

BioSpect

the business of Bio

24 years of leveraging the business of Bio
www.biospectrumindia.com

Vadodara-based Shiva Pharmachem files DRHP for Rs 900 Cr IPO

23 August 2023 | News

Over 80% of its revenue from operations in FY 23 originated from Fortune 500 companies worldwide



Vadodara-based Shiva Pharmachem, the largest manufacturer of acid and alkyl chlorides, by volume, in CY 2022 in India and a key player globally, with over 2 decades of experience in the Indian specialty chemicals business has filed its Draft Red Herring prospectus (DRHP) with capital market regulator Sebi to raise funds through for its initial public offering (IPO).

The IPO with a face value of Rs 2 each is entirely an offer for sale (OFS) of up to Rs 900 crore by Promoter and Promoter Group Selling Shareholders.

The offer for sale comprises of up to Rs 383 crore by Vishal Rakesh Agrawal, up to Rs 383 crore by Rahul Rakesh Agrawal, and up to Rs 134 crore by Geetganga Investment Private Limited.

The offer is being made through the Book Building Process, wherein not more than 50% of the offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers, not less than 15% of the offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the offer shall be available for allocation to Retail Individual Bidders.

Led by its founders Rakesh Agrawal (Non-Executive Chairman), Vishal Agrawal (Managing Director), and Rahul Agrawal (Non-Executive Director), Shiva Pharmachem established its business in 1999 and has over twenty years of experience in the chemical industry. As at FY23, it serves over 181 multinational and domestic companies across 22 countries. Its prominent markets include Germany, the United States, Switzerland, Italy, and Mexico.

Its product lines encompass a broad spectrum, including aliphatic and aromatic chlorides, aliphatic and aromatic nitriles, alkoxy ketones, herbicide safeners, thiocarbamates, chloroformates, and isocyanates. These versatile products find applications across diverse sectors such as agrochemicals, performance materials, disinfectants, pharmaceuticals, polymer and cosmetics besides others.

Over 80% of its revenue from operations in FY 23 originated from Fortune 500 companies worldwide. Its clients include DuPont Specialty Products USA LLC, Godrej Agrovet Limited, Nouryon Functional Chemicals B.V., Reckitt Benckiser (India) Private Limited, SRF Limited, and Syngenta Crop Protection AG.

For the fiscal year 2023, the consolidated revenue from operations increased 6.25% to Rs 1,079.47 crore against Rs 1,015.99 crore a year ago, primarily attributed to increase in revenue from sales of products. Net profit increased by 40% from Rs 83.32 crore in fiscal 2022 to Rs 116.65 crore in fiscal 2023.