	2021 (Standalone)
Reserve & surplus	143.79	1295.35	931.41	487.71
Net Worth	1383.79	1335.35	971.41	527.71
Total Income	6,434.41	15,658.34	17,798.84	9,557.75
Profit after Tax	48.44	363.94	443.70	86.50
Return on Net Worth	3.50%	27.25%	45.68%	16.39%

## **OUR STRENGTHS**

### ***Well educated and experienced board of directors and management team***

Our Managing Director, Sanjiv Vasant, has more three decades of experience in the chemical industry. He stands as a pivotal figure in steering the company to its current esteemed position. As our, CFO Soham Vasant brings over a decade of expertise in the company's business. Currently spearheading the marketing efforts for all products, he plays a crucial role in acquiring new customers and expanding the company's reach. Shivam Vasant, our director equipped with an Entrepreneurship degree from Nottingham University, UK, injects fresh perspectives into our business. With technical prowess, he oversees project implementation and introduces innovative ideas to drive the company forward.

The collective wealth of experience, profound expertise, and diverse backgrounds within our directors / promoters, has positioned our company as a singular trader specializing in our product range within in India, particularly Western India only. Their industry acumen not only allows us to foresee and adapt to market trends but also empowers us to effectively expand our operations, cultivate and capitalize on customer relationships, and promptly respond to shifts in customer preferences.

### ***In house manufacturing through 100% owned subsidiary***

Our subsidiary Shivam Chemicals and Minerals Pvt. Ltd is 100% owned by our company. It is incorporated in 2019, operates a manufacturing unit specializing in hydrated lime production. The unit has a capacity of 60,000 MT per year. Hydrated lime has diverse applications in industries such as metallurgy, sugar refining, water treatment, and more. The subsidiary benefits from a substantial customer base due to these wide-ranging applications.

Shivam Chemical Ltd, the holding company, has an extensive marketing network with offices throughout India, allowing them to reach a wide range of industrial consumers, dealers, and distributors of chemical products across the country. The manufacturing unit commenced commercial production in May 2023 and has achieved 40% capacity utilization by December. Starting from April 2024, the company is projected to increase its capacity utilization up to 65 %, indicating a steady growth in production and market presence.

With its extensive contacts and robust marketing network, the subsidiary is well-positioned to seize opportunities in the Indian market.

### ***Technological competitive advantage***

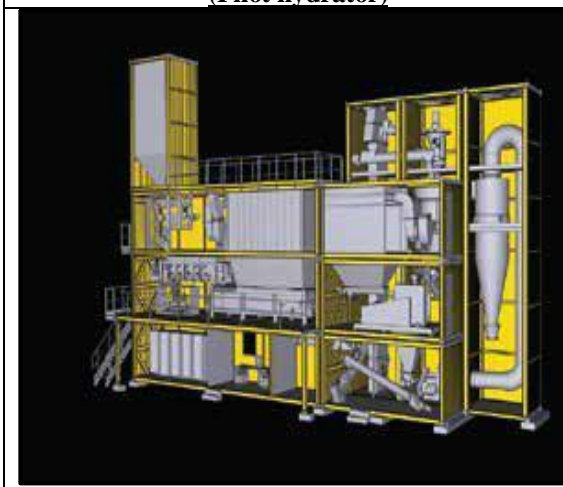
Our Company is using complete machinery and technology which is a state-of-the-art with proprietary Italian technology from Cimprogetti Lime Technologies, Italy. To cater to Indian Market, they have set up Company in India in the name of Cimprogetti India Pvt. Ltd., Delhi. Due to this technology our company has achieved high production efficiency, superior quality product and reduced cost of production. Use of modern "Cimprogetti" technology ensures waste reduction, efficient storage & handling & improved quality allowing it to create a "technological moat". These factors also have led to improved input ratio of 1:1.33x.



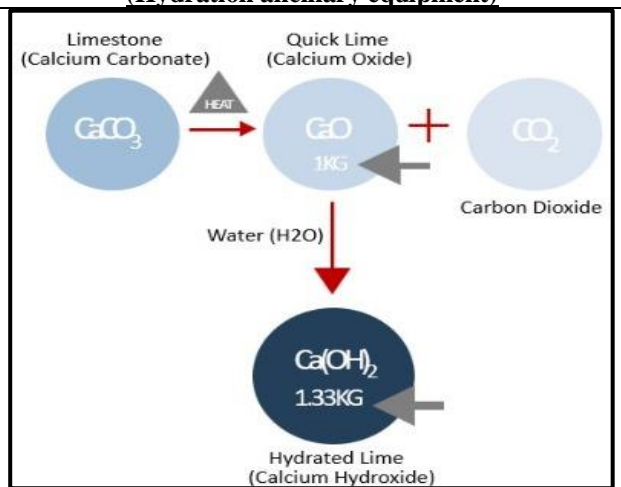
**(Pilot hydrator)**



**(Hydration ancillary equipment)**



**(Cim-Hydrax-Compact)**



**Improved input Ratio**

***Logistic Efficiency***

Our company uses Bulker Truck as a medium of transportation of its products. Current we use 8 (Eights) bulker trucks on rent in our factory which has carrying capacity upto 25 tons of product per bulker. The advantage of employing a Bulker truck includes:

- The adoption of bulkers results in a minimum 10% reduction in operational costs.
- Unloading with bulkers is 75% faster compared to using bags.
- Directly storing materials in silos effectively minimizes storage costs
- Facilitates waste reduction during the loading and unloading processes.
- Optimal product quality is maintained through minimal air exposure.



## OUR STRATEGIES

### *Our manufacturing capacities in existing product categories is to leverage industry growth driver*

Our Subsidiary has complete manufacturing set up for manufacturing of hydrated lime at Dahej, Gujarat.

To seize the burgeoning opportunities for growth in this sector, we aim to strategically invest in both physical and operational infrastructure. This initiative is geared towards enhancing our manufacturing capabilities, with a specific emphasis on manufacturing capacities within our current product categories. Simultaneously, we aspire to diversify our product portfolio by introducing innovative offerings to the market. In order to achieve this, we invested in our manufacturing unit which is located in Dahej, Gujarat.

Our company has recently acquired 14,303 sq. mtr. acres of land and established a state-of-the-art manufacturing facility spanning 4161 sq. mtr. in Dahej, with a total production capacity of 60,000 MT of hydrated lime per year. The strategic positioning of the plant enables the company to sale hydrated lime (calcium hydroxide) our finished product, within proximity of 20-50 km from the site. Cutting-edge connectivity via railways, roadways, ports, and airways guarantees efficient and cost-effective transportation of chemicals.

Our firm is confident that our investment in a state-of-the-art manufacturing facility will position us to meet the escalating demand from our customer This strategic move is poised to not only enrich our current product portfolio but also facilitate the introduction of new products. Consequently, we anticipate a substantial upswing in both profits and revenues for our company.

### *Continue to focus on maintaining operational efficiency and profitability*

Our recently started operation revolves around maintaining operational efficiency and driving profitability. We prioritize cost efficiency by implementing innovative measures to improve productivity and streamline manufacturing processes. By leveraging advanced solutions, we aim to optimize resource utilization and minimize wastage.

We employ a Just-in-Time procurement model, acquiring goods in line with customer orders, allowing for direct dispatch from the vendor's factory to the customer, eliminating storage or warehouse costs. Implementing a Just-in-Time model can contribute to achieving high profits through several mechanisms such as reduced inventory holding cost, minimization of obsolete inventory, low storage and handling cost and fast conversion cycle. Our strategy involves reinforcing manufacturing efficiencies through judicious investments, focusing on sustainable business opportunities.

**Continue to build our domestic customer base and enter new geographical market**

We aim to focus on deepening our penetration in our existing markets and thereby increase our domestic presence by expanding our customer network. At present, we sell our products in Maharashtra, UP, Gujarat, Telangana, Haryana, Karnataka, Uttarakhand, Punjab, Madhya Pradesh, Andhra Pradesh, West Bengal, Kerala, Tamil Nadu, Telangana, Orrisa, Bihar, Assam, etc within India. We aim to focus on increasing our customer base by exploring domestic markets other than the above states mentioned. In the states where we have a customers and presence such as Maharashtra, UP, Gujarat, Telangana, Haryana, Karnataka, Uttarakhand, Punjab, Madhya Pradesh, Andhra Pradesh, West Bengal, Kerala, Tamil Nadu, Telangana, Orrisa, Bihar, Assam, etc as per the sales made during period ended in 30<sup>th</sup> September 2023 and Fiscal 2023, we aim to deepen our penetration. Consequently, we will persist in expanding our customer network in alignment with the growth of our business operations. As a business strategy, we intend to expand our customer network in the untapped opportunities in these states for us to capitalize to grow our business operations. Some of our long- term customers are given below:

 Karnataka Co-operative Milk Producers' Federation Ltd (KMF)	 Godrej agrovet brighter farming	 SIMRAN FARMS LIMITED	 SUGUNA FOODS
 nutriKraft	 JAPFA	 Baramati agro	
 PROGRESSIVE DAIRY	 SKYLARK	 PASUPATI FEEDS Since 1950	
 NOVELTECH	 NeoGenetics	 EVALIS	

***Continue to focus on quality, environment, health and safety***

Our company believes in prioritizing sustainability by accentuating quality, environmental considerations, and health and safety. We firmly believe that upholding an elevated standard of product quality is pivotal to both our brand integrity and sustained growth.

Our Company produces Hydrate lime as one of our products under Chemical. Presently, other entities utilize “Jumbo Bags” for the transportation of Hydrated Lime. Lime dust is produced during loading, unloading, handling, and screening processes, contributing to air pollution and elevated metal content in the soil. This poses health risks, leading to respiratory issues, irritation, and other adverse health impacts. Our company employs BULKERS for the transportation of Hydrated Lime, incorporating a closed-end handling system that effectively eliminates lime dust. This proactive approach not only has a positive environmental impact by reducing hazards to both the environment and health but also positions us ahead of our competitors in strict compliance with environmental norms.

	
Jumbo Bags	Bulkers



## Location

### *Registered Office of holding and Subsidiary Company*

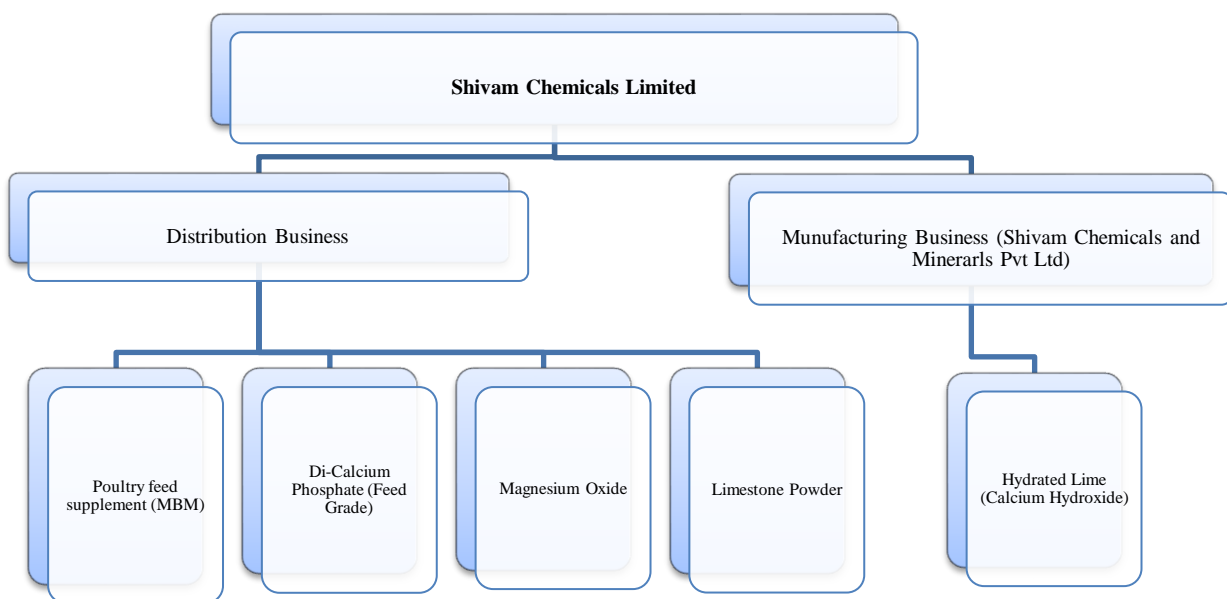
Office No. 108, 1st Floor, Hubtown Solaris, Off N. S. Phadke Marg, Saiwadi, Andheri (E), Maharashtra-400 069.


### *Manufacturing Facility of Subsidiary Company*

GIDC, D2/CH/166 Dahej II Industrial estate, Village: Jolva , District – Bharuch, Gujarat – 392 130.


## Our Products

The company offers wide range of high-quality feed products. It consist of poultry feed, cattle feed and specialised chemical. Our holding Company is engaged in distribution that has diversified product range from Poultry feed supplement (MBM), Di Calcium Phosphate (Feed Grade), Magnesium oxide, Limestone powder and subsidiary company is engaged in manufacturing of hydrated lime products. Details of the products are given below:



	<ul style="list-style-type: none"><li>• It is used in the formulation of animal feed – to enhance the feeds’ amino acid profile, digestibility, etc</li><li>• Meat and bone meal for chickens is a great source of protein and minerals, and has other great nutritional benefits</li><li>• It contains a lot of calcium for growing thick egg shells and is often energy dense.</li></ul>
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**Poultry feed supplement (MBM)**

	<ul style="list-style-type: none"> <li>• Di calcium Phosphate is used as a supplement in animal feed. It is a source of both calcium and phosphorus, which are important nutrients for animal growth and development.</li> <li>• Di calcium Phosphate is often added to livestock feed, such as poultry feed and pig feed, to ensure that the animals are getting the necessary nutrients to support their health and growth.</li> <li>• It helps to improved bone health, Eggshell production, Milk production, improved digestion and overall animal health and immune function.</li> </ul>
<p><b>Di -Calcium Phosphate (Feed Grade)</b></p>	
	<ul style="list-style-type: none"> <li>• It is calcined from magnesite at temperatures exceeding 900°C and is also known as Caustic Calcined Magnesia</li> <li>• It is widely used in a variety of fields like effluent treatment plants and in agriculture to improve the fertility of the soil.</li> <li>• The product also has applications in Animal Husbandry in which the Magnesium content is used as a nutritious addition to the cattle feed.</li> </ul>
<p><b>Magnesium Oxide</b></p>	
	<ul style="list-style-type: none"> <li>• It is made by processing solid limestone lumps using the latest technologies – that ensures maximum hygiene and purity without adversely affecting the environment.</li> <li>• The product is also the most common source of Calcium used in feeding livestock.</li> <li>• It is a major ingredient when producing construction materials, plastic &amp; rubber products, expensive paints etc</li> </ul>
<p><b>Limestone Powder</b></p>	
	<ul style="list-style-type: none"> <li>• Calcium hydroxide is an inorganic compound with the chemical formula <math>\text{Ca}(\text{OH})_2</math></li> <li>• It is a colorless crystal or white powder and is produced when quicklime is mixed with water.</li> <li>• It has many names including hydrated lime, caustic lime, builders' lime, slaked lime, cal, and pickling lime.</li> </ul>
<p><b>Hydrated Lime (Calcium Hydroxide)</b></p>	

## MANUFACTURING PROCESS

Our Company manufactures Hydrated Lime at our manufacturing facilities.

### a) Manufacturing process of Hydrated Lime

#### Steps for producing are as below:

- Quicklime Handling & Crushing: Quick Lime received at site from the suppliers is subjected to screening into required size. The sized stone is then taken to the hydration plant. The over size is subjected to crushing through toggle crushers, after which the same is again screened. The 0 to 10 mm size is conveyed to the hydration plant

- Hydration: The sized Quick Lime is fed to a three-stage hydrator pre- hydrator, hydrator and finishing stage, through a digital weighing or feeding unit. Each of the stages contains horizontal rotating shafts with high efficiency paddles for continuous mixing of the reacting Quick Lime and water. The final moisture content of the raw hydrate after the finishing stage is usually about 1%.
- Classification: The Hydrated Lime coming from the hydrator is ventilated in a centrifugal circuit equipped with a high efficiency separator to control the fineness. The finished product fineness can be adjusted from the control room, by varying the separator cage rotation speed. Hydrated Lime is fed back to the air separator for the final fineness control
- Storage and Dispatch: The produced Hydrated Lime is conveyed to the storage silo.

### **Processing Setup**

The plant has been set up on land which is taken on lease from GIDC (Gujarat Industrial Development Corporation) by our subsidiary company. It is designed to efficiently produce high-quality hydrated lime meeting industry standards. The plant incorporates advanced technology and processes to ensure the consistent production of hydrated lime. With this facility, they are able to meet the demand for hydrated lime in various industries, such as construction, agriculture, and water treatment.

The details of our current manufacturing set up is as follows:

<b>Production</b>	Capacity: 60,000 MT per year
<b>Location</b>	GIDC, D2/CH/166, Village, Jolva , District – Bharuch Gujarat – 392 130, India.
<b>Lessee</b>	Shivam Chemicals and Minerals Pvt. Ltd. (Wholly owned subsidiary of Shivam Chemicals Ltd)
<b>Current Status</b>	The Company has obtained license and permission from Local authorities and company has begun its commercial production from May, 2023

### **Raw Materials**

Our major raw material is Quick lime (calcium oxide). We have been able to secure timely supply of required material from domestic markets and no difficulty is envisaged in sourcing it.

### **Utilities**

#### **Power**

Our manufacturing facility has adequate power supply from Dakshin Gujarat Vij Company Ltd with a sanctioned and connected load of 200 KW.

#### **Water**

Our manufacturing unit has adequate water supply. The Company sources its water supply from Gujarat Industrial Development Corporation which will use for our manufacturing processes and other general purposes.

### **Our Major Customers**

The percentage of income derived from our top customers for the period ended on 30<sup>th</sup> September, 2023 & year ended March 31, 2023 based on revenue from sale of products of Shivam chemicals on standalone basis is as given below:

*(Rs in Lakhs)*

Particulars	For the period ended September 30, 2023		For year ended March 31, 2023	
	Revenue	Percentage (%)	Revenue	Percentage (%)
Income from Top 5 customers	2,352.90	37.93%	6036.87	38.57%
Income from Top 10 customers	3505.47	56.51%	9160.00	58.52%

### **Export and Export obligations**

As on date of this Prospectus there are no export or export obligations

## **Competition**

We believe that the principal factors affecting competition in our business include client relationships, reputation, market focus and the relative quality, price of the products and any ancillary service provided. We face competition from various domestic and other players in the market. Our competitors in the regional level are even from the unorganized sector of the industry. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. We expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitor. We deal with companies whose conditions relating to quality, timely supply and as per schedule production and packaging is followed by us with no complaints from their side. Therefore, they bring us more business deals due to our work, reputation and trust build over the years. The focus will be on expanding to the huge untapped markets in India and abroad as substantial part of the funds will be utilized to strengthen this aspect.

## **Sales & Marketing**

Our business is predominantly conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensure timely delivery. Our sales and marketing activities for our products are carried out by our sales and marketing personnel, who are responsible for taking new orders, quoting rates and understanding the needs of our customer.

## **Collaborations**

The Company has so far not entered into any technical or financial collaboration agreement.

## **Human Resources**

Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. We have developed an efficient pool of skilled and experienced personnel. We have common management in holding and subsidiary company. As on September 30, 2023 we have 26 employees on a consolidated basis & 15 contract labours in subsidiary company. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

The details of manpower employed on as on September 30, 2023 are as under:

<b>Sr. No</b>	<b>Particulars</b>	<b>No of employees</b>
1.	Director	3
2.	Executives	9
3.	Others	14
	<b>Total</b>	<b>26</b>

## **Properties**

### **Holding Company**

The details regarding our properties are mentioned below:

<b>Sr. No.</b>	<b>Name of Licensor</b>	<b>Details of Property</b>	<b>Term of Lease</b>	<b>Purpose</b>
1.	Shri Stavan Hemal Shah	Flat no 1104, Abhilasha Tower, Kasak, Bharuch-392002	7 months from September 2023	Guest House
2.	1.Sanjiv Girdharlal Vasant 2. Mayuri Sanjiv Vasant 3.Rajshree Girdharlal Vasant (Promoter & Promoter Group)	Office No. 108, 1st Floor, Hubtown Solaris, Off N. S. Phadke Marg, Saiwadi, Andheri (E), Maharashtra-400 069.	36 months from December 2023	Registered office premise

3.	Bharat Yadav	1232, Lal, kaun , Opp K L Steel, Balandshare, Ghaziabad, Uttar Pradesh, 201001.	12 Months from April 2023	Branch office - UP
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### **Subsidiary Company**

The details regarding our properties are mentioned below:

Sr. No.	Name of Licensor	Details of Property	Term of Lease	Purpose
1.	GIDC	GIDC, D2/CH/166 Dahej II Industrial estate, Village: Jolva , District – Bharuch, Gujarat – 392 130.	99 years from 19 <sup>th</sup> , July 2021	Manufacturing Facility

### **Intellectual Property**

As on September 30, 2023 our Company has its name registered Shivam Chemicals as trademark with the Registrar of Trademarks under the Trademarks Act, 1999 & it is registered in the name of its director i.e. Sanjiv Vasant.

### **Insurance**

Our operations are subject to various risks inherent in the business in which we operate as well as. Risk of work accidents, fire, chemical spillage, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury, loss of life, severe damage to and destruction of property and equipment and environmental damage. Further, government imposed lockdowns and restrictions in movement such as those imposed as a result of the COVID19 pandemic may also lead to disruptions in our business and operations. We maintain marine open policy for our commodity such as Rice Bran-Sol. Extr. (DORB), Lime, limestone, quicklime, and hydrated lime, including minerals, Dicalcium phosphate, feed grade Poultry feed supplement, activated carbon, soya DOC, Animal Fat (Liquid), Meat and Bone Meal etc for all modes of transit within India from SBI General Insurance Company Limited, also Factory insurance of subsidiary company is taken for ICICI Lombard General Insurance Company Limited.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations and such limitations apply with respect to the length of the business interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Refer “Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.” On page 21.

## KEY REGULATIONS AND POLICIES

### CORPORATE AND COMMERCIAL LAWS

#### **Companies Act, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholder. The law lays down transparency, corporate governance and protection of shareholders & creditor. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **Competition Act, 2002**

The Competition Act, 2002 came into effect on June 1, 2011 and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

#### **Contract Act, 1872**

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

#### **The Specific Relief Act, 1963**

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### **The Sale of Goods Act, 1930 (Sale of Goods)**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

#### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to

other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **The Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to ₹ 2,00,000/- (Rupees Two Lakhs Only).

### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Maharashtra Stamp Act, 1958**

The Maharashtra Stamp Act, 1958 is expedient to consolidate and amend the law relating to stamps and rates of stamp duties in the State of Maharashtra and prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the Maharashtra Stamp Act, 1958.

### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

### **The Micro, Small and Medium Enterprises Development Act, 2006 r/w Industries (Development and Regulation) Act, 1951**

The Act provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises

including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, (ii) a small enterprise, or (iii) a medium enterprise, as per criteria mentioned in the said Act. The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonoured on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **The Consumer Protection Act, 2019**

The Consumer Protection Act provides better protection to the interests of consumer. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

### **Foreign Exchange Management Act, 1999**

Foreign investment in manufacturing sector is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued 'Consolidated FDI Policy Circular of 2020' ("FDI Policy") which consolidates the policy framework on Foreign Direct Investment ("FDI"), with effect from October 15, 2010. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The foreign investment in our Company is governed inter alia by the FEMA, as amended, FEMA Regulations, as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations. Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in manufacturing activities. However, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route.

### **Information Technology Act, 2000**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021. The laws apply to the whole of India. The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

## **TAX RELATED REGULATIONS**

### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.



## **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, and then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

## **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

## **Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. Professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **INDUSTRY AND LABOUR RELATED LAWS**

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform worker.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

### **Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

### **The Factories Act, 1948**

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the worker. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and

health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA

### **The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 are applicable to the Company. The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work. Whoever, contravenes the provisions Act or the rules made there under shall be punished with fine which may extend to ₹ 1,00,000/- and in the case of a continuing contravention, with an additional fine which may extend to ₹ 2000/- per for every day during which such contravention continues. The total fine shall not exceed ₹ 2000/- per workers employed.

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **Maternity Benefit Act, 1961**

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **Payment of Bonus Act, 1965**

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment up to 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand only) or both.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

### **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MW Act”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv) of the CLPR Act.

## **ENVIRONMENTAL LAWS**

Our Company is also required to obtain clearances under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate/Consent from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment (“EIA”) report and an environment management plan (“EMP”).

### **Water**

Legislations to control water pollution are listed below: The Water (Prevention and Control of Pollution) Act, 1974 prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent. The Water (Prevention and Control of Pollution) Cess Act, 1977 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

### **Air**

Legislations to control air pollution are listed below: The Air (Prevention and Control of Pollution) Act, 1981 requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Sun Organosys Private Limited” on October 12, 2010 under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 208870. The name of our Company was changed to “Shivam Chemicals Private Limited” vide Ordinary Resolution dated January 17, 2012 and a fresh certificate of incorporation consequent to conversion was issued on January 30, 2012 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Shivam Chemicals Limited” vide Special Resolution dated November 04, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 21, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U24100MH2010PLC208870.

Our Company has 7 (Seven) shareholders as on the date of filing of this Draft Prospectus.

### CORPORATE PROFILE OF OUR COMPANY

For information on our Company’s business profile, activities, services, managerial competence, and customers, refer “Our Business” and “Our Management” on page 81 and 101 respectively, of this Draft Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The Registered office of our company is situated at Office No. 108, 1<sup>st</sup> floor, Hubtown Solaris, off N.S.Phadke Marg, Saiwadi, Andheri E, Mumbai – 400069.

Except as disclosed below, there have been no changes in the registered office of our Company since the date of our incorporation:

Date of Change	Changed From	Change to	Reason for change
December 31, 2011	A- 801, Parimal Apartments, Behind Gazebo House, off N S Road No.1, Juhu Lane, Andheri (W), Mumbai-i - 400058	7, Parimal Apartments, Behind Gazebo House, off N.S. Road No.1, Juhu Lane, Andheri (W) Mumbai-i - 400058	Administrative Reason
August 22, 2018	7, Parimal Apartments, Behind Gazebo House, off N.S. Road No.1, Juhu Lane, Andheri (W) Mumbai-i - 400058	Office No. 108 1st floor, Hubtown Solaris, off N.S. Phadke Marg, Saiwadi, Andheri(E), Mumbai - 400069	Administrative Reason

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events / Milestone / Achievements
2010	The company was Incorporated as Private Company in the name of “Sun Organosys Private Limited”.
2012	Change of Name of the company from “Sun Organosys Private Limited” to “Shivam Chemicals Private Limited”.
2018	Awarded as “Platinum Supplier” of DCP by Godrej Agrovet.
2020	Awarded as “Platinum Supplier” of DCP by Godrej Agrovet.
2021	Acquired a land in Dahej, Gujarat in the PCPIR zone to foray into manufacturing space for Hydrated lime which is owned by Shivam chemicals & minerals Pvt. Ltd.
2022	Awarded as “Elite Supplier” of Di-Calcium Phosphate by Godrej Agrovet.
2023	Our Company acquired majority shares of Shivam chemicals & minerals Pvt. Ltd.
2023	Transfer the Place of Branch from Vadodara to Bharuch.
2023	Conversion of company from Private Limited Company to Public Limited Company vide Special Resolution passed at General Meeting dated November 04, 2023.

### MAIN OBJECTS OF OUR COMPANY

To carry on the business as manufacturers, traders, distributors stockist, suppliers, dealers, commission agent, C and F agents, export, import and to deal in all kinds of Petro Chemicals, Inorganic and Organic including, Sodium Chloride based Chemicals, Caustic Soda, Soda Ash, Sodium Sulphate, Chlorinated Paraffin Wax (Plasticizers), Normal Paraffin,

Heavy Normal Paraffin, Hydrochloric Acid, Sulphuric Acid, Chlorine, Barium Acids, Acid Slurry, Resins, Lacquers, Thinners, Organic and Inorganic Fine and Heavy Chemicals, Sulphates, Phosphorous, Phosphate and its derivatives and in particular without generality to the foregoing Mono Calcium Phosphate, Di Calcium Phosphate and Tri Calcium Phosphate. Manufacture process, buy, sell, stock, distribute, deal, import, export, act as agents for any of the raw materials used in the manufacture of chemicals containing phosphorous, phosphate and its derivatives. Oxides Nitrates, Chloride Zinc, Stearates, Elastomers, Anhydrates, Alkalies, their salts, Alums, Polyesters, Precipitated Carbon, Activated Carbon, Bleaching Earth, Pesticides, Agricultural Chemicals, Chemical Compounds, Coloring Materials such as Pigments, Dyes, Dyestuffs, Finishers, Insecticides, Fumicides, Weedicides Surface Active Agents, Tanning Agents, Solvents, Drugs, Pharmaceutical Chemicals, Marine Chemicals, Chemicals, Electro Chemicals, PVC Chemicals, Rubber Chemicals, Hydrated Lime, Calcium Carbonate, Precipitated, Calcium Carbonate, Activated Calcium Carbonate, Reagents and all kind of packing materials.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made to the Memorandum of Association of our Company:

Sr. No.	Date of Shareholder's Resolution	Nature of Amendment
1.	June 15, 2012	The Initial Authorized Share Capital of the Company was increased from ₹ 10,00,000 (Ten Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 10 each to ₹ 50,00,000 (Fifty Lakh) divided into 5,00,000 (Fifty Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 15, 2012.
2.	November 04, 2023	The existing Clause III B containing the "Objects Incidental or Ancillary to the attainment of Main Objects" i.e. sub-clause no. 2 to 59 was deleted and replaced by New Clause III (B) "Matters which are necessary for furtherance of the Objects specified in Clause III (A) containing the sub-clause no. 2 to 91.  Accordingly, the existing Clause III C containing the "Other Objects" sub clause no. 60 to 91 also stands deleted in full.
3.	November 04, 2023	Upon Conversion from Private Company to Public Company, the name of our company was changed from "Shivam Chemicals Private Limited" to "Shivam Chemicals Limited" consequent to which a certificate of Incorporation dated November 21, 2023 was issued by the Registrar of Companies, Mumbai.

#### OUR HOLDING COMPANY

As on the date of this Draft Prospectus, our Company does not have any Holding Company.

#### OUR SUBSIDIARIES / JOINT VENTURE

As on the date of this Draft Prospectus, our Company has "Shivam Chemicals and Minerals Private Limited" as Subsidiary Company. For further details please refer "Our Subsidiary" on Page 119 of this Draft Prospectus.

#### THE AMOUNT OF ACCUMULATED PROFIT / (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit / (losses) not accounted for by our Company.

#### FINANCIAL PARTNERS

We do not have any financial partners as on the date of this Draft Prospectus.

#### STRATEGIC PARTNERS

We do not have any strategic partners as on the date of this Draft Prospectus.

#### SHAREHOLDERS' AGREEMENT

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

## **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Draft Prospectus.

## **COLLABORATION**

Our Company has not entered into any Collaboration as on the date of this Draft Prospectus.

## **ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Except for incorporating Shivam Chemicals & Minerals Private Limited (WoS), our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF PLANTS**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, and location of our manufacturing facility, refers “*Our Business*” on page 81 of this Draft Prospectus.

## **LOCK-OUT AND STRIKES**

There have been no material instances of strikes or lock-outs at any time in our Company.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS**

As on date of this Draft Prospectus, our Company has not made any defaults / re-scheduling of its borrowings.

## **INJUNCTION OR RESTRAINING ORDERS**

There are no material injunctions/restraining orders that have been passed against the company.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, our Board consists of six Directors including One (1) Managing Director, Two (2) Whole Time Directors, One (1) Non-Executive Director and Two (2) Non-Executive Independent Director. Out of the total composition, we have Two (2) Women Director on our Board.

The details of the Directors are as mentioned in the below table:

Sr. No.	Name , Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
1.	<p><b>Sanjiv Girdharlal Vasant</b> (Chairman &amp; Managing Director)</p> <p><b>Date of Birth:</b> November 24, 1963</p> <p><b>Address:</b> A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai - 400058.</p> <p><b>Date of Appointment as Director:</b> October 12, 2010</p> <p><b>Date of Appointment as Chairman &amp; Managing Director:</b> November 28, 2023</p> <p><b>Term:</b> Appointed as Chairman &amp; Managing Director for a period of five years i.e. till November 27, 2028 and liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 03036854</p>	Indian	60 years	<p><b>Indian Companies:</b></p> <p>1. Superior Lime Private Limited</p> <p><b>Foreign Companies:</b> Nil</p>
2.	<p><b>Soham Sanjiv Vasant</b> (Whole Time Director and Chief Financial Officer)</p> <p><b>Date of Birth:</b> August 12, 1988</p> <p><b>Address:</b> A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai - 400058.</p> <p><b>Date of Appointment as Director:</b> October 12, 2010</p> <p><b>Date of Appointment as Whole Time Director:</b> November 28, 2023</p> <p><b>Date of Appointment as Chief Financial Officer:</b> December 18, 2023</p> <p><b>Term:</b> Appointed as Whole Time Director for a period of five years i.e. till November 27, 2028 and liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 03036861</p>	Indian	35 years	<p><b>Indian Companies:</b></p> <p>1. Shivam Chemicals and Minerals Private Limited.</p> <p><b>Foreign Companies:</b> Nil</p>



Sr. No.	Name , Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
3.	<p><b>Shivam Sanjiv Vasant</b> (Whole Time Director)</p> <p><b>Date of Birth:</b> January 09, 1996</p> <p><b>Address:</b> A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai – 400058.</p> <p><b>Date of Appointment as Additional Director:</b> July 17, 2019</p> <p><b>Date of Appointment as Executive Director (Regularization) :</b> September 30, 2019</p> <p><b>Date of Appointment as Whole Time Director :</b> November 28, 2023</p> <p><b>Term: Term:</b> Appointed as Whole Time Director for a period of five years i.e. till November 27, 2028 and liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 08512942</p>	Indian	28 Years	<p><b>Indian Companies:</b></p> <p>1. Shivam Chemicals and Minerals Private Limited.</p> <p>2. Superior Lime Private Limited.</p> <p><b>Foreign Companies:</b> Nil</p>
4.	<p><b>Mayuri Sanjiv Vasant</b> (Non-Executive Director)</p> <p><b>Date of Birth:</b> September 20, 1960</p> <p><b>Address:</b> A- 801, Parimal Apartments Juhu Lane, Behind Gazebo House, Andheri West, Mumbai – 400058</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> December 20, 2023</p> <p><b>Term:</b> Appointed as Non-Executive Director for a period of five years i.e. till December 19, 2028. and liable to Retire by rotation</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 10431555</p>	Indian	63 Years	<p><b>Indian Companies:</b> Nil</p> <p><b>Foreign Companies:</b> Nil</p>

Sr. No.	Name , Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
5.	<p><b>Himani Bhootra</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> December 12, 1992</p> <p><b>Address:</b> 17/642. Chopasani Housing Board. Jodhpur, Rajasthan-342008</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> November 28, 2023</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till November 27, 2028 and is not liable to retire by rotation.</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 09811030</p>	Indian	31 Years	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Shreeshay Engineers Limited.</li> <li>2. Sanghvi Housing and Infrastructure Limited.</li> <li>3. CWD Limited.</li> <li>4. Pavna Industries Limited.</li> </ol> <p><b>Foreign Companies:</b> Nil</p>
6.	<p><b>Kunal Bharat Shingala</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> January 15, 1995</p> <p><b>Address:</b> F901/902, Oberoi Splendor, J.V. Link Road, Opp.Majas Depot, Andheri (East), Mumbai, Maharashtra, 400060</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> November 28, 2023</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till November 27, 2028 and is not liable to retire by rotation.</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 09838502</p>	Indian	29 Years	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Testtex India Laboratories Private Limited</li> <li>2. Shivam Chemicals and Minerals Private Limited</li> </ol> <p><b>Foreign Companies:</b> Nil</p>

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below.

## BRIEF PROFILE OF OUR DIRECTORS

**Sanjiv Girdharlal Vasant**, aged 60 years, is the one of the founding promoter of the Company. He has been a part of the Board since inception and is currently designated as Chairman & Managing Director of the company. He has completed his Bachelor’s degree in Bachelors of Commerce from Bombay University in the year 1985. He has more than 3 decade of experience in Chemical Industry. He is currently responsible for the overall working of the Company and is instrumental in making strategic decisions. His strong leadership skill, comprehensive understanding of financial management principles, entrepreneurship with commercial acumen and excellent management skill allow the business to grow by way of developing the new clients whilst maintaining its existing customer base.

**Soham Sanjiv Vasant**, aged 35 years, is the one of the founding promoter of the Company and he is also director of our Company & our Subsidiary Company. He has been a part of the Board since inception and is currently designated as Whole Time Director and Chief Financial Officer of the company. He has obtained his degree in Bachelor of Commerce from Bombay University in the year 2009 and he has done Post Graduate Programme in Family Managed Business from the prestigious SP Jain Institute of Management, Mumbai. He has over a decade of experience in

Chemical Industry. He primarily handles Sales Operations and now he is instrumental in winning new customers for the company. He is also looking into Banking and handles the entire finance and operation of the Company.

**Shivam Sanjiv Vasant**, aged 28 years is a Whole Time Director of our Company. He has obtained his degree in Bachelor of Engineering (Mechanical Engineering) from Bombay University in the year 2017 and a Master's degree in Entrepreneurship from Nottingham University, UK in the year 2019. He joined the Company on July 2019 as Executive Director of the Company. He is responsible for infusing fresh ideas into the business and developing new products. He also manages the entire supply chain for the Company and being the part of the Board of he is providing his Technical knowledge and expertise for growth and expansion of our Company on day to day basis.

**Mayuri Sanjiv Vasant**, aged 63 years is a Non-Executive Director of our Company. She was appointed on the Board of our Company w.e.f. December 20, 2022. She has Obtained Bsc in Home Science from University of Bombay in the year 1983 and one year Post Graduate in Teacher's Training Course in Nursery Education from Nirmal Niketan Poletechnic in the year 1984. She was serving as school teacher for more than 2 decade. Presently, she provides her intermittent guidance, experience and expertise to our Company with respect to the business development activities and human resources and welfare activities in our Company.

**Himani Bhootra**, aged 31 years is Non- Executive Independent Director of our Company. She was appointed on the Board of our Company w.e.f. November 28, 2023. She has completed Bachelor's degree in Commerce from Jai Narain Vyas University, Jodhpur in the year 2013. Further, she has been a member of Institute of Company secretaries of India since 2018. She also completed her Bachelor of Legislative Law (LLB) from Jai Narain Vyas University, Jodhpur in the year 2019. She was previously associated with SBL and Co. LLP as Consultant and Advisory. She is currently the Company Secretary of Jam Khambaliya Transco Limited. She has an experience of over 5 Years in the field of legal, Compliance and Secretarial.

**Kunal Bharat Shingala**, aged 29 years is a Non- Executive Independent Director of our Company. He was appointed on the Board of our Company w.e.f. May 29, 2023. He has completed A Level from Podar International Schholin 2012 Bachelor of Mechanical Engineering from Rajiv Gandhi Institute of Technology in the year of 2017 and Master of Science International Business from Aston Business School, Birmingham UK in the Year 2018. His work experience includes Leading the marketing team, strategically developed the HR department, overlooking the overall operations of the organization, customer service assistant, assembled and led a team

## CONFIRMATIONS

As on the date of this Draft Prospectus:

1. Except as mentioned below, none of the Directors of our Company are related to each other as per Section 2 (77) of the Companies Act, 2013.

Sanjiv Girdharlal Vasant, Soham Sanjiv Vasant, Shivam Sanjiv Vasant and Mayuri Sanjiv Vasant are related to each other.

- Sanjiv Girdharlal Vasant is the father of Soham Sanjiv Vasant and Shivam Sanjiv Vasant and husband of Mayuri Sanjiv Vasant
- Soham Sanjiv Vasant is the brother of Shivam Sanjiv Vasant and son of Sanjiv Girdharlal Vasant and Mayuri Sanjiv Vasant
- Shivam Sanjiv Vasant is the brother of Soham Sanjiv Vasant and son of Sanjiv Girdharlal Vasant and Mayuri Sanjiv Vasant
- Mayuri Sanjiv Vasant is wife of Sanjiv Girdharlal Vasant and mother of Soham Sanjiv Vasant and Shivam Sanjiv Vasant

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations.

5. None of our Directors are or were directors of any Listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
7. None of the Promoters or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
8. No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company

## DETAILS OF BORROWING POWERS

Pursuant to a special resolution passed at an General Meeting of our Company held on December 11, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 500 crores.

## REMUNERATION OF EXECUTIVE DIRECTORS

### 1. Sanjiv Girdharlal Vasant, Chairman & Managing Director

The compensation payable to our Chairman & Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on November 28, 2023 is stated hereunder:

The total remuneration Payable to Sanjiv Girdharlal Vasant, Chairman and Managing Director, shall not exceed a sum of up to ₹ 1.50 Crores per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from November 28, 2023 to November 27, 2026.

Total remuneration paid to Sanjiv Girdharlal Vasant by our Company for the Financial Year 2022-23 was ₹ 21.00 lakhs.

### 2. Soham Sanjiv Vasant, Whole Time Director & Chief Financial Officer

The compensation payable to Whole Time Director & Chief Financial Officer will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on November 28, 2023 is stated hereunder:

The total remuneration Payable to Soham Sanjiv Vasant, Whole Time Director & Chief Financial Officer, shall not exceed a sum of up to ₹ 1.50 Crores per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from November 28, 2023 to November 27, 2026.

Total remuneration paid to Soham Vasant by our Company for the Financial Year 2022-23 was ₹ 21.00 lakhs.

### 3. Shivam Vasant, Whole Time Director

The compensation payable to Whole Time Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on November 28, 2023 is stated hereunder:

The total remuneration Payable to Shivam Sanjiv Vasant, Whole Time Director, shall not exceed a sum of up to ₹ 1.50 Crores per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from November 28, 2023 to November 27, 2026.

Total remuneration paid to Shivam Vasant by our Company for the Financial Year 2022-23 was ₹ 21.00 lakhs.

#### **PAYMENT OR BENEFIT TO NON – INDEPENDENT DIRECTOR AND NON - EXECUTIVE DIRECTORS OF OUR COMPANY**

Pursuant to the resolution dated December 22, 2023 passed by the Board of Directors of our Company, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 5,000 for attending every meeting of Board or its committee thereof.

The compensation payable to our Non-Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

#### **SHAREHOLDING OF OUR DIRECTORS**

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1.	Sanjiv Girdharlal Vasant	86,79,998	69.99%	51.10%
2.	Soham Sanjiv Vasant	9,30,000	7.50%	5.47%
3.	Shivam Sanjiv Vasant	9,30,000	7.50%	5.47%
4.	Mayuri Sanjiv Vasant	9,30,000	7.50%	5.47%
5.	Himani Bhootra	Nil	-	-
6.	Kunal Bharat Shingala	Nil	-	-
	<b>Total</b>	<b>1,14,69,998</b>	<b>92.50%</b>	<b>67.52%</b>

#### **INTEREST OF DIRECTORS**

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them.

Other than Sanjiv Girdharlal Vasant, Sohams Sanjiv Vasant, Shivam Sanjiv Vasant who are the Promoters and the Directors of our Company and Mayuri Sanjiv Vasant who is None Executive Director, none of our other Directors have any interest in the promotion or formation of our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by the Company.

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors, Interest, Rents and for the acquisition of our subsidiary.

No loans have been availed by our Directors from our Company.

None of the Directors is party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to each of the Directors in accordance with the terms of their appointment.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company except, as mentioned in chapter related party transaction note: in Restated Financial Information beginning on page no 123.

Except as disclosed in “*Note V Annexure 25 - Related Party Transactions*” under chapter titled “Financial Information” beginning from page no 123 of this Draft Prospectus, our Directors do not have any interest in the Company or its business.

### CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of the Director	Date of Change	Reason for Change
Mayuri Sanjiv Vasant	December 20, 23	Appointment as Non-Executive Director
Soham Sanjiv Vasant	December 18, 23	Re-designation as Chief Financial Officer
Himani Bhootra	November 28, 23	Appointment as Non-Executive Independent Director
Kunal Bharat Shingala	November 28, 23	Appointment as Non-Executive Independent Director
Sanjiv Girdharlal Vasant	November 28, 23	Re-designation as Chairman & Managing Director
Soham Sanjiv Vasant	November 28, 23	Re-designation as Whole Time Director
Shivam Sanjiv Vasant	November 28, 23	Re-designation as Whole Time Director

### CORPORATE GOVERNANCE

In addition to the applicability of provisions of Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (LODR) Regulations, 2015 have also been complied with, to the extent applicable to our Company.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report. We have complied with the requirements of the applicable regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

As on the date of this Draft Prospectus, our Board consists of Six Directors including One (1) Managing Director, Two (2) Whole Time Directors, One (1) Non-Executive Director and Two (2) Non-Executive Independent Director. Out of the total composition, we have Two (2) Women Director on our Board.

The following committees have been constituted for compliance with Corporate Governance requirements:

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee; and
- D. Corporate Social Responsibility Committee.

#### A. AUDIT COMMITTEE

Our Board has constituted the Audit Committee vide Board Resolution dated December 22, 2023 in accordance with the Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Himani Bhootra	Non Executive Independent Director	Chairman
Kunal Bharat Shingala	Non Executive Independent Director	Member
Soham Sanjiv Vasant	Whole Time Director & CFO	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

- a. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the internal auditor, cost auditor and statutory auditor and the fixation of audit fee;
- c. Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process;
- d. Approving payments to the statutory auditors, internal and cost auditors for any other services rendered by statutory auditors, internal and cost auditors;
- e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)I of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and
  - vii. Qualifications and modified opinions in the draft audit report.
- f. Reviewing with the management, the quarterly, half – yearly and annual financial statements before submission to the Board for approval;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of our Company, wherever necessary;
- i. Evaluating internal financial controls and risk management systems;
- j. Approving or subsequently modifying transactions of our Company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1) (zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or Companies Act, 2013.

- k. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer Document/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l. Evaluating undertakings or assets of our Company, wherever necessary;
- m. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- n. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

- o. Reviewing the adequacy of internal audit function, if any, including the of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- p. Discussing with internal auditors on any significant findings and follow up thereon;
- q. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- r. Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- s. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- t. Approving appointment of the chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- u. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- v. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and
- w. Formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time.
- x. Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- y. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

**The powers of the Audit Committee include the following:**

- i. To investigate activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- v. To have full access to the information contained in the records of the Company.

**The Audit Committee shall mandatorily review the following information:**

- i. Management discussion and analysis of financial condition and result of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the chief internal auditor; and
- vi. Statement of deviations:



- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
- annual statement of funds utilized for purposes other than those stated in the Offer Document/Prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations

### Meeting of Audit Committee and Relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent director.

## B. NOMINATION AND REMUNERATION COMMITTEE

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution December 22, 2023 in accordance with section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Himani Bhootra	Non Executive Independent Director	Chairman
Kunal Bharat Shingala	Non Executive Independent Director	Member
Mayuri Sanjiv Vasant	Non Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

- k. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee

#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

### **C. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution December 22, 2023 in accordance with Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Sanjiv Girdharlal Vasant	Chairmen and Managing Director	Chairman
Shivam Sanjiv Vasant	Whole Time Director	Member
Soham Sanjiv Vasant	Whole Time Director & CFO	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future.
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above power.

#### **Meeting of Stakeholder's Relationship Committee**

Stakeholder's Relationship Committee is required to meet at least once a year

### **D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee was constituted on December 22, 2023 by our Board in terms of Section 135 of the Companies Act. The Corporate Social Responsibility Committee comprises of following Directors:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Name of the Directors</b>
Soham Sanjiv Vasant	Whole Time Director & CFO	Chairman
Kunal Bharat Shingala	Non Executive Independent Director	Member
Mayuri Sanjiv Vasant	Non Executive Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

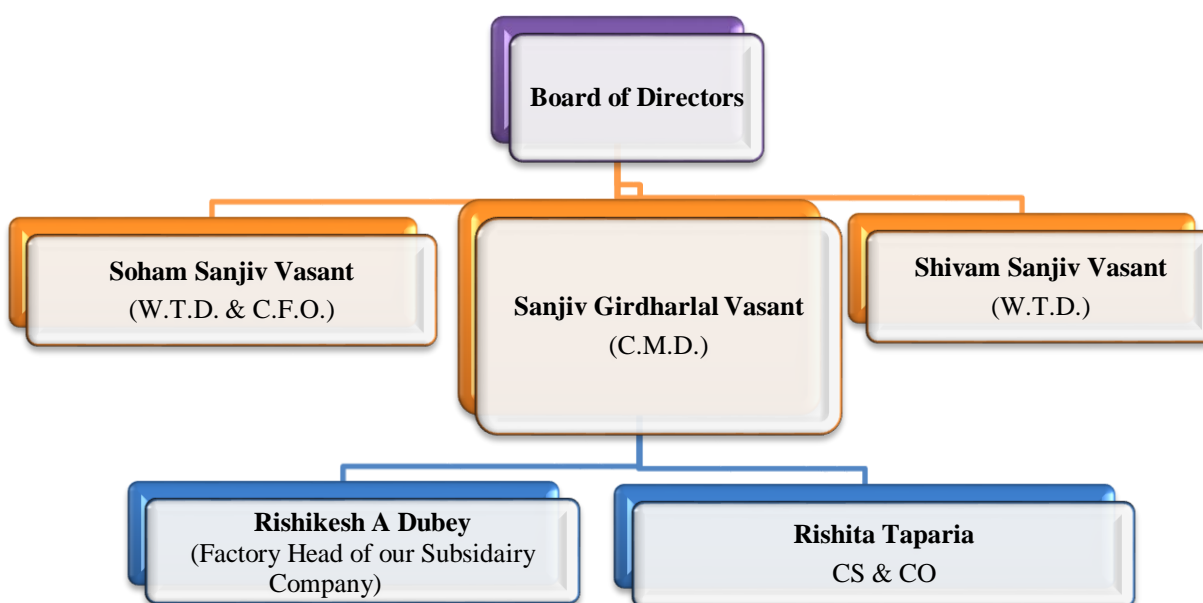
- a. Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subject specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;
- b. Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation during such immediately preceding financial years;
- c. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
- d. Monitoring the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- e. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- f. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and Performing such other duties and functions as the Board may require the Corporate Social Responsibility Committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws

The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

## POLICY ON DISCLOSURES & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

## ORGANIZATIONAL STRUCTURE



### Terms & Abbreviations

<b>C.M.D.</b>	- Chairman and Managing Director
<b>W.T.D. &amp; C.F.O.</b>	- Whole Time Director and Chief Financial Officer

<b>W.T.D</b>	- Whole Time Director
<b>C.S &amp; C.O</b>	- Company Secretary and Compliance Officer

### KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel or Senior Manager of our Company:

**Soham Sanjiv Vasant** is the Whole Time Director and Chief Financial Officer of our Company. For details, see “*Brief Profile of our Directors*”. For details of compensation paid to him during Financial Year 2023, see “*Remuneration/ Compensation/ Commission paid to our Directors*”

**Rishita Taparia** aged 27 years is the Company Secretary and Compliance Officer of our Company with effect from December 18, 2023. She has completed her Bachelor of Commerce (Honours) in Business Finance & Economics from Jay Narain Vyas University, Jodhpur in the Year 2018 and Bachelor of Legislative Law (LLB) from Jai Narain Vyas University, Jodhpur in the year 2021. She is also a Qualified Company Secretary and member of the Institute of Company Secretaries of India since June 2021. She has around 3 years of experience (including apprenticeship) in secretarial duties, compliances and legal. Before joining our Company, she was previously associated with Air Liquide North India Private Limited. She is currently responsible to handle entire secretarial duties and compliances. During the Financial Year 2022-23, she was paid Nil remuneration.

**Rishikesh A Dubey**, aged 43 years is the Factory Head of our Subsidiary Company. He is associated with our company since November 15, 2022. He has completed his Bachelor of Science in Chemistry and Environment Chemistry in 2004 from SBPG Collage Varanasi. He has more than 15 Years of experience in Chemicals, Production, Environment and Quality Management. He has attained the Laboratory Training Programmed on Measurement Uncertainty in Chemical Parameter by IIQM Jaipur and Laboratory Quality Management System & Internal Audit as per ISO 17025:2005 Training Course by IIQM Jaipur. He currently looks after the factory production of our company. During the Financial Year 2022-23, he was paid a gross compensation of upto ₹ 8.80 Lakhs.

#### Other Notes –

- The aforementioned KMP’s or Senior Manager are on the payrolls of our Company / Subsidiary as employees.
- Further, Except Soham Sanjiv Vasant none of our KMPs is forming part of related parties as per the Accounting Standard 18. For details, please see the chapter titled “*Financial Information- Note V Annexure 25 of Restated Consolidated Financial Statements*” on page no.123 of this Draft Prospectus.

### RELATIONSHIP AMONGST KEY MANAGEMENT PERSONNEL OR SENIOR MANAGER

Except Sanjiv Girdharlal Vasant, Soham Sanjiv Vasant and Shivam Sanjiv Vasant none of the aforementioned KMPs is related to each other.

### RELATIONSHIP BETWEEN THE KEY MANAGERIAL PERSONNEL AND DIRECTORS OR SENIOR MANAGER

Except as disclose below, none of the KMP’s are related to Director.

- Sanjiv Girdharlal Vasant is the father of Soham Sanjiv Vasant and Shivam Sanjiv Vasant and husband of Mayuri Sanjiv Vasant
- Soham Sanjiv Vasant is the brother of Shivam Sanjiv Vasant and son of Sanjiv Girdharlal Vasant and Mayuri Sanjiv Vasant
- Shivam Sanjiv Vasant is the brother of Soham Sanjiv Vasant and son of Sanjiv Girdharlal Vasant and Mayuri Sanjiv Vasant

### SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL OR SENIOR MANAGER

None of our KMPs or Senior Manager holds any shares of our Company as on the date of this Prospectus except Sanjiv Girdharlal Vasant holds 86,79,998 Equity Shares i.e. 70% , Soham Sanjiv Vasant holds 9,30,000 Equity Shares i.e. 7.5% and Shivam Sanjiv Vasant holds 9,30,000 Equity Shares i.e. 7.5%. For further details please see chapter titled “*Capital Structure*” on page no.51 of this Draft Prospectus.

## **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER**

Our Key Managerial Personnel or Senior Manager has not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

## **INTEREST OF KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER**

None of our Key Management Personnel or Senior Manager has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

## **LOANS TAKEN BY KEY MANAGEMENT PERSONNEL OR SENIOR MANAGER**

None of our Key Managerial Personnel or Senior Manager have any outstanding loan from our Company as on the date of this Draft Prospectus except as disclosed in “*Note V Annexure 25 - Related Party Transactions*” under section titled “Financial Information” beginning from page no. 123 of this Draft Prospectus.

## **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel or Senior Manager was selected as a member of our senior management.

## **BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL OR SENIOR MANAGER**

There is no profit sharing plan for the Key Managerial Personnel or Senior Manager. However, our Company makes performance linked bonus payments, in accordance with their terms of appointment.

## **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER**

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel or Senior Manager, which does not form part of their remuneration.

## **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Presently, we do not have ESOP/ESPS scheme for employees.

## **PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER**

Except for the payment of salaries and yearly bonus and other benefit as mentioned in resolutions, we do not provide any other benefits to our employees.

## **CHANGES IN OUR KEY MANAGERIAL PERSONNEL OR SENIOR MANAGER IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT PROSPECTUS**

The changes in our Key Managerial Personnel or Senior Manager during the three years immediately preceding the date of filing of this Draft Prospectus are set forth below.

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment / Change in Designation</b>	<b>Reason</b>
Rishita Taparia	Company Secretary & Compliance Officer	December 18, 2023	Appointment
Soham Sanjiv Vasant	Chief Financial Officer	December 18, 2023	Appointment
Rishikesh A Dubey	Factory Head	November 15, 2021	Appointment

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of Our Company are:

1. **Sanjiv Girdharlal Vasant**
2. **Soham Sanjiv Vasant**
3. **Shivam Sanjiv Vasant**

As on the date of this Draft Prospectus, our Promoters holds 1,05,39,998 Equity Shares in aggregate, representing 85.00% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoter's shareholding in our Company, please see "*Capital Structure – Shareholding of our Promoters*" beginning on page no. 51 of this Draft Prospectus.

### Brief profile of our Individual Promoter:



**Sanjiv Girdharlal Vasant** aged 60 years, is the one of the founding promoter of the Company. He is currently designated as Chairman & Managing Director of the company.

For details of his residential address, date of birth, educational qualifications, professional experience, other directorships, positions / posts held in the past and other directorships, other ventures and special achievements, please refer to section titled "*Our Management*" on page 101 of this Draft Prospectus.

**Permanent Account Number : AABPV6716D**



**Soham Sanjiv Vasant**, aged 35 years, is the one of the founding promoter of the Company. He is currently designated as Whole Time Director and CFO of the company.

For details of his residential address, date of birth, educational qualifications, professional experience, other directorships, positions / posts held in the past and other directorships, other ventures and special achievements please refer to section titled "*Our Management*" on page 101 of this Draft Prospectus.

**Permanent Account Number : AFIPV8388R**



**Shivam Sanjiv Vasant**, aged 28 years, is the one of the promoter of the Company. He is currently designated as Whole Time Director of the company

For details of his residential address, date of birth, educational qualifications, professional experience, other directorships, positions / posts held in the past and other directorships, other ventures and special achievements please refer to section titled "*Our Management*" on page 101 of this Draft Prospectus.

**Permanent Account Number : AUWPV6012H**

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account Number, Passport Number, Driving License number and Aadhaar Card number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.

Our Promoters have not been declared as fugitive economic offenders under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which

any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

## EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page no. 101 of this Draft Prospectus.

## INTEREST OF PROMOTERS

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, Office Rent, hiring charges on vehicles owned by directors but used by our company, interest on loan (if any) and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 51, 123 and 101 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business. For further details, please refer the section titled “*Restated Financial Statement – Note V – Related Party Transactions*” on page no. 123 of this Draft Prospectus.

### **Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoters in the Property of our Company**

Our Promoters has confirmed that he does not have any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus except as mentioned under the section “*Our Business - Properties*” and “*Financial Information- Restated Consolidated Financial Statements*” on page nos. 81 and 123 respectively, of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” on page no 81 of this Draft Prospectus our Promoters does not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

## BUSINESS INTERESTS

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Prospectus or proposes to enter into any such contract in which our Promoters is directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

## PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the Section titled “*Financial Information of Restated Consolidated Financial Statements*” on page no.123 of this Draft Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Prospectus.

## MATERIAL GUARANTEES

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page nos. 150 and 123 of this Draft Prospectus respectively, our Promoters has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

## OUR PROMOTERS GROUP

Apart from our Promoters, as per Regulation 2(1) (pp) of the SEBI (ICDR) Regulation, 2018, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of Relative	Relationship with the Promoter
Sanjiv Girdharlal Vasant	Late. Girdharlal Vasant	Father
	Rama Girdharlal Vasant	Mother
	Mayuri Sanjiv Vasant	Spouse
	Rajshree Girdharlal Vasant	Sister
	Soham Sanjiv Vasant	Sons
	Shivam Sanjiv Vasant	
	Late. Devji Jethabhai Bhojani	Spouse’s Father
	Late. Nirmala Devji Bhojani	Spouse’s Mother
	Sharadbhai Bhojani	Spouse’s Brother
	Rashmikant Bhojani	
	Keyuri Bhojani	Spouse’s Sister
Soham Sanjiv Vasant	Sanjiv Girdharlal Vasant	Father
	Mayuri Sanjiv Vasant	Mother
	Dimple Soham Vasant	Spouse
	Shivam Sanjiv Vasant	Brother
	Vihaan Soham Vasant	Son
	Aveer Soham Vasant	
	Ramesh Arjundas Agicha	Spouse’s Father
	Jharna Ramesh Agicha	Spouse’s Mother
	Sneha Morzaria	Spouse’s Sister
Shivam Sanjiv Vasant	Sanjiv Girdharlal Vasant	Father
	Mayuri Sanjiv Vasant	Mother
	Sojwal Shivam Vasant	Spouse
	Soham Sanjiv Vasant	Brother
	Suhas Shetye	Spouse’s Father
	Uttama Shetye	Spouse’s Mother
	Saloni Shetye	Spouse’s Sister

### B. Companies / Corporate Entities Forming Part of the Promoter Group

Apart from our Promoters, as per Regulation 2(1) (pp) of the SEBI (ICDR) Regulation, 2018, the following entity shall form part of our Promoters Group:

1. Speciality Agrovat (Partnership Firm)
2. Soham Trading Co (Partnership Firm)
3. Speciality Phosphates LLP
4. Sourcecraft Technologies LLP



5. Superior Lime Private Limited
6. Sanjiv Vasant HUF
7. Girdharlal Vasant HUF

#### **SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 51 of this Draft Prospectus.

#### **COMPANIES WITH WHICH THE PROMOTERS HAS DISASSOCIATED IN THE LAST THREE YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus except from Superior Phosphates Private Limited due to strike off the company.

#### **OUTSTANDING LITIGATION**

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on page nos. 21 and 161 of this Draft Prospectus.

## OUR SUBSIDIARY

Our Company has one (1) Subsidiary Company. Unless stated otherwise, information in relation our Subsidiaries is as on the date of this Draft Prospectus. Our subsidiary is considered “Material Subsidiaries” as per the definition of SEBI (ICDR) Regulations, 2018 and SEBI (LODR) Regulations, 2015.

Set out below are details of our subsidiary.

### SHIVAM CHEMICALS AND MINERALS PRIVATE LIMITED (SCMPL)

M/s. Shivam Chemicals and Minerals Private Limited (referred to as "the Company"), (Formerly know Superior Chemicals and Mineral Private Limited), incorporated in India as on 23rd December 2019. The registered office of the Company is 108, Hubtown Solaris, N.S. Phadke Marg, Near Andheri Flyover, Andheri (East), Mumbai City. Mumbai, Maharashtra, India, 400 069. Company is engaged in the business of manufacturing of chemical products . The Company is setting up a manufacturing plant for manufacture of Hydrated lime & commercials production started in May 2023; the plant is situated at Plot No D-2/CH/166, GIDC, Dahej, Vagra, Bharuch, Gujarat.

The Corporate Identification Number of SCMPL is U24296MH2019PTC334844.

#### *Nature of Business*

The main objects of SCMPL include, *inter alia* carrying on:

To carry on business within or outside India of manufacturing, processing, dealing, including, distributing, operating, advising, improving, treating, Preserving, trading, refining, importing, exporting and as agents, brokers for all kinds of minerals and mineral products including lime, limestone, limestone powder, quick lime, hydrated lime, sodium silicate lime, precipitated, barium chloride, activated calcium carbonate, plasters and all kinds cement products, and any other mineral of similar nature.

#### *Capital Structure*

The authorized share capital of SCMPL is ₹ 1,50,00,000 divided into 15,00,000 equity shares of ₹ 10 each. The issued, subscribed and paid up capital of SCMPL is ₹ 1,50,00,000 divided into 15,00,000 equity shares of ₹ 10 each.

#### *Shareholding of SCMPL:*

Name of the Shareholders	No of Shares	% of Shareholding
Shivam Chemicals Limited	14,99,999	100.00%
Sanjiv Girdharlal Vasant (Nominee of Shivam Chemicals Limited)	1	Negligible
<b>Total</b>	<b>15,00,000</b>	<b>100.00%</b>

## OUR GROUP COMPANY

The definition of ‘Group Company’ as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated December 22, 2023, our Group Company includes:

Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Consolidated Financial Statements of the Company for the last three financial year.

Provided, companies which have been disclosed as related parties in the Restated Consolidated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Company. Accordingly,

Superior Lime Private Limited (SLPL) is identified as the group company: The detail of our Group Company is provided below:

### 1. SUPERIOR LIME PRIVATE LIMITED (SLPL)

#### *Registered Office*

The registered office of SLPL is situated at office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069.

#### *Financial Information*

The financial information derived from the audited financial statements of Superior Lime Private Limited for the last three financial years, as required by the SEBI ICDR Regulations is available on the website of our Company at <https://www.shivamchem.com/>

## NATURE AND EXTENT OF INTEREST OF OUR GROUP COMPANY

### *a. In the promotion of our Company*

Our Group Company do not have any interest in the promotion of our Company.

### *b. In the properties acquired by our Company in the preceding three years before filing the Draft Prospectus or proposed to be acquired by our Company*

Our Group Company are not interested, directly or indirectly, in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of this Draft Prospectus.

### *c. In transactions for acquisition of land, construction of building and supply of machinery*

Except as stated in the Section titled “Financial Information”, “Risk Factors – Our Company may have potential Conflicts of interest with our Group Company as it is currently engaged in similar line of business” and “Risk Factors - In addition to normal remuneration, other benefits and reimbursement of expenses to our directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.” on page no. 123 and 21 respectively of this Draft Prospectus. Our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

## **COMMON PURSUITS**

Superior Lime Private Limited have been authorised by its Memorandum of Associations to undertake activities which is similar to that of our Company. Further, currently we do not have any non-compete agreement/arrangement with our Group Company. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise

## **RELATED PARTY TRANSACTIONS AND SIGNIFICANCE ON THE FINANCIAL STATEMENTS**

Other than the transactions disclosed in “123- Restated Consolidated Financial Statements” beginning on page 123 there are no other business transactions between our Company and the Group Company which are significant to the financial performance of our Company.

## **BUSINESS INTERESTS OR OTHER INTERESTS**

Except as disclosed in “*Financial Statements*” on page no.123 of this Draft Prospectus, our Group Company has no business interest in our Company.

## **MATERIAL LITIGATIONS**

Other than as disclosed in “Outstanding Litigations and Material Developments” on page 161 of this Draft Prospectus, our Group Company are not party to any litigation which may have material impact on our Company.

## **OTHER CONFIRMATIONS**

Our Group Company is not listed on any stock exchange. Our Group Company has not made any public or rights issue of securities in the preceding three year.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholder. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Director. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company in the last three Financial Year.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company while considering the dividend and other relevant factors and approval of the Equity Shareholders at their discretion. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

## SECTION VII- FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

#### INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,

**The Board of Directors**

Shivam Chemicals Limited (Formerly known as Shivam Chemicals Private Limited)  
Office No. 108, 1<sup>st</sup> Floor,  
Hubtown Solaris, Off N S Phadke Marg,  
Saiwadi, Andheri (E),  
Mumbai – 400 069.

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Shivam Chemicals Limited** (Formerly known as **Shivam Chemicals Private Limited**) (the “Company”) and its subsidiary (the Company and its subsidiary together referred to as the “Group”), comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, March 31, 2023, and Standalone Financial Statement as at March 31, 2022 and 2021, the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Cash Flow Statement for the six month period ended September 30, 2023 and for the years ended March 31, 2023, and Standalone Statements of Profit and Loss, the Restated Cash Flow for the years ended on March 31, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 15<sup>th</sup> January, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus (“DRHP/Prospectus”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”)] prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the [Draft Prospectus/Prospectus] to be filed with BSE SME and Registrar of Companies (Mumbai) in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 to the Restated Consolidated Financial Information. The responsibility of respective Board of Directors of the Company included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 11<sup>th</sup> December, 2023 in connection with the proposed IPO of equity shares of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from:
- a) Audited special purpose interim consolidated financial statements of the Group as at and for the six month period ended September 30, 2023 prepared in accordance with Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on -13<sup>th</sup> January, 2024
- b) Audited Consolidated financial statements of the Group as at and for the year ended March 31, 2023 prepared in accordance with the Accounting Standards (referred to as "AS") as prescribed under Section 133 of the Act, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 05<sup>th</sup> September, 2023.
- c) Audited financial statements of the Company as at and for the year ended March 31, 2022 and 2021 prepared in accordance with the Accounting Standards (referred to as "AS") as prescribed under Section 133 of the Act, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 05<sup>th</sup> September, 2022 and 06<sup>th</sup> November, 2021 respectively.
5. We have audited the special purpose consolidated financial information of the Group for the year ended March 31, 2023 prepared by the Company in accordance with the AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 13<sup>th</sup> January, 2024 on these special purposes consolidated financial information to the Board of Directors who have approved these in their meeting held on 13<sup>th</sup> January, 2024.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Reports issued by us dated 13<sup>th</sup> January, 2024 on the consolidated financial statements of the Group as at and for the six-month period ended September 30, 2023.
- b) Auditors' Report issued by the Previous Auditor dated 05<sup>th</sup> September, 2023 on the Consolidated financial statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4 above and Auditors' Report issued by the Previous Auditors dated 05<sup>th</sup> Sep, 2022 and 06<sup>th</sup> Nov, 2021 on the financial statements of the Company as at and for the years ended March 31, 2022 and 2021, as referred in Paragraph 4 above. The audits for the financial years ended March 31, 2023, 2022 and 2021 were conducted by the Company's previous auditors, M/s Bharat Kanakia & Associates (FRN 116361W), (the "Previous Auditors"), and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss, the Summary Statement of Significant Accounting Policies, and other explanatory information examined by them for the said years. The examination report included for the said years is based solely on the report submitted by the Previous Auditors. They have also confirmed that the 2023, 2022 and 2021 Restated Financial Information:
- i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six-month period ended September 30, 2023;
- ii) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. The audit report on the Consolidated and Standalone financial statements for the year ended March 31, 2023 and audit report on standalone financial statement for the year ended March 31, 2022 and March 31, 2021

were issued by previous auditor. There are no audit qualifications in the audit reports issued by previous auditor which require adjustment in the Restated Financial Statement of the Company. The financial report included for these years is based solely on the report submitted by previous auditor.

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six-month period ended September 30, 2023;
  - b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the [Draft Prospectus to be filed with BSE and Registrar of Companies (Mumbai) in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our report is intended solely for use of the Board of Directors for the purpose set forth in the first paragraph of this report. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

### **Emphasis of Matters**

We draw your attention Note No 1 under Annexure IV, which describes change in legal status of Company from Private Limited to Limited dated 04<sup>th</sup> November, 2023. Earlier while the Company was Private Limited Company it has accepted and given loans and advances to related parties. Post Conversion section 185 of the Companies Act, 2013 got applicable. Perhaps, Company was exempt under section 185 of the Companies Act, 2013 due to its status being Private Limited until 4<sup>th</sup> November, 2023. However, there is no financial impact on the restated financial statements. Our opinion is not modified in respect of this matter.

We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on at September 30, 2023 and March 31, 2023, 2022 and 2021 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure to Restated Financial Statements of the Company:

- i) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- ii) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- iii) Summary statement of cash flows as restated as appearing in ANNEXURE III;
- iv) Corporate Information, Significant accounting policies as restated ANNEXURE IV;
- v) Details of Share capital as restated as appearing in ANNEXURE V to this report;
- vi) Details of Restated Financial Information as restated as appearing in ANNEXURE VI to this report;
- vii) Note to Reconciliation of restated Net Profit/(loss) and net worth as appearing in ANNEXURE VII to this report;
- viii) Details of Capitalization Statement as appearing in ANNEXURE VIII to this report.



**For PSRD & Co**  
Chartered Accountants  
Firm Registration No: 1263990W

**Pravin Oza**  
Partner  
**Membership No: 119427**

**UDIN: 24119427BKGFHX8906**

**Place: 15/01/2024**  
**Date: Mumbai**

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure I - Restated Consolidated Financial Statement of Assets and Liabilities**

(Rs in lakhs)

Particulars		Note No	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>(I) EQUITY AND LIABILITIES</b>						
<b>1 Shareholder's Fund</b>						
a)	Equity share capital	3	1240.00	40.00	40.00	40.00
b)	Reserves and Surplus	4	143.79	1295.35	931.41	487.71
<b>Total Equity</b>			<b>1383.79</b>	<b>1335.35</b>	<b>971.41</b>	<b>527.71</b>
<b>2 Non-Current Liabilities</b>						
a)	Long term Borrowings	5	602.99	677.22	5.96	14.40
b)	Deferred tax Liabilities (Net)	6	-	-	-	0.15
c)	Long term Provisions	7	30.56	30.56	30.60	31.83
<b>Total Non-Current Liabilities</b>			<b>633.56</b>	<b>707.79</b>	<b>36.56</b>	<b>46.38</b>
<b>3 Current Liabilities</b>						
a)	Short-term Borrowings	8	832.38	674.15	503.54	138.99
b)	Trade Payables	9	-	-	-	-
	Dues of Micro enterprises and Small enterprises		-	-	-	-
	Dues of Others		384.46	201.77	640.34	203.41
c)	Other Current Liabilities	10	25.01	23.24	1.48	8.84
d)	Short-term Provisions	11	91.63	181.89	215.46	68.33
<b>Total Current Liabilities</b>			<b>1333.48</b>	<b>1081.04</b>	<b>1,360.82</b>	<b>419.57</b>
<b>Total Equity and Liabilities</b>			<b>3350.83</b>	<b>3124.18</b>	<b>2,368.79</b>	<b>993.66</b>
<b>(II) ASSETS</b>						
<b>1 Non-Current Assets</b>						
a)	Property, Plant and Equipments					
	i) Property, Plant & Equipment	12	1569.26	423.14	44.91	45.77
	ii) Intangible Assets	13	0.13	0.13	-	-
	iii) Capital work in progress	14	-	1006.78	0.00	-
b)	Long term loans and advances	15	0.71	30.11	225.00	-
c)	Deferred tax Assets (Net)	16	3.23	0.57	0.24	-
<b>Total Non-Current Assets</b>			<b>1573.34</b>	<b>1460.73</b>	<b>270.15</b>	<b>45.77</b>
<b>2 Current Assets</b>						
a)	Inventories	17	28.65	-	4.56	8.05
b)	Trade Receivables	18	1,359.30	1,207.89	1,405.20	718.23
c)	Cash and Cash Equivalents	19	45.76	34.84	26.61	7.38
d)	Short-term Loans and Advances	20	77.98	125.02	431.23	139.46
e)	Other Current Assets	21	265.80	295.71	231.04	74.77
<b>Total Current Assets</b>			<b>1777.48</b>	<b>1663.45</b>	<b>2,098.65</b>	<b>947.89</b>
<b>Total Assets</b>			<b>3350.83</b>	<b>3124.18</b>	<b>2368.79</b>	<b>993.66</b>

The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure VI.

As per our report of even date attached.

For and on behalf of  
**PSRD & Co**  
Chartered Accountants  
FRN: 126390W

Sd-

**Pravin Oza**  
Partner  
Membership No: 119427  
Date : 15-Jan-2024  
Place : Mumbai  
UDIN:24119427BKGFHX8906

For and on behalf of board of directors  
**Shivam Chemicals Limited**  
CIN : U24100MH2010PLC208870

Sd-

**Sanjiv Vasant**  
Managing Director  
DIN : 03036854  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Shivam Vasant**  
Whole-time Director  
DIN : 08512942  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Soham Vasant**  
Chief Financial Officer  
DIN : 03036861  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Rishita Taparia**  
Company Secretary  
PAN : BEBPT1667L  
Membership No: A70523  
Date : 15-Jan-2024  
Place : Mumbai

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure II - Restated Consolidated Financial Statement of Profit and Loss**

*(Rs in lakhs)*

Particulars	Note No	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
<b>I INCOME</b>					
Revenue from Operations	22	6,424.48	15,651.68	17,794.49	9,549.77
Other Income	23	9.93	6.65	4.36	7.98
<b>Total Income</b>		<b>6,434.41</b>	<b>15,658.34</b>	<b>17,798.84</b>	<b>9,557.75</b>
<b>II EXPENSES</b>					
Raw Material Consumed	24	206.42	-	-	-
Purchases of Traded Goods	25	5,508.10	14,020.08	15,750.95	8,367.23
Change in Inventories	26	(17.56)	4.56	3.49	14.10
Employee Benefit Expenses	27	90.60	191.02	262.15	205.93
Finance Costs	28	26.28	39.38	28.36	34.38
Depreciation & Amortisation Expenses	12	56.55	8.55	9.58	9.98
Other Expenses	29	481.09	899.93	1,145.51	798.12
<b>Total Expenses</b>		<b>6,351.48</b>	<b>15,163.53</b>	<b>17,200.04</b>	<b>9,429.74</b>
<b>III Profit/(Loss) before exceptional and Exceptional items</b>		<b>82.93</b>	<b>494.81</b>	<b>598.80</b>	<b>128.01</b>
Exceptional items*		5.32	-	-	-
<b>IV Profit/(Loss) Before Tax</b>		<b>88.25</b>	<b>494.81</b>	<b>598.80</b>	<b>128.01</b>
Current Tax		42.48	131.20	155.49	42.07
Deffered Tax		(2.67)	(0.33)	(0.39)	(0.56)
<b>Total tax</b>		<b>39.81</b>	<b>130.87</b>	<b>155.10</b>	<b>41.51</b>
<b>V Profit/(Loss) for the year</b>		<b>48.44</b>	<b>363.94</b>	<b>443.70</b>	<b>86.50</b>
Earning per share (Face Value-10)	32				
Basic		0.39	2.94	3.58	0.70
Diluted		0.39	2.94	3.58	0.70

\*Exceptional Item includes receipt from insurance for damage material due to rain.

The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure VI.

As per our report of even date attached.

For and on behalf of  
**PSRD & Co**  
Chartered Accountants  
FRN: 126390W

For and on behalf of board of directors  
**Shivam Chemicals Limited**  
CIN : U24100MH2010PLC208870

Sd-

**Pravin Oza**  
Partner  
Membership No: 119427  
Date : 15-Jan-2024  
Place : Mumbai  
UDIN:24119427BKGFHX8906

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**Sanjiv Vasant**  
Managing Director  
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**Shivam Vasant**  
Whole-time Director  
DIN : 08512942  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Soham Vasant**  
Chief Financial Officer  
DIN : 03036861  
Date : 15-Jan-2024

Sd-

**Rishita Taparia**  
Company Secretary  
PAN : BEBPT1667L  
Membership No: A70523  
Date : 15-Jan-2024  
Place : Mumbai

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure III - Restated Consolidated Cash Flow Statement**

(Rs in lakhs)

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
<b>(I) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) before tax	88.25	494.82	598.80	128.01
Adjustments				
Add : Depreciation	56.55	8.55	9.58	9.98
Less: Adjustment for Goodwill		(0.13)		
Less : Other Income	(0.54)	(1.20)	(0.26)	(1.17)
Add : Finance Cost	26.28	39.38	28.36	34.38
<b>Operating profit before working capital changes</b>	<b>170.54</b>	<b>541.42</b>	<b>636.49</b>	<b>171.20</b>
Increase/ (Decrease) in Trade payables	182.69	(438.57)	436.93	127.50
Increase/ (Decrease) in Short term provisions	(90.26)	(33.57)	147.13	15.39
Increase/ (Decrease) in Long term provisions	-	(0.04)	(1.23)	31.83
Increase/ (Decrease) in Other Current Liability	1.78	21.76	(7.36)	(0.80)
(Increase)/ Decrease in Inventory	(28.65)	4.56	3.49	14.10
(Increase)/ Decrease in Trade Receivables	(151.42)	197.32	(686.97)	(99.81)
(Increase)/ Decrease in Short Term Loans and advances	47.04	306.19	(291.77)	(30.75)
(Increase)/ Decrease in Current Assets	29.91	(64.67)	(156.27)	(36.28)
(Increase)/ Decrease in Long Term Loans and advances	29.41	194.89	(225.00)	-
<b>Cash flow from operations</b>	<b>191.03</b>	<b>729.29</b>	<b>(144.57)</b>	<b>192.39</b>
Less: Tax paid during the year	42.48	131.20	155.49	42.07
<b>Net Cash Flow from Operating Activities</b>	<b>148.55</b>	<b>598.09</b>	<b>(300.06)</b>	<b>150.32</b>
<b>(II) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets (incl. Asset brought in due to consolidation in FY 22-23)	(195.89)	(1,393.69)	(8.74)	(5.39)
Interest Income	0.54	1.20	0.26	1.17
Sale of fixed assets	-	0.14	0.02	48.70
<b>Net Cash Flow from Investing Activities</b>	<b>(195.35)</b>	<b>(1,392.36)</b>	<b>(8.46)</b>	<b>44.48</b>
<b>(III) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance cost	(26.29)	(39.38)	(28.35)	(34.38)
Proceeds from Short-term Borrowings	-	170.61	364.55	110.10
Proceeds of Short-term Borrowings	158.24	-	-	-
Proceeds/(Repayment) of Long-term Borrowings	-	-	-	(276.61)
Proceeds/(Repayment) from Long-term borrowings	(74.23)	671.26	(8.44)	-
<b>Net Cash Flow from Financing Activities</b>	<b>57.72</b>	<b>802.49</b>	<b>327.76</b>	<b>(200.89)</b>
<b>(IV) Net change in Cash and Cash Equivalents (I+II+III)</b>	<b>10.92</b>	<b>8.23</b>	<b>19.23</b>	<b>(6.09)</b>
<b>Reconciliation of Cash and Cash Equivalents (IV)</b>				
Cash and Cash Equivalents at the beginning of the year	34.84	26.61	7.38	13.47
Cash and Cash Equivalents at the end of the year	45.76	34.84	26.61	7.38
<b>Components of Cash and Cash Equivalents [Refer Anx - 19]</b>				
Cash In Hand *	20.55	13.81	22.00	2.22
Balances with banks :	-	-	-	-
- Current accounts	3.96	0.32	-	0.81
- Fixed Deposits (Including accrued interest)	21.25	20.71	4.61	4.35
<b>Cash and Cash Equivalents at the end of the year</b>	<b>45.76</b>	<b>34.84</b>	<b>26.61</b>	<b>7.38</b>

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard -3 (AS-3) on Cash Flow Statement issued by the Institute of Chartered Accountants of India

2. The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V.

As per our report of even date attached.

For and on behalf of  
**PSRD & Co**  
Chartered Accountants  
FRN: 126390W

Sd-

**Pravin Oza**  
Partner  
Membership No: 119427  
Date : 15-Jan-2024  
Place : Mumbai  
UDIN:24119427BKGFXH8906

For and on behalf of board of directors  
**Shivam Chemicals Limited**  
CIN : U24100MH2010PLC208870

Sd-

**Sanjiv Vasant**  
Managing Director  
DIN : 03036854  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Shivam Vasant**  
Whole-time Director  
DIN : 08512942  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Soham Vasant**  
Chief Financial Office  
DIN : 03036861  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Rishita Taparia**  
Company Secretary  
PAN : BEBPT1667L  
Membership No: A70523  
Date : 15-Jan-2024  
Place : Mumbai

## **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT /(LOSS) AND RECONCILIATION OF NETWORTH.**

### **1 CORPORATE INFORMATION:**

M/s. Shivam Chemicals Limited (referred to as “the Company”), incorporated in India as on October 12, 2010 as M/s. Sun Organosys Private Limited under the provisions of Companies Act, 1956. The name of the Company was changed to M/s Shivam Chemicals Private Limited w.e.f. January 30, 2012.

The Company has been converted from Private Company to Public Company on 04th November, 2023.

The registered office of the Company is 108, Hubtown Solaris, NS Phadke Marg, Near Andheri Flyover, Andheri (East), Mumbai City, Maharashtra, India, 400069.

Company is engaged in the business of wholesale sale of feed ingredient such as Di Calcium Phosphate and Mono Calcium Phosphate and Chemical Product such as Hydrated Lime (Calcium Hydroxide) and Quick lime (Calcium oxide).

The Manufacturing activity is carried out by its wholly owned subsidiary Shivam Chemicals and Minerals Private Limited and is located at Dahej Gujarat with a manufacturing capacity of 60,000 MT.

### **2 RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **2.1 Basis of Preparation of Restated Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at September 30, 2023 and March 31, 2023, 2022 and 2021 and the related restated summary statement of profits and loss and cash flows for the period/year ended September 30, 2023 and March 31, 2023, 2022 and 2021 (herein after collectively referred to as (“Restated Summary Statements”) have been compiled by the management from the audited Financial Statements for the period/year ended September 30, 2023 and March 31, 2023, 2022 and 2021. Restated summary Statements have been prepared to comply in all material respects with the provisions on Part I of Chapter III of the Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 (“ICDR Regulation”) issued by SEBI and guidance note on Reports on Companies Prospectuses (Revised 2019) (“Guidance Note”). Restated Summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with NSE in connection with its proposed IPO. The Company’s management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under historical cost convention and evaluated on a going concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities are classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

#### **2.2 Principles of Consolidation**

The financial statements of the Group have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses (to the extent cost can be recovered), if any, as per Accounting Standard - 21, Consolidated Financial Statements, notified in the Companies (Accounting Standards) Rules, 2006 (as amended), read with General Circular 08/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs.

The difference between the cost and Investment in the subsidiaries, over the Company's share of equity at the time of acquisition of the share in subsidiaries is recognised in the Financial Statements as Goodwill/Capital Reserve as the case may be. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders. The financial statements of the Subsidiary Companies used in the consolidation are drawn for the same period as that of the Parent Company i.e. period ended March 31,2023.

### **2.3 Use of estimates and judgements**

The preparation of financial statements inconformity with the generally accepted accounting principles requires the Management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities as on the date of financial statements and the reported amounts of revenues and expenses for the reported period. Changes in estimates are recognized in the period in which the estimates are revised and if material, their effects are disclosed in the notes to the financial statements.

### **2.4 Going Concern**

The financial accounts of the Company are prepared on the assumption of going concern concept.

### **2.5 Inventories**

The stock of finished goods & Raw Material is valued at lower of cost and net realizable value. Net realizable value is the estimate of the selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The stock of 'Goods-in-transit' are valued at cost.

### **2.6 Property, Plant and Equipment**

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any. The Company provides depreciation on Written Down Value method as per the useful life prescribed in Schedule II to Companies Act, 2013. The depreciation is provided from the date the asset is put to use.

### **2.7 Recognition of Revenue and Expenses**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must be also met before revenue is recognized:

#### **2.8 Sale of goods:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have passed to the buyer under the terms of the contract.

#### **2.9 Income from services:**

Revenue from services are recognized upon completion of service and transfer of material to the vendor concerned.

#### **2.10 Interest Income:**

(i) Revenue from interest on Fixed Deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(ii) Revenue from Interest on Vendors is recognized on a time proportion basis taking into account the amount outstanding from debtors for usage period of goods and the rate applicable as per the terms of the contract.

(iii) Interest received on loans given have been recognized on receipt basis (if any).

#### 2.11 Expenses:

Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.

#### 2.12 Transactions in foreign currency

##### Exchange differences:

(i) The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction.

(ii) All monetary assets and liabilities in foreign currency outstanding at the Balance Sheet date are translated at the exchange rates prevailing on the date of Balance Sheet and resultant gains or losses are recognized during the year in the Statement of Profit and Loss.

#### 2.13 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date of which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The Company holds no investments during the year.

#### 2.14 Lease Accounting

Lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vests with the lessor are classified as Operating Lease. Rental payments made under Operating Lease are recognized as an expense in the Profit and Loss account on a straight-line basis, over the lease term.

## 2.15 Segment Reporting

The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company has not identified any reportable segment as per recognition criteria enumerated in AS 17 and accordingly segmental reporting as per AS 17 is not applicable for the Company.

## 2.16 Earnings per share

Basic Earnings per Share (EPS) is computed by dividing the net profit after tax for the year attributable to the equity shareholders by the weighted average number of shares outstanding during the year. The Company does not have any potentially dilutive securities in any of the years presented to calculate diluted EPS and hence the diluted EPS is the same as basic EPS.

## 2.17 Accounting for taxes on Income

Tax expense comprises current and deferred tax.

### **Current Tax**

Current Tax expense is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

### **Deferred Tax**

Deferred income tax reflects the impact of timing differences between taxable income and accounting income during the current year and reversal of timing differences for the earlier years. Deferred Tax is measured using the tax rates and tax laws used enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all the taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets and deferred tax liabilities are reviewed at each reporting period.

## 2.18 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged for when an asset is identified as Impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount. The Company has identified that there are no Assets available whose carrying cost exceeds its recoverable value and hence the Company has not provided for any impairment loss during the year.

## 2.19 Provisions, Contingent liabilities and Contingent assets

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed in the financial statements.



## **2.20 Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in Hand and short-term bank deposits with original maturity of three months or less.

## **2.21 General**

Accounting policies not specifically referred to, are consistent with the Indian Generally Accepted Accounting Principles and are followed consistently.

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure V - Restated Consolidated Financial Information**

(Rs in lakhs)

**3 Share capital**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Authorised share capital</b>				
5,00,000 equity shares of Rs 10 each	-	50.00	50.00	50.00
1,80,00,000 equity shares of Rs 10 each	1,800.00	-	-	-
<b>Total</b>	<b>1,800.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Share capital at the beginning of the year (4,00,000 Equity Shares of Rs 10 Each)	40.00	40.00	40.00	40.00
Bonus Shares issued (1,20,00,000 Equity Shares of Rs 10 Each)	1,200.00	-	-	-
<b>Total</b>	<b>1,240.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>

**b) The reconciliation of the numbers of shares outstanding and amount of share capital as at year end is set out below:**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Equity Shares ( in nos)</b>				
Shares outstanding at the beginning of the year	400,000	400,000	400,000	400,000
Shares issued during the period	12,000,000	-	-	-
<b>Shares Outstanding at the end of the period</b>	<b>12,400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
<b>Equity Share Capital ( in lakhs)</b>				
Share Capital outstanding at the beginning of the year	40.00	40.00	40.00	40.00
Share Capital issued during the year (Bonus issue)	1,200.00	-	-	-
<b>Equity Shares Capital at the end of the period</b>	<b>1,240.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>

**c) Name of Equity Shareholders holding more than 5% equity shares**

Name of Shareholder	No of shares held	% of Holding	% Change during the Year
<b>Sanjiv Vasant</b>			
September 30, 2023	8,680,000	70.00%	0.00%
March 31, 2023	280,000	70.00%	0.00%
March 31, 2022	280,000	70.00%	0.00%
March 31, 2021	280,000	70.00%	0.00%
<b>Soham Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Mayuri Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Rajshree Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Shivam Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%

**d) Shares held by promoters at the year end**

Name of Shareholder	No of shares held	% of Holding	% Change during the Year
<b>Sanjiv Vasant</b>			
September 30, 2023	8,680,000	70.00%	0.00%
March 31, 2023	280,000	70.00%	0.00%
March 31, 2022	280,000	70.00%	0.00%
March 31, 2021	280,000	70.00%	0.00%
<b>Soham Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Mayuri Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Rajshree Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%
<b>Shivam Vasant</b>			
September 30, 2023	930,000	7.50%	0.00%
March 31, 2023	30,000	7.50%	0.00%
March 31, 2022	30,000	7.50%	0.00%
March 31, 2021	30,000	7.50%	0.00%

**e) Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

**f) No dividend is declared by the Company during the period/year ended on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.**

**Notes:**

- i) The Shareholders have all other rights as available to equity shareholders as per the provisions of The Companies Act, 2013, read together with the Memorandum of Association and Articles Association of the Company, as applicable.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held at the time of commencement of winding-up.

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure VI - Restated Consolidated Financial Information**

(Rs in lakhs)

**4 Reserves and Surplus**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Retained Earnings</b>				
Opening balance	1,295.35	931.41	487.71	401.20
Profit during the year	48.44	363.94	443.70	86.50
Less: Utilisation of reserves for issue of bonus shares	(1,200.00)	-	-	-
<b>Total</b>	<b>143.79</b>	<b>1,295.35</b>	<b>931.41</b>	<b>487.71</b>

**5 Long term Borrowings**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Secured Loan</b>				
Term loan towards hypothecation of Motor Vehicle	13.15	-	5.96	14.40
Term loan towards Building & Plant and Machinery	589.85	677.22	-	-
<b>Total</b>	<b>602.99</b>	<b>677.22</b>	<b>5.96</b>	<b>14.40</b>

1) Car Loan is secured against MG Hector MH02FX8811 and it carries 8.69% interest.

2) Term loan towards building : First and exclusive charge on by way of equitable mortgage over the immovable property i.e. building financed under the said loan along with the land at Dahej and it carries 8.81% interest.

3) Term loan towards Plant & Machinery : First and exclusive charge by way of hypothecation of the entire plant & machinery /asset of the borrower financed under the said loan and it carries 8.81% interest.

**6 Deferred tax Liabilities (Net)**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Balance at the beginning of the year	-	-	0.15	0.71
Add: During the year adjustment	-	-	(0.15)	(0.56)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>

**7 Long Term Provisions**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Long Term Provision for Gratuity (unfunded)*	30.56	30.56	30.60	31.83
<b>Total</b>	<b>30.56</b>	<b>30.56</b>	<b>30.60</b>	<b>31.83</b>

\* Provision for gratuity for Mar 2023, Mar 2022 & Mar 2021 is accounted based on actuary report & for Sep, 2023 same is calculated proportionately.

**8 Short term Borrowings**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Secured Loans</b>				
Cash Credit from IndusInd Bank	111.03	668.20	144.61	32.11
<b>Total (a)</b>	<b>111.03</b>	<b>668.20</b>	<b>144.61</b>	<b>32.11</b>
Current Maturities of Long-term Liabilities ( b )	67.33	5.95	8.43	7.88
<b>Total (a+ b)</b>	<b>178.36</b>	<b>674.15</b>	<b>153.04</b>	<b>39.99</b>
<b>Unsecured Loans</b>				
Unsecured Loans from related party * (as per details)	654.02	-	350.50	99.00
<b>Total (a+ b+c)</b>	<b>832.38</b>	<b>674.15</b>	<b>503.54</b>	<b>138.99</b>

\*As on September 30, 2023, none of the outstanding unsecured loans from related parties is interest bearing.

1) Terms of Working Capital demand facility:

Primary security : First and exclusive charge on hypothecation of the inventory & book debts.

Collateral Security :

1. Nature of Property - Residential Land & Building, Name of Owners- Sanjiv and Mayuri Vasant

Address- A-801 and 806, 8th Floor, Parimal Apartment, off Gulmohar Road, Near Gazedo House, Anderi West, Mumbai-400053. Area-1450Sq.ft (BUA) Market Value- 500 lakh

Charge Type- Equitable Mortgage Charge seniority-First and Exclusive

2. Nature of Property – Commercial land and Building, Name of Owners- Sanjiv Vasant, Mayuri Vasant and Rajshree vasant Address- 108, Hubtown Solaris, NS Phadke Marge, Andheri E,

Mumbai Area- 837 Sq.ft (BUA) Market Value- 295 lakh Charge Type- Equitable Mortgage

Charge seniority- First and Exclusive

3. First and exclusive charge on lien of the FDR/Cash deposit for 20 lakhs.

#### 9 Trade Payables

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
- Total outstanding dues of Micro, Small & Medium Enterprises	-	-	-	-
- Total outstanding dues other than Micro, Small & Medium Enterprises	384.46	201.77	640.34	203.41
<b>Total</b>	<b>384.46</b>	<b>201.77</b>	<b>640.34</b>	<b>203.41</b>

#### Ageing of Trade Payables

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
(i) Micro enterprises and small enterprises	-	-	-	-
Less than 1 year	-	-	-	-
Total	-	-	-	-
(ii) other than micro enterprises and small enterprises	-	-	-	-
Outstanding for following periods from due date of payment	-	-	-	-
Less than 1 year	384.46	201.77	640.34	203.41
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>384.46</b>	<b>201.77</b>	<b>640.34</b>	<b>203.41</b>
(iii) Disputed Dues MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-
<b>Total</b>	<b>384.46</b>	<b>201.77</b>	<b>640.34</b>	<b>203.41</b>

#### 10 Other Current Liabilities

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Retention Charges Payable	1.60	17.73	-	-
Payable to Employees	10.41	-	-	-
Rent Payable	3.38	-	-	-
Advance from Customers	9.63	5.51	1.48	8.84
<b>Total</b>	<b>25.01</b>	<b>23.24</b>	<b>1.48</b>	<b>8.84</b>

#### 11 Short-term provisions

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Statutory Liabilities	6.83	31.96	54.85	22.05
Provision for Income Tax	42.48	131.20	155.49	42.07
Provision For Fees payable against Increase in Share Capital	16.80	-	-	-
Short-term provisions for Gratuity	25.53	18.74	5.12	4.21
<b>Total</b>	<b>91.63</b>	<b>181.89</b>	<b>215.46</b>	<b>68.33</b>

#### 13 Intangible Assets

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Goodwill	0.13	0.13	-	-
<b>Total</b>	<b>0.13</b>	<b>0.13</b>	<b>-</b>	<b>-</b>

#### 14 Capital Work in Progress

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Capital work-in-progress	-	1,006.78	-	-
<b>Total</b>	<b>-</b>	<b>1,006.78</b>	<b>-</b>	<b>-</b>

\* The commercial production in M/s Shivam Chemicals & Minerals Private Limited is started in the month of May, 23 and accordingly the Capital work in process have been transferred to Fixed Assets under their respective heads.

#### 15 Long term loans and advances

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Security Deposits	0.71	30.11	225.00	-
<b>Total</b>	<b>0.71</b>	<b>30.11</b>	<b>225.00</b>	<b>-</b>

16 Deferred Tax Assets (Net)

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Balance at the beginning of the year	0.57	0.24	(0.15)	-
Add: During the year adjustment	2.67	0.33	0.39	-
<b>Balance at the end of the year</b>	<b>3.23</b>	<b>0.57</b>	<b>0.24</b>	<b>-</b>

17 Inventories

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Finished Goods*	17.56	-	4.56	8.05
Raw Material*	11.09	-	-	-
<b>Total</b>	<b>28.65</b>	<b>-</b>	<b>4.56</b>	<b>8.05</b>

\* The Inventory of Finished Goods & Raw material have been valued at cost of NRV whichever is lower.

18 Trade Receivables

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Unsecured, Considered good	1,359.30	1,207.89	1,405.20	718.23
<b>Total</b>	<b>1,359.30</b>	<b>1,207.89</b>	<b>1,405.20</b>	<b>718.23</b>

\* The Inventory of Finished Goods & Raw material have been valued at cost of market value whichever is lower.

Ageing of Trade Receivables

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
(i) Unsecured, Considered good				
Outstanding for following periods from due date of payment				
Less than 6 months	1,359.30	1,207.89	1,387.15	718.23
6 months -1 year	-	-	11.54	-
1-2 years	-	-	6.52	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>1,359.30</b>	<b>1,207.89</b>	<b>1,405.20</b>	<b>718.23</b>

19 Cash and Cash Equivalents

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Cash In Hand *	20.55	13.81	22.00	2.22
Balances with banks :				
- Current accounts	3.96	0.32	0.00	0.81
- Fixed Deposits (Including accrued interest)	21.25	20.71	4.61	4.35
<b>Total</b>	<b>45.76</b>	<b>34.84</b>	<b>26.61</b>	<b>7.38</b>

(\* Balances of Cash is certified by Director)

20 Short-term loans & advances

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
(Unsecured, Considered Good)				
Advances to supplier	76.29	124.72	376.23	139.17
Advances to Related Parties	-	-	55.00	-
Advances to employees	1.69	0.30	-	0.29
<b>Total</b>	<b>77.98</b>	<b>125.02</b>	<b>431.23</b>	<b>139.46</b>

**21 Other Current Assets**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Balance due with Revenue Authorities ( Input GST)	185.02	178.10	3.97	18.88
Short Term Deposits	19.75	19.75	92.65	-
Income Tax (TDS and Advance Tax)	50.99	97.21	129.89	42.07
Export refund receivable	-	-	-	9.49
IT Refundable	-	-	3.69	3.69
MVAT Refund receivable	0.64	0.64	0.64	0.64
Subsidy receivable	9.39	-	-	-
Prepaid Expenses	-	-	0.20	-
<b>Total</b>	<b>265.80</b>	<b>295.71</b>	<b>231.04</b>	<b>74.77</b>

**22 Revenue from operation**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
<i>Sale of Products</i>				
Manufactured Goods	220.99	-	-	-
Trading Goods	6,203.49	15,651.68	17,794.49	9,549.77
<b>Total</b>	<b>6,424.48</b>	<b>15,651.68</b>	<b>17,794.49</b>	<b>9,549.77</b>

**23 Other Income**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
<i>Other Non Operating revenue</i>				
Interest Income	0.54	1.20	0.26	1.17
Foreign Exchange Gain	-	5.11	3.79	1.03
Miscellaneous Income	-	0.34	0.31	5.78
Subsidy Income	9.39	-	-	-
<b>Total</b>	<b>9.93</b>	<b>6.65</b>	<b>4.36</b>	<b>7.98</b>

**24 Raw Material Consumed**

Other Non Operating revenue	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Opening Stock of Raw Material	-	-	-	-
Add : Purchase of Stock of Raw Material	217.51	-	-	-
Less : Closing Stock of Raw Material	(11.09)	-	-	-
<b>Total</b>	<b>206.42</b>	<b>-</b>	<b>-</b>	<b>-</b>

**25 Purchase of Traded Goods**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Material Purchases - Domestic	5,508.10	14,062.16	15,752.95	8,424.83
Discount on purchases	-	42.08	2.00	57.60
<b>Total</b>	<b>5,508.10</b>	<b>14,020.08</b>	<b>15,750.95</b>	<b>8,367.23</b>

**26 Change in Inventories**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Opening Stock of FG	-	4.56	8.05	22.15
Closing Stock of FG*	(17.56)	-	(4.56)	(8.05)
<b>Total</b>	<b>(17.56)</b>	<b>4.56</b>	<b>3.49</b>	<b>14.10</b>

\* The Inventory of Finished Goods & Raw material have been valued at cost or NRV whichever is lower.

**27 Employee Benefit Expenses**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Salaries	54.53	106.08	128.79	90.61
Gratuity Expenses	6.79	13.58	-0.32	36.04
Director Remuneration	25.50	63.00	120.00	66.00
Staff Welfare Expenses	3.78	8.37	13.68	13.27
<b>Total</b>	<b>90.60</b>	<b>191.02</b>	<b>262.15</b>	<b>205.93</b>

**28 Finance Costs**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Interest Paid to related parties	-	2.21	17.21	19.75
Bank Charges	0.60	2.11	1.54	1.26
Bank Interest	24.96	23.99	7.89	11.61
Bank Credit Facility Renewal / Enhancement Charges	-	10.35	0.46	-
Interest Paid on Car Loan	0.73	0.71	1.26	1.76
<b>Total</b>	<b>26.28</b>	<b>39.38</b>	<b>28.36</b>	<b>34.38</b>

**29 Other Expenses**

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Bad Debts	-	-	-	41.33
Commission & Brokerage	1.95	6.44	31.15	25.29
Donation & CSR Contributions	0.10	6.20	-	-
Expenses In relation to increase in Share Capital	16.80	-	-	-
Freight & Transportation Expenses	343.10	661.28	835.79	564.92
Miscellaneous Expenditure	3.24	8.81	2.38	1.41
Rent Expenses	24.10	45.40	51.94	40.49
Office Administration Expenses	31.88	31.04	42.49	43.92
Professional Fees	12.77	16.41	35.28	27.76
Repairs & maintenance Expenses	1.25	4.33	4.32	6.96
Sales Promotion Expenses	15.45	70.03	114.57	33.57
Travelling & Conveyance Expenses	30.46	49.99	27.59	12.47
<b>Total</b>	<b>481.09</b>	<b>899.93</b>	<b>1,145.51</b>	<b>798.12</b>

**Payment to Auditors**

- Audit fees	2.25	0.60	0.60	0.55
- Other Matters	-	-	-	-
<b>Total</b>	<b>2.25</b>	<b>0.60</b>	<b>0.60</b>	<b>0.55</b>

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure VI - Restated Consolidated Financial Information**

(Rs in lakhs)

**1 Loan from related parties**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Mayuri Vasant	-	-	14.00	8.50
Dimple Vasant	-	-	2.00	2.00
Rajshree Vasant	13.00	-	28.00	17.00
Rama Vasant	2.50	-	2.00	4.00
Sanjiv Vasant (HUF)	139.50	-	113.50	47.00
Sanjiv Vasant	251.00	-	6.00	18.50
Soham Vasant	122.00	-	75.25	2.00
GP Vasant HUF	57.00	-	35.50	-
Shivam Vasant	69.02	-	74.25	-
<b>Total</b>	<b>654.02</b>	<b>-</b>	<b>350.50</b>	<b>99.00</b>

**2 Statutory Liabilities**

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Goods & Service Tax	-	11.57	3.73	2.36
TDS / TCS Payable	6.49	20.39	51.12	19.70
<b>Total</b>	<b>6.49</b>	<b>31.96</b>	<b>54.85</b>	<b>22.05</b>



0  
0  
0

12 Property, Plant and Equipments

(Rs in lakhs)

Particulars	Property, Plant & Equipment							
	Land	Buidling	Plant & Machinery	Office equipments	Computer	Motor Vehicles	Furniture & Fixtures	Total Property, Plant & Equipment
<b>Gross carrying amount (Consolidated)</b>								
As at April 01, 2023	385.81	-	-	12.45	1.58	63.29	3.01	466.13
Additions	28.74	235.71	902.25	3.63	-	28.11	4.24	1,202.67
Disposals	-	-	-	-	-	-	-	-
<b>As at September 30, 2023</b>	<b>414.55</b>	<b>235.71</b>	<b>902.25</b>	<b>16.08</b>	<b>1.58</b>	<b>91.40</b>	<b>7.25</b>	<b>1668.81</b>
<b>Accumulated depreciation</b>								
As at April 01, 2023	-	-	-	4.40	0.95	34.99	2.66	43.00
Charge for the year	-	8.11	42.71	0.98	0.05	4.23	0.48	56.55
On disposals	-	-	-	-	-	-	-	-
<b>As at September 30, 2023</b>	<b>-</b>	<b>8.11</b>	<b>42.71</b>	<b>5.37</b>	<b>1.00</b>	<b>39.22</b>	<b>3.14</b>	<b>99.54</b>
<b>Net carrying amount as at September 30, 2023</b>	<b>414.55</b>	<b>227.60</b>	<b>859.54</b>	<b>10.70</b>	<b>0.58</b>	<b>52.17</b>	<b>4.11</b>	<b>1,569.26</b>
<b>Gross carrying amount (Consolidated)</b>								
As at April 01, 2022	359.89	-	-	11.96	1.11	63.29	3.01	439.25
Additions	25.92	-	-	0.63	0.47	-	-	27.02
Disposals	-	-	-	0.14	-	-	-	0.14
<b>As at March 31, 2023</b>	<b>385.81</b>	<b>-</b>	<b>-</b>	<b>12.45</b>	<b>1.58</b>	<b>63.29</b>	<b>3.01</b>	<b>466.13</b>
<b>Accumulated depreciation</b>								
As at April 01, 2022	-	-	-	2.67	0.47	28.73	2.58	2.67
Charge for the year	-	-	-	1.73	0.48	6.26	0.08	8.55
On disposals	-	-	-	-	-	-	-	0.00
<b>As at March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.40</b>	<b>0.95</b>	<b>34.99</b>	<b>2.66</b>	<b>43.00</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>385.81</b>	<b>-</b>	<b>-</b>	<b>8.05</b>	<b>0.63</b>	<b>28.29</b>	<b>0.35</b>	<b>423.14</b>
<b>Gross carrying amount (Standalone)</b>								
As at April 01, 2021	-	-	-	4.32	0.73	63.29	3.01	71.35
Additions	-	-	-	7.64	1.11	-	-	8.74
Disposals	-	-	-	-	0.73	-	-	0.73
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.96</b>	<b>1.11</b>	<b>63.29</b>	<b>3.01</b>	<b>79.36</b>
<b>Accumulated depreciation</b>								
As at April 01, 2021	-	-	-	1.34	0.71	21.09	2.43	25.58
Charge for the year	-	-	-	1.32	0.46	7.64	0.15	9.58
On disposals	-	-	-	-	0.71	-	-	0.71
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.67</b>	<b>0.47</b>	<b>28.73</b>	<b>2.58</b>	<b>34.45</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.29</b>	<b>0.64</b>	<b>34.55</b>	<b>0.43</b>	<b>44.91</b>
<b>Gross carrying amount (Standalone)</b>								
As at April 01, 2020	44.67	-	-	1.94	0.73	72.53	3.01	122.88
Additions	2.39	-	-	2.99	-	-	-	5.39
Disposals	47.06	-	-	0.61	-	9.24	-	56.92
<b>As at March 31, 2021</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>4.32</b>	<b>0.73</b>	<b>63.29</b>	<b>3.01</b>	<b>71.35</b>
<b>Accumulated depreciation</b>								
As at April 01, 2020	-	-	-	1.58	0.68	19.32	2.23	23.82
Charge for the year	-	-	-	0.25	0.03	9.50	0.20	9.98
On disposals	-	-	-	0.49	-	7.73	-	8.22
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.34</b>	<b>0.71</b>	<b>21.09</b>	<b>2.43</b>	<b>25.58</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.98</b>	<b>0.02</b>	<b>42.20</b>	<b>0.58</b>	<b>45.77</b>

**Annexure VI - Restated Consolidated Financial Information**

**30 Employee benefit plans**

(Rs in lakhs)

**(a) Defined contribution plan**

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. This expenses has been recognised in the Statement of Profit and Loss under the head Employee Benefit Expense.

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Employer contribution to provident fund	0.00	0.00	0.00	0.00
Employer contribution to ESIC	0.00	0.00	0.00	0.00

**(b) Defined benefit plan**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Actuarial assumptions:

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Discount rate as at	7.00%	7.00%	7.5% per annum	7.5% per annum
Future salary increases	7.0% per annum	7.0% per annum	5.0% per annum	5.0% per annum
Mortality rate	LIC(2006-08) ultimate	LIC(2006-08) ultimate	IALM 2012-14	IALM 2012-14
Normal retirement age	58 years	58 years	60 years	60 years

Notes:

- Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligation;
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factor;

The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) are as follows :

Change in the present value of obligation	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
<b>Present value of obligation at the beginning of the year</b>	<b>49.30</b>	<b>35.72</b>	<b>36.04</b>	-
Current service cost	2.96	5.92	4.59	-
Past Service Cost	-	-	-	-
Interest cost	1.34	2.68	2.70	-
Benefits paid	-	-	-	-
Actuarial loss/(gain)	2.49	4.98	-7.61	36.04
<b>Present value of obligation at the end of the year</b>	<b>56.09</b>	<b>49.30</b>	<b>35.72</b>	<b>36.04</b>

Amount recognised in the statement of profit and loss	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Current service cost	2.96	5.92	4.59	-
Past Service Cost	-	-	-	-
Interest cost	1.34	2.68	2.70	-
Actuarial loss/(gain)	2.49	4.98	-7.61	36.04
<b>Total expense recognized in the statement of profit and loss</b>	<b>6.79</b>	<b>13.58</b>	<b>-32</b>	<b>36.04</b>

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**Annexure VI - Restated Consolidated Financial Information**

(Rs in lakhs)

**31 Related Party Transactions**

**a) Related Parties**

Name of the party	Nature of relationship
Sanjiv Vasant	Managing Director
Soham Vasant	Whole time Director & Chief Financial Office
Shivam Vasant	Whole time Director
Mayuri Vasant	Women Director (non executive director)
Rishita Taparia	Relative of Key Managerial Personne
Rajshree Vasant	Relative of Key Managerial Personne
Dimple Vasant	Relative of Key Managerial Personne
Sanjiv Vasant HUF	Relative of Key Managerial Personne
Girdharlal Vasant HUF	Relative of Key Managerial Personne
Rama Vasant	Relative of Key Managerial Personne
Shivam Chemicals & Minerals Private Limited	Enterprise over which KMP is able to exercise significant influence from 23rd Dec, 2019 and Wholly Owned Subsidiary from 28th Jun, 2022

**b) Particulars of transactions with related parties**

Particulars	September 30, 2023 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)
<b>Transactions &amp; Balances with Related Parties which are not eliminated on Consolidation</b>				
<b><u>Sanjiv Vasant</u></b>				
Opening balance	-	6.00	18.50	62.76
Loan Taken	276.86	311.19	187.26	149.11
Interest (Net of TDS)	-	-	3.50	4.98
Interest paid	-	-	3.50	4.98
Loan Repaid	25.86	317.19	199.76	193.37
<b>Closing Balance</b>	<b>251.00</b>	<b>-</b>	<b>6.00</b>	<b>18.50</b>
Remuneration	4.50	21.00	30.00	30.00
Rent	7.50	11.25	15.00	12.00
<b><u>Sanjiv Vasant HUF</u></b>				
Opening balance	-	113.50	47.00	118.00
Loan Taken	194.00	144.50	428.50	92.00
Interest (Net of TDS)	-	-	8.45	6.44
Interest paid	-	-	8.45	6.44
Loan Repaid	54.50	258.00	362.00	163.00
<b>Closing Balance</b>	<b>139.50</b>	<b>-</b>	<b>113.50</b>	<b>47.00</b>
<b><u>Girdharlal P Vasant HUF</u></b>				
Opening balance	-	35.50	-	42.00
Loan Taken	57.00	5.50	97.00	41.00
Interest (Net of TDS)	-	2.21	2.33	4.52
Interest paid	-	2.21	2.33	4.52
Loan Repaid	-	41.00	61.50	83.00
<b>Closing Balance</b>	<b>57.00</b>	<b>-</b>	<b>35.50</b>	<b>-</b>
<b><u>Mayuri Vasant</u></b>				
Opening balance	-	14.00	8.50	-
Loan Taken	-	24.00	14.00	17.00
Interest (Net of TDS)	-	-	0.12	0.43
Interest paid	-	-	0.12	0.43
Loan Repaid	-	38.00	8.50	8.50
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>14.00</b>	<b>8.50</b>
Salary	4.50	12.00	19.20	4.20
Rent	7.50	11.25	15.00	12.00
<b><u>Rajshree Vasant</u></b>				
Opening balance	-	28.00	17.00	25.00
Loan Taken	13.00	18.00	24.50	4.00
Interest (Net of TDS)	-	-	1.25	2.04
Interest paid	-	-	1.25	2.04
Loan Repaid	-	46.00	13.50	12.00
<b>Closing Balance</b>	<b>13.00</b>	<b>-</b>	<b>28.00</b>	<b>17.00</b>
Salary	4.50	18.00	33.00	4.20
Rent	7.50	11.25	15.00	12.00
<b><u>Soham Vasant</u></b>				
Opening balance	-	75.25	2.00	10.60
Loan Taken	132.00	65.95	148.25	9.60
Interest (Net of TDS)	-	-	0.57	0.83
Interest paid	-	-	0.57	0.83
Loan Repaid	10.00	141.20	75.00	18.20
<b>Closing Balance</b>	<b>122.00</b>	<b>-</b>	<b>75.25</b>	<b>2.00</b>
Remuneration	10.50	21.00	45.00	18.00
<b><u>Shivam Vasant</u></b>				
Opening balance	-	74.25	-	3.00
Loan Taken	69.51	84.15	85.92	11.51
Interest (Net of TDS)	-	-	0.49	0.40
Interest paid	-	-	0.49	0.40
Loan Repaid	0.49	158.40	11.67	14.51
<b>Closing Balance</b>	<b>69.02</b>	<b>-</b>	<b>74.25</b>	<b>-</b>
Remuneration	10.50	21.00	45.00	18.00

<b><u>Dimple Vasant</u></b>				
Opening balance	-	2.00	2.00	-
Loan Taken	-	10.00	-	2.00
Interest (Net of TDS)	-	-	0.24	0.07
Interest paid	-	-	0.24	0.07
Loan Repaid	-	12.00	-	-
<b>Closing Balance</b>	-	-	<b>2.00</b>	<b>2.00</b>
Salary	7.50	12.00	19.25	3.00
<b><u>Rama Vasant</u></b>				
Opening balance	-	2.00	4.00	-
Loan Taken	5.00	4.50	-	4.00
Interest (Net of TDS)	-	-	0.26	0.04
Interest paid	-	-	0.26	0.04
Loan Repaid	2.50	6.50	2.00	-
<b>Closing Balance</b>	<b>2.50</b>	-	<b>2.00</b>	<b>4.00</b>
<b><u>Shivam Chemicals &amp; Minerals Private Limited</u></b>				
Opening balance	-	-	-	-
Loan Given	-	-	55.00	-
Interest (Net of TDS)	-	-	-	-
Interest Received	-	-	-	-
Loan Repayment received	-	-	-	-
<b>Closing Balance</b>	-	-	<b>55.00</b>	-
<b>Transactions &amp; Balances with Related Parties eliminated on Consolidation</b>				
<b><u>Shivam Chemicals &amp; Minerals Private Limited (in Books of Shivam Chemicals Limited)</u></b>				
Opening balance	712.00	55.00	-	-
Loan Given	377.00	657.00	-	-
Interest (Net of TDS)	-	-	-	-
Interest Received	-	-	-	-
Loan Repayment received	-	-	-	-
<b>Closing Balance</b>	<b>1,089.00</b>	<b>712.00</b>	-	-
<b><u>Shivam Chemicals Limited (in Books of Shivam Chemicals &amp; Minerals Private Limited)</u></b>				
Opening balance	712.00	55.00	-	-
Loan Received	377.00	657.00	-	-
Interest (Net of TDS)	-	-	-	-
Interest Paid	-	-	-	-
Loan Repayment	-	-	-	-
<b>Closing Balance</b>	<b>1,089.00</b>	<b>712.00</b>	-	-
<b>Investment in Equity Shares</b>				
Opening balance	150.00	-	-	-
Investments During the year	-	150.00	-	-
<b>Closing Balance</b>	<b>150.00</b>	<b>150.00</b>	-	-

### 32 Earnings per share

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Profits attributable to the equity holders of the Company	48.44	363.94	443.70	86.50
Weighted average number of equity shares (no's)	12400000	12400000	12400000	12400000
Earnings per share (basic)	0.39	2.94	3.58	0.70
Earnings per share (diluted)	0.39	2.94	3.58	0.70
Face value per equity share (Rs.)	10.00	10.00	10.00	10.00

### 33 Ratio Analysis

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
a) <b>Current Ratio</b>	<b>1.33</b>	<b>1.54</b>	<b>1.54</b>	<b>2.26</b>
Current Asset	1777.48	1663.45	2098.65	947.89
Current Liability	1,333.48	1,081.04	1,360.82	419.57
b) <b>Debt- Equity Ratio</b>	<b>1.04</b>	<b>1.01</b>	<b>0.52</b>	<b>0.29</b>
Total Debt	1,435.38	1,351.37	509.50	153.39
Shareholder's Equity	1383.79	1335.35	971.41	527.71
c) <b>Debt Service Coverage ratio</b>	<b>5.14</b>	<b>11.35</b>	<b>17.57</b>	<b>0.00</b>
Earnings for debt service (EBIT+ Depn)	165.76	542.73	636.75	157.75
Interest & Principal Repayment	32.23	47.81	36.24	6732953.82
d) <b>Return on Equity ratio</b>	<b>0.04</b>	<b>0.32</b>	<b>0.59</b>	<b>0.18</b>
Net Profits after taxes	48.44	363.94	443.70	86.50
Average Shareholder's Equity	1359.57	1153.38	749.56	484.53
e) <b>Inventory Turnover ratio</b>	<b>448.48</b>	<b>6860.26</b>	<b>2822.05</b>	<b>632.46</b>
Revenue from sales of products	6424.48	15651.68	17794.49	9549.77
Average Inventory	14.32	2.28	6.31	15.10
f) <b>Trade Receivable Turnover Ratio</b>	<b>5.01</b>	<b>11.98</b>	<b>16.76</b>	<b>14.29</b>
Revenue from operations	6424.48	15651.68	17794.49	9549.77
Average Trade Receivable	1283.59	1306.55	1061.72	668.33
g) <b>Trade Payable Turnover Ratio</b>	<b>18.79</b>	<b>33.40</b>	<b>37.34</b>	<b>60.32</b>
Purchase of Goods	5508.10	14062.16	15752.95	8424.83
Average Trade Payables	293.11	421.05	421.87	139.66

h)	<b>Net Capital Turnover Ratio</b>	<b>14.47</b>	<b>26.87</b>	<b>24.12</b>	<b>18.08</b>
	Revenue from operations	6424.48	15651.68	17794.49	9549.77
	Working capital	444.00	582.41	737.83	528.32
i)	<b>Net Profit ratio</b>	<b>0.01</b>	<b>0.02</b>	<b>0.02</b>	<b>0.01</b>
	Net Profit	48.44	363.94	443.70	86.50
	Revenue from operations	6424.48	15651.68	17794.49	9549.77
j)	<b>Return on Capital Employed</b>	<b>0.04</b>	<b>0.20</b>	<b>0.42</b>	<b>0.24</b>
	Earnings before interest and taxes	109.21	534.19	627.17	162.39
	Total Capital Employed	2,819.16	2,686.72	1,480.91	681.09
k)	<b>Return on Investment</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	Gain/Interest Income from Investmen	-	-	-	-
	Investment	0.00	0.00	0.00	0.00

34 The Company is primarily engaged in the business of Animal Feed & Chemical Industry. The same is considered as a business segment and the management consider this as a single reportable segment. Hence, segment reporting is not applicable.

**35 Other Statutory Information**

- (i) The Company do not have any Benami property and no proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 201
- (iii) The Company have registered all its charges or satisfaction with ROC within the statutory perio
- (iv) The Company have not been declared wilful defaulter by any bank or financial institution or other lend
- (v) The Company have not traded or invested in Crypto currency or Virtual Currency during the period covered by the Restated Financial Statements.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary
- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiary
- (viii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) Balance shown under head Sundry debtors, creditors and advances are subject to confirmation
- (x) The Company is not required to transferred, to the Investor Education and Protection Fund by the Compan
- (xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (xii) The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
- (xiii) The Company has used all borrowings from bank and financial institution for the specific purpose for which it was taken at balance sheet date.
- (xiv) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification
- (xv) There are no contingent liabilities or commitments during the financial period/year September 2023, March 2023, March 2022 and March 20

For and on behalf of  
**PSRD & Co**  
Chartered Accountants  
FRN: 126390W

Sd-

**Pravin Oza**  
Partner  
Membership No: 119427  
Date : 15-Jan-2024  
Place : Mumbai  
UDIN:24119427BKGFX8906

**For and on behalf of board of directors**  
**Shivam Chemicals Limited**  
CIN : U24100MH2010PLC208870

Sd-

**Sanjiv Vasant**  
Managing Director  
DIN : 03036854  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Shivam Vasant**  
Whole-time Director  
DIN : 08512942  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Soham Vasant**  
Chief Financial Office  
DIN : 03036861  
Date : 15-Jan-2024  
Place : Mumbai

Sd-

**Rishita Taparia**  
Company Secretary  
PAN : BEBPT1667L  
Membership No: A70523  
Date : 15-Jan-2024  
Place : Mumbai

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
CIN : U24100MH2010PLC208870

**ANNEXURE VI - Statement of Consolidated accounting ratio as restated**

(Rs in lakhs)

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	September 30, 2023 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)
Restated Profit after tax as per P & L Account	48.44	363.94	443.70	86.50
EBITDA	171.08	542.73	636.75	172.37
Actual number of equity shares outstanding at the end of the year (nos)	12,400,000	400,000	400,000	400,000
Equivalent weighted average number of equity shares at the end of the year (nos)	12,400,000	12,400,000	12,400,000	12,400,000
Share capital*	1240.00	40.00	40.00	40.00
Reserves & surplus	143.79	1295.35	931.41	487.71
<b>Net Worth</b>	<b>1383.79</b>	<b>1335.35</b>	<b>971.41</b>	<b>527.71</b>
Earnings Per Share (EPS):				
Basic EPS ( based on actual no of shares)	0.39	90.99	110.93	21.63
Diluted EPS ( based on actual no of shares)	0.39	90.99	110.93	21.63
Basic EPS (based on equivalent weighted avg no of shares)	0.39	2.94	3.58	0.70
Diluted EPS (based on equivalent weighted avg no of shares)	0.39	2.94	3.58	0.70
Return on net worth (%)	3.50%	27.25%	45.68%	16.39%
Net asset value per share (Rs) - based on actual no. of equity shares at the end of the year *	11.16	333.84	242.85	131.93
Net asset value per share (Rs) - based on equivalent weighted avg no. of equity shares at the end of the year after bonus issue**	11.16	10.77	7.83	4.26
Face value per equity share (Rs.)	10.00	10.00	10.00	10.00

The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

*Formulas used for calculating above ratios are as under:*

- Basic /Diluted EPS : Net profit after tax / Equivalent weighted average number of shares outstanding during the year.
- Return on Net worth : Profit after Tax / Net Worth
- \*Net asset value: Net worth / Actual number of equity shares outstanding during the year
- \*\*Net asset value: Net worth / Equivalent weighted number of shares outstanding during the year
- EBITDA = Sum of Profit before tax , Depreciation & Amortisation and Interest Expenses.

Notes:

\* As there is no dilutive capital in the Company, basic and diluted earnings per share are similar.

**ANNEXURE VII - Note on Reconciliation of Profits & Reconciliation of Network**

**Reconciliation of Profits**

(Rs in lakhs)

Particulars	For period ended on September 30, 2023 (Consolidated)	For year ended on March 31, 2023 (Consolidated)	For year ended on March 31, 2022 (Standalone)	For year ended on March 31, 2021 (Standalone)
Net Profit after tax as per Audited profit & loss account	(0.87)	378.72	448.88	122.60
Adjustment :				
Gratuity	49.30	(13.58)	0.32	(36.04)
(Short) / Excess Provision for Tax	0.00	(1.20)	(5.49)	(0.06)
<b>Net Profit after tax as Restated</b>	<b>48.44</b>	<b>363.94</b>	<b>443.70</b>	<b>86.50</b>

**Reconciliation of Network**

(Rs in lakhs)

Particulars	As at September 30, 2023 (Consolidated)	As at March 31, 2023 (Consolidated)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Standalone)
Net Worth after tax as per Audited profit & loss account	1,384.41	1,385.62	1,012.61	563.81
Adjustment :				
Gratuity	-	(56.00)	(41.22)	(36.04)
(Short) / Excess Provision for Tax	(0.63)	5.73	0.02	(0.06)
<b>Net Worth after tax as Restated</b>	<b>1,383.78</b>	<b>1,335.35</b>	<b>971.41</b>	<b>527.70</b>

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the latest audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**SHIVAM CHEMICALS LIMITED (FORMERLY KNOWN AS SHIVAM CHEMICALS PRIVATE LIMITED)**  
**CIN : U24100MH2010PLC208870**

**ANNEXURE VIII - Consolidated Capitalisation Statement**

*(Rs in lakhs)*

The following table sets forth our Company's capitalisation as at September 30, 2023, on the basis of the Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" respectively.

Particulars	Pre offer as at September 30, 2023	As adjusted for the proposed Offer
<i>Borrowings:</i>		
Long term borrowings (a)	602.99	[-]
Short term borrowings (b)	832.38	[-]
<b>Total borrowings (c= a+b)</b>	<b>1,435.38</b>	[-]
<i>Equity:</i>		
Equity share capital	1240.00	[-]
Reserves and surplus	143.79	[-]
<b>Total equity (d)</b>	<b>1383.79</b>	[-]
<b>Ratio : Short term borrowing (Including current maturities of long term borrowings) (b)/ Total equity (d)</b>	<b>0.60</b>	[-]
<b>Ratio: Total borrowings (c) / Total equity (d)</b>	<b>1.04</b>	[-]

The Corresponding post IPO capitalisation data for each of the accounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.



## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our Restated Consolidated Financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

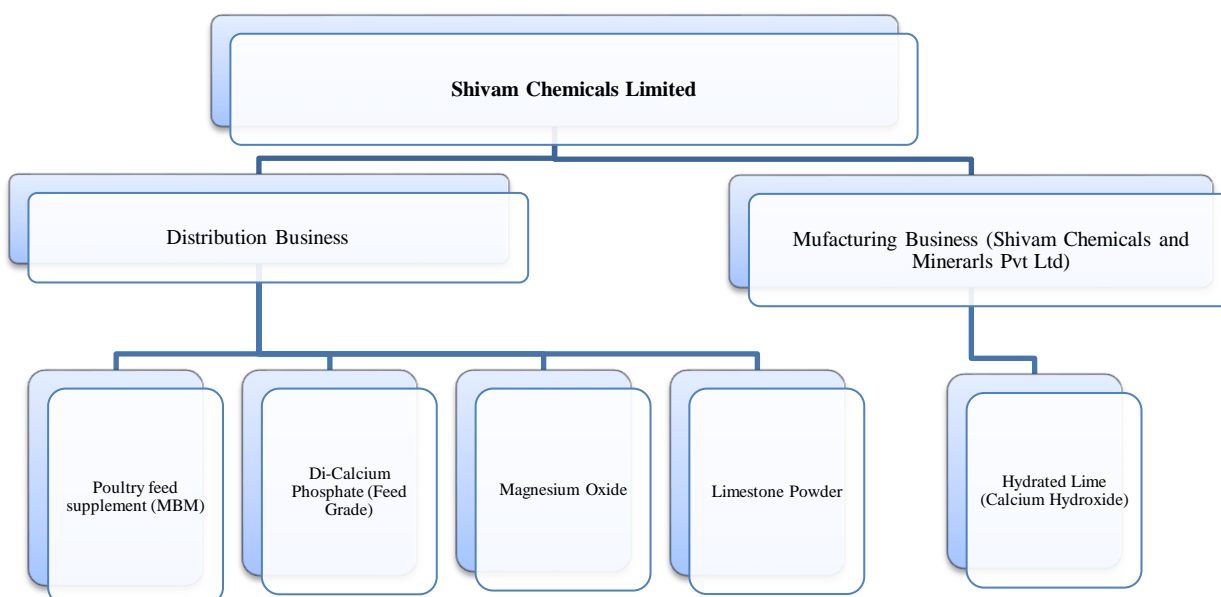
Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate changes in Government Regulations, Tax Laws and other Statutes and incidental factor.

### BUSINESS OVERVIEW

Our company is a manufacturer of Hydrated Lime (Calcium Hydroxide) & a distributor of various products such as Poultry feed supplement (MBM), Di-Calcium Phosphate (Feed Grade), Magnesium Oxide, Limestone Powder, etc. With rich experience and knowledge we have built a well-established marketing network across India and we distribute animal feed products for various well renowned manufacture over the years, we have successfully supplied an impressive quantity of over 2.50 Lakh metric tons of various products, reflecting our commitment to meeting the demands of the market. The cumulative value of these supplied products has exceeded INR 7,500 million, underscoring our financial significance in the sector. With an average monthly sales volume of 2,650 metric tons, we maintain a consistent presence and contribute to the steady flow of products in the market. Our journey began with a primary focus on animal feed supplement trading till FY 2022-23 and our evolution into manufacturing is happened through the establishment of a 100% owned subsidiary.

Our wholly owned subsidiary company Shivam Chemicals and Minerals Private Limited is located at Dahej Gujarat with a manufacturing capacity of 60,000 MT. They are engaged in manufacturing of Hydrated lime (Calcium hydroxide) product..

Our product portfolio is summarized as follows:



## **Significant Developments after September 30, 2023 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

### **RECENT DEVELOPMENT**

#### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

##### **Economic conditions in the markets in which we operate**

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India. Any change in macro-economic conditions in these markets, including changes in interest rates, government policies or taxation and political, economic or other developments could affect our business and results of operations. Our diversification to multiple sectors in India may perform differently and be subject to market and regulatory developments that are dissimilar to the markets in other parts of the world. While stronger economic conditions tend to result into higher demand for our products, weaker economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial condition.

##### **Dependence of demand from end-user industries**

We have a diversified customer base and believe that we have strong and long established relationships with most of our customer. Although our products are sold to a large number of customers across various markets, a significant portion of our revenue is derived from our top ten customers, which constitutes 58.52 % of our revenue from operations for the year ended March 31, 2023. Significant reliance on these and other major customers may result in certain pricing pressures. Any loss or significant decrease in business from one or more of our significant customers would have an adverse effect on our sales. In addition, the income from these customers may vary from year to year. Demand for our products from these customers has a significant impact on our results of operations and financial condition, and our sales are particularly affected by the inventory and production levels of our key customer.

We cannot predict when our customers will decide to either increase or reduce inventory levels which may have an impact on us. We may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from them is reduced for any reason. For majority of our customers, we have some arrangements which defines the terms and conditions of purchases by such customer. These purchase orders specify the price at which the products are to be supplied and the quantities are supplied based on delivery schedules provided by the customers based on their own demand and supply situation. Although our customers provide us with forecasts of annual business volumes, which enable us to predict our income for a portion of our business, the actual orders are only placed by way of on-going purchase order. Actual production volumes may vary from these estimates due to variations in consumer demand for the related product leading to underutilized capacity or incurring additional expenditure to deploy additional resources to meet delivery timelines.

##### **Our ability to successfully implement its strategy and its growth and expansion plans**

Our revenue and our business operations have grown in recent year. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain & enter into new distribution agreement, our ability to maintain customer satisfaction, our ability to mobilize sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, availability of cheaper imported / domestic products / brands, competition within each product category from players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

**RESULTS OF OUR OPERATIONS**

(₹ in lakhs)

Particulars	Period ended September 30, 2023	% of Total Income	Year ended March 31, 2023	% of Total Income	Year ended March 31, 2022	% of Total Income	Year ended March 31, 2021	% of Total Income
<b>Income</b>								
Revenue from Operations	6,424.48	99.85%	15,651.68	99.96%	17,794.49	99.98%	9,549.77	99.92%
Other Income	9.93	0.15%	6.65	0.04%	4.36	0.02%	7.98	0.08%
<b>Total Revenue (A)</b>	<b>6,434.41</b>	<b>100.00%</b>	<b>15,658.34</b>	<b>100.00%</b>	<b>17,798.84</b>	<b>100.00%</b>	<b>9,557.75</b>	<b>100.00%</b>
<b>Expenses</b>								
Raw Material Consumed	206.42	3.21%						
Purchases	5,508.10	85.60%	14,020.08	89.54%	15,750.95	88.49%	8,367.23	87.54%
Changes in inventories	(17.56)	(0.27)%	4.56	0.03%	3.49	0.02%	14.10	0.15%
Employee benefits expense	90.60	1.41%	191.02	1.22%	262.15	1.47%	205.93	2.15%
Finance costs	26.28	0.41%	39.38	0.25%	28.36	0.16%	34.38	0.36%
Depreciation and amortization expenses	56.55	0.88%	8.55	0.05%	9.58	0.05%	9.98	0.10%
Other expenses	481.09	7.48%	899.93	5.75%	1,145.51	6.44%	798.12	8.35%
<b>Total Expenses (B)</b>	<b>6,351.48</b>	<b>98.71%</b>	<b>15,163.53</b>	<b>96.84%</b>	<b>17,200.04</b>	<b>96.64%</b>	<b>9,429.74</b>	<b>98.66%</b>
Extraordinary Items	(5.32)							
<b>Profit Before Tax [C = (A-B)]</b>	<b>88.25</b>	<b>1.37%</b>	<b>494.81</b>	<b>3.16%</b>	<b>598.80</b>	<b>3.36%</b>	<b>128.01</b>	<b>1.34%</b>
Less: Tax Expense:								
Current Tax	42.48	0.66%	131.20	0.84%	155.49	0.87%	42.07	0.44%
Deferred Tax	(2.67)	0.00%	(0.33)		(0.39)		(0.56)	
Short/Excess provision	-	0.00%	0.00	0.00%	-	0.00%		0.00%
<b>Total (D)</b>	<b>39.81</b>	<b>0.62%</b>	<b>130.87</b>	<b>0.84%</b>	<b>155.10</b>	<b>0.87%</b>	<b>41.51</b>	<b>0.43%</b>
<b>Profit After Tax (C-D)</b>	<b>48.44</b>	<b>0.75%</b>	<b>363.94</b>	<b>2.32%</b>	<b>443.70</b>	<b>2.49%</b>	<b>86.50</b>	<b>0.91%</b>

## ***Main Components of our Profit and Loss Account***

### **Income**

Our total income comprises of revenue from Sale & Manufacturing of Products and other income.

#### *Revenue from Operations*

Our revenue from operations as a percentage of total income was 99.85%, 99.96%, 99.98% and 99.92% for period ended 30<sup>th</sup> September, 2023 and fiscal year ended on FY 2023, FY 2022 and FY 2021 respectively.

#### *Other Income*

Our other income comprises of Interest income, foreign exchange gain, miscellaneous income and subsidy income. Other income, as a percentage of total income was 0.15%, 0.04%, 0.02% and 0.08% for period ended 30<sup>th</sup> September, 2023 and for the fiscal year ended on FY 2023, FY 2022 and FY 2021 respectively.

### **Expenditure**

Our total expenditure primarily consists of raw material consumed, change in inventory, employee benefit expenses, finance cost, depreciation expenses, other expenses and prior period expenses.

#### *Purchases & Change in Inventory*

It consists of cost of raw materials and purchases.

Change in Inventory comprises of difference in opening and closing balance of raw material & finished goods.

#### *Employee Benefit Expenses*

Employee benefit expenses comprises of salaries, gratuity expenses, director remuneration, staff welfare expenses, Admin Charges PF.

#### *Depreciation and Amortization Cost*

Depreciation and Amortization Expenses consist of depreciation on the Tangible assets of our company i.e. Buildings, Furniture & Fixtures, Plant & Machinery, Computer, Office Equipments, Vehicle.

#### *Finance costs*

Finance cost includes Interest, bank charges, processing fees, stamp duty charges on borrowings from bank.

#### *Other Expenses*

Other expenses include Transport charges, Repairs and Maintenance, Miscellaneous expenses, office administration expenses, commission & brokerage, CSR expenses, professional fees, sales promotion expenses, travelling & conveyance expenses.

#### *Provision for Tax*

The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **Review for the three months period ended September 30, 2023**

### *Total Income*

Our total income for the period ended September 30, 2023 was ₹ 6434.41 lakhs. In the above-mentioned period, the Revenue from Operations comprises of 99.85% and Other Income comprises 0.15% of Total Income.

### *Cost of Raw Material Consumed*

The cost of raw materials consumed for the period ended September 30, 2023 was ₹ 206.42 lakhs and comprised of 3.21% of Total Income.

### *Purchases*

Purchases for the period ended September 30, 2023 was ₹ 5508.10 lakhs & comprised of 85.60% of Total Income.

### *Change in Inventory*

The change in Inventory was ₹ (17.56) lakhs for the period ended September 30, 2023.

### *Employee Benefit Expenses*

Employee benefit expenses for the period ended September 30, 2023 was ₹ 90.60 lakhs and comprised of 1.41 % of Total Income.

### *Depreciation and Amortization Cost*

Depreciation and Amortization Expenses for the period ended September 30, 2023 was ₹ 56.55 lakhs and comprised of 0.88% of Total Income.

### *Finance costs*

Finance cost for the period ended September 30, 2023 was ₹ 26.28 lakhs and comprised of 0.41% of Total Income

### *Other Expenses*

Other expenses for the period ended September 30, 2023 was ₹ 481.09 lakhs and comprised of 7.48% of Total Income

### *Profit After Tax*

Profit before tax for the period ended September 30, 2023 was ₹ 88.25 lakhs and provision tax amounts to ₹ 39.81 lakhs and profit after tax amounts to ₹ 48.44 lakhs. Profit after tax comprises of 0.75% of Total Income.

## **Fiscal 2023 compared with fiscal 2022**

### *Income*

In fiscal 2023, our revenue from operations decreased by ₹ 2,142.80 lakhs or 12.04%, from ₹ 17,794.49 lakhs in fiscal 2022 to ₹ 15,651.68 lakhs in fiscal 2023. The decrease in the year 2023 was due to decrease in prices of goods.

Other income increased by ₹ 2.30 lakhs or 52.72%, from ₹ 4.36 lakhs in fiscal 2022 to ₹ 6.65 lakhs in fiscal 2023 due to increase in foreign exchange gain & increase in interest income in Fiscal 2023.

### *Purchases*

Cost of purchases decreased by ₹1,730.86 lakhs or 10.99%, from ₹15,750.95 lakhs in Fiscal 2022 to ₹14,020.08 lakhs in Fiscal 2023 as due to fall in operations

### *Change in Inventory*

Changes in Inventory changed from ₹ 3.49 lakhs in Fiscal 2022 to 4.56 lakhs in Fiscal 2023.

### *Employee Benefit Expenses*

Employee Benefit Expenses decreased by ₹ 71.13 lakhs or 27.13%, from ₹ 262.15 lakhs in fiscal 2022 to ₹ 191.02 lakhs in fiscal 2023. This decrease was mainly due to decrease in salaries of employee, remuneration & staff welfare.

### *Finance Costs*

Finance Costs increased by ₹ 11.02 lakhs or 38.84%, from ₹ 28.36 lakhs in fiscal 2022 to ₹ 39.38 lakhs in fiscal 2023. This increase was mainly due to increase in borrowing from bank which increased our interest cost during the year.

### *Depreciation Expenses*

Depreciation expenses were ₹ 9.58 lakhs in fiscal 2022 as compared to ₹ 8.55 Lakhs in fiscal 2023.

### *Other Expenses*

Other expenses decreased by ₹ 245.58 lakhs or 21.44% from ₹ 1,145.51 lakhs in fiscal 2022 to ₹ 899.93 lakhs in Fiscal 2023. The decrease was majorly because of commission & brokerage, transportation, office administration expenses, professional fees and sales promotion expenses incurred during the year.

### *Profit/ (Loss) before Tax*

The decrease in scale of operations has led to decrease in our Profit before tax by ₹ 104.00 lakhs or 17.37 % from ₹ 598.80 lakhs in fiscal 2022 to ₹ 494.81 lakhs in fiscal 2023.

### *Tax Expenses*

The Company's tax expenses had decreased by ₹ 24.29 lakhs from 155.10 lakhs in the Fiscal 2022 to ₹ 130.87 lakhs in Fiscal 2023 as tax liability decreased due to decrease in profits & scale of operations.

### *Profit/ (Loss) after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 79.77 lakhs or 17.98 %, from ₹443.70 lakhs in fiscal 2022 to ₹ 363.94 lakhs in fiscal 2023.

## **Fiscal 2022 compared with fiscal 2021**

### *Income*

In fiscal 2022, our revenue increased by ₹ 8,244.72 lakhs or 86.33%, from ₹ 9,549.77 lakhs in fiscal 2021 to 17,794.49 lakhs in fiscal 2022. Increase in revenue was due to increase in sales.

Other income decreased by ₹ 3.62 lakhs or 45.39%, from ₹ 7.98 lakhs in fiscal 2021 to ₹ 4.36 lakhs in fiscal 2022 as there was decrease in interest & miscellaneous income during Fiscal 2022.

### *Purchases*

Purchases increased by ₹ 7,383.72 lakhs or 88.25%, from ₹ 8,367.23 lakhs in Fiscal 2021 to ₹ 15,750.95 lakhs in Fiscal 2022 due to increase in material purchases.

### *Change in Inventory*

Inventory of Work-in – progress & finished goods changed from 14.10 lakhs to 3.49 lakhs.

### Employee Benefit Expenses

Employee Benefit Expenses increased ₹ 56.23 lakhs or 27.31%, from ₹ 205.93 lakhs in fiscal 2021 to ₹ 262.15 lakhs in fiscal 2022. These expenses are increased due to increases in salary & wages & remuneration.

### Finance Costs

Finance Costs decreased by ₹ 6.01 lakhs or 17.49%, from ₹ 34.38 lakhs in fiscal 2021 to ₹ 28.36 lakhs in fiscal 2022. This decrease was mainly due to decrease in term loans during the year which as a result improved our finance cost.

### Depreciation Expenses

Depreciation expenses were ₹ 9.98 lakhs in fiscal 2021 as compared to ₹ 9.58 lakhs in fiscal 2022.

### Other Expenses

Other expenses increased by ₹ 347.39 lakhs or 43.53 % from ₹ 798.12 lakhs in fiscal 2021 to 1,145.51 lakhs in Fiscal 2022. During Fiscal 2022 there was increase in Transportation, sales promotion & office administration expenses.

### Profit/ (Loss) before Tax

The increase in revenue from operations has led to increase in our Profit before tax by ₹ 470.80 lakhs or 367.78 % from ₹ 128.01 lakhs in fiscal 2021 to ₹ 598.81 lakhs in fiscal 2022.

### Tax Expenses

The Company's tax expenses had increased by ₹ 113.59 lakhs or 273.62 % from ₹ 41.51 lakhs in the Fiscal 2021 to ₹ 155.10 lakhs in Fiscal 2022 due to change in current taxes.

### Profit/ (Loss) after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 357.20 lakhs or 412.94%, from ₹ 86.50 lakhs in fiscal 2021 to ₹ 443.70 lakhs in fiscal 2022.

### Cash Flows

(₹ in lakhs)

Particulars	For the period ended September 30 <sup>th</sup> , 2023	For the year ended March 31		
		2023	2022	2021
Net Cash from Operating Activities	148.55	598.09	(300.06)	150.32
Net Cash from Investing Activities	(195.35)	(1,392.36)	(8.46)	44.48
Net Cash used in Financing Activities	57.72	802.49	327.76	(200.89)
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>10.92</b>	<b>8.23</b>	<b>19.23</b>	<b>(6.09)</b>

### Cash Flows from Operating Activities

Net cash from operating activities for the fiscal 2023 was ₹ 598.09 lakhs as compared to the PBT of ₹ 494.82 lakhs for the same period. This difference is primarily on account of changes in inventory, changes in Short term loans and advances, changes in Trade receivables, trade payables.

Net cash from operating activities in fiscal 2022 was ₹ (300.06) lakhs as compared to the PBT of ₹ 598.80 lakhs for the same year. This difference is primarily on account of change in changes in short term loans & advances, increases in trade receivables.

Net cash from operating activities in fiscal 2021 was ₹ 150.32 lakhs as compared to the PBT of ₹ 128.01 lakhs for the same year. This difference is primarily on account of change in trade payables, inventory, and decrease in trade receivable.

### ***Cash Flows from Investment Activities***

In fiscal 2023 the net cash utilized in investing activities was ₹ 1,392.36 lakhs for purchases of fixed assets

In fiscal 2022 the net cash utilized in investing activities was ₹ 8.46 lakhs for purchases fixed assets.

In fiscal 2021, the net cash proceeds from investing activities were ₹ 44.48 lakhs against sale of fixed assets.

### ***Cash Flows from Financing Activities***

Net cash received from financing activities in fiscal 2023 was ₹ 802.49 lakhs. This was on account of proceeds of short & long term borrowings.

Net cash received from financing activities in fiscal 2022 was ₹ 327.76 lakhs. This was on account of proceeds of short term borrowings.

Net cash used from financing activities in fiscal 2021 was ₹ (200.89) lakhs. This was on account of repayment of long term borrowings.

### ***Reason for fall in profit on consolidate basis.***

Our holding company is engaged in trading activity of animal feed; however we have started our manufacturing activity of chemical product through our subsidiary company. Subsidiary company has started its operation in May 2023, in initial period of operation companies incurred heavy expenses on Plant & machinery, loans, etc. which in turn affect profit & loss account through depreciation, interest expenses and so on. So this is main reason for sudden fall in PAT of period ended on 30<sup>th</sup> September, 2023.

### ***OTHER MATTERS***

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 123 and 150 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” on page 21 and 150 respectively of this Draft Prospectus respectively, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

#### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” on page 21 of this Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

#### **5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new components or increased prices**

There is no material increase in revenue or income from operation.



**6. Status of any publicly announced new services or business segments**

Please refer to the chapter titled “*Our Business*” on page 81 of this Draft Prospectus.

**7. The extent to which the business is seasonal.**

Our business is seasonal in nature.

**8. Any significant dependence on a single or few suppliers or customers**

For year ended March 31, 2023, the revenue from our top 5 and top 10 customers constituted approximately 38.57 % and 58.52 % respectively of the revenue from operations. For year ended March 31, 2023, the purchases from our top 5 and top 10 suppliers constituted approximately 62.02% and 83.22% respectively of the purchases. For further details, please refer chapter “*Our Business*” on page 81 of this Draft Prospectus.

**9. Competition Conditions**

We face competition from various domestic and international players in the market. We intend to continue competing rigorously to capture more market share and manage our growth in an optimal way. We expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitor. Further we believe that our competition also depends on several factors which include changing business framework, competitive price, and delivery at given timeline and established relationship with clients, suppliers, brand recognition etc.

## FINANCIAL INDEBTEDNESS

The Company and subsidiaries avail loans and financing facilities in the ordinary course of business for meeting working capital and business requirements.

The details of the indebtedness of the Company (Consolidated basis) as on September 30, 2023 is provided below:

(Rs in Lakhs)

Nature of Borrowings	September 30, 2023
Secured Borrowings of Shivam Chemicals Ltd.	131.73
Secured Borrowings of Shivam Chemicals & Minerals Pvt. Ltd. (Subsidiary)	649.63
Unsecured Loan	654.02
<b>Total</b>	<b>1,435.38</b>

**Details of our Financial Indebtedness is as below**

Particulars	Type of Facility	O/s as at Sept 30, 2023	Interest rate	Sanction letter date	Sanction	Remaining Tenor
<b>Holding - Secured loans of Shivam Chemicals Limited</b>						
HDFC Bank	Vehicle Loan	19.19	8.69%	26-April-2023	21.09	34 Equal monthly installment of ₹ 0.62 (interest included)
Daimler Financial Services India P Ltd	Vehicle Loan	1.51	6.76%	14-Nov-2019	32.00	48 Equal monthly installment of ₹ 0.76 (interest included)
Indusland Bank	CC – Working capital	111.03	9.50%	14-Dec-2023	1000.00	Repayable on demand
<b>Total</b>		<b>131.73</b>			<b>1053.09</b>	

Particulars	Type of Facility	Outstanding as at September 30, 2023	Interest rate	Sanction letter date	Sanction	Remaining Tenor
<b>Subsidiary - Secured loans of Shivam Chemicals &amp; Minerals Private Limited</b>						
Indusland Bank	Term Loan *	69.35	8.81%	25-Jan-2023	105.00	75 Equal Monthly principal installments of ₹ 1.4 lacs, interest separately
Indusland Bank	Cash Credit	0.00		25-Jan-2023	245.00	
Indusland Bank	Term Loan **	580.28	8.81%	25-Jan-2023	645.00	75 Equal Monthly principal installments of ₹ 8.6 lacs, interest separately
<b>Total</b>		<b>649.63</b>			<b>995.00</b>	

**i) In case of Shivam Chemicals Ltd**

**Primary Security for CC sanctioned :**

First and exclusive charge on hypothecation of the inventory & book debts.

**Collateral security common to all**

First and exclusive charge on hypothecation of the entire movable fixed asset of the borrower.

- Nature of Property - Residential Land & Building, Name of Owners- Sanjiv and Mayuri Vasant  
Address- A-801 and 806, 8th Floor, Parimal Apartment, off Gulmohar Road, Near Gazedo House, Andheri West, Mumbai-400053. Area-1450Sq.ft (BUA) Market Value- 500 lakh  
Charge Type- Equitable Mortgage Charge seniority-First and Exclusive

2. Nature of Property – Commercial land and Building, Name of Owners- Sanjiv Vasant, Mayuri Vasant and Rajshree Vasant Address- 108, Hubtown Solaris, NS Phadke Marge, Andheri E, Mumbai Area- 837 Sq.ft (BUA) Market Value- 295 lakh Charge Type- Equitable Mortgage Charge seniority- First and Exclusive
3. First and exclusive charge on lien of the FDR/Cash deposit for 20 lakhs.

**Personal Guarantor in Shivam Chemicals Limited for CC limit:**

Sanjiv Vasant  
Mayuri Vasant  
Soham Vasant  
Rajshree Vasant

**ii) In case of Shivam Chemicals & Minerals Private Limited**

**\* Primary Security for Construction of building:**

First and exclusive charge on by way of equitable mortgage over the immovable property i.e. building financed under the said loan along with the land at Dahej.

**\*\*Primary Security for Purchased of Plant and machinery:**

First and exclusive charge by way of hypothecation of the entire plant & machinery /asset of the borrower financed under the said loan.

**Collateral security common to all**

Industrial land & building-Property is in the name of Shivam Chemicals & Minerals Private Limited(Formerly known as Superior Chemicals & Minerals Pvt Ltd), D-2/CH/166, Dahej Industrial Estate, Area – 14178.78 Sq.mtrs, Market Value-453.70 Lakhs.

**Personal Guarantor for loan availed by Subsidiary:**

Soham Sanjiv Vasant  
Shivam Sanjiv Vasant  
Sanjiv Vasant

**Corporate Guarantee**

Given by Shivam Chemicals Private Limited

Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorization of the financial statements.

The Group has also satisfied all other debt covenants prescribed in the terms of bank loan.

The Group has not defaulted on any loans payable.

2. Unsecured loans are interest free & it is repayable on demand

**The details of the unsecured borrowing obtained by Shivam Chemicals Limited are as below:**

Sr. No.	Name of Lender	Outstanding as at September 30, 2023
1.	Loan from Directors	440.51
2.	Loan from Related Parties	212.00
<b>Total</b>		<b>652.51</b>

**The details of the unsecured borrowing obtained by the Shivam Chemicals & Minerals Private Limited are as below:**

Sr. No.	Name of Lender	Outstanding as at September 30, 2023
1.	Loan from Director	1.51

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoter.

Our Board, in its meeting held on December 22, 2023, determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 10% of Revenue of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

*Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

#### LITIGATION INVOLVING OUR COMPANY

##### A. LITIGATION AGAINST OUR COMPANY

**1. Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

##### B. LITIGATION FILED BY OUR COMPANY

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS AND DIRECTORS**

**A. LITIGATION AGAINST OUR PROMOTERS AND DIRECTORS**

**1. Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS AND DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

## **LITIGATION INVOLVING GROUP COMPANIES**

### **A. LITIGATION AGAINST OUR GROUP COMPANIES**

#### **1. Litigation involving Criminal matters**

NIL

#### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

**Petition for Special Leave to Appeal (Civil)No. 7409/2023 filed by Company Superior Lime Industries Private Limited (“Petitioner”) against the Union of India, Through the Secretary (“Respondent No. 1”), Regional director (ROC Ahmedabad) (“Respondent No. 2”) and Superior Lime Private Limited (“Respondent No. 3”) before the High Court of Gujarat at Ahmedabad. (“High Court of Gujarat”).**

Superior Lime Private Limited (our group company) (Applicant) had filed application before the Regional Director North, Western Region Ministry of Corporate Affairs, Ahmedabad in the Matter of Application under Section 17 of the LLP Act, 2008/Section 16 of the Companies Act, 2013 vide Application No. RD (NWR)/Sec 17/LLP/1/2022/4966 vide SRN T79519BBO dated 12.02.2022 against Superior Lime Industries LLP (Now known as Superior Lime Industries Private Limited) (Respondent) and Regional Director North, Western Region Ministry of Corporate Affairs, Ahmedabad in exercise of the powers conferred on me under Section 16 of the Companies Act, 2013 read with the Government of India, Ministry of Corporate Affairs Notification No. S;O. 4090(E) dated 19-12-2016, the petition filed by the applicant Company (Applicant) is allowed and it is hereby directed that the name of Superior Lime Industries Private Limited, the Respondent Company to be changed within a period of three months by following the requisite procedure laid down under the Act. It is made clear that this order shall not come in the way of the either party to seek such relief from any other appropriate forum as may be available to it in accordance with the law order (NWR) Sec.16/LLP-17/1/2022/4966 dated 09.02.2023. Further The Petitioner filed the Special Civil Application in the in the High Court of Gujarat at Ahmedabad District: Surat, Special Civil Application No. 7409 of 2023 In the matter of Articles 14, 19(1)(g) and 226 of the Constitution of India; and In the matter of Sections 16 of the Companies Act, 2013; read with Section 17 of the LLP Act, 2008 challenging the Order of Regional Director North, Western Region Ministry of Corporate Affairs, Ahmedabad dated February 09, 2023. The matter is pending.

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

##### **(ii) Indirect Taxes Liabilities**

NIL

#### **4. Other Pending Litigations**

NIL

### **B. LITIGATION FILED BY OUR GROUP COMPANIES**

#### **1. Criminal matters**

NIL

#### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

(ii) **Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

As of September 30, 2023, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

(₹ in lakhs)

Particulars	Number of Creditors	Amount involved
Micro, Small and Medium Enterprise	Nil	-
Material Creditors	Nil	-
Other Creditor	59	384.46
<b>Total Creditors</b>		<b>384.46</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on September 30, 2023 are also available on <https://www.shivamchem.com/>

It is clarified that information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS IN THE LAST FIVE FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company can undertake the Issue and our Company and Subsidiaries can undertake their respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Draft Prospectus.*

### I. APPROVALS FOR THE ISSUE

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on December 18, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by special resolution passed in the extra ordinary general meeting held on December 20, 2023 authorized the Issue.
3. In-principle approval dated [●] from the SME Platform of BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“**ISIN**”) is INE0SGR01013

### II. APPROVALS PERTAINING TO INCORPORATION

#### A. Approvals obtained by the Company

1. Certificate of Incorporation dated October 12, 2010 from the Registrar of Companies, Mumbai, under the Companies Act, 1956 as “SUN ORGANOSYS PRIVATE LIMITED”
2. Fresh certificate of incorporation dated January 30, 2012 pursuant to Change of the Name of the Company from “SUN ORGANOSYS PRIVATE LIMITED” to “SHIVAM CHEMICALS PRIVATE LIMITED”, issued by the Registrar of Companies, Mumbai
3. Fresh certificate of incorporation dated November 21, 2023 pursuant to Change of the Name of the Company from “SHIVAM CHEMICALS PRIVATE LIMITED” to “SHIVAM CHEMICALS LIMITED”, issued by the Registrar of Companies, Mumbai.
4. The Corporate Identity Number (CIN) of the Company is U24100MH2010PLC208870.
5. ISIN of the Company is INE0SGR01013.

#### B. Approvals obtained by subsidiary – Shivam Chemicals and Minerals Private Limited

1. Certificate of Incorporation dated December 23, 2019 from the Registrar of Companies, Mumbai, under the Companies Act, 1956 as “SUPERIOR CHEMICALS AND MINERALS PRIVATE LIMITED”.
2. Fresh certificate of incorporation dated July 18, 2022 pursuant to Change of the Name of the Company from “SUPERIOR CHEMICALS AND MINERALS PRIVATE LIMITED” to “SHIVAM CHEMICALS AND MINERALS PRIVATE LIMITED”, issued by the Registrar of Companies, Mumbai
3. The Corporate Identity Number of the Company is U24296MH2019PTC334844.



### III. TAX AND LABOUR RELATED APPROVALS

#### A. Approvals obtained by the Company

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAPCS1161C	Income Tax Department, Government of India	October 12, 2010	Valid until cancelled
2.	Tax Deduction Account Number (TAN)*	MUMS74360G	Income Tax Department, Government of India	July 5, 2012	Valid until cancelled
3.	Certificate of Registration and Allotment of Tax Identification Number (TIN)*	27380894467C	Department of Commercial Taxes, Government of Maharashtra	March 05, 2012	Valid until cancelled
4.	Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 for premises located at Office No. 108, 1 <sup>st</sup> floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra - 400069	27AAPCS1161C1ZH	Commercial Tax Department, Government of India	October 16, 2018	Valid until cancelled
5.	Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 for premise located at Plot No.-D-2/CH/166, GIDC, Vagra, Dahej SIR, Bharuch, Gujarat, 392130.	24AAPCS1161C1ZN	Commercial Tax Department, Government of India	January 01, 2024	Valid until cancelled
6.	Certificate of Registration issued under the provisions of Central Goods And Service Tax Act, 2017 for premise located at 1232, Lal Kuan, Opp K L Steel, Bulandshare, Ghaziabad, Uttar Pradesh, 201001*	09AAPCS1161C1ZF	Commercial Tax Department, Government of India	September 23, 2017	Valid until cancelled
7.	Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975*.	99131931365P	Commissioner of Sales tax	May 11, 2012	Valid until cancelled
8.	Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975*	27380894467P	Profession Tax Officer	April 01, 2013	Valid until cancelled

#### B. Approvals obtained by the Subsidiary - Shivam Chemicals and Minerals Private Limited

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	ABDCS1211J	Income Tax Department, Government of India	December 23, 2019	Valid until cancelled
2.	Tax Deduction Account	MUMS12484K	Income Tax	December	Valid until

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
	Number (TAN)		Department, Government of India	23, 2019	cancelled
3.	Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 for premise located at B-1/10, Mahavir Nagar, Ellorapark, Vadodara, Gujarat, 390023	24ABDCS1211J1ZR	Commercial Tax Department, Government of India	September 17, 2022	Valid until cancelled
4.	Employees Provident Fund, 108, for 1 <sup>st</sup> floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra - 400069	KDMAL2854269000	Ministry of Labor and Employment	January 25, 2023	Valid until cancelled

*\*Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.*

#### IV. KEY BUSINESS RELATED APPROVALS

##### A. Approvals obtained by the Company

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Udyam Registration Certificate*	UDYAM-MH-18-0009572	Ministry of Micro, Small and Medium Industries.	September 10, 2020	Valid until cancelled
2.	Importer-Exporter Code*	031207276	Ministry of Commerce and Industry Directorate General of Foreign Trade	January 24, 2013	Valid until Cancelled
3.	Certificate of Registration of Quality Management System – ISO 9001:2015*	QM00523000000046	AGSI Certification Private Limited	May 26, 2023	May 25, 2026

##### B. Approvals obtained by the Subsidiary - Shivam Chemicals and Minerals Private Limited

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Udyam Registration Certificate	UDYAM-GJ-06-0009615	Ministry of Micro, Small and Medium Industries	September 02, 2021	Valid until cancelled
2.	Electricity Approval for catering 200 KVA	8487593	Dakshin Gujarat Vij Company Limited	October 18, 2022	Valid until cancelled
3.	Certificate of Registration of Quality Management System – ISO 9001:2015	QM00523000000046	AGSI Certification Private Limited	May 26, 2023	May 25, 2026
4.	Consent to Establish (CTE) Under Water (Prevention and Control of Pollution) Act-1974, Air (Prevention and Control of Pollution) Act-	GPCB/BRCH-B/CCA-1516/ID-84671/660349 CTR No.117400	Gujarat Pollution Control Board	November 11, 2021	November 22, 2028

	1981 and Environment (Protection) Act-1986				
5.	Consent to Operate industrial plant to manufacture Under Water (Prevention and Control of Pollution) Act-1974, Air (Prevention and Control of Pollution) Act-1981 and Environment (Protection) Act-1986 and Authorisation under rule 6(2) of the Hazardous & Other Wastes (Management & Transboundary Movement) Rule – 2016, framed under the E(P) Act- 1986.	AWH-131396	Gujarat Pollution Control Board	January 01, 2024	September 12, 2028
6.	Factory License under Factories Act, 1948 for Plot No. *D-2/CH/166 G.I.D.C Dahej, Tal-Vagra , Dist. - Bharuch	2121/23944/2023	Joint Director Industrial Safety and Health, Surat Region	May 12, 2023	December 31, 2027

*\*Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.*

## V. INTELLECTUAL PROPERTY

For details regarding Intellectual Property, please refer chapter titled “*Our Business*” beginning on page no. 81 of this Draft Prospectus

## VI. PENDING APPROVALS

### A. Applications for Renewal

NIL

### B. Applications for Registration

NIL

## SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have vide resolution dated December 18, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, 2013.

The Shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with shorter notice on December 20, 2023 in accordance with the provisions of Section 62(1) (c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME Platform of the BSE Limited. BSE Limited is the designated stock exchange.

### PROHIBITION BY SEBI OR GOVERNMENTAL AUTHORITIES

We confirm that there is no prohibition on our Company, its Directors, Promoter, Members of our Promoters Group, person in control of our Company from accessing the capital market or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### PROHIBITION By RBI

Neither our Company nor any of our Promoters or Directors has been declared as Willful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the RBI.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, our Promoters and the members of the Promoters Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, in relation to the Company, to the extent in force and applicable, as on the date of this Draft Prospectus.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Prospectus except as stated under the chapters titled “*Risk factors*”, “*Our Promoters and Promoters Group*”, “*Group Company*” and “*Outstanding Litigations and Material Developments*” beginning on page nos.21, 115, 120 and 161 respectively, of this Draft Prospectus.

### CONFIRMATION IN RELATION TO RBI CIRCULAR DATED JULY 1, 2016

Neither our Company, nor any of our Promoters or Directors have been declared as fraudulent borrowers by the lending banks or financial institution or consortium, in terms of the Master Directions on Frauds –Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

### ELIGIBILITY FOR THE ISSUE

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue. Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Offer in terms of the SEBI (ICDR) Regulations. Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ten crores but less or equal to Twenty-five crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange {in this case being the "SME Platform of BSE (BSE SME)"}.

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 42 of this Draft Prospectus.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus/ Prospectus.

4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE (BSE SME). For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 42 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1) Our Company shall mandatorily facilitate trading in Demat securities and has entered into agreement with both the depositories.

2) Our Company has a website i.e., [www.shivamchem.com](http://www.shivamchem.com)

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE (BSE SME): -

There has been no change in the promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE (BSE SME): -

Our Company was incorporated as “Sun Organosys Private Limited” on October 12, 2010 under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 208870. The name of our Company was changed to “Shivam Chemicals Private Limited” vide Ordinary Resolution dated January 17, 2012 and a fresh certificate of incorporation consequent to conversion was issued on January 30, 2012 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Shivam Chemicals Limited” vide Special Resolution dated November 04, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 21, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U24100MH2010PLC208870

1) The post issue paid up capital of the company will be 16,98,70,000 divided into 1,69,87,000 Equity shares of face value of ₹10/- aggregating up to ₹ 1,698.70 lakhs which is less than ₹ 25 Crores.

2) The Company has combined track record of atleast 3 years as on the date of filing Draft Prospectus.

3) The net-worth as on the date of filing of this Draft Prospectus is positive.

(₹ In lakhs)

Particulars	As on September 30, 2023*
Net Worth	1383.79
Earnings before depreciation and tax	139.48
Net Tangible assets	1383.65

\*the above values are excluding revaluation reserves.

- 4) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
- 5) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- 6) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 7) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the Company
- 8) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five year.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [•] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of this Draft Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

#### **DISCLAIMER FROM OUR COMPANY, DIRECTORS AND THE LEAD MANAGER**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those confirmed in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.shivamchem.com](http://www.shivamchem.com) , would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Applying Centres or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism

Applying will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not Issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE Limited. The Disclaimer Clause as intimated by the SME Platform of BSE Limited to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act 1933, as amended or any state securities laws in the United States and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of U.S. the Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S.

Securities Act and the applicable laws of the jurisdictions where those offers and sales occur; and (ii) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## LISTING

Applications have been made SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being issued in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE is not granted by BSE Limited, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within four days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 3 (Three) Working Days from the Offer Closing Date.

Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE.



**Price Information of past issues handled by the Lead Manager**

Sr. No.	Issue Name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180th calendar days from listing	
1.	Arrowhead Separation Engineering Limited	13.00	233.00	28-11-23	250.00	(18.43%)	9.42%	NA	NA	NA	NA
2.	Mish Designs Limited	9.76	122.00	07-11-23	160.00	5.53%	7.05%	NA	NA	NA	NA
3.	Sunita Tools Limited	22.04	145.00	11-10-23	155.00	9.90%	(2.36%)	106.21%	7.39%	NA	NA
4.	Master Components Limited	15.42	140.00	29-09-23	140.40	0.21%	(3.01%)	2.11%	10.90%	NA	NA
5.	HMA Agro Industries Limited	480.00	585.00	04-07-23	615.00	1.60%	(0.36%)	28.88%	0.53%	43.59%	10.33%
6.	CFF Fluid Control Limited	85.80	165.00	12-06-23	175.00	61.79%	4.26%	378.48%	6.18%	161.82%	11.32%
7.	Command Polymers Limited	7.08	28.00	29-03-23	26.75	(3.75%)	5.44%	(4.64%)	9.41%	(9.29%)	13.91%
8.	Rex Sealing and Packing Industries Limited	8.08	135.00	12-01-23	137.00	15.52%	1.21%	5.04%	0.73%	(24.59%)	9.44%
9.	Abans Holding Limited	345.60	270.00	23-12-22	270.00	(0.35%)	1.30%	(12.35%)	(3.21%)	7.63%	6.15%
10.	EP Biocomposites Limited	6.35	126.00	13-09-22	160.25	100.40%	(5.51%)	36.51%	2.57%	71.43%	(2.37%)

### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹. In Cr.)	No. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			No. of IPOs trading at discount - 180th calendar day from listing day			Nos. of IPOs trading at premium - 180th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	6	626.02	0	0	1	1	0	4	1	0	0	1	1	0
2022-23	6	445.79	0	0	2	3	0	1	0	0	1	3	0	1
2021-22	7	74.60	0	0	2	0	1	4	0	1	1	1	1	3

#### Notes:

(1) Since the listing date of Arrowhead Separation Engineering Limited was on November 28, 2023 information related to closing price and benchmark index as on the 90th and 180th calendar day from the listing date is not applicable.

(2) Since the listing date of Mish Designs Limited was on November 07, 2023 information related to closing price and benchmark index as on the 90th and 180th calendar day from the listing date is not applicable.

(3) Since the listing date of Sunita Tools Limited was on October 11, 2023 information related to closing price and benchmark index as on the 180th calendar day from the listing date is not applicable.

(4) Since the listing date of Master Components Limited was on September 29, 2023 information related to closing price and benchmark index as on the 180th calendar day from the listing date is not applicable.

(5) As on the 180th calendar day from the listing day, the price of HMA Agro Industries Limited is Rs.84, considering the corporate announcement i.e Stock Split of Share from face value Equity Shares of ₹ 10 each to ₹ 1/- each. Actual price as on 180th calendar day would have been ₹ 840.

(6) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.

(7) In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

(8) Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)  
BSE Sensex and Nifty Fifty as the Benchmark Indices

#### Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in).

#### Consents

Consents in writing of: (a) The Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor, Banker to the Company, Banker to the Issue\*, Market Maker and Underwriters to act in their respective capacities, have been obtained and

shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn upto the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, PSRD & Co, Chartered Accountants, have provided their written consent to the inclusion of their reports dated January 15, 2024 on Restated Financial Statements and to the inclusion of their reports dated January 15, 2024 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn upto the time of filing of this Draft Prospectus.

### **Expert Opinion**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s PSRD & Co., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Prospectus & Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Consolidated Financial Statements dated 15<sup>th</sup> January, 2024 and Report on Statement of Tax Benefits dated January 15, 2024 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### **Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company dated December 22, 2023, the Underwriting Agreement dated December 22, 2023 entered into among the Underwriter, and our Company and the Market Making Agreement dated December 22, 2023 entered into among the Market Maker, Lead Manager and our Company. All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

### **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

#### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no 51 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

#### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

#### **Capital Issues in the last three (3) years by Listed Group Company (ies) / Subsidiaries / Associates**

None of our Group Company(ies) / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

## **Performance Vis-À-Vis Objects**

### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

### **Listed Subsidiaries / Promoters**

None of our Subsidiaries / Promoters is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments Issued By The Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

### **Disposal of Investor Grievances**

#### **Mechanism for Redressal of Investor Grievances**

The Company has appointed Cameo Corporate Services Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Managers shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID (in case of RIBs using the UPI Mechanism), date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

For helpline details of the BRLMs pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see section entitled "*General Information – Lead Managers*" on page 42 Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove

Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Investors can contact the Company Secretary and the Compliance Officer, the BRLMs or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations or non-receipt of funds by electronic mode.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution December 22, 2023 in accordance with Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Sanjiv Girdharlal Vasant	Chairmen and Managing Director	Chairman
Shivam Sanjiv Vasant	Whole Time Director	Member
Soham Sanjiv Vasant	Whole Time Director & CFO	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no 101 of this Draft Prospectus.

Our Company has also appointed Rishita Taparia as the Company Secretary and Compliance Officer for the Issue and she may be contacted at the Registered Office of our Company.

Rishita Taparia  
Office no. 108, 1st floor,  
Hubtown Solaris,  
Off N.S.Phadake Marg,  
Saiwadi, Andheri (E),  
Mumbai - 400069  
**Email:** [info@shivamchem.com](mailto:info@shivamchem.com)  
**Website:** [info@shivamchem.com](http://info@shivamchem.com)

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre Issue or post Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **Disposal of investor grievances by Our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws.

### **Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

## SECTION X – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, Application Form, any Revision Form, the Confirmation of Allocation Note (CAN)/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the BSE SME, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (together, the “UPI Circulars”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available. For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 60 and 169, respectively.*

### THE ISSUE

The Issue comprises of a Fresh Issue

The listing fees shall be borne by our Company. Other Issue-related expenses shall be borne by our Company. For details in relation to Issue expenses, see “Objects of the Issue” beginning on page 60

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” begins from page no. 206 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on page nos. 122 and 206 of this Draft Prospectus.

## FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 66 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of Articles of Association*” beginning on page no. 206 of this Draft Prospectus.

## ALLOTMENT ONLY IN DEMATERIALIZED FORM

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated December 22, 2023 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated December 20, 2023 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 267(2) of SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholder. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to the amounts in the ASBA Account shall be unblocked forthwith.

## **JOINT HOLDERS**

Where 2(two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **JURISDICTION**

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Issue.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Prospectus with the RoC publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.



If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds <sup>(1)</sup>	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

<sup>(1)</sup>In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received upto the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if our Company does not receive the minimum subscription in the Issue or subscription level falls below aforesaid minimum subscription after the Issue Closing Date due to withdrawal of Applications or after technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with SEBI Regulations, the Companies Act, 2013 and applicable laws including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum Subject to applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1, 00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

## **APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FIIs or VCF registered with SEBI. Such Eligible NRIs, FIIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

The lock-in of the pre- Issue capital of our Company as provided in “*Capital Structure*” beginning on page no. 51 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “*Main Provisions of the Articles of Association*” beginning on page no. 206 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

## **ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## **MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of BSE from the SME Platform of BSE on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the Company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

## **MARKET MAKING**

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on SME Platform of BSE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page no. 42 of this Draft Prospectus.

## ISSUE STRUCTURE

This issue is being made in terms of Regulation 229 (2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital is more than ten crore rupees and upto twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the "SME Exchange" of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 179 and 188 respectively, of this Draft Prospectus.

### ISSUE STRUCTURE

Initial Public Offer of upto 45,87,000 Equity Shares of ₹10 each (*the "Equity Shares"*) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating upto ₹ [●] Lakhs (*"the Issue"*) by Shivam Chemicals Limited (*"SCL" or the "Company"*).

The Issue comprises a reservation of upto 2,31,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker (*"the Market Maker Reservation Portion"*) and Net Issue to Public of upto 43,56,000 Equity Shares of ₹ 10 each (*"the Net Issue"*). The Issue and the Net Issue will constitute 27.00 % and 25.64% respectively of the Post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	Upto 43,56,000 Equity Shares	Upto 2,31,000 Equity Shares
Percentage of Issue Size available for Allocation	94.96% of the Issue Size	5.04% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. <sup>(1)</sup>  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
Mode of Allotment	Compulsorily in dematerialized form.	
Minimum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2, 00,000.  <i>For Retail Individuals Investors:</i>  [●] Equity Shares	Upto 2,31,000 Equity Shares
Maximum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 21,78,000 Equity Shares, subject to applicable limits to the Applicant.  <i>For Retail Individuals Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹ 21,78,000	Upto 2,31,000 Equity Shares
Trading Lot	[●] Equity Shares	[●] Equity Shares. However the Market Maker may buy odd lots if any in the market as required under

Particulars	Net Issue to Public	Market Maker Reservation Portion
		the SEBI (ICDR) Regulations, 2018.
Who can Apply <sup>(2)</sup>	<p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

<sup>(1)</sup> Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- i. Minimum fifty per cent to retail individual investors; and
- ii. Remaining to:
  - (a) individual applicants other than retail individual investors; and
  - (b) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

<sup>2)</sup> In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders

<sup>(3)</sup> In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

## ISSUE PROGRAMME

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## LOT SIZE

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size(No.of shares)
Upto14	10,000
More than 14 upto18	8,000
More than 18 upto25	6,000
More than 25 upto35	4,000
More than 35 upto50	3,000
More than 50 upto70	2,000
More than 70 upto90	1,600
More than 90 upto120	1,200
More than 120 upto150	1,000
More than 150 upto180	800
More than 180 upto250	600
More than250 upto350	400
More than350 upto500	300
More than500 upto600	240
More than600 upto750	200
More than 750 upto1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading. At the Initial Public Offering stage if the price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into. For example: if the proposed price band is at 24-28 than the Lot size shall be [●] shares.

## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Applicant through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBS applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as amended from time to time, including pursuant to circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Issue has been considered to be made under UPI Phase II, till any further notice issued by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. These circulars, to the extent already in force, are deemed to form part of this Draft Prospectus. If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide

its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the Non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual



Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)) the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. RIIs are mandatorily required to use the UPI Mechanism for submitting their Applications to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their Applications directly to SCSBs.

RIIs applying using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Applicants (including Applicants using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. RIIs using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI

ASBA Applicants shall ensure that the Applications are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Applying Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIIs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorizing an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Application Form

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic applying system of the Stock Exchanges. For RIIs using UPI Mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. For ASBA Forms (other than RIIs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Applicants has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic Application with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges.

Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded

For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021

The Sponsor Bank will undertake a reconciliation of Application responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Application requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and Issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with Issuer banks and Sponsor Banks on a continuous basis

### **Electronic registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the Application information to the Registrar to the Issue for further processing

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Who Can Apply?**

In addition to the category of Applicants set forth in the *General Information Document*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/or industrial research organizations in India, which are authorised to invest in equity shares; and

- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTERS GROUP AND PERSONS RELATED TO PROMOTER/PROMOTERS GROUP**

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoters Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoters Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoters Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Our Promoters and members of our Promoters Group will not participate in the Issue.

### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company’s paid up share capital carrying voting rights.

### **APPLICATION by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals.

### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-

Resident Ordinary (“**NRO**”) accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE / NRO accounts

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in colour).

For details of investment by NRIs, see “*Restrictions in Foreign Ownership of Indian Securities*” on page no. 205 of this Draft Prospectus. Participation of eligible NRIs shall be subject to NDI Rules

## **APPLICATION BY FPI**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be upto the sectorial cap applicable to the sector in which our Company operates (i.e., upto 100%). In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Applications without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalization of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue Procedure, as prescribed by SEBI from time to time.

AFPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may Offer, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative

instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- i. each offshore derivative instruments are transferred to persons subject to fulfillment of SEBI FPI Regulations; and
- ii. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Further, Applications received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "MIM Structure") provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected

Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their investible funds in one Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one Investee Company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only, and net of bank charges and commission.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

- a. Equity shares of a company: the lower of 10%\* of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company in consultation with the Lead Manager reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction –Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities

engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold upto 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus or the Prospectus*

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

#### **Information for the Applicants**

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Issues*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days
2. The relevant Designated Intermediary will enter each Application into the electronic applying system as a separate Application and generate an acknowledgement slip (“**Acknowledgement Slip**”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive upto three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic applying system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 200,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 200,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalized.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Application(s) or lower the size of their Application(s) (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application(s) during the Issue Period and withdraw their Application(s) until Issue Closing Date

#### **Do’s:**

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Applications through the ASBA process only;
- 2) Ensure that you have apply within the Price Band
- 3) Read all the instructions carefully and complete the Application Form in the prescribed form;



- 4) Ensure that you have mentioned the correct ASBA Account number if you are not an RII applying using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Application Form;
- 5) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Applications) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- 6) RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 7) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries.
- 8) In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first applicant is included in the Application Form;
- 9) Ensure that you request for and receive a stamped acknowledgement counterfoil by specifying the application number for all your Applications options as proof of registration of the Application Form for all your Applications options from the concerned Designated Intermediary;
- 10) If the first Applicants is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be);
- 11) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- 12) Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- 14) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 15) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 16) Ensure that the correct investor category and the investor status is indicated in the Application Form;

- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- 19) Application by Eligible NRIs for an Amount of less than ₹ 2,00,000 would be considered under the Retail Category for the purposes of allocation and Applications for an Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the Issue
- 20) Since the allotment will be in dematerialized form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- 21) In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
- 22) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- 23) Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Issue is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website
- 24) Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application. Application, in case of RIIs submitting their Applications and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- 25) Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- 26) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Applications in the event such FPIs utilise the MIM Structure and such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs;
- 27) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- 28) Retail Individual Applicants who wish to revise their Applications using the UPI Mechanism should submit the revised Applications with the Designated Intermediaries, pursuant to which RIIs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the RII's ASBA Account and

29) Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not submit an Application using UPI ID, if you are not a RII;
- 3) Do not apply for an Amount exceeding ₹ 2, 00,000 (for Applications by Retail Individual Applicants).
- 4) Do not pay the Application Amount in cheque, demand drafts or by cash, money order or postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- 5) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 6) Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- 7) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not submit the Applications for an amount more than funds available in your ASBA account.
- 9) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 10) In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- 11) If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- 12) If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- 13) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 14) Do not Apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 15) Do not submit the General Index Register (GIR) number instead of the PAN;
- 16) Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 17) Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 18) Do not Apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 19) Do not submit an Application/revise an Issue Amount, with a price less than the Issue Price;
- 20) Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- 21) If you are a QIB, do not submit your Application after 3:00 pm on the QIB Issue Closing Date;

- 22) Do not Apply on another ASBA Form after you have submitted an Application to any of the Designated Intermediaries;
- 23) Do not Apply for Equity Shares in excess of what is specified for each category;
- 24) Do not fill up the Application Form such that the Equity Shares Application for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
- 25) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of RIIs Applying using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available;
- 26) Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicants. Retail Individual Applicant can revise their Applications during the Issue Period and withdraw their Applications on or before the Issue Closing Date;
- 27) Do not Apply, if you are an OCB;
- 28) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;
- 29) RIIs Applying through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- 30) Do not submit more than one Application Form for each UPI ID in case of RIIs Applying using the UPI Mechanism; and
- 31) Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.; The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” on page no. 42 on this Draft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information - Lead Manager*” on page no. 42 of this Draft Prospectus

## **GROUNDS FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Offers*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications which do not contain details of the Application Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the Application Form;
3. Applications submitted on plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹200,000
13. Applications by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash;
15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application by OCB.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section "*General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Application Form / Application Form*" Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

#### **DESIGNATED DATE AND ALLOTMENT**

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within Three Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees.

- (c) Allottees will have the option to re-materialize the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALIZING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations

#### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

#### **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on December 22, 2023
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on Page no. 42 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

#### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be

less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 3) That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date or such other period as may be prescribed;
- 4) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
- 6) That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- 7) That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- 8) No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- 9) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- 11) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 12) That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 13) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

## **UTILIZATION OF NET PROCEEDS**

Our Company specifically confirms and declares that:

- 1) All monies received out of the Issue of specified securities to public shall be credited/ transferred to separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy upto any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The Reserve Bank of India (“RBI”) and the concerned ministries/departments are responsible for granting approval for foreign investment under the FDI Policy and FEMA.

The Government has from time to time made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020 (the “FDI Policy 2020”), which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted upto 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For details, see “*Key Regulations and Policies*” on page no. 91 of this Draft Prospectus.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectorial limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) under Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of Equity Shares in the United States.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applications for do not exceed the applicable limits under laws or regulations.**



## SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

### *Public Company*

2. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

### *Share capital and variation of rights*

3. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

4. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

5. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

i) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

6. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

7. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
8. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
10. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### ***Lien***

11. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - (iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
12. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made—
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
13. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

14. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### ***Calls on shares***

15. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
  - (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.
16. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
  17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
  18. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
  - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
19. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
20. The Board—
    - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
    - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

#### ***Transfer of shares***

21. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
23. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
24. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
25. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

### *Transmission of Shares*

26. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
27. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
28. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

29. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### *Forfeiture of Shares*

30. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

31. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

32. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

33. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

34. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

35. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

36. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of Capital*

37. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. The Authorised Share Capital shall be as per the clause 5 of Memorandum of Association of the company.
38. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorised share capital by such amount as it thinks expedient.
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

39. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

40. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

#### *Capitalisation of profits*

41. (i) The company in general meeting may, upon the recommendation of the Board resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and

- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
    - (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (iii) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
42. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### *Dematerialisation of Securities*

**43. For the purpose of this Article:-**

**"Beneficial Owner":** Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

**"Depositories Act":** Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

**"Depository":** Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

**"Member":** Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

**"Security"**: Security shall mean such security as may be specified by SEBI.

**"Dematerialisation of Securities"**: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

**"Option to hold securities in physical form or with depository"**: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

**"Beneficial Owner may opt out of a Depository"**: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

**"Securities in Depositories to be in fungible form"**: All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained relevant Sections of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner

**"Rights of depository and beneficial owners"**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

**"Transfer of securities"**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**"Register and Index of beneficial owners"**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

**"Other matters"**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.

Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.



### ***Nomination***

44. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 72 of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 73 & 76 of the Act.

### ***Buy-Back of Shares***

45. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### ***General Meetings***

46. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
47. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### ***Proceedings at General Meetings***

48. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (v) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### ***Adjournment of Meeting***

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### ***Voting Rights***

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### ***Proxy***

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

60. The minimum number of Directors shall be 3 and maximum number of directors shall be 15.  
The following shall be the First Directors of the Company:
- 1. Sanjiv Girdharlal Vasant***
  - 2. Soham Sanjiv Vasant***
61. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature

or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### ***Proceedings of the Board***

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

68. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

69. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

70. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
71. A committee may elect a Chairperson of its meetings.
72. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
73. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

76. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
77. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***Managing Director***

78. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
79. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course

of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

#### *The Seal*

80. (i) The Board shall provide for the safe custody of the seal.  
(ii) The seal of the company shall may be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### *Dividends and Reserve*

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
82. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
83. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.  
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
84. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.  
(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.  
(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
85. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
86. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
87. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
88. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
89. No dividend shall bear interest against the company.

90. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

#### ***Accounts***

91. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### ***Winding Up***

92. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

93. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

94. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### ***Indemnity***

95. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION XII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to here under, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) Application/Issue Opening Date until the Application/Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material Contracts

- 1) Memorandum of Understanding dated December 22, 2023, between our Company and the Lead Manager.
- 2) Memorandum of Understanding dated December 23, 2023, between our Company and the Registrar to the Issue.
- 3) Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s) / Sponsor Bank and the Registrar to the Issue.
- 4) Market Making Agreement dated December 22, 2023 between our Company, the Lead Manager and Market Maker.
- 5) Underwriting Agreement dated December 22, 2023 between our Company, the Lead Manager and the Market Maker.
- 6) Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated December 20, 2023.
- 7) Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated December 22, 2023

#### B. Material Documents

- 1) Certified true copies of the updated Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Copy of Certificate of Incorporation dated October 12, 2010 issued under the name Sun Organosys Private Limited by Registrar of Companies, Mumbai.
- 3) Copy of Fresh Certificate of Incorporation dated January 30, 2012 issued by Registrar of Companies, Mumbai consequent to name change from Sun Organosys Private Limited to Shivam Chemicals Private Limited
- 4) Copy of Fresh Certificate of Incorporation dated November 21, 2023 issued by Registrar of Companies, Mumbai consequent to name change from Shivam Chemicals Private Limited to Shivam Chemicals Limited pursuant to the conversion of our Company into a Public Limited Company.
- 5) Resolution of the Board of Directors dated December 18, 2023 in relation to the Issue.
- 6) Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on December 20, 2023 in relation to the Issue.
- 7) Statutory Auditor's report for Restated Consolidated Financials dated January 15, 2024 included in this Draft Prospectus.
- 8) The Statement of Tax Benefits dated January 15, 2024 from our Statutory Auditors included in this Draft Prospectus.

- 9) Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker(s) to the Company\*, Lead Manager, Legal Advisor, Registrar to the Issue, Banker to the Issue\*, Underwriters and Market Maker to act in their respective capacities.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

- 10) Due Diligence Certificate(s) dated [●] to SEBI by the Lead Manager.
- 11) Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE Limited.



## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE CHAIRMAN AND MANAGING DIRECTOR OF OUR COMPANY:**

**Sd/-**

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**Sanjiv Girdharlal Vasant**  
Chairman & Managing Director

**Date: 23<sup>rd</sup> January, 2024**

**Place: Mumbai**

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY:**

Sd/-

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**Soham Sanjiv Vasant**  
Whole Time Director

**Date: 23<sup>rd</sup> January, 2024**  
**Place: Mumbai**

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY:**

Sd/-

**Shivam Sanjiv Vasant**  
Whole Time Director

**Date: 23<sup>rd</sup> January, 2024**  
**Place: Mumbai**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE DIRECTOR OF OUR COMPANY:**

Sd/-

**Mayuri Sanjiv Vasant**  
Non-Executive Director

**Date: 23<sup>rd</sup> January, 2024**  
**Place: Mumbai**

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

Sd/-

**Himani Bhootra**

Non-Executive Independent Director

**Date: 23<sup>rd</sup> January, 2024**

**Place: Mumbai**

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

Sd/-

**Kunal Bharat Shingala**

Non-Executive Independent Director

**Date: 23<sup>rd</sup> January, 2024**

**Place: Mumbai**

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY:**

Sd/-

**Rishita Taparia**

Company Secretary and Compliance Officer

**Date: 23<sup>rd</sup> January, 2024**

**Place: Mumbai**

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

Sd/-

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**Soham Sanjiv Vasant**  
Chief Financial Officer

**Date: 23<sup>rd</sup> January, 2024**

**Place: Mumbai**