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**Addendum to the Draft Prospectus**  
Dated: March 20, 2024  
Please read Section 26 of Companies Act, 2013  
Fixed Price Issue

**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>	
THE PROMOTERS OF OUR COMPANY							
SANJIV GIRDHARLAL VASANT, SOHAM SANJIV VASANT AND SHIVAM SANJIV VASANT							
DETAILS OF ISSUE							
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.			
DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS							
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				
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 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 the 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 RISK							
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 the Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 1of the draft Prospectus.							
ISSUER'S ABSOLUTE RESPONSIBILITY							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the 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 the 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 the 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 the 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").							
LEAD MANAGER TO THE ISSUE				REGISTRAR TO THE ISSUE			
<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			
ISSUE OPENS ON				ISSUE CLOSES ON			
[●]				[●]			

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**Addendum to the Draft Prospectus**  
Dated: March 20, 2024  
Please read Section 26 of Companies Act, 2013  
Fixed Price Issue

**SHIVAM CHEMICALS LIMITED**  
Corporate Identity Number is U24100MH2010PLC208870

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 the 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**

**ADDENDUM TO THE DRAFT PROSPECTUS DATED JANUARY 23, 2024: NOTICE TO THE INVESTORS (“THE ADDENDUM”)**

**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 HERINAFTER 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 the Draft Prospectus.

**Potential Bidders may note the following:**

Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the updated relevant portions of the sections titled “*Risk Factors*”, “*General Information*”, “*Capital Structure*”, “*Object of the Issue*”, “*Our Business*”, “*Our Management*”, “*Our Promoters and Promoter Group*”, “*Our Subsidiary*”, “*Financial Statements*”, “*Management Discussion And Analysis Of Financial Condition and Results of Operation*”, “*Financial Indebtedness*”, “*Other Regulatory and Statutory Disclosures*” and *Declaration* on page number 1, 2, 3, 4, 8, 9, 12, 13, 14, 15, 16, 18 and 21 respectively have been included in this Addendum.

The abovementioned changes are to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Draft Prospectus and updates the information in the Draft Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Prospectus and the date hereof and accordingly does not include all the changes and/or updates that will be included in the Prospectus. Please note that all other details / information included in the Draft Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Prospectus, as and when filed with the RoC, SEBI and the Stock Exchange. Investors should not rely on the Draft Prospectus or this Addendum for any investment decision, and should read the Prospectus, as and when it is filed with the RoC, SEBI, and the Stock Exchange before making an investment decision with respect to the Issue. The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI, and the Stock Exchange. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

**Place:** Mumbai  
**Date:** March 20, 2024

**On behalf of Shivam Chemicals Limited**  
Sd/-  
**Rishita Taparia,**  
Company Secretary and Compliance Officer

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR 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

**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.:** INR000003753

**ISSUE OPENS ON**

**ISSUE CLOSES ON**

[●]

[●]

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## SECTION III- RISK FACTORS

### INTERNAL RISK FACTORS

2. *100% trading activities till FY 22-23 in Shivam Chemicals Limited (holding company) and started manufacturing activity in its Shivam Chemicals & Minerals Private Limited (wholly owned subsidiary company) from FY 23-24, diversification into manufacturing could lead to increased costs, resource.*

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.

10. *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.

## GENERAL INFORMATION

### BOARD OF DIRECTORS

As on the, 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.
Manish Tarachand Pande	Non-Executive Independent Director	08712019	Plot No 46 Sai Mangal Society Jaitala Road, Nagpur, Nagpur, Maharashtra- India 440036
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 the Draft Prospectus.

## CAPITAL STRUCTURE

(4) Further Allotment bonus shares in the ratio of 30: 1. i.e. 30: 1 (30 (Thirty) new shares for every 1 (One) equity shares) and 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>

## SECTION V- PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### 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 and period ended September 30, 2023 and estimated working capital for Financial Year 2024 are provided in the table below. Further Statutory Auditors have, pursuant to a certificate dated March 20, 2024, certified the estimated working capital requirements of our Company for the Financial Year 2023-24. 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)	Period ended Sep 30, 2023 (Standalone)	FY 2023-24 (Standalone - Estimated)
<b>A.</b>	<b>Current Assets:</b>					
1.	Trade Receivables	718.22	1,405.18	1,207.65	1,225.63	1,315.07
2.	Inventories	8.05	4.56	-	-	-
3.	Short term loans and advances	0.75	478.57	209.64	61.44	100.00
4.	Other current assets	167.60	97.04	20.49	63.86	10.00
	<b>Total Current Assets (A)</b>	<b>894.62</b>	<b>1,985.36</b>	<b>1,437.78</b>	<b>1,350.93</b>	<b>1,425.07</b>
<b>B.</b>	<b>Current Liabilities</b>					
1.	Trade Payables	203.41	640.34	156.13	303.76	328.77
2.	Other Current Liabilities	8.84	56.33	36.84	20.16	25.00
3.	Short Term Provisions	22.05	150.00	130.00	91.08	75.00
	<b>Total Current Liabilities (B)</b>	<b>234.30</b>	<b>846.67</b>	<b>322.97</b>	<b>415.00</b>	<b>428.77</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>935.92</b>	<b>996.30</b>
<b>D.</b>	<b>Funding Pattern:</b>					
1.	Working Capital Facilities from Banks <sup>(2)</sup>	32.11	144.61	668.20	111.03	500.00
2.	Unsecured Loan from Related parties	99.00	350.50	-	-	-
3.	Owned Funds <sup>(1)</sup>	529.21	643.58	446.62	824.89	496.30
	<b>Total Funding Pattern</b>	<b>660.32</b>	<b>1,138.69</b>	<b>1,114.82</b>	<b>935.92</b>	<b>996.30</b>

<sup>(1)</sup> 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 and for period ended September 30, 2023 vide certificates amounts to ₹ 1,443.44 lakhs.

<sup>(2)</sup> We have assumed ₹ 500 lakhs as working capital facilities from our sanctioned amount of Rs 1000 lakhs for F.Y 2023-24.



**Holding period levels**

Sr. No.	Particulars	FY 2020-21 (Standalone)	FY 2021-22 (Standalone)	FY 2022-23 (Standalone)	Period ended Sep 30, 2023 (Standalone)	FY 2023-24 (Standalone -Estimated)	FY 2024-25 (Standalone -Projected)
<b>A.</b>	<b>Current Assets:</b>						
1.	Trade Receivables	26	22	30	36	37	40
2.	Inventories	1	-	-	-	-	-
<b>B.</b>	<b>Current Liabilities</b>						
1.	Trade Payables	6	10	10	10	11	10

**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 37 days and 40 days for the Fiscal 2024 and 2025 respectively.
Short term loans & advances	The key items under this head are advance to creditors, advances to employees, advance tax, TDS receivables. We have assumed this will remain same as were in period ended 30 <sup>th</sup> September, 2023. For fiscal 2023, 2022 & 2021 other current asset are 1.34%, 2.69% & 0.01% of revenue respectively. For Fiscal 2024 and 2025, 0.67% and 0.60% of Revenue is projected for short term loans & advances.
Other current assets	Our other current assets include balances with govt authorities. To be compliant with government rules relating to taxation against the income and sales, taxes on the revenue earned has to be deposited with authorities over the year on the due dates. For fiscal 2023, 2022 & 2021 other current asset are 0.13%, 0.55% & 1.76% of revenue respectively. For Fiscal 2024 and 2025, 0.07% and 0.08% of Revenue is projected for other current assets.
<b>Current Liabilities</b>	
Trade Payables	During Fiscal 2023, our trade payables were 10 days. Hence it is assumed credit period of 11 days in Fiscal 2024 and 10 days in 2025.
Other current liabilities	Statutory tax dues payable, payable to employees, rent payable, advance from debtors & provision for tax are included under this head. For fiscal 2023, 2022 & 2021 other current liabilities are 0.26%, 0.36% & 0.10% of COGS respectively. For Fiscal 2024 and 2025, 0.83% and 1.20% of COGS is projected for other current liabilities.

**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"). Our subsidiary company is incorporated in year 2019. Further our Company (i.e. Shivam Chemicals Limited) acquired the Subsidiary Company (i.e. Shivam Chemicals and Minerals Private Limited) as on July 17, 2022 through transfer of 100% holding Shares from erstwhile shareholders. 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. Our subsidiary Company has commenced its commercial operation of product hydrated lime in May 2023 at their manufacturing facility. Before May 2023, company has not begun its commercial production, hence no Working Capital data is provided for the existing period. Further Financial year 2024-25 will be the first full year of manufacturing business of our subsidiary company.



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. The subsidiary has recently setup plant and would require working capital funds.

#### 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 March 20, 2024 certified the working capital requirements of our Company for the Financial Year 2023-24 and 2024-25.

Our Company's working capital requirements for period ended September 30, 2023 and expected working capital requirements for Financial Year 2023-24 and 2024-25 and the proposed funding of such working capital requirements are as set out in the table below:

Sr. No.	Particulars	Period ended Sep 30, 2023 (Audited)	Financial Year 2023-24 (Estimated)	Financial Year 2024-25 (Projected)
<b>A.</b>	<b>Current Assets:</b>			
1.	Trade Receivables	134.31	246.58	704.22
2.	Inventories	28.65	68.49	195.62
3.	Other Current Assets	218.48	180.00	280.68
	<b>Total Current Assets (A)</b>	<b>381.44</b>	<b>495.07</b>	<b>1,180.52</b>
<b>B.</b>	<b>Current Liabilities</b>			
1.	Trade Payables	80.70	53.42	154.26
2.	Other current liabilities	5.40	5.00	5.34
	<b>Total Current Liabilities (B)</b>	<b>86.10</b>	<b>58.42</b>	<b>159.60</b>
<b>C.</b>	<b>Total Working Capital Gap (A – B)</b>	<b>295.34</b>	<b>436.64</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	152.92	303.60	290.66
3.	Owned Funds <sup>(2)</sup>	142.42	133.04	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 Prospectus comprised ₹ 245.00 lakhs from banks and other financial institutions.

<sup>(2)</sup> Statutory Auditor has certified Owned Fund for Fiscal 2023-24 vide certificate dated March 18, 2024 and September 30, 2023 vide certificate dated March 20, 2023.

#### Holding period levels

Sr. No.	Particulars	Period ended Sep 30, 2023 (Standalone)	Financial Year 2023-24 (Estimated)	Financial Year 2024-25 (Projected)
<b>A.</b>	<b>Current Assets:</b>			
1.	Trade Receivables	55	90	90
2.	Inventories	12	25	25
<b>B.</b>	<b>Current Liabilities</b>			
1.	Trade Payables	38	30	30

***Justification for holding period levels***

<b>Particulars</b>	<b>Details</b>
<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 Financial Year 2023-24 and 2024-25 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. 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 90days for Financial Year 2023-24 and 2024-25.
<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 Financial Year 2023-24 and 2024-25.

## OUR BUSINESS

### 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 the states for us to capitalize and to grow our business operations.

### Our Major Customers

The percentage of income derived from our top customers for the period ended September 30, 2023 & year ended March 31, 2023 based on revenue from sale of products are as given below:

*(Rs in Lakhs)*

Particulars	For the period ended September 30, 2023		For the year ended March 31, 2023	
	Revenue	Percentage (%)	Revenue	Percentage (%)
Income from Top 1 customer	986.21	15.90%	1,867.34	11.93%
Income from Top 5 customers	2,352.90	37.93%	6,036.87	38.57%
Income from Top 10 customers	3,505.47	56.51%	9,160.00	58.52%

### 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 December 31, 2023 we have 24 employees on a consolidated basis. We have 12 contracts labours in our subsidiary company i.e. Shivam Chemicals and Minerals Private Limited. 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 December 31, 2023 are as under:

Sr. No	Particulars	Holding Company	Subsidiary Company	Consolidated
<b>Permanent Employees</b>				
1.	Director*	3	2	3
2.	Key Managerial Personnel	1	1	2
3.	Others	11	8	19
<b>Sub Total</b>		<b>16</b>	<b>11</b>	<b>24</b>
<b>Contract Labours</b>		-	12	12
<b>Total</b>		<b>16</b>	<b>23</b>	<b>36</b>

\*Soham Sanjiv Vasant and Soham Sanjiv Vasant are holding directorship in both companies. i.e Holding and subsidiary

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date, our Board consists of six Directors including One (1) Managing Director, Two (2) Whole Time Directors and Three (3) Non-Executive Independent Director. Out of the total composition, we have One (1) 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
4.	<p><b>Manish Tarachand Pande</b> (Additional Director) (Non- Executive Independent Director)</p> <p><b>Date of Birth:</b> April 05, 1988</p> <p><b>Address:</b> Plot No 46 Sai Mangal Society Jaitala Road, Nagpur, Nagpur, Maharashtra- India 440036</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> February 29, 2024 (Additional Director)</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director (Additional Director till ensuing Annual General Meeting).</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 08712019</p>	Indian	36 Years	<p><b>Indian Companies:</b></p> <p>1.Delaplex limited 2.Shreeshay Engineers Limited. 3.SP Refractories Limited. 4.Nirmitee Robotics India Limited.</p> <p><b>Foreign Companies:</b> Nil</p>

### BRIEF PROFILE OF OUR DIRECTORS

**Manish Tarachand Pande**, aged 36 years is Non-Executive Independent Director (Additional Director) of our Company w.e.f. February 29, 2024. He holds a B.com degree awarded by Nagpur University and is an Associate member of Institute of Company Secretaries of India. He has over 8 years of experience in the field of compliance, legal and secretarial. He is currently the Company Secretary of Fortune Biotech Limited.

### CONFIRMATIONS

As on the date:

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, and Shivam Sanjiv Vasant are related to each other.

- Sanjiv Girdharlal Vasant is the father of Soham Sanjiv Vasant and Shivam Sanjiv Vasant
- Soham Sanjiv Vasant is the brother of Shivam Sanjiv Vasant and son of Sanjiv Girdharlal Vasant.
- Shivam Sanjiv Vasant is the brother of Soham Sanjiv Vasant and son of Sanjiv Girdharlal Vasant

## SHAREHOLDING OF OUR DIRECTORS

The following table sets forth the shareholding of our Directors as on the date:

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.	Manish Tarachand Pande	Nil	-	-
5.	Himani Bhootra	Nil	-	-
6.	Kunal Bharat Shingala	Nil	-	-
<b>Total</b>		<b>105,39,998</b>	<b>84.99%</b>	<b>62.04%</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, Soham Sanjiv Vasant, Shivam Sanjiv Vasant who are the Promoters, 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.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of the Director	Date of Change	Reason for Change
Mayuri Sanjiv Vasant	February 29, 2024	Resigned as Non-Executive Director
Manish Tarachand Pande	February 29, 2024	Appointment as Non-Executive Independent Director (Additional Director)
Mayuri Sanjiv Vasant	December 20, 2023	Appointment as Non-Executive Director
Soham Sanjiv Vasant	December 18, 2023	Re-designation as Chief Financial Officer
Himani Bhootra	November 28, 2023	Appointment as Non-Executive Independent Director
Kunal Bharat Shingala	November 28, 2023	Appointment as Non-Executive Independent Director
Sanjiv Girdharlal Vasant	November 28, 2023	Re-designation as Chairman & Managing Director
Soham Sanjiv Vasant	November 28, 2023	Re-designation as Whole Time Director
Shivam Sanjiv Vasant	November 28, 2023	Re-designation as Whole Time Director

## B. NOMINATION AND REMUNERATION COMMITTEE

Our Board has re-constituted the Nomination and Remuneration Committee vide Board Resolution dated February 29, 2024 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
Manish Tarachand Pande	Non Executive Independent Director	Member

#### **D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee was re-constituted on February 29, 2024 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
Manish Tarachand Pande	Non Executive Independent Director	Member

#### **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.
- Soham Sanjiv Vasant is the brother of Shivam Sanjiv Vasant and son of Sanjiv Girdharlal Vasant.
- Shivam Sanjiv Vasant is the brother of Soham Sanjiv Vasant and son of Sanjiv Girdharlal Vasant.

## OUR PROMOTERS AND PROMOTER GROUP

### DISCLAIMER

With effect from February 29, 2024, Mr. Manish Tarachand Pande has been appointed as a Non-Executive Independent Director (Additional Director) in our Company due to which the Promoter and Promoter Group remain unchanged.



## OUR SUBSIDIARY

Our Company has one (1) Subsidiary Company. Unless stated otherwise, information in relation our Subsidiary is as on the date of the 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 situated at 108, Hubtown Solaris, N.S. Phadke Marg, Near Andheri Flyover, Andheri (East), Mumbai City. Mumbai, Maharashtra, India, 400069. 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.

**Further Our Company (i.e. Shivam Chemicals Limited) acquired the Subsidiary Company (i.e. Shivam Chemicals and Minerals Private Limited) as on July 17, 2022 through transfer of 100% holding Shares from erstwhile shareholders.**

The Corporate Identification Number of SCMPL is U24296MH2019PTC334844

**SECTION VII- FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

*Note: 29 Other Expenses*

*(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)
Donation	0.10	-	-	-
CSR Contributions	-	6.20	-	-

**Annexure-I Restated Consolidated Financial Statement of Assets and Liabilities**

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)
Capital work in progress	-	1,000.28	--	--

**Annexure-VI Restated Consolidated Financial Information**

**31 Related Party Transaction**

**a) Related Parties**

Name of the party	Nature of relationship
Mayuri Vasant	Relative of Directors

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

### Fiscal 2022 compared with fiscal 2021

#### *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.

Our company's volume has increased as indicated by our revenue, which increased by ₹ 8,244.72 lakhs or 86.33% in fiscal 2022 from ₹ 9,549.77 lakhs in fiscal 2021 to ₹ 17,794.49 lakhs in fiscal 2022, and our purchases, which increased by ₹ 7,383.72 lakhs or 88.25% in fiscal 2021 from ₹ 8,367.23 lakhs to ₹ 15,750.95 lakhs in fiscal 2021. Because of economies of scale, the company profits increase more when there is a rise in volume.

## 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)
IndusInd 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>	

\*Non-fund based facility from IndusInd Bank is for Rs. 200.00 lakhs.

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>						
IndusInd Bank	Term Loan *	69.35	8.81%	25-Jan-2023	105.00	75 Equal Monthly principal installments of ₹ 1.4 lacs, interest separately
IndusInd Bank	Cash Credit	0.00		25-Jan-2023	245.00	
IndusInd 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. 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

All the unsecured loans of our Company as well as our Subsidiary Company are interest free & are repayable on demand.

## SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### 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(2) 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 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 the Draft Prospectus.
2. In accordance with Regulation 268(1) 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 have already 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 the draft Prospectus.
5. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board.
6. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board.
7. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
8. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.
9. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE and BSE Ltd. is the Designated Stock Exchange.
10. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
11. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.

12. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

13. In accordance with Regulation 230(1)(e) of the SEBI (ICDR) Regulations, our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the fresh issue proceeds, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals. For details, please refer the chapter “Objects of the Issue” on page no. 60 of the Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

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): -

- 1) 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.
- 2) As on date, the Company has a Paid-up Capital of Rs. 1,240.00 Lakhs and the Post Issue Capital will be of Rs. 1,698.70 Lakhs which is less than ₹25 Crores.
- 3) The Company has a track record of at least 3 years as on the date of filling Draft Prospectus.
- 4) As on September 30, 2023, the Company has net tangible assets of ₹ 1383.65 Lakhs.
- 5) The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years out of preceding three financial years and its net-worth as on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 is at least Rs. 1 crore.

(In Rs. Crore)

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
EBITDA	1.71	5.43	6.37	1.72
Net Worth	13.84	13.35	9.71	5.28

- 6) The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2023 was 1.01:1 which is less than the limit of 3:1
- 7) The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- 8) The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance;
- 9) None of the Directors of the Company have been disqualified / debarred by any of the Regulatory Authorities;
- 10) The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
- 11) The Company confirms that there has not been any change in its name in last 1 year.
- 12) Our Company has a website i.e., [www.shivamchem.com](http://www.shivamchem.com)
- 13) The Equity Shares of our Company held by our Promoters are in dematerialised form
- 14) Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated December 20, 2023 and National Securities Depository Limited dated December 22, 2023 for establishing connectivity.



- 15) There has been no change in the promoter of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- 16) The composition of the board should be in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval
- 17) The Company has not been referred to NCLT under IBC
- 18) There is no winding up petition against the company, which has been admitted by the court

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE CHAIRMAN AND MANAGING DIRECTOR OF OUR COMPANY:**

**Sd/-**

\_\_\_\_\_  
**Sanjiv Girdharlal Vasant**  
Chairman & Managing Director

**Date:** March 20, 2024

**Place:** Mumbai

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY:**

Sd/-

\_\_\_\_\_  
**Soham Sanjiv Vasant**  
Whole Time Director

**Date:** March 20, 2024

**Place:** Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY:**

**Sd/-**

\_\_\_\_\_  
**Shivam Sanjiv Vasant**  
Whole Time Director

**Date:** March 20, 2024

**Place:** Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

**Sd/-**

\_\_\_\_\_  
**Manish Tarachand Pande**

Non-Executive Independent Director (Additional Director)

**Date:** March 20, 2024

**Place:** Mumbai

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

Sd/-

**Himani Bhootra**

Non-Executive Independent Director

**Date:** March 20, 2024

**Place:** Mumbai

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

Sd/-

**Kunal Bharat Shingala**

Non-Executive Independent Director

**Date:** March 20, 2024

**Place:** Mumbai



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY:**

**Sd/-**

\_\_\_\_\_  
**Rishita Taparia**

Company Secretary and Compliance Officer

**Date:** March 20, 2024

**Place:** Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

**Sd/-**

\_\_\_\_\_  
**Soham Sanjiv Vasant**  
Chief Financial Officer

**Date:** March 20, 2024

**Place:** Mumbai