



Please scan the QR Code to view the DLOF


Draft Letter of Offer Dated  
December 15, 2025  
For eligible equity shareholders only



DR LALCHANDANI LABS LIMITED

Our Company was originally incorporated as partnership firm at New Delhi vide Partnership Agreement dated 15th Day of September, 2011 in the name of Dr. A Lalchandani Pathology Laboratories. Thereafter, the Partnership Firm was taken over by M/s Dr Lalchandani Labs Limited incorporated under the provisions of Companies Act, 2013 vide certificate of Incorporation dated 2nd August, 2017 issued by the Registrar of Companies, Delhi vide agreement dated 31st August, 2017. For details of changes in the name and registered office of our Company, see “General Information” on page 01.

**Registered Office:** M-20 Basement, Greater Kailash-1, South Delhi, New Delhi, India, 110048  
**Telephone:** + (91 9873972036)  
**Contact Person:** Ms. Saniya Hussain, Company Secretary & Compliance Officer  
**E-mail:** [info@lalchandaniopathlab.com](mailto:info@lalchandaniopathlab.com),  
**Website:** <https://lalchandaniopathlab.com/>,  
**Corporate Identity Number:** L85320DL2017PLC321605

|  |                                 |  |                                |
|--|---------------------------------|--|--------------------------------|
| PROMOTER OF OUR COMPANY: MR. ARJAN LAL CHANDANI, MR. MOHIT LAL CHANDANI & MS. ANCHAL GUPTA   |                                 |  |                                |
| FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF DR LALCHANDANI LABS LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY  |                                 |  |                                |
| ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹ 433.31 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, PLEASE SEE “TERMS OF THE ISSUE” BEGINNING ON PAGE 62.<br><i>*Assuming full subscription. Subject to finalization of Basis of Allotment.</i>                              |                                 |  |                                |
| WILFUL DEFAULTER OR FRAUDULENT BORROWER CONFIRMATIONS  |                                 |  |                                |
| Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers by the Reserve Bank of India (“RBI”) or any other Government Authority.   |                                 |  |                                |
| GENERAL RISKS  |                                 |  |                                |
| Investment in equity and equity-related securities involves a degree of risk, and investors should not invest any funds in this offer unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue, including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the section of “Risk Factors” beginning on page 21. |                                 |  |                                |
| COMPANY’S ABSOLUTE RESPONSIBILITY  |                                 |  |                                |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to the Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.   |                                 |  |                                |
| LISTING  |                                 |  |                                |
| The existing Equity Shares of our Company are listed on the SME Platform of BSE Limited (“BSE SME”). Our Company has received “in-principle” approval from BSE for the listing of the Rights Equity Shares, vide its letter dated [●], 2025. Further, the Company shall make necessary applications to BSE to obtain trading approvals for the Rights Entitlements, as required under the SEBI ICDR Master Circular (as defined hereinafter). For the purposes of the Issue, the Designated Stock Exchange is BSE.   |                                 |  |                                |
| REGISTRAR TO THE ISSUE   |                                 |  |                                |
| <div><p><b>Cameo Corporate Services Limited</b><br/>CIN: U67120TN1998PLC041613<br/>“Subramanian Building”, No.1, Club House Road, Chennai - 600 002, India<br/>Tel: +91 44-40020700;<br/>E-mail: <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a><br/>InvestorGrievanceEmail:<a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a><br/>Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a><br/>Contact Person: Ms. K. Sreepriya<br/>SEBI Registration No.: INR000003753</p></div>  |                                 |  |                                |
| ISSUE PROGRAMME  |                                 |  |                                |
| LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENT   | DATE OF OPENING THE ISSUE       | LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS* | DATE OF CLOSING OF THE ISSUE** |
| [●]  | [●]                             | [●]  | [●]                            |
| DATE OF FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)   | DATE OF ALLOTMENT (ON OR ABOUT) | DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)         | DATE OF LISTING (ON OR ABOUT)  |
| [●]  | [●]                             | [●]  | [●]                            |

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renouncees on or prior to the Issue Closing Date.

\*\* Our Board or the Fund-Raising Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

*(This page has intentionally been left blank)*

## TABLE OF CONTENTS

|   |           |
|---|-----------|
| <b>SECTION I - GENERAL .....</b>  | <b>1</b>  |
| DEFINITIONS AND ABBREVIATIONS.....                                      | 1         |
| NOTICE TO INVESTORS .....   | 11        |
| PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION.....        | 13        |
| FORWARD LOOKING STATEMENTS .....  | 15        |
| SUMMARY OF THE DRAFT LETTER OF OFFER .....                              | 16        |
| <b>SECTION II RISK FACTORS .....</b>                                    | <b>21</b> |
| <b>SECTION III- INTRODUCTION.....</b>                                   | <b>37</b> |
| THE ISSUE.....  | 37        |
| GENERAL INFORMATION .....   | 38        |
| CAPITAL STRUCTURE .....   | 41        |
| OBJECTS OF THE ISSUE.....   | 42        |
| STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS.....                         | 50        |
| <b>SECTION IV- OUR MANAGEMENT.....</b>                                  | <b>52</b> |
| <b>SECTION V- FINANCIAL INFORMATION .....</b>                           | <b>54</b> |
| FINANCIAL STATEMENTS .....  | 54        |
| FINANCIAL INFORMATION .....   | 55        |
| DETAILED RATIONALE FOR THE ISSUE PRICE .....                            | 55        |
| <b>SECTION VI: REGULATORY APPROVALS AND STATUTORY DISCLOSURES .....</b> | <b>56</b> |
| GOVERNMENT AND OTHER APPROVALS.....                                     | 56        |
| REGULATORY AND STATUTORY DISCLOSURES.....                               | 57        |
| <b>SECTION VII: ISSUE INFORMATION.....</b>                              | <b>62</b> |
| TERMS OF THE ISSUE .....  | 62        |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....            | 86        |
| RESTRICTIONS ON PURCHASES AND REALES .....                              | 87        |
| <b>SECTION VIII: OTHER INFORMATION .....</b>                            | <b>90</b> |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....                   | 90        |
| DECLARATION.....  | 91        |

## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Letter of Offer, and references to any statute or regulations or rules or policies or guidelines will include any amendments or modifications or re-enactments thereto, from time to time.

#### GENERAL TERMS

| TERM/ABBREVIATION   | DESCRIPTION   |
|---|---|
| “Dr. Lalchandani Labs Limited”, “Dr Lalchandani”, “DLCL”, “The Company”, “Our Company”, or “Issuer” or “Issuer Company” | Unless the context otherwise indicates or implies, Dr. Lalchandani Labs Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 and having its Registered Office situated at M-20 Basement, Greater Kailash-1, New Delhi, 110048, India. |
| “We”, “Our”, “Us”, or “our Group”   | Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company along with our Subsidiary Companies, as applicable, on a consolidated basis.   |

#### COMPANY RELATED TERMS

| TERM/ABBREVIATION                              | DESCRIPTION  |
|--|--|
| “Articles of Association” or “Articles”        | Articles of association of our Company, as amended from time to time   |
| Audit Committee                                | Audit Committee of our Board   |
| Audited Consolidated Financial Statements      | The audited consolidated financial statements of our Company and its subsidiaries as at and for the years ended March 31, 2025 and March 31, 2024, which comprises the consolidated balance sheet as at March 31, 2025 and March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the years then ended, and a summary of material accounting policies and other explanatory information prepared in accordance with the Indian GAAP. |
| Audited Standalone Financial Statements        | The audited standalone financial statements of our Company as at and for the years ended March 31, 2025 and March 31, 2024, which comprises the standalone balance sheet as at March 31, 2025 and March 31, 2024, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the years then ended, and a summary of material accounting policies and other explanatory information prepared in accordance with the Indian GAAP.                                |
| “Auditors” or “Statutory Auditors”             | The statutory auditors of our Company, being M/s. ATN & Co, Chartered Accountants  |
| “Board of Directors” or “Board” or “our Board” | The board of directors of our Company. For details, see “ <i>Our Management</i> ” on page 52.  |
| “Chief Financial Officer” or “CFO”             | The Chief Financial Officer of our Company, Ms. Anchal Gupta.  |
| Company Secretary and Compliance Officer       | The Company Secretary and Compliance Officer of our Company, Ms. Saniya Hussain. For details, see “ <i>Our Management</i> ” on page 52   |
| Directors                                      | The directors on our Board, as may be appointed from time to time. For details, see “ <i>Our Management</i> ” on page 52.  |
| Equity Shares                                  | Equity shares of face value of ₹10 each of our Company.  |

| TERM/ABBREVIATION                                    | DESCRIPTION   |
|--|---|
| Executive Director(s)                                | The Executive Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Executive Directors, see “ <b><i>Our Management</i></b> ” on page 52.                              |
| Independent Director(s)                              | The non-executive, independent Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Independent Directors, see “ <b><i>Our Management</i></b> ” on page 52.           |
| ISIN   | International Securities Identification Number being INE871Z01013.  |
| Key Managerial Personnel                             | Key managerial personnel of our Company determined in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in “ <b><i>Our Management</i></b> ” on page 53.  |
| Managing Director                                    | Managing Director of our company being Mr. Arjan Lal Chandani   |
| “Memorandum of Association” or “Memorandum”          | Memorandum of association of our Company, as amended from time to time  |
| “Nomination and Remuneration Committee”              | Nomination and remuneration committee of our Board of Directors   |
| Non-Executive Director(s)                            | The non-executive Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Non-Executive Directors, see “ <b><i>Our Management – Board of Directors</i></b> ” on page 52. |
| Promoters / Our Promoters / Promoters of the Company | The promoters of the Company being <b>Mr. Arjan Lal Chandani and Mr. Mohit Lal Chandani and Ms. Anchal Gupta</b>  |
| Promoter Group                                       | Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations  |
| Registered Office                                    | M-20 Basement, Greater Kailash-1, New Delhi, 110048, India.   |
| Senior Management                                    | Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations   |
| Stakeholders Relationship Committee                  | Stakeholders Relationship Committee of our Board of Directors   |
| Subsidiaries   | Our Company does not have any subsidiary as on the date of this Draft Letter of Offer.  |

## ISSUE RELATED TERMS

| TERM/ABBREVIATION                    | DESCRIPTION  |
|--------------------------------------|--|
| Additional Rights Equity Shares      | The Rights Equity Shares applied for or allotted under this Issue in addition to the Rights Entitlement  |
| “Allotment” or “Allot” or “Allotted” | Allotment of Rights Equity Shares pursuant to the Issue  |
| Allotment Account(s)                 | The account(s) opened with the Banker(s) to the Issue, into which the Application Money, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.       |
| Allotment Account Bank(s)            | Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited  |
| Allotment Advice                     | The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by the Designated Stock Exchange |
| Allotment Date                       | Date on which the Allotment is made pursuant to the Issue  |
| Allottee(s)                          | Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue  |
| “Applicant(s)” or “Investor(s)”      | Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer   |

|   |   |
|---|---|
| Application   | Application made through submission of the Application Form or plain paper application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price   |
| Application Form  | Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in the Issue   |
| Application Money   | Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price   |
| “Application Supported by Blocked Amount” or “ASBA”           | Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB   |
| ASBA Account  | An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application  |
| ASBA Circulars  | Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard |
| Banker to the Issue   | Axis Bank Limited   |
| Banker to the Issue Agreement                                 | Agreement dated [●], 2025, entered into by and among our Company, the Registrar to the Issue, and the Banker to the Issue for among other things, collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account, refund of the whole or part of the application amounts, shall on the terms and conditions thereof.   |
| Basis of Allotment  | The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ <b>Terms of the Issue</b> ” beginning on page 62.   |
| “Controlling Branches” or “Controlling Branches of the SCSBs” | Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on SEBI’s website, updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.  |
| Demographic Details   | Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable   |
| Depository(ies)   | NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996   |
| Designated Branch(es)   | Such branches of the SCSBs which shall collect the Applications, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time   |
| Designated Stock Exchange                                     | BSE Limited   |
| “Draft Letter of Offer” or “DLOF”                             | This Draft Letter of Offer dated December 15, 2025, filed with the Stock Exchange.  |
| Eligible Equity Shareholder(s)                                | Equity Shareholders as on the Record Date. Please note that only those Equity Shareholders who have provided an Indian address to our Company are eligible to participate in the Issue. For further details, see “ <b>Notice to Investors</b> ” and “ <b>Restrictions on Purchases and Resales</b> ” beginning on pages 11 and 87, respectively   |
| “Equity Shareholder(s)” or “Shareholders”                     | Holder(s) of the Equity Shares of our Company   |
| Fraudulent Borrower   | Fraudulent Borrower(s) as defined under Regulations 2(1) (III) of the SEBI ICDR Regulations   |
| Gross Proceeds  | The gross proceeds raised through the Issue   |

|  |  |
|--|--|
| Issue                                  | This issue of up to [●]*Rights Equity Shares of the face value of ₹10/- each for cash at a price of ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹433.31* lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders on the Record Date.<br><i>*Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.</i>                                       |
| Issue Closing Date                     | [●]  |
| Issue Materials                        | Collectively, this Draft Letter of Offer, the Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue  |
| Issue Opening Date                     | [●]  |
| Issue Period                           | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their applications, in accordance with the SEBI ICDR Regulations  |
| Issue Price                            | ₹ [●] per Rights Equity Share  |
| Issue Proceeds                         | The gross proceeds raised through the Issue  |
| Issue Size                             | The issue of up to [●] Rights Equity Shares aggregating up to ₹433.31 * lakhs<br><i>*Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.</i>   |
| “Letter of Offer” or “LOF”             | This letter of offer dated [●], filed with the Stock Exchange and SEBI   |
| Listing Agreements                     | The uniform listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI LODR Regulations   |
| Monitoring Agency                      | [●]  |
| Monitoring Agency Agreement            | Agreement dated [●], between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds.  |
| Multiple Application Forms             | More than one application form submitted by an Eligible Equity Shareholder/Renouncee in respect of the same Rights Entitlement available in their demat account. However, additional applications in relation to Additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications.   |
| Net Proceeds                           | Issue Proceeds less the estimated Issue related expenses. For further details, see “ <b>Objects of the Issue</b> ” beginning on page 42.   |
| Off Market Renunciation                | The renunciation of Rights Entitlements undertaken by the Investor by transferring its Rights Entitlements through off market transfer through a depository participant in accordance with the SEBI ICDR Master Circular, circulars issued by the Depositories from time to time and other applicable laws.<br><br>Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date. |
| On Market Renunciation                 | The renunciation of Rights Entitlements undertaken by the Investor by trading its Rights Entitlements over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI ICDR Master Circular, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]  |
| Qualified Institutional Buyers or QIBs | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations   |
| Record Date                            | Designated date for the purpose of determining the Equity Shareholders who would be eligible to apply for the Rights Equity Shares in the Issue subject to terms and conditions set out in the Issue Materials, to be decided prior to the filing of this Letter of Offer, being [●]   |
| Refund Bank                            | The Banker to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited  |
| Registrar Agreement                    | Agreement dated December 15, 2025, between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.  |

|  |   |
|--|---|
| “Registrar to the I s s u e ” or “Registrar” or “RTI” or “Registrar and Share Transfer Agent” or “Share Transfer Agent” or “RTA” | Cameo Corporate Services Limited  |
| Renouncee(s)   | Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation in accordance with the SEBI ICDR Master Circular  |
| Renunciation Period  | The period during which the Eligible Equity Shareholders can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date                               |
| Rights Entitlement(s)  | Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 1 (One) Rights Equity Share for every 1 (One) Equity Shares held by an Eligible Equity Shareholder on the Record Date   |
| Rights Entitlement Letter  | Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The details of Rights Entitlements are also accessible on the website of our Company   |
| Rights Equity Shares   | Equity shares of our Company to be allotted pursuant to this Issue on fully paid-up basis on Allotment.   |
| Rights Equity Shareholders   | Holder of the Rights Equity Shares pursuant to this Issue   |
| SCSB(s)  | Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available 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> , or such other website as updated from time to time.  |
| Specific Investor(s)   | Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue and (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations.  |
| Stock Exchange   | Stock exchange where the Equity Shares are presently listed i.e. BSE SME  |
| Transfer Date  | The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange  |
| Wilful Defaulter   | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations   |
| Working Days   | All days on which commercial banks in Delhi are open for business. Further, in respect of the Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business. Furthermore, in respect of the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |



| CONVENTIONAL AND GENERAL TERMS OR ABBREVIATION/TERM/ABBREVIATION | DESCRIPTION/ FULL FORM   |
|--|--|
| “₹” or “Rs.” or “Rupees” or “INR”                                | Indian Rupee   |
| Aadhaar  | Aadhaar card   |
| AGM  | Annual general meeting of the Shareholders of our Company  |
| AIF(s)   | Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012                    |
| Arbitration Act  | Arbitration and Conciliation Act, 1996   |
| “Accounting Standards”   | Accounting standards issued by the ICAI  |
| Basic EPS  | Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.   |
| “Bharatiya Nagrik Suraksha Sanhita” or “BNSS”                    | The Bharatiya Nagrik Suraksha Sanhita, 2023  |
| “Bharatiya Nyaya Sanhita” or “BNS”                               | The Bharatiya Nyaya Sanhita, 2023  |
| bps  | Basis points. One basis point is equal to one-hundredth of a percentage point (0.01%).   |
| BSE  | BSE Limited  |
| BSE SME  | SME Platform of BSE Limited  |
| CAGR   | Compounded annual growth rate  |
| Calendar Year  | Calendar year ending December 31   |
| Category I AIF   | AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.   |
| Category I FPIs  | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.  |
| CBDT   | Central Board of Direct Taxes, Government of India   |
| CCPA   | Central Consumer Protection Authority  |
| CDSL   | Central Depository Services (India) Limited  |
| CIN  | Corporate identification number  |
| Central Government   | Central Government of India  |
| Client ID  | The client identification number maintained with one of the Depositories in relation to the demat account  |
| Companies Act  | Companies Act, 1956 and the Companies Act, 2013, as applicable   |
| Companies Act, 1956  | The Companies Act, 1956 along with the relevant rules made thereunder  |
| Companies Act, 2013  | The Companies Act, 2013 along with the relevant rules made thereunder  |
| Cost of Goods Sold   | Cost of materials consumed, purchase of stock in trade and change in inventories of finished goods/ work-in-progress/ stock in trade (excluding direct overheads and wages)            |
| CPC  | Code of Civil Procedure, 1908  |
| CrPC   | Code of Criminal Procedure, 1973, as replaced by BNSS  |
| CSR  | Corporate social responsibility  |
| Depositories Act   | Depositories Act, 1996   |
| Depository   | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996   |
| Diluted EPS  | Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares |
| DIN  | Director identification number   |
| “DP” or “Depository Participant”                                 | Depository participant as defined under the Depositories Act   |
| DP ID  | Depository participant’s identification number   |
| DPIIT  | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion)                                    |

|        |  |
|--------|--|
| EBIT   | Earnings before interest and taxes   |
| EBITDA | EBITDA is calculated as profit before exceptional items and tax plus finance costs, depreciation and amortization expenses, excluding other income (other than other non-operating income) |

| TERM/ABBREVIATION                                     | DESCRIPTION/ FULL FORM   |
|---|--|
| EGM   | Extraordinary General Meeting  |
| EPS   | Earnings per share   |
| ESG   | Environmental, social and governance   |
| EUR   | Euro   |
| FDI   | Foreign direct investment  |
| FEMA  | Foreign Exchange Management Act, 1999  |
| FEMA Rules  | Foreign Exchange Management (Non-debt Instruments) Rules, 2019   |
| “Financial Year” or “Fiscal Year” or “Fiscal” or “FY” | Period of 12 months ending March 31 of that particular year  |
| FDI Policy  | Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020 |
| FEMA ODI Regulations                                  | Foreign Exchange Management (Overseas Investment) Regulations, 2022  |
| FEMA ODI Rules  | Foreign Exchange Management (Overseas Investment) Rules, 2022  |
| FIR   | First information report   |
| FPI   | Foreign portfolio investors as defined and registered under the SEBI FPI Regulations   |
| FVCI  | Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations  |
| GAAP  | Generally Accepted Accounting Principles in India  |
| GBP   | Great Britain Pound  |
| GOI   | Government of India  |
| Government  | Central Government and/ or the State Government, as applicable   |
| GST   | Goods and Services Tax   |
| ICAI  | Institute of Chartered Accountants of India  |
| ICSI  | Institute of Company Secretaries of India  |
| IFRS  | International Financial Reporting Standards issued by the International Accounting Standards Board.  |
| Ind AS  | Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015            |
| Ind GAAP  | Generally Accepted Accounting Principles in India  |
| India   | Republic of India  |
| Income-Tax Act  | Income-tax Act, 1961   |
| IPC   | Indian Penal Code, 1860, as replaced by BNS  |
| ISIN  | International Securities Identification Number   |
| IST   | Indian standard time   |
| IT  | Information technology   |
| MCA   | Ministry of Corporate Affairs, Government of India   |
| MCLR  | Marginal Cost of Funds based Lending Rate  |
| “Mn” or “mn”  | Million  |
| MSME  | Micro, Small and Medium Enterprise   |
| Mutual Fund   | Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996   |
| NACH  | National Automated Clearing House  |
| NBFC  | Non-banking financial company  |
| NCLT  | Hon’ble National Company Law Tribunal  |
| NEFT  | National electronic fund transfer  |

|                                  |  |
|----------------------------------|--|
| Net Worth                        | Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. |
| Net Asset Value per Equity Share | Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the year.  |
| NR                               | Non-resident or person(s) resident outside India, as defined under the FEMA  |

| TERM/ABBREVIATION   | DESCRIPTION/ FULL FORM   |
|---|--|
| NRE   | Non-resident external  |
| NRE Account   | Non-resident external account  |
| NRI   | A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016   |
| NRO   | Non-resident ordinary  |
| NRO Account   | Non-resident ordinary account  |
| NSDL  | National Securities Depository Limited   |
| NSE   | National Stock Exchange of India Limited   |
| “OCBs” or “Overseas Corporate Body”                             | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| OCI   | Overseas citizen of India  |
| P/E Ratio   | Price to earnings ratio  |
| PAN   | Permanent account number   |
| PAT   | Profit after tax   |
| RBI   | Reserve Bank of India  |
| Regulation S  | Regulation S under the U.S. Securities Act   |
| “Return on Net Worth” or “RoNW”                                 | Net Profit for the year attributable to owners of the Company/Net Worth  |
| RoC   | Registrar of Companies, Mumbai   |
| RTGS  | Real time gross settlement   |
| SCRA  | Securities Contracts (Regulation) Act, 1956  |
| SCRR  | Securities Contracts (Regulation) Rules, 1957  |
| SEBI  | The Securities and Exchange Board of India   |
| SEBI Act  | The Securities and Exchange Board of India Act, 1992   |
| SEBI AIF Regulations  | The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012  |
| SEBI FPI Regulations  | The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019   |
| SEBI FVCI Regulations   | The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000   |
| SEBI ICDR Regulations   | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018  |
| SEBI ICDR Master Circular                                       | The SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, read with SEBI Rights Issue Circular.   |
| “SEBI LODR Regulations” or “SEBI Listing Regulations” or “LODR” | The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015   |
| SEBI LODR Master Circular                                       | The SEBI master circular bearing number SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024  |

|                            |  |
|----------------------------|--|
| SEBI Rights Issue Circular | The SEBI circular bearing number SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025  |
| SEBI Takeover Regulations  | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011                             |
| SEBI VCF Regulations       | The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations |
| STT                        | Securities transaction tax   |
| State Government           | Government of a state of India   |
| TM                         | Trademark  |
| UPI                        | Unified Payment Interface  |
| USD                        | United States Dollar   |

| TERM/ABBREVIATION                  | DESCRIPTION/ FULL FORM  |
|------------------------------------|---|
| “U.S.” or “USA” or “United States” | United States of America, its territories or possessions, any state of the United States, and the District of Columbia                      |
| US GAAP                            | Generally accepted accounting principles in the U.S.  |
| U.S. Securities Act                | U.S. Securities Act of 1933, as amended.  |
| VCFs                               | Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be |

#### INDUSTRY RELATED TERMS

| TERMS                             | DESCRIPTION  |
|-----------------------------------|--|
| AMI                               | Acute myocardial infarction  |
| BARC                              | Bhabha Atomic Research Center  |
| BMW Rules/ Biomedical Waste Rules | Biomedical Waste (Management and Handling) Rules, 1998   |
| CAP                               | College of American Pathologists   |
| CCI                               | Competition Commission of India  |
| CERR Act                          | Clinical Establishments (Registration and Regulation) Act, 2010                                  |
| CECG Rules                        | Clinical Establishments (Central Government) Rules, 2012   |
| CK-MB                             | Creatine kinase  |
| Clinical Establishment Act        | Clinical Establishments (Registration and Regulation) Act, 2010                                  |
| Combination Regulation Provisions | the provisions under the Competition Act in relation to combinations effective from June 1, 2011 |
| Competition Act                   | The Competition Act, 2002  |
| CRISIL Research                   | An independent research house, being a division of CRISIL Limited                                |
| CSSD                              | Central sterile and supply department  |
| CT scan                           | Computed tomography scan   |
| DALYs                             | Disability-adjusted life years   |
| DDA                               | Delhi Development Authority  |
| ERP                               | Enterprise resource planning   |
| HDL                               | High density lipoprotein   |
| HIV                               | Human immunodeficiency virus   |
| ICMR                              | Indian Council of Medical Research   |
| IPD                               | In-patient department  |
| ISO                               | International Organization for Standardization   |
| IVD                               | In vitro diagnostics   |
| LDL                               | Low density lipoprotein  |
| LIMS                              | Laboratory information management system   |
| MAT                               | Minimum alternate tax  |
| MRI                               | Magnetic resonance imaging   |
| NABL                              | National Accreditation Board for Testing and Calibration Laboratories                            |
| OFAC                              | the U.S. Treasury Department’s Office of Foreign Assets Control                                  |
| OPD                               | Out-patient department   |
| PET-CT                            | Positron emission tomography – computed tomography   |
| PDA                               | Personal digital assistant   |
| POCT                              | Point-of-care testing  |
| SBU                               | Strategic business units   |

|       |                                |
|-------|--------------------------------|
| SDA   | Sample distribution area       |
| SRA   | Sample receiving area          |
| UNFPA | United Nations Population Fund |
| VPN   | Virtual private network        |
| WHO   | World Health Organization      |

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

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through speed post the Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Draft Letter of Offer, the Letter of Offer and the Application Form from the websites of our Company, the Registrar and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, Letter of Offer, and any other Issue Materials may not be distributed, in whole or in part, in or into any jurisdiction (other than in India), except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, Letter of Offer, and any other Issue Materials should not distribute or send this Draft Letter of Offer, Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer or Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Letter of Offer or any of the Issue Materials.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company to make any filing or registration (other than in India).

Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it is either in India or is in compliance with laws of its jurisdiction, and in each case is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company, reserves the right to treat as invalid any Application Form that: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including that such person submitting and/or renouncing the Application Form is outside the United States and that such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; (iii) where a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such

information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

**The contents of this Draft Letter of Offer should not be construed as business, financial, legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult their own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither the Company nor its affiliates is making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.**

## **NO OFFER IN THE UNITED STATES**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer, the Application Form and other applicable Issue materials primarily to the e-mail addresses of the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Right s Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any other federal or state securities commission in the United States, the securities authorities of any non-United States jurisdiction or any other U.S. or non-U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in certain other jurisdictions.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved



## **PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION**

### **Certain Conventions**

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) ‘India’ are to the Republic of India and its territories and possessions; and (iii) the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in IST. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a Calendar Year. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer. In this Draft Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, where applicable.

### **Financial Data**

Unless stated otherwise, or unless the context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Fiscal 2025 Audited Consolidated Financial Statements. The Fiscal 2025 Audited Consolidated Financial Statements were audited by our Statutory Auditors.

Our Company’s Financial Year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. Unless otherwise stated, references in this Draft Letter of Offer to a particular ‘Financial Year’ or ‘Fiscal Year’ or ‘Fiscal’ are to the financial year ended March 31.

Our Company prepares its financial statements in accordance with Ind AS, Companies Act and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources. Our Company has presented all numerical information in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000.

Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in Rupees, in lakhs.

### **Non-GAAP Measures**

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (collectively “Non-GAAP Financial Measures”, and each, a “Non-GAAP Financial Measure”) in this Draft Letter of Offer, which are as return on net worth and net asset value per share. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of other companies in our industry. Further, these Non-GAAP Financial Measures are not a measurement of our financial performance or liquidity under Ind AS, GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, GAAP, IFRS or US GAAP. Other companies may calculate these Non-GAAP Financial Measures differently from us, limiting its usefulness as a comparative measure. However, these Non-GAAP Financial Measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. Accordingly, such Non-GAAP Financial Measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our financial position or results of operations as reported under GAAP.

### **Market and Industry Data**

Unless stated otherwise, market, industry and demographic data used in this Draft Letter of Offer has been obtained from market research, publicly available information as well as various industry publications and sources, as referred to herein



(collectively, the “Sources”). Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed.

Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Letter of Offer. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based solely on such information.

### Currency of Presentation

All references to

- ‘INR’, ‘₹’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of the Republic of India;
- ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. dollars’ are to the legal currency of the United States of America; and
- ‘EUR’, ‘€’ and ‘Euro’ are to the legal currency of the European Union.
- “CHF”, is to the Swiss Franc, the official currency of Switzerland;
- ‘GBP’, ‘£’ and ‘Pound Sterling’ are to the legal currency of the United Kingdom.

Please note:

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “Risk Factors” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Fiscal 2025 Audited Consolidated Financial Statements.

### Conversion Rates for Foreign Currency:

The conversion rate for the following foreign currencies are as follows:

| (in Rs.) |          |                                   |                                   |
|----------|----------|-----------------------------------|-----------------------------------|
| Sr. No.  | Currency | As of March 28, 2025 <sup>1</sup> | As of March 28, 2024 <sup>2</sup> |
| 1.       | 1 USD    | 85.58                             | 83.37                             |

Source: [www.oanda.com](http://www.oanda.com)

<sup>1</sup> Since March 31, 2025, was a holiday, the exchange rate was considered as on March 28, 2025, being the last working day prior to March 31, 2025.

<sup>2</sup> Since March 31, 2024, was a Sunday, the exchange rate was considered as on March 28, 2024, being the last working day prior to March 31, 2024.

## FORWARD LOOKING STATEMENT

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute “forward-looking statements.” Investors can generally identify forward-looking statements by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “estimate”, “expect”, “expected to”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “propose”, “pursue”, “shall”, “should”, “will”, “would” or other similar expressions. Statements that describe the Company’s objectives, strategies, plans, targets or goals are also forward-looking statements. However, these words are not the exclusive means of identifying such statements.

All statements in this Draft Letter of Offer regarding the Company’s expected financial condition, results of operations, business strategy, business plans, prospects, proposed utilisation of the proceeds of the Rights Issue, future growth and expansion plans are forward-looking statements. These forward-looking statements include, without limitation, statements relating to the Company’s operations, funding plans, repayment of borrowings, working capital requirements, general corporate purposes and other matters discussed in this Draft Letter of Offer that are not historical facts.

These forward-looking statements (whether made by the Company or any third party) are based on current expectations, assumptions, estimates and beliefs of the management of the Company and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by such forward-looking statements.

Forward-looking statements are subject to various risks, uncertainties and assumptions, including, but not limited to, the following factors:

- General economic, business and market conditions in India and globally;
- Changes in laws, regulations and government policies applicable to the sectors in which the Company operates;
- Volatility or adverse developments in the capital markets;
- The Company’s ability to successfully complete the Rights Issue and utilise the proceeds in accordance with the stated objects;
- Availability, continuity and cost of funding and working capital;
- Fluctuations in operating costs and their impact on financial performance;
- Competition in the markets in which the Company operates and the ability to sustain competitive positioning;
- The Company’s ability to manage its existing operations and future growth efficiently;
- Delays in receipt of statutory, regulatory or stock exchange approvals, if any; and
- Any unforeseen events, disruptions, natural calamities or force majeure events that may adversely affect the Company’s operations or financial condition.

Additional factors that could cause actual results, performance or achievements of the Company to differ materially are discussed in the section titled “Risk Factors” forming part of this Draft Letter of Offer.

The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of the Company’s management, as well as assumptions made by, and information currently available to, the management of the Company. While the Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date of this Draft Letter of Offer, no assurance can be given that such expectations will prove to be correct. Accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.

All forward-looking statements in this Draft Letter of Offer speak only as of the date of this Draft Letter of Offer or such other dates as may be specified herein. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law, SEBI regulations or stock exchange requirements.

In accordance with applicable SEBI regulations and stock exchange requirements, the Company will ensure that Eligible Equity Shareholders are informed of material developments, if any, until the grant of listing and trading approvals for the Equity Shares issued pursuant to the Rights Issue.

## SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors.

### A. PRIMARY BUSINESS OF THE COMPANY

Our Company is engaged in the business of providing diagnostic and related healthcare tests and services through its network of pathology laboratories and diagnostic centres, primarily in Delhi/NCR. We offer a comprehensive range of pathology, radiology and allied diagnostic services used in core testing, patient diagnosis and the prevention, monitoring and treatment of diseases and other health conditions.

Our Company was originally established as a partnership firm under the name “Dr. A Lalchandani Pathology Laboratories” in 2011 and was subsequently taken over by Dr Lalchandani Labs Limited in 2017. Over the years, our Company has developed into a NABL accredited diagnostic service provider with self-sufficient laboratories and multiple collection centres, supported by fully automatic machines and robust quality control systems.

Our service offerings broadly include:

- **Pathology Services:**  
Routine and specialised pathology tests across Biochemistry, Haematology, Histopathology, Microbiology, Electrophoresis, Virology, Cytology, Immunoassay, Immuno-Histochemistry, Molecular Pathology, DNA & Genetic Testing and other related investigations.
- **Radiology and Imaging Services:**  
Diagnostic imaging services including Digital X-ray, Ultrasound, Colour Doppler, 2D Echo, TMT and ECG, provided through our diagnostic centres equipped with modern imaging equipment.
- **Hospital and Clinical Laboratory Management:**  
End-to-end hospital lab management solutions for small and medium-sized hospitals and independent laboratories, including installation and operation of diagnostic equipment, deployment of laboratory and technical staff, procurement of reagents and consumables, maintenance of quality standards and assistance in securing and maintaining NABL accreditation, generally on a management-fee or revenue-sharing basis.
- **Home Collection and Doctor Support Services:**  
Home collection of samples for patients across Delhi/NCR, timely sample pick-up from clinics, provision of sample collection support at doctors’ facilities (where applicable), and coordinated reporting to both doctors and patients, with an emphasis on convenience and same-day reporting for eligible tests.
- **Corporate and Institutional Health Services:**  
Preventive and corporate health check-up packages and other wellness-oriented diagnostic services for corporate clients, institutions and government bodies, including empanelment with various organisations and government departments.
- **Blood Bank Support (through Sister Concern):**  
Blood banking and apheresis support services are provided through our sister concern CPC Blood Bank, which offers whole human blood and blood components and operates with dedicated equipment and infrastructure.

Our customer base primarily comprises individual patients, hospitals and other healthcare providers, diagnostic service providers lacking similar breadth of testing, corporate clients and institutions. We focus on delivering quality, reliable and timely diagnostic services, supported by experienced pathologists, trained technicians and quality managers, and by maintaining rigorous documentation, control checks and quality logs in line with NABL standards.

Through this integrated model of pathology, radiology, hospital lab management, home collection and corporate health services, our Company positions itself as a comprehensive diagnostic and healthcare testing provider in the Delhi/NCR region.

### B. INTENTION AND EXTENT OF PARTICIPATION IN THE ISSUE BY OUR PROMOTERS AND PROMOTER GROUP:

In accordance with the requirements of the SEBI ICDR Regulations, the intentions of the Promoters of DR Lalchandani Labs Limited with respect to their participation in the Rights Issue, as communicated through their respective letters/undertakings dated December 09, 2025, are provided below:

### **1. Intention to Subscribe to Rights Entitlement**

All the Promoters of the Company i.e. Mr. Arjan Lal Chandani, Mr. Mohit Lal Chandani, and Ms. Anchal Gupta have confirmed that they intend to subscribe to the full extent of their respective Rights Entitlements under the Rights Issue, subject to compliance with applicable laws including the Companies Act, 2013, the SCRR, SEBI ICDR Regulations, and SEBI LODR Regulations.

### **2. Intention to Subscribe to Additional Rights Equity Shares**

Each of our Promoters has expressly confirmed that they do not intend to subscribe to any Rights Equity Shares over and above their respective Rights Entitlements.

Accordingly, no Promoter or member of the Promoter Group has expressed any intention to apply for additional Rights Equity Shares in the Issue.

### **3. Intention to Renounce Rights Entitlements**

All our Promoters have confirmed that they do not intend to renounce their Rights Entitlements, whether in favour of any specific investor(s) or otherwise.

The unsubscribed portion of the Issue, if any, shall be considered for allotment to specific investors in accordance with Regulation 77B of the SEBI ICDR Regulations, and the relevant details shall be disclosed in the issue opening advertisement under Regulation 84(1)(f)(ii).

### **4. Adjustment of Outstanding Unsecured Loan of Promoter Against Subscription Money (Applicable to Mr. Arjan Lal Chandani)**

Mr. Arjan Lal Chandani, Promoter and Managing Director of the Company, has outstanding unsecured loans extended to the Company from time to time for its business requirements.

He has communicated the following intention:

- He shall subscribe to 100% of his Rights Entitlement.
- To the extent permitted under applicable law, including the Companies Act, 2013 and the SEBI ICDR Regulations, he intends to adjust a portion of his outstanding unsecured loan against the subscription money payable for the Rights Equity Shares allotted to him pursuant to his Rights Entitlement.

No other Promoter has proposed any adjustment against subscription monies.

### **5. Minimum Public Shareholding**

The Company is currently in compliance with the minimum public shareholding requirements under Regulation 38 of the SEBI LODR Regulations and Rule 19A of the SCRR and shall ensure continued compliance post completion of the Rights Issue. Any participation and additional subscription by the Promoters shall be undertaken only to the extent that such compliance is maintained.

### **C. WILFUL DEFAULTER OR A FRAUDULENT BORROWER:**

Neither our Company, nor our Promoters or Directors are a Willful Defaulter or a Fraudulent Borrower.

### **D. ALLOTMENT OF THE UNDER-SUBSCRIBED PORTION OF THE ISSUE:**

In the event of under-subscription in the Rights Issue, the under-subscribed portion of the Rights Equity Shares, if any, will be allotted to specific investor(s) in accordance with Regulation 77B read with Regulation 90(2)(d) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The name(s) of such specific investor(s) and relevant details shall be disclosed by the Company in the issue opening advertisement, in compliance with Regulation 84(1)(f)(ii) of the SEBI ICDR Regulations.

## E. SUMMARY OF MATERIAL OUTSTANDING LITIGATIONS:

The following table provides a summary of proceedings involving (i) criminal liability; (ii) regulatory matters involving material violations; (iii) economic offences; and (iv) other pending matters which, if decided adversely, may materially and adversely affect the operations or financial position of our Company, in accordance with the disclosures required under the SEBI ICDR Regulations:

| Nature of Cases          | Proceedings involving criminal liability | Proceedings before regulatory authorities involving material violations of statutory regulations | Matters involving economic offences where proceedings have been initiated | Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or financial position | Aggregate amount involved (₹ in Lakhs)* |
|--------------------------|--|--|---|---|---|
| By our Company           | Nil                                      | Nil  | Nil   | 1 (Refer Case 1 below)  | 36.00                                   |
| Against our Company      | Nil                                      | Nil  | Nil   | 3 (Refer Cases 2–4 below)   | 53.15                                   |
| By our Subsidiaries      | Nil                                      | Nil  | Nil   | Nil   | NA                                      |
| Against our Subsidiaries | Nil                                      | Nil  | Nil   | Nil   | NA                                      |

\* Amount involved is based on claims, settlement amounts, or disclosed values as per case records available with the Company.

### Details of Pending Litigation

#### 1. Litigation Filed by Our Company

Case 1 – Arbitration Proceedings

| Particular        | Details   |
|-------------------|---|
| Case Title        | <i>Dr. Lalchandani Labs Ltd. (Claimant) vs. Hopeberry Diagnostics and Healthcare LLP &amp; Ors.</i> |
| Case No.          | DIAC/7808/02-24   |
| Next Hearing Date | January 12, 2026  |
| Court / Forum     | Delhi International Arbitration Centre, Delhi High Court, New Delhi                                 |
| Amount Involved   | ₹36.00 Lakhs  |
| Brief Status      | Matter is listed for arguments on the miscellaneous application filed by the respondent.            |

#### 2. Litigation Filed Against Our Company

Case 2 – Clix Capital Services Private Limited vs. Dr. Lalchandani Labs Ltd. & Others

| Particular        | Details   |
|-------------------|---|
| Case Title        | <i>Clix Capital Services Pvt. Ltd. vs. Dr. Lalchandani Labs Ltd. &amp; Ors.</i> |
| Case No.          | CCNIACT/3201/2023   |
| Next Hearing Date | July 16, 2026   |

|                        |  |
|------------------------|--|
| <b>Court</b>           | North-West District, Rohini Courts, New Delhi  |
| <b>Amount Involved</b> | ₹28.00 Lakhs   |
| <b>Brief Status</b>    | Matter has been mutually settled; settlement letter executed. Out of ₹28 Lakhs, ₹8 Lakhs have been paid. The balance ₹20 Lakhs is agreed to be paid in subsequent months. Withdrawal application has been initiated. |

Case 3 – Unity Small Finance Bank Ltd. vs. Dr. Lalchandani Labs Ltd. & Others

| <b>Particular</b>        | <b>Details</b>  |
|--------------------------|---|
| <b>Case Title</b>        | <i>Unity Small Finance Bank Ltd. vs. Dr. Lalchandani Labs Ltd. &amp; Ors.</i>   |
| <b>Case No.</b>          | CS/126060/2023  |
| <b>Next Hearing Date</b> | February 05, 2026   |
| <b>Court</b>             | Metropolitan Magistrate Court, Kolkata, West Bengal   |
| <b>Amount Involved</b>   | ₹3.15 Lakhs   |
| <b>Brief Status</b>      | Matter listed for arguments on miscellaneous application. Opposite party has offered a mutual settlement at a final amount of ₹3.15 Lakhs for complete closure. |

Case 4 – Davender Singh Verma vs. Dr. Lalchandani Labs Ltd. & Others

| <b>Particular</b>        | <b>Details</b>   |
|--------------------------|--|
| <b>Case Title</b>        | <i>Davender Singh Verma vs. Dr. Lalchandani Labs Ltd. &amp; Ors.</i> |
| <b>Case No.</b>          | CS(Comm)/305/2024  |
| <b>Next Hearing Date</b> | January 14, 2026   |
| <b>Court</b>             | District & Sessions Court, North District, Rohini Courts, New Delhi  |
| <b>Amount Involved</b>   | ₹22.00 Lakhs   |
| <b>Brief Status</b>      | Matter is at the stage of Plaintiff's Evidence.                      |

**F. OTHER CONFIRMATIONS:**

Except as stated below, our Company has generally complied with the provisions of the equity listing agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") during the three years immediately preceding the date of this Draft Letter of Offer.

The Company had, from time to time, been subject to fines imposed by BSE Limited ("BSE") under the SEBI-prescribed Standard Operating Procedure ("SOP") for certain delays and non-compliances under the SEBI LODR Regulations. The details thereof are set out below:

**Details of Penalties Imposed by BSE**

| Sl. No. | Stock Exchange | Regulation       | Quarter / Period | Nature of Non-Compliance   | Amount of Penalty (₹, incl. GST) | Status   |
|---------|----------------|------------------|------------------|--|----------------------------------|--|
| 1       | BSE            | Regulation 33    | March 2023       | Non-submission of Statement of Impact of Audit Qualification along with annual financial results | 17,81,800                        | Partially waived pursuant to BSE approval; balance amount paid |
| 2       | BSE            | Regulation 13(3) | Sep 2022         | Delay in submission of investor grievance report   | 30,000                           | Paid   |
| 3       | BSE            | Regulation 13(3) | Dec 2022         | Delay in submission of investor grievance report   | 32,000                           | Paid   |
| 4       | BSE            | Regulation 13(3) | Jun 2023         | Delay in submission of investor grievance report   | 35,000                           | Paid   |
| 5       | BSE            | Regulation 31    | Sep 2022         | Delay in submission of shareholding pattern  | 68,000                           | Paid   |
| 6       | BSE            | Regulation 6(1)  | Mar 2023         | Non-compliance relating to appointment of Company Secretary                                      | 90,000                           | Paid   |

**Clarifications and Status**

- The Company had applied to BSE for waiver of fines in terms of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.
- BSE, after due consideration, partially acceded to the Company's waiver request in respect of Regulation 33 for the quarter ended March 2023 and restricted the levy of fines up to the date of submission of the Annual Report for FY 2022–23.
- The balance SOP fines aggregating to ₹9,08,600 (inclusive of GST) have since been paid in full, and proof of payment has been submitted to BSE.
- Accordingly, no SOP fines are outstanding against the Company as on the date of this Draft Letter of Offer, and the freezing of the promoters' demat accounts has been requested to be lifted.

**Compliance Confirmation**

The Company has strengthened its internal compliance framework and monitoring mechanisms to ensure timely compliance with all applicable provisions of the SEBI LODR Regulations. Except as disclosed above, there are no other penalties, actions, or adverse observations imposed by any stock exchange or regulatory authority immediately preceding the date of this Draft Letter of Offer.

## SECTION II: RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares. This section should be read together with our Fiscal 2025 Audited Consolidated Financial Statements.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. 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 Letter of Offer.*

*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. In this section, unless the context otherwise indicates or implies, “we”, “us” and “our” refer to our Company together with our Subsidiaries.*

### RISKS RELATED TO OUR COMPANY AND ITS BUSINESS

- We have witnessed fluctuations in our cash flows in the past, and any sustained negative cash flows could adversely affect our business, financial condition and results of operations.***

We have experienced variability in our cash flows from operating, investing and financing activities in the past. The detailed break-up of our consolidated cash flows is summarized below:

| (₹ in Lakhs)   |            |            |
|--|------------|------------|
| Particulars  | FY 2024-25 | FY 2023-24 |
| Net cash generated from / (used in) operating activities | 36.71      | (21.80)    |
| Net cash generated from investing activities             | 5.87       | 99.65      |
| Net cash generated from / (used in) financing activities | 57.92      | (158.86)   |
| Net increase / (decrease) in cash and cash equivalents   | 100.49     | (81.00)    |

*Note: Figures as per Audited Financial Statements.*

Although we reported positive cash flows from operating activities during FY 2024-25, we incurred negative operating cash flows during FY 2023-24. Our operating cash flows are significantly influenced by changes in working capital requirements, including trade receivables, trade payables and other current liabilities. There can be no assurance that we will be able to sustain positive operating cash flows in the future.

Further, our investing cash flows in prior periods included proceeds from sale of property, plant and equipment, which are non-recurring in nature. Our financing cash flows have been impacted by fluctuations in borrowings, and any increased reliance on debt financing may expose us to higher interest costs and refinancing risks.

Any sustained negative cash flows in the future, or significant short-term cash outflows, could adversely impact our liquidity position, restrict our ability to fund working capital and capital expenditure requirements, and affect our growth plans. Consequently, our business operations, financial condition, cash flows and results of operations could be materially and adversely affected..

- Our bank and NBFC borrowings have been classified as non-performing assets (“NPA”), and we have defaulted in repayment of principal and interest, which exposes us to significant financial, legal and operational risks..***

The accounts of the Company with various banks and NBFCs have been classified as non-performing assets. No working capital limits were sanctioned or renewed during the year. The Company has defaulted in repayment of principal and interest on various term loans and unsecured loans, despite having cash and cash equivalents.



Due to such NPA classification, the Company has entered into one-time settlement arrangements with certain banks and NBFCs during the year and has recognized one-time settlement gains. However, there can be no assurance that similar settlements will be available or concluded on favourable terms in the future. Continued NPA classification may result in recovery proceedings, legal actions, enforcement of securities, adverse credit ratings, restrictions on access to institutional finance and reputational harm, which could materially and adversely affect our business operations and financial condition.

**3. *Uncertainty in crystallization of borrowing liabilities and non-provision of interest may adversely affect the accuracy of our financial statements and future profitability.***

Certain long-term borrowings continue to be classified as non-performing by lenders, and the actual liability towards interest, penal interest and principal remains uncrystallized. Due to this uncertainty, the Company has not provided for interest, including penal interest and other dues on such borrowings to the extent remaining unpaid as of March 31, 2025.

As a result, our reported losses and liabilities may be understated. Once these liabilities are crystallized, we may be required to recognize additional expenses and obligations, which could have a material adverse impact on our profitability, net worth and financial position in future periods.

**4. *Non-payment of statutory dues such as PF, ESI and TDS exposes us to penalties, interest, prosecution and operational risks.***

The Company has not paid certain statutory dues, including Employees' State Insurance (ESI), Provident Fund (PF) and Tax Deducted at Source (TDS), for the financial year ended March 31, 2025 as well as for previous financial years. Non-compliance with statutory payment obligations may result in levy of interest, penalties, prosecution, attachment of bank accounts or other enforcement actions by regulatory authorities.

Any such actions could lead to financial outflows, management distraction and reputational damage, and may materially and adversely affect our business, financial condition and results of operations.

**5. *Failure to provide for gratuity and leave encashment liabilities may result in future financial strain and impact employee relations.***

The Company has not provided for gratuity and leave encashment liabilities in its financial statements, which is not in accordance with Accounting Standard-15 on "Employee Benefits". As a result, our financial statements may not reflect the true extent of our employee benefit obligations.

If such liabilities are recognized in future periods, we may incur significant expenses and cash outflows. Additionally, failure to adequately provide for employee benefits may expose the Company to employee claims and adversely affect workforce morale and retention.

**6. *Our continued dependence on borrowings and limited access to working capital facilities may constrain our operations and growth.***

Due to the NPA classification of our borrowing accounts, no working capital facilities were sanctioned or renewed during FY 2024-25. Our operations and liquidity are therefore constrained and dependent on internally generated cash flows and short-term financing arrangements, which may not be available on favourable terms.

Any inability to secure adequate working capital or refinance existing obligations may impair our ability to fund day-to-day operations, meet contractual commitments and execute our business plans, which could materially and adversely affect our business and financial condition.

**7. *Our statutory auditors have issued a qualified opinion on our financial statements, which may adversely affect stakeholder confidence in our reported financial position and performance.***

For the financial year ended 31 March 2025, our statutory auditors have issued a qualified opinion on our financial statements. The qualifications, among other matters, relate to (i) our borrowing accounts being classified as non-performing assets ("NPA") by various banks and NBFCs and absence of sanctioned or renewed working capital limits during the year; (ii) defaults in repayment of principal and interest on various term loans and unsecured loans despite

availability of cash and cash equivalents; (iii) non-provision of interest, including penal interest and other dues, on certain borrowings which continue to be classified as non-performing; (iv) non-payment of statutory dues including provident fund, employees' state insurance and tax deducted at source for the current and previous financial years; and (v) non-recognition of gratuity and leave encashment liabilities in accordance with Accounting Standard 15 on "Employee Benefits".

A qualified audit opinion may adversely affect the perception of our Company among lenders, investors, suppliers and other stakeholders, and may also impact our ability to raise debt or equity in the future on favourable terms, thereby materially and adversely affecting our business, financial condition and results of operations.

**8. *Non-availability of balance confirmations for receivables, loans and advances and payables, and reliance on management representations, may affect the reliability of our reported balances.***

The auditors have highlighted that the Company has not obtained balance confirmations for amounts receivable, loans and advances and amounts payable. They have relied on management representations with respect to the correctness of these balances.

Absence of independent confirmations increases the risk that such balances may be misstated due to errors, disputes or potential fraud. Any future adjustment or write-off of these balances could adversely impact our financial position and results of operations, and may also affect the confidence of lenders, investors and other stakeholders in the reliability of our financial reporting.

**9. *We have not made provisions for doubtful debts despite long ageing of certain receivables, which may result in overstatement of our assets and profits.***

In their emphasis of matter, the auditors have stated that, despite long ageing of certain receivables, the Company has not provided for doubtful debts. This increases the risk that trade receivables may not be fully recoverable and that our assets and profits may be overstated.

If we are required to recognize provisions or write-offs in respect of such overdue receivables in future periods, our profitability and net worth may be materially impacted. In addition, delays or failures in collection of receivables could adversely affect our cash flows and working capital position.

**10. *Our results have benefited from one-time settlement gains with lenders, which are non-recurring in nature and may not be available in the future.***

During the year, the Company entered into one-time settlement ("OTS") arrangements with various banks and NBFCs, as a result of which a gain of ₹12.13 lakh was recognized under exceptional items. Such OTS-related gains arise from stressed relationships with lenders and are non-recurring in nature.

There is no assurance that we will be able to secure similar settlements in the future or that such settlements will be on favourable terms. Our future financial performance may therefore not reflect similar gains, and any absence of such one-time items may result in lower reported profitability. Further, entering into OTS arrangements may negatively impact our credit profile and ability to access institutional finance.

**11. *Our increase in short-term borrowings and continued reliance on short-term funding may adversely affect our liquidity and refinancing ability.***

As at 30 September 2025, our short-term borrowings increased to ₹458.33 lakh from ₹406.71 lakh as at 31 March 2025. We do not have any long-term borrowings outstanding as at 30 September 2025, and our funding requirements are therefore largely met through short-term liabilities.

This exposes us to refinancing risk, as short-term borrowings may require frequent renewal or rollover, often subject to lender discretion, changes in credit conditions and compliance with covenants. Any inability to renew or refinance these borrowings on acceptable terms, or at all, could adversely affect our liquidity, disrupt business operations and materially impact our financial condition and results of operations.

**12. *A substantial portion of our current assets continues to be tied up in trade receivables, including receivables overdue for extended periods, which may affect cash flows and working capital.***

As at 30 September 2025, our trade receivables increased to ₹563.28 lakh, compared to ₹525.86 lakh as at 31 March 2025. Trade receivables represent the largest component of our current assets. Any delay in realization of these receivables adversely affects our operating cash flows and working capital cycle.

Although receivables are classified as “considered good”, recovery is dependent on the creditworthiness, financial condition and payment practices of our customers. In the event of delays, disputes or defaults in payment by customers, we may be required to make provisions or write-offs, which could adversely affect our profitability, liquidity and net worth.

***13. Our liquidity position is partly supported by high cash balances, and any misalignment between available cash and outstanding obligations may attract increased scrutiny.***

As at 30 September 2025, our cash and cash equivalents stood at ₹351.19 lakh, compared to ₹329.73 lakh as at 31 March 2025. While cash balances provide liquidity, the existence of significant cash balances, when viewed alongside outstanding borrowings, trade payables and statutory dues (as observed by auditors in earlier periods), may lead to increased scrutiny from lenders, regulators and other stakeholders regarding cash management, prioritization of payments and governance practices.

Any adverse perception or query in this regard could impact our credibility, relationships with lenders and regulatory authorities, and may materially and adversely affect our business operations.

***14. Our working capital is exposed to inventory management and consumption risk inherent in our business model.***

Our inventories (primarily reagents, chemicals, surgicals and laboratory supplies) stood at ₹118.08 lakh as at 30 September 2025, compared to ₹129.43 lakh as at 31 March 2025. These inventories are consumable in nature and are subject to risks including obsolescence, expiry, damage, changes in testing volume and evolution of diagnostic technologies.

Any inefficiencies in inventory forecasting or management may result in write-downs or losses, adversely affecting margins and operating results. Additionally, any disruption in inventory availability could impact service delivery and revenue generation.

***15. We have increased our exposure to loans and advances, which may not be readily recoverable and may strain liquidity.***

As at 30 September 2025, our long-term loans and advances increased to ₹123.26 lakh, from ₹110.54 lakh as at 31 March 2025. These include security deposits, performance guarantees and loans and advances to others, which are generally unsecured and may not be readily realizable.

Further, short-term loans and advances, though reduced to ₹50.33 lakh, still represent deployment of funds that may not generate immediate liquidity. Any delay or failure in recovery of these advances may adversely affect our cash flows, working capital and financial position, and could require provisioning or write-offs in future periods.

**16. *Our assets base includes non-core investments and intangibles which may not be easily liquidated or may lose value.***

As at 30 September 2025, we held non-current investments of ₹26.93 lakh and intangible assets of ₹2.43 lakh, alongside tangible fixed assets of ₹315.57 lakh. Non-core investments and intangibles may be subject to valuation risks, impairment and limited liquidity.

In circumstances where we require funds urgently to meet operational or financial obligations, there can be no assurance that such assets can be monetized quickly or at favourable values. Any impairment or forced liquidation could adversely affect our net worth and financial position.

**17. *Our deferred tax liabilities and provisions are subject to estimation risk and future reassessment.***

As at 30 September 2025, our deferred tax liability stood at ₹11.20 lakh. Deferred tax balances are based on management estimates, interpretations of tax laws and timing differences between accounting and taxable income.

Any change in tax laws, regulations, judicial interpretations or assumptions used by management may require reassessment of deferred tax balances, which could result in additional tax expense, adjustments to net worth and adverse impact on future profitability.

**18. *Continued fluctuations in balance sheet items between reporting periods may create uncertainty regarding financial stability.***

Comparing the position as at 30 September 2025 with 31 March 2025, we have experienced movements across several key balance sheet items, including increases in short-term borrowings, trade receivables, cash balances and loans and advances, alongside reductions in inventories and fixed assets.

While such movements may be part of normal business operations, frequent or sharp fluctuations may indicate volatility in working capital management and funding patterns. Any inability to manage these fluctuations effectively could adversely impact operational stability, stakeholder confidence and the Company's financial condition.

**19. *Our Company has been subject to penalties imposed by stock exchanges in the past, and similar regulatory actions may occur in the future.***

We Our Company has been subject to penalties imposed by stock exchanges in the past for certain instances of non-compliance with applicable listing and disclosure requirements. While the Company has complied with the regulatory directions in this regard, such instances expose the Company to regulatory and reputational risks and may lead to increased scrutiny by stock exchanges and other regulatory authorities.

There can be no assurance that the Company will not face similar penalties or regulatory actions in the future. Any future non-compliance, whether perceived or actual, could result in monetary penalties, restrictions on corporate actions, enhanced regulatory oversight, or other disciplinary measures. Such actions may adversely affect the Company's reputation, investor confidence, ability to access capital markets, and business operations. Prospective investors should consider this history as indicative of the regulatory compliance risks associated with an investment in our Company.

**20. *The Registered Office of our Company is not owned by us and is taken on lease, the tenure and continuity of which is subject to contractual and commercial arrangements.***

Our Company operates from its registered office situated at M-20, Basement, Greater Kailash-I, New Delhi – 110048, which is not owned by us and is occupied on a leased basis. The premises are taken on lease from a third party landlord. The lease arrangement, including its tenure and renewal terms, is subject to the underlying lease agreement and mutual understanding with the landlord.

Any non-renewal, termination, lapse or discontinuance of the lease arrangement for any reason, including expiry of lease tenure, breach of lease conditions or commercial disagreements, may require us to relocate our registered office and/or operational functions to alternate premises. There can be no assurance that suitable alternative premises will be available to us on commercially acceptable terms or within reasonable timelines.

Any forced relocation or disruption in occupancy of our registered office may result in operational disturbances, additional costs, regulatory compliances for change of registered office and potential interruption in business activities, which could materially and adversely affect our business operations, financial condition, cash flows and results of operations.

**21. *Changes in technology in the healthcare and diagnostics sector may render our existing technology obsolete and could require significant investments, which we may be unable to undertake in a timely manner.***

The healthcare diagnostics industry is subject to rapid technological advancements, changes in testing methodologies, automation, digitization and introduction of new diagnostic platforms. Our operations depend on the continued efficiency and reliability of the diagnostic equipment, reagents, software systems and laboratory processes currently deployed by us. Any significant technological advancement or shift in industry standards may render our existing equipment or processes less competitive or obsolete.

Given our recent financial constraints, limited access to institutional funding and dependence on internal accruals and promoter support for meeting working capital requirements, our ability to undertake substantial capital expenditure towards technology upgradation may be restricted. If we are unable to upgrade or replace our equipment, systems or processes in a timely and cost-effective manner, we may experience higher operating costs, reduced efficiency, lower testing accuracy or turnaround times, and diminished competitiveness.

Further, the cost of acquiring, installing and maintaining advanced diagnostic technologies is significant, and there can be no assurance that such investments will generate the expected returns or be recoverable within anticipated timeframes. Any delay or inability to adapt to technological changes could adversely affect the quality of our services, customer retention, regulatory compliance, reputation, business operations, financial condition and results of operations.

**22. *Our operations are subject to multiple regulatory approvals, registrations and licenses, and any delay, non-renewal or non-compliance with their conditions may adversely affect our business.***

Our Company's business operations require us to obtain and maintain various registrations, licenses, permissions and approvals from central, state and local government authorities and regulatory bodies under applicable laws governing healthcare, diagnostics, labour, taxation and other allied regulations. Certain such approvals and licenses are granted for specified time periods and are required to be renewed periodically, while others are subject to ongoing compliance with prescribed terms and conditions.

There can be no assurance that such approvals, licenses, registrations or permits will be renewed, amended or granted in a timely manner or at all, or that we will be able to continuously comply with the conditions attached thereto. Any failure, delay or inability to obtain, renew or comply with the applicable terms of such approvals may result in penalties, suspension or cancellation of licenses, disruption of operations or imposition of additional compliance requirements.

Further, in view of the heightened regulatory oversight in the healthcare and diagnostic services sector, regulatory requirements may change or become more stringent in the future, which may increase our compliance costs and operational burden. Any such regulatory action, non-renewal, suspension or cancellation of licenses or approvals could materially and adversely affect our business operations, reputation, financial condition and results of operations.

For details of the key government and statutory approvals applicable to our Company, please refer to the section titled "Government and Other Statutory Approvals" in this Letter of Offer.

**23. *We are exposed to risks arising from employee misconduct, errors or omissions, which may be difficult to detect and could adversely affect our operations, financial condition and reputation.***

Our operations are dependent on employees and contractual staff involved in diagnostic, administrative, finance and regulatory compliance functions. Any misconduct, negligence, error or omission by such employees, whether intentional or inadvertent, including non-compliance with internal policies, statutory requirements or professional standards, could expose our Company to regulatory actions, financial losses, litigation, penalties or reputational damage.

Given the nature of our business and our operational scale, certain processes rely on manual intervention, management judgment and internal supervision. There can be no assurance that such controls and monitoring mechanisms will prevent or detect all instances of employee misconduct or operational errors. Further, failures in adherence to compliance procedures, accounting practices, statutory remittances or internal controls—whether due to human error or oversight—may result in adverse observations by auditors or regulators, disruption of operations or increased scrutiny from regulatory authorities.

Any such incidents, individually or in the aggregate, could materially and adversely affect our business operations, financial condition, cash flows, results of operations and reputation, and could impact investor confidence in our Company.

## RISKS RELATING OBJECTS OF THE ISSUE

**24. Significant portion of the Rights Issue proceeds will not result in fresh cash inflow, as part of the subscription amount will be adjusted against unsecured loans of the Promoter.**

Out of the Net Proceeds of the Issue, an amount of ₹111.09 lakh is proposed to be utilized towards adjustment of unsecured loans extended by our Promoter, Mr. Arjan Lal Chandani, against his Rights Entitlement. While such adjustment will reduce the Company's outstanding unsecured borrowings, it will not generate a corresponding cash inflow.

Consequently, the actual liquidity available to fund working capital requirements, repayment of bank loans and general corporate purposes may be lower than the gross issue size. If the remaining cash proceeds are insufficient to meet the Company's operational and financial requirements, the Company may be required to seek alternative sources of funding, which may not be available on favourable terms or at all.

**25. Full participation by Promoters may increase concentration of shareholding and influence over the Company.**

As on September 30, 2025, the Promoters and Promoter Group collectively hold 31.15% of the pre-Issue equity share capital of the Company. The Promoters have confirmed their intention to subscribe fully to their Rights Entitlements in the Issue.

Post Issue, subject to subscription levels by public shareholders, the relative shareholding and influence of the Promoters may increase. A higher concentration of ownership may result in greater control by the Promoters over matters requiring shareholder approval, including strategic, operational and governance decisions. This may reduce the ability of minority shareholders to influence such decisions and could give rise to potential conflict-of-interest risks.

**26. Promoter participation in the Rights Issue does not assure improvement in the Company's financial condition or business performance.**

Although the Promoters' decision to fully subscribe to the Rights Issue reflects their continued commitment to the Company, there can be no assurance that the objectives of the Rights Issue—such as stabilization of liquidity, repayment of borrowings and improvement in working capital—will be fully achieved.

The Company continues to face financial challenges, including historical loan defaults, constrained access to institutional finance, pending statutory dues and qualified audit observations in prior financial periods. Even after completion of the Issue, there is no certainty that the Company will be able to restore normal banking relationships, secure fresh credit facilities or achieve sustained profitability.

**27. Reduction of issue size to avoid odd lots may marginally restrict fund mobilisation.**

In order to avoid the creation of odd lots on the SME Platform, the Company has restricted the Rights Issue size to [●] equity shares instead of the full [●]:[●] entitlement on the existing share capital of 43,33,068 equity shares. While this measure enhances post-issue tradability and ease of settlement, it marginally reduces the overall funds raised in the Issue.

Such reduction may limit the Company's financial flexibility and, if requirements exceed available proceeds, may necessitate additional fund-raising or borrowing.

**28. A substantial portion of the Issue proceeds is proposed to be used for working capital and general corporate purposes, which may not yield immediately measurable outcomes.**

In Out of the Net Proceeds, approximately 57.22% is proposed to be utilized towards working capital requirements and general corporate purposes. These funds are not earmarked for any specific project or asset creation and will be deployed across various operational needs such as procurement of reagents, consumables, payment of expenses and other routine business requirements.

The utilization of such funds may not result in immediate or quantifiable improvements in revenue or profitability. Any inefficiencies in deployment, adverse market conditions or operational challenges could diminish the expected benefits from such utilisation.

**29. The Company's ability to reduce leverage depends on successful repayment of bank loans from the Issue proceeds.**

An amount of ₹65.00 lakh from the Net Proceeds is proposed to be utilized towards repayment of bank loans. While such repayment is expected to reduce finance costs and improve leverage ratios, the overall borrowings of the

Company may continue to remain significant.

In the event the repayment does not result in restoration of normal credit facilities or improved credit profile, the Company may continue to face constraints in accessing institutional finance, adversely impacting its liquidity and operations.

**30. *Public shareholders may not fully subscribe to their Rights Entitlements, affecting overall subscription levels.***

While the Promoters have confirmed their participation, there can be no assurance that public shareholders will exercise or renounce their Rights Entitlements. Any lower-than-expected participation by public shareholders may affect the overall subscription levels and could alter the post-Issue shareholding pattern.

Additionally, reduced public participation may impact market perception, liquidity of the Company's equity shares and investor confidence.

**31. *Our Company will not distribute the Letter of Offer and other Issue related materials to overseas shareholders who have not provided an address in India for service of documents.***

We will not distribute the Issue Material to the shareholders who have not provided an address in India for service of documents. The Issue Material will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in various overseas jurisdictions. In the case that Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

**32. *Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.***

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to overseas holders of the Equity Shares or in disposing of such rights for the benefit of such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the U.S. Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the U.S. Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

**33. *Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Rights Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the BSE SME, investors will be subject to market risk from the date they pay for the Rights Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Rights Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

**34. *Minimum subscription requirement and risk of the Issue not proceeding***

In terms of Regulation 86 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), a rights issue is, in general, required to receive a minimum subscription of 90% of the offer through the offer document, failing which all application monies received are required to be refunded to the applicants forthwith, but not later than four days from the closure of the issue.

Our Company proposes to utilise the Net Proceeds primarily towards funding working capital requirements, adjustment / repayment of unsecured loans of the Promoter, repayment of bank loan and general corporate purposes. The Promoters have confirmed their intention to subscribe to their full Rights Entitlement in this Issue. Our Company is proposing to structure the Issue in compliance with the proviso to Regulation 86(1) of the SEBI ICDR Regulations, which provides for an exemption from the minimum subscription requirement subject to fulfilment of specified conditions, including that (i) the object of the issue involves financing other than financing of capital expenditure for a project; and (ii) the promoters and promoter group undertake to subscribe fully to their portion of rights entitlement

and do not renounce their rights except as permitted under the said proviso.

However, there can be no assurance that the conditions prescribed under the proviso to Regulation 86(1) will be fully complied with, or that the regulatory interpretation of our proposed structure and disclosures will be aligned with the interpretation taken by our Company. In the event that (a) the exemption from minimum subscription is not available or is not accepted by the regulatory authorities; and (b) the minimum subscription of 90% of the Issue is not achieved, our Company will be required to refund all application monies received from investors, forthwith but not later than four days from the closure of the Issue, and the Issue will not proceed.

In such a scenario, our Company would not receive any of the Net Proceeds, the proposed deployment towards working capital, repayment / adjustment of unsecured loans, repayment of bank loan and general corporate purposes would be delayed or may not be undertaken, and our business plans, liquidity position and financial condition may be adversely affected.

**35. *Any future issuance of Equity Shares by our Company or sales of our Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of our Equity Shares.***

Any future issuance of Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares, and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further equity shares or that the shareholders will not dispose of, pledge, or otherwise encumber their equity shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**36. *Foreign investors are subject to foreign investment restrictions under Indian law that limit our Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents and issuances of shares to non-residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If such issuances or transfers of shares are not in compliance with such requirements or fall under any of the specified exceptions, then prior approval of the RBI will be required. We have undertaken or recorded such transactions in the past based on a bona fide interpretation of the law. We cannot assure you that our interpretation would be upheld by the Indian regulators. Any change in such interpretation could impact the ability of our Company to attract foreign investors.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilizing the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

**37. *Rights of shareholders under Indian law may differ or may be more limited than under the laws of other jurisdictions.***

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, and the Articles of Association govern the corporate affairs of our Company. Indian legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. In accordance with the provisions of the Companies Act the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act states that the articles of a company may provide that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the company has exercised any right of lien.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on



the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

## **EXTERNAL RISK FACTORS**

### ***Risk Relating to India***

- 38. *Adverse global economic and geopolitical developments, including financial instability in other countries, the Israel-Iran conflict, volatility in crude oil prices, and changes in U.S. Federal Reserve policies, may increase volatility in Indian financial markets and adversely affect our business and financial performance.***

The Indian economy and financial markets are significantly influenced by global economic and geopolitical developments, particularly those in emerging markets and major global economies. While economic conditions differ from country to country, investor sentiment and capital flows are often impacted by events in other markets, which can have a cascading effect on Indian markets.

For instance, currencies of several Asian countries have historically experienced depreciation against the U.S. dollar due to diverse macroeconomic pressures. A loss of investor confidence in the financial systems of other emerging economies may trigger increased volatility in Indian financial markets and have a broader negative impact on India's economic outlook.

Furthermore, heightened geopolitical tensions — such as the ongoing Israel-Iran conflict have introduced increased uncertainty and risk aversion in global markets. Escalation in the Middle East can lead to supply chain disruptions and instability in crude oil supplies, directly affecting oil prices. Given India's dependency on oil imports, any sustained increase in crude oil prices could adversely impact inflation, the current account deficit, and overall economic growth, which may, in turn, affect investor sentiment and our business operations.

Additionally, ongoing concerns regarding potential interest rate hikes by the U.S. Federal Reserve, aimed at combating inflation, have contributed to global financial market volatility and have led to capital outflows from emerging markets, including India. Rising U.S. interest rates tend to strengthen the U.S. dollar and reduce the relative attractiveness of emerging market investments, thereby increasing the cost of external borrowing and impacting foreign investment inflows into India.

The global credit and equity markets have previously experienced substantial dislocations, liquidity disruptions, and corrections, and may continue to do so in the current uncertain environment. While governments and central banks in various jurisdictions, including India, have introduced policy measures aimed at stabilizing financial markets, the overall effectiveness and long-term impact of these initiatives remain uncertain.

In the event of prolonged geopolitical tensions, sharp fluctuations in global oil prices, sustained monetary tightening by developed economies, or any significant financial disruption, our business operations, future financial performance, and the trading price of our Equity Shares could be adversely affected.

- 39. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

- 40. *If the rate of Indian price inflation increases, our business and results of operations may be adversely affected.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. In recent years, India has experienced consistently high inflation, which has increased the price of, among other things, our rent and personnel cost. If this trend continues, we may be unable to accurately estimate or control our costs of production and purchase, which could have an adverse effect on our business and results of operations. 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 adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. 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. We cannot assure you that Indian inflation levels will not worsen in the future.

- 41. *As a listed company, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations, and we must comply with other SEBI regulations as may be applicable to us. Any non-compliance / delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on the SME Platform of BSE Limited (“BSE SME”). We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, and we must comply with other SEBI regulations as may be applicable to us. While our Company strives to meet all such obligations and reporting requirements, we cannot assure you that there will be no non-compliances in the future, and we cannot assure you that no penalties will be levied against our Company. Non-compliance under the SEBI regulations are usually subject to penalties, warnings, and show-cause notices by SEBI and the Stock Exchange. Any regulatory action or development that is initiated against us could affect our business reputation, divert management attention and result in a material adverse effect on our business prospects and financial performance, and the trading price of the Equity Shares.

- 42. *Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the economy of countries globally and our business, financial condition and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations and financial condition.***

Several countries have experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the global economy which, in turn, could adversely affect our business, and may damage or destroy our borrowers’ assets or projects. Any of these natural calamities could adversely affect our business, results of operations and financial condition. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID- 19 pandemic, had caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business.

- 43. *Changing laws, rules and regulations and legal uncertainties may adversely affect our business, prospects, results of operations and cash flows. Further, failure to comply with the existing laws and regulations applicable to our business could subject our Company to enforcement actions and penalties and otherwise harm our business.***

In India, our business is governed by various laws and regulations including, amongst others, The Micro, Small and Medium Enterprises Development Act, 2006, Kerala Shops and Commercial Establishments Act, 1960, Sale of Goods Act, 1930 and various laws relating to employment. Taxation and Securities laws and regulations have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to inspection, enforcement actions and penalties imposed by authorities.

Our business could be adversely affected by any change in laws or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations and cash flows. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing

law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**44. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are listed on the SME Platform of BSE Limited (“BSE SME”). Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
- hostile or war like situations with the neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchange;
- decline in India’s foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India’s sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

**45. *In the event we undertake future acquisitions, mergers or similar corporate actions, we may potentially be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business, results of operations and financial condition.***

The Competition Act, 2002 (“Competition Act”) was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition (“AAEC”) is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations (“Combination Regulations”) require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us in future could be within the purview of the Competition Act. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India.

The Competition (Amendment) Act, 2023 (“Competition Amendment Act”) was notified on April 11, 2023, which amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information. Such amendment to the Competition Act will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospect.

**46. *Companies operating in India are subject to a variety of taxes and surcharges.***

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other

special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

#### **RISKS RELATING TO OUR RIGHTS EQUITY SHARES AND THIS ISSUE**

- 47. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates basis current market conditions and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of the Net Proceeds. For details, please see "Objects of the Issue" on page 42.

- 48. *Recent changes to the regulatory framework for rights issues, including faster timelines and modified procedures, may lead to investor confusion or non-compliance, which could adversely affect the subscription process.***

SEBI, through the notification of the SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, dated March 3, 2025, and published in the Official Gazette on March 8, 2025 (Gazette ID CG-DL-E-08032025-261516), has significantly amended the regulatory framework governing rights issues. This has been followed by a circular dated March 11, 2025, which introduces the concept of Faster Rights Issues and allows for flexibility of allotment to specific investors, while also imposing stricter timelines and procedural requirements.

The amended framework applies to all Rights Issues approved by the Board of Directors on or after April 7, 2025. The rapid implementation of this new framework may pose operational challenges for investors who are unfamiliar with the revised process, including faster turnaround times, stricter compliance with demat credit timelines, and procedural differences from earlier rights issues.

Any failure by investors to understand or comply with the new regulations—such as timely demat credit for Rights Entitlements (REs), correct application through ASBA, or submission of updated details—may lead to their applications being rejected or rendered invalid. Investors are advised to read this Letter of Offer carefully and follow all instructions in strict adherence to the updated regulatory framework to avoid any adverse impact on their ability to participate in the Issue.

For detailed information, see the section "Terms of the Issue" on page 62 of this Draft Letter of Offer.

- 49. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operations or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for our Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

- 50. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting

interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure of completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, please see “Terms of the Issue” on page 62.

***51. Your ability to acquire and sell the Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Draft Letter of Offer.***

No actions have been taken to permit a public offering of the Equity Shares offered in the Issue in any jurisdiction except India. As such, our Equity Shares have not and will not be registered under the Securities Act, any state securities laws of the United States or the law of any jurisdiction other than India.

Further, your ability to acquire Equity Shares is restricted by the distribution and solicitation restrictions set forth in this Draft Letter of Offer. For further information, please see “Notice to Investors” and “Other Regulatory and Statutory Disclosures – No Offer in the US” and “Restrictions on Purchases and Resales” on pages 11, 57 and 87, respectively. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with applicable law.

***52. Any future issuance of Equity Shares by our Company may dilute your shareholding and adversely affect the trading price of our Equity Shares.***

Any future issuance of Equity Shares may dilute your shareholding in our Company. Any future equity issuances by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***53. Equity Shares may experience price and volume fluctuations.***

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, 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 regulations. In addition, the stock Exchange may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Equity Shares. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

***54. No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchange, the trading of Rights Equity Shares may not track the trading of Equity Shares.

***55. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its equity shareholders

pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution of the Company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

***56. Investors may be subject to Indian taxes arising out of capital gains on sale of the Rights Equity Shares.***

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Additionally, a securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gains realized on the sale of equity shares held for more than 12 months are subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT. Further, any capital gains realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 12.5% (plus applicable surcharge and cess), without indexation benefits.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Rights Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions.

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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the Rights Equity Shares.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Rights Equity Shares.

***57. Restrictions on daily movements in the trading price of our Equity Shares may adversely affect a shareholder’s ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Stock Exchange may impose restrictions on the movements in trading price of our Equity Shares. Stock Exchange are not required to inform us of such restrictions and they may change without our knowledge. In the event such restrictions are imposed, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

***58. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form. Our Company has opened a separate demat suspense escrow account (namely, “DR LALCHANDANI LABS LIMITED RIGHTS ISSUE SUSPENSE ESCROW DEMAT ACCOUNT”) (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation is lying in escrow account; (d) where credit of the Rights Entitlements have returned/reversed/failed for

any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlement may dilute and adversely impact the interest of certain Eligible Equity Shareholders. For details, please see “Terms of the Issue” beginning on page 62.

***59. The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Rights Equity Shares until they provide details of their demat account and Rights Equity Shares are transferred to such demat account from the demat suspense account thereafter.***

In accordance with the SEBI ICDR Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Eligible Equity Shareholders holding Equity Shares in physical form shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Eligible Equity Shareholders holding Equity Shares in physical form are requested to furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Eligible Equity Shareholders holding Equity Shares in physical form who do not furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date shall lapse. Further, pursuant to a press release dated December 3, 2018, issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further information, please see “Terms of the Issue” beginning on page 62.

***60. SEBI has recently, by way of Master Circular dated November 11, 2024 revised and consolidated the regulatory framework governing rights issues, and non-compliance with the new procedures may adversely affect potential investors ability to subscribe to the Rights Equity Shares.***

SEBI, through its Master Circular bearing reference no. SEBI/HO/CIR/PoD-1/P/CIR/2024/0154 dated November 11, 2024, has rescinded its earlier circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021, and April 22, 2021, and issued updated guidelines to streamline the rights issue process. The new framework mandates, among other things, minimum notice periods to stock exchanges, the procedure for credit and trading of Rights Entitlements (REs), and application requirements strictly through the ASBA facility.

In accordance with the revised norms:

- Rights Entitlements are credited in dematerialized form before the issue opening date;
- Physical shareholders must furnish demat account details at least two working days prior to issue closure for RE credit;
- REs are traded on the stock exchange platform under T+1 settlement and trading closes at least three working days prior to issue closure.
- No withdrawal of applications is permitted post issue closing date.

While these measures aim to enhance efficiency and investor convenience, any failure on the part of investors to timely comply with the procedures prescribed in the Master Circular—including updating demat details, monitoring RE credits, or applying within the prescribed timelines—may lead to rejection or failure of their application. Investors are advised to carefully read and follow the instructions in this Letter of Offer and the SEBI Master Circular to ensure successful participation in the Issue. For details, see “Terms of the Issue” on page 62 of this Draft Letter of Offer.

## SECTION III: INTRODUCTION

### THE ISSUE

The Issue has been authorized by way of resolution passed by our Board on December 15, 2025, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board / Rights Issue Committee at its meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section entitled ***“Terms of the Issue”*** beginning on page 62.

|   |  |
|---|--|
| <b>Rights Equity Shares being offered by our Company</b>  | Up to [●] Rights Equity Shares   |
| <b>Rights Entitlement for the Rights Equity Shares</b>  | [●] Rights Equity Share for every [●] Equity Share held on the Record Date*  |
| <b>Fractional Entitlement</b>   | For Equity Shares being offered on a rights basis under the Issu if the shareholding of any of the Eligible Equity Shareholders less than [●] ([●]) Equity Shares or is not in multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over an above their Rights Entitlement, if any |
| <b>Record Date</b>  | [●]  |
| <b>Face Value per Equity Share</b>  | ₹10 (Rupees Ten only)  |
| <b>Issue Price</b>  | ₹ [●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share)  |
| <b>Issue Size</b>   | Upto ₹ 433.31 Lakhs* (Rupees Four Hundred Thirty-Three Point Two Lakhs Only)   |
| <b>Voting Rights and Dividend</b>   | The Equity Shares issued pursuant to this Issue shall rank pari-passu in all respects with the Equity Shares of our Company.   |
| <b>Equity Shares issued, subscribed, paid-up and outstanding prior to the Issue</b>                                       | 43,33,068 Equity Shares. For details, see <b><i>“Capital Structure”</i></b> beginning on page 41.  |
| <b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b> | [●] Equity Shares of Face value ₹ 10 (Ten) each  |
| <b>Security Codes for the Equity Shares</b>   | ISIN for Equity Shares: INE871Z01013<br>BSE SME: 541299<br>BSE Symbol: DLCL  |
| <b>ISIN for Rights Entitlements</b>   | [●]  |
| <b>Terms of the Issue</b>   | For further information, see <b><i>“Terms of the Issue”</i></b> beginning on page 62.  |
| <b>Use of Issue Proceeds</b>  | For further information, see <b><i>“Objects of the Issue”</i></b> beginning on page 42.  |

For details in relation to fractional entitlements, see ***“Terms of this Issue – Fractional Entitlements”*** on page 77.

#### Terms of Payment

Payment Schedule is as follows:

| Amount payable per Rights Equity Share                 | Face Value (₹) | Premium (₹) | Total amount payable pe Rights Equity Share (including premium) (₹)* |
|--|----------------|-------------|--|
| On Application (i.e., along with the Application Form) | 10/-           | [●]/-       | [●]  |

*\*To be finalised upon determination of the Issue Price*



## GENERAL INFORMATION

Our Company was originally incorporated as partnership firm at New Delhi vide Partnership Agreement dated 15th Day of September, 2011 in the name of Dr. A Lalchandani Pathology Laboratories. Thereafter, the Partnership Firm was taken over by M/s Dr Lalchandani Labs Limited incorporated under the provisions of Companies Act, 2013 vide certificate of Incorporation dated 2nd August, 2017 issued by the Registrar of Companies, Delhi vide agreement dated 31st August, 2017. The Corporate Identification Number of our Company is U85320DL2017PLC321605.

### Registered Office

M-20 Basement, Greater Kailash-1,  
South Delhi, NEW DELHI, India, 110048

The Registered Office at the time of incorporation was situated at J-23 Lajpat Nagar- III, New Delhi-110024. The Registered Office of our Company was subsequently changed in the following manner:

| Effective date of change | Address of Changed Registered Office                  | Reason(s) for change          |
|--------------------------|---|-------------------------------|
| 31st January, 2018       | M-20 Basement, Greater Kailash-1, New Delhi<br>110048 | Due to administrative Purpose |

### CORPORATE IDENTITY NUMBER

L85320DL2017PLC321605

### REGISTRATION NUMBER

321605

### COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Saniya Hussain**

**Address:** M-20 Basement, Greater Kailash-1,  
South Delhi, New Delhi, India, 110048

**Tel:** + 9873972036

**E-mail:** [cs@lalchandaniplab.com](mailto:cs@lalchandaniplab.com)

### REGISTRAR OF COMPANIES:

Registrar of Companies, Delhi

**Address:** 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019

**Tel:** 011-26235703, 26235708

**Fax:** 011-26235702

**Email:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### STATUTORY AUDITOR OF THE COMPANY

ATN & Co., Chartered Accountants

**Address:** Jai Balaji Bhawan, Bramha Road,  
Ambikapur, Chhattisgarh, PIN - 497001

**Tel:** 011-45027839

**E-mail:** [atncadelhi@gmail.com](mailto:atncadelhi@gmail.com)

**Peer Review Certificate No.:** 014838

**Firm Registration No.:** 024358N

**Contact Person:** CA Ashok Arora

**Designation:** Partner

**ICAI Membership No.:** 513250

**REGISTRAR OF THE COMPANY****Cameo Corporate Services Limited**

“Subramanian Building”, No.1, Club House Road,  
Chennai - 600 002, India

**Tel:** 044 – 4002 0700 (5 lines)

**Email:** priya@cameoindia.com

**Investor Grievance Email:** investor@cameoindia.com

**Contact Person:** Ms. K Sreepriya

**Website:** www.cameoindia.com

**SEBI Registration No.:** INR000003753

**CIN:** U67120TN1998PLC041613

**REGISTRAR TO THE ISSUE****Cameo Corporate Services Limited**

“Subramanian Building”, No.1, Club House Road,  
Chennai - 600 002, India

**Tel:** 044 – 4002 0700 (5 lines)

**Email:** priya@cameoindia.com

**Investor Grievance Email:** investor@cameoindia.com

**Contact Person:** Ms. K Sreepriya

**Website:** www.cameoindia.com

**SEBI Registration No.:** INR000003753

**CIN:** U67120TN1998PLC041613

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see “Terms of the Issue” beginning on page 62.

**DETAILS OF AUDITORS**

Our Company has received the written consent of its Statutory Auditors, M/s ATN & Co.,Chartered Accountants, vide their letter dated December 12, 2025, to the inclusion of their name in this Draft Letter of Offer, the Letter of Offer, the Application Form, and other issue-related documents, in connection with and for inclusion of certain extracts from the audited standalone financial statements of our Company for the financial year ended March 31, 2025 (“Fiscal 2025”), and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

Further, our Company has received the written consent of M/s ATN & Co., Independent Chartered Accountants, holding a valid peer review certificate issued by the Institute of Chartered Accountants of India (“ICAI”), vide their letter dated December 12, 2025, to the inclusion of their name in this Draft Letter of Offer, the Letter of Offer, the Application Form, and other issue- related documents, in respect of (i) the statement of special tax benefits available to our Company and its shareholders dated December 12, 2025; and (ii) the certificates issued by them in their capacity as Independent Chartered Accountants to our Company, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

**BANKER TO THE ISSUE****Axis Bank Limited**

**Address:** M20, 1st Floor, Greater Kailash-1, M Block Market, New Delhi, Delhi 110048

**Tel:** 999789173

**Contact Person:** Mr. Shrivardhan Bhartiya

**Website:** <https://www.axis.bank.in>

**E-mail:** greaterkailash.branchhead@axisbank.com

**SEBI Registration No.:** INBI00000017

**Self-Certified Syndicate Banks (“SCSBs”)**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

**CREDIT RATING**

As there is no Issue of convertible debt instruments, there is no credit rating required for Issue.

**DEBENTURE TRUSTEE**

As there is no issue of convertible debt instruments, the appointment of a debenture trustee is not required for the Issue.

**MONITORING AGENCY**

Our Company has appointed a monitoring agency, in accordance with Regulation 82 of the SEBI ICDR Regulations, prior to filing of the Letter of Offer with the Stock Exchange.

**Infomerics Valuation and Rating Private Limited.**

Flat No. 104/108, First Floor, Golf Apartments,  
Sujan Singh Park, Maharishi Ramanna Marg,  
New Delhi-110003.

Tel: 011-24601142, 24649428

E-mail: [vineet@infomerics.com](mailto:vineet@infomerics.com)

Investor grievance ID: [vineet@infomerics.com](mailto:vineet@infomerics.com)

Contact person: Vineet Kumar

Website: [www.infomerics.com](http://www.infomerics.com)

SEBI Registration No.: IN/CRA/007/2015

**BOOK BUILDING PROCESS**

As the Issue is a rights issue, the Issue shall not be made through the book building process.

**MINIMUM SUBSCRIPTION**

In accordance with Regulation 86(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), the requirement of receiving a minimum subscription of 90% (ninety percent) of the Issue size is not applicable to this Rights Issue.

**UNDERWRITING**

This Issue is not underwritten.

**FILING**

A copy of the Draft Letter of Offer was filed with the Stock Exchange as required under the SEBI ICDR Regulations, the SEBI ICDR Master Circular and other circulars issued by SEBI.

## CAPITAL STRUCTURE

The Capital Structure of the Company before the Issue and after giving effect to the Issue, as at the date of this Draft Letter of Offer, is set forth below:

(In ₹ Lakhs, except share data)

| No. | Particulars   | Aggregate Nominal Value | Aggregate Value at Issue Price |
|-----|---|-------------------------|--------------------------------|
| A   | <b>Authorised Share Capital</b>   |                         |                                |
|     | 45,00,000 Equity Shares of ₹10 each   | 450.00                  | --                             |
| B   | <b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>            |                         |                                |
|     | 43,33,068 Equity Shares of ₹10 each   | 433.31                  | --                             |
| C   | <b>Present issue in terms of the Draft Letter of Offer*</b>                         |                         |                                |
|     | Up to [●] Rights Equity Shares of face value ₹10 each <sup>(1)</sup>                | [●]                     | Up to [●]                      |
| D   | <b>Issued, Subscribed &amp; Paid-up Share Capital after the Issue<sup>(2)</sup></b> |                         |                                |
|     | [●] Equity Shares of face value ₹10 each  | [●]                     | [●]                            |

(1) The Issue has been authorised by the Board pursuant to a resolution dated December 15, 2025. The terms of the Issue including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by the Board of Directors / Rights Issue Committee at its meeting held on [●], 2025.

(2) Assuming full subscription for and Allotment of Equity Shares and subject to finalisation of Basis of Allotment.

### Notes to the Capital Structure:

- a) The Company does not have any employee stock option scheme or employee stock purchase scheme.
- b) The Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.
- c) All Equity Shares are fully paid-up and there are no partly paid Equity Shares outstanding as on the date of this Draft Letter of Offer. The Rights Equity Shares, when issued, shall be fully paid-up.
- d) At any given time, there shall be only one denomination of the Equity Shares.
- e) Our Company has not issued any equity shares for consideration other than cash in the last one year preceding the date of filing of this Draft Letter of Offer.

**The ex-rights price of the Equity Shares arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●] per Equity Share.**

### Shareholding Pattern of the Company as per the last filing with the Stock Exchange in compliance with the provisions of the SEBI Listing Regulations:

- (i) The shareholding pattern of our Company as on September 30, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/dr-lalchandani-labs-ltd/dlcl/541299/qtrid/127.00/shareholding-pattern/Sep-2025/>
- (ii) The statement showing holding of Equity Shares of persons belonging to the category "Promoters and Promoter Group" including the details of lock-in, pledge of and encumbrance thereon, as on September 30, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=541299&qtrid=127.00&QtrName=Sep-25>
- (iii) The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2025, as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=541299&qtrid=127.00&QtrName=Sep-25>

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Funding working capital requirements of our Company
2. Adjustment of unsecured loans against the entitlement of Promoter
3. Repayment / Settlement of Certain Outstanding Borrowings
4. General Corporate Purposes

(Collectively, referred to hereinafter as the “**Objects**”)

The main objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association enable our Company to undertake our existing business activities, including the activities proposed to be funded from the Net Proceeds.

### Issue Proceeds

The details of the Issue Proceeds are summarized in the table below:

(₹ in Lakhs)

| Particulars                              | Estimated amount |
|--|------------------|
| Gross proceeds from the Issue*           | Upto 433.31      |
| Less: Estimated Issue related expenses** | [•]              |
| Net Proceeds**                           | [•]              |

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.

\*\* Estimated and subject to change for factors. See “**Estimated Issue Related Expenses**” on page 47.

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details set forth in the following table:

(₹ in Lakhs)

| Particulars   | Estimated amount |
|---|------------------|
| Funding working capital requirements of the Company               | 127.15           |
| Adjustment of unsecured loans against the entitlement of Promoter | 111.09           |
| Repayment / Settlement of Certain Outstanding Borrowings          | 65.00            |
| General corporate purpose*#                                       | [•]              |
| <b>Total Net Proceeds#</b>  | [•]              |

\*The amount utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

#Assuming full subscription in the Issue and subject to finalisation of Basis of Allotment.

### Proposed Schedule of Implementation and Deployment of funds

We propose to deploy the Net Proceeds towards the object of the Issue in accordance with the estimated schedule of implementation and deployment of funds as follows:

(₹ in Lakhs)

| Particulars   | Amount proposed to be funded from the Net Proceeds | Proposed schedule for deployment of the Net Proceeds in FY 2025-26 |
|---|--|--|
| Funding the working capital requirements of our Company           | 127.15   | 127.15   |
| Adjustment of unsecured loans against the entitlement of Promoter | 111.09   | 111.09   |
| Repayment / Settlement of Certain Outstanding Borrowings          | 65.00  | 65.00  |
| General Corporate Purposes*                                       | [•]  | [•]  |
| <b>Total Net Proceeds#</b>  | [•]  | [•]  |

\*The amount utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

#Assuming full subscription in the Issue and subject to finalisation of Basis of Allotment.

Our Company proposes to deploy the entire Net Proceeds towards the objects as described herein in FY 2025-26. However, if the Net Proceeds are not completely utilised for the objects stated above by FY 2025-26, due to various factors beyond our control, the remaining Net Proceeds would be utilised (in part or in full) in the subsequent Fiscals as may be decided by the management of our Company, in accordance with applicable law.

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on our current business plan, internal management estimates, current circumstances of our business, prevailing market conditions and other commercial considerations. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any bank or financial institution. We may have to revise our funding requirement on account of various factors, such as financial and market conditions, competition, price fluctuations, interest rate fluctuations and other external factors, which may not be within the control of our management. This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with the applicable laws. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the issue during the period stated above due to any reason, including (i) the timing of completion of this Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with the applicable laws. This may also entail rescheduling or revising the planned funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with the applicable law.

Subject to applicable law, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilised in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws. If the actual utilisation 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 utilised towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations.

## **Means of Finance**

The entire requirement of funds towards object of the Issue will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue or through existing identifiable internal accruals as required under Regulation 62(1)(c) of the SEBI ICDR Regulations.

## **Details of the objects to be financed from the Net Proceeds**

The details in relation to objects of the Issue are set forth herein below.

### ***I. Funding the working capital requirements of our Company.***

Our business operations require adequate working capital to support day-to-day activities, including procurement of inventory, extension of credit to customers, settlement of trade payables, statutory dues, and other operational expenses. Historically, our working capital requirements have been funded through a combination of internal accruals, operating cash flows and trade credit.

In view of the proposed growth in operations and improved operating efficiencies, our management has estimated incremental working capital requirements for the Financial Year 2025–26. Accordingly, the Company proposes to utilise a portion of the Net Proceeds of the Rights Issue towards meeting its incremental working capital needs.

## **Estimated Working Capital Requirement**

As per management estimates, the Company will require ₹127.15 lakhs from the Issue Proceeds during FY 2025–26 to meet its incremental working capital requirements.

## **Statement of Working Capital Requirement**

| <b>(₹ in lakhs)</b>      |                                       |   |
|--------------------------|---------------------------------------|---|
| <b>Particulars</b>       | <b>As at March 31, 2025 (Audited)</b> | <b>As at March 31, 2026 (Estimated)</b> |
| <b>A. Current Assets</b> |                                       |   |

|   |                 |               |
|---|-----------------|---------------|
| Inventories   | 129.43          | 99.56         |
| Trade Receivables   | 525.86          | 404.51        |
| Cash & Cash Equivalents                                     | 329.73          | 219.82        |
| Short-Term Loans & Advances                                 | 62.40           | 55.33         |
| Other Current Assets  | 39.67           | 39.84         |
| <b>Total Current Assets (A)</b>                             | <b>1,087.09</b> | <b>819.06</b> |
| <b>B. Current Liabilities</b>                               |                 |               |
| Trade Payables  | 95.65           | 143.48        |
| Short-Term Provisions                                       | 1.50            | 66.79         |
| Other Current Liabilities                                   | 62.44           | 74.93         |
| <b>Total Current Liabilities (B)</b>                        | <b>159.59</b>   | <b>285.19</b> |
| <b>C. Working Capital Gap (A – B)</b>                       | <b>927.50</b>   | <b>533.86</b> |
| <b>D. Owned Funds / Internal Accruals / Bank Borrowings</b> | <b>927.50</b>   | <b>406.71</b> |
| <b>E. Working Capital to be funded from Issue Proceeds</b>  | <b>NA</b>       | <b>127.15</b> |

#### Assumptions and Justification for Working Capital Estimates

##### Inventories

The estimated reduction in inventory levels for FY 2025–26 is attributable to improved inventory management practices, faster stock turnover, and avoidance of bulk procurement. The Company has aligned its procurement cycle with actual demand patterns, resulting in more efficient utilisation of inventory without impacting service levels.

##### Trade Receivables

Trade receivables are estimated to reduce by approximately ₹120 lakhs due to improved collection efficiencies and better debtor realisation. The Company aims to reduce its receivable cycle from 479 days in FY 2024–25 to 406 days in FY 2025–26, thereby strengthening cash flows and reducing reliance on external funding.

##### Trade Payables

Trade payables are expected to increase in line with higher procurement volumes arising from business growth. The average payable cycle is expected to remain broadly stable at around 163 days, consistent with existing commercial arrangements.

##### Cash and Cash Equivalents

The projected cash balances reflect prudent liquidity management required to meet routine operational expenses, statutory obligations and unforeseen contingencies.

##### Short-Term Provisions

Short-term provisions are estimated to increase primarily on account of higher income tax provisions arising from improved profitability.

##### Other Current Assets and Liabilities

Other current assets and liabilities are expected to increase proportionately with business expansion, including prepaid expenses, advances and operational liabilities.

### Holding Period Assumptions (Days)

| Particulars              | FY 2024–25 | FY 2025–26<br>(Estimated) |
|--------------------------|------------|---------------------------|
| Inventory Holding Period | 141        | 108                       |
| Trade Receivable Days    | 479        | 406                       |
| Trade Payable Days       | 164        | 163                       |

### Utilisation of Issue Proceeds

Assuming full subscription and allotment of the Rights Equity Shares, the Company proposes to utilise up to ₹127.15 lakhs from the Net Proceeds during FY 2025–26 towards funding its incremental working capital requirements.

This infusion of funds will enable the Company to:

- support growth in business operations;
- improve operating efficiencies;
- reduce reliance on short-term borrowings; and
- strengthen liquidity and cash flow management.

### II. Adjustment of Unsecured Loans of Promoter Against Rights Entitlement

To meet its ongoing business requirements, including working capital needs and other business purposes, our Company has, from time to time, availed unsecured loans from its Promoter, Dr. Arjan Lal Chandani. These funds were infused to support the operations, liquidity requirements and general business exigencies of the Company.

As on September 30, 2025, an unsecured loan amounting to ₹300.04 lakh is outstanding and subsisting in the books of the Company in the name of Dr. Arjan Lal Chandani, Promoter of the Company. The Company proposes to utilize a portion of the Net Proceeds of the Rights Issue towards repayment / adjustment of such unsecured loan, to the extent permissible under applicable law and in accordance with the terms of the Rights Issue.

#### Details of Unsecured Loans Proposed to be Adjusted Out of the Net Proceeds

| Name of Lender         | Relationship with the Company | Nature of Facility | Tenure      | Principal Amount Outstanding as on September 30, 2025 | Amount Proposed to be Adjusted Against Promoter Subscription            | Brief Terms and Conditions                                   |
|------------------------|-------------------------------|--------------------|-------------|---|---|--|
| Dr. Arjan Lal Chandani | Promoter                      | Unsecured Loan     | Unspecified | 300.04 <sup>#</sup>                                   | 111.09 (equivalent to promoter's Rights Entitlement subscription value) | Interest-free, unsecured loan provided for business purposes |

*<sup>#</sup>The above outstanding amount has been certified by the Statutory Auditors of the Company vide their certificate dated December 12, 2025.*

### Mode of Adjustment

The Promoter, Dr. Arjan Lal Chandani, has confirmed, vide his intention letter dated December 09, 2025, that the unsecured loans outstanding in his name as on the date may be adjusted only against the subscription money payable by him in respect of his Rights Entitlement under the proposed Rights Issue, subject to compliance with applicable laws.

He has expressly confirmed, in his said intention letter, that he shall subscribe only to his Rights Entitlement and does not intend to apply for any additional Rights Equity Shares.

Accordingly, instead of making payment in cash, the Company shall adjust a portion of the outstanding unsecured loan up to ₹111.09 lakh, representing the Issue Price payable for the Equity Shares comprising his Rights Entitlement.

The remaining outstanding unsecured loan shall continue to remain payable by the Company and may be repaid or adjusted separately, depending on future financial requirements and availability of funds.

This adjustment shall be undertaken in compliance with:



- the Companies Act, 2013;
- the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
- other applicable regulatory requirements.

#### **Regulatory Compliance**

- The proposed adjustment will not result in any change in control of the Company.
- The Company shall continue to comply with the minimum public shareholding requirements under Rule 19A of the Securities Contracts (Regulation) Rules, 1957 read with Regulation 38 of the SEBI (LODR) Regulations, 2015, post completion of the Rights Issue.

#### **Rationale and Financial Impact**

The adjustment of unsecured loans through the Rights Issue is expected to strengthen the Company's financial position by reducing its existing debt obligations without requiring immediate cash outflows. This improving liquidity position will:

- enhance financial flexibility;
- reduce dependence on external borrowings;
- improve leverage ratios and balance sheet quality; and
- enable the Company to allocate resources more efficiently towards operational growth and long-term strategic initiatives.

This measure is expected to contribute meaningfully to the Company's financial stability and value creation for shareholders.

### ***III. Repayment / Settlement of Certain Outstanding Borrowings***

The Company proposes to utilise a portion of the Net Proceeds of the Issue towards repayment and/or settlement of certain outstanding borrowings availed by the Company in the ordinary course of business.

Over the years, the Company has availed various business loans from banks and non-banking financial companies to meet its operational, working capital and business expansion requirements. Due to liquidity constraints and operational challenges faced by the Company, certain borrowings continue to remain outstanding. The Company has entered into settlement arrangements or is in advanced discussions with certain lenders for settlement of such dues.

Accordingly, the Company proposes to utilise an aggregate amount of approximately ₹65 lakhs out of the Net Proceeds of the Issue towards repayment and/or settlement of the following borrowings:

#### **Details of Borrowings Proposed to be Repaid / Settled**

**(Amount in ₹ lakh)**

| <b>Name of Lender</b>                 | <b>Nature of Facility</b> | <b>Date of Loan Agreement</b> | <b>Original Sanctioned Amount (₹ in Lakhs)</b> | <b>Amount Outstanding in the Books as on September 30, 2025 (₹ in Lakhs)</b> | <b>Proposed Settlement / Amount Proposed to be Paid out of Issue Proceeds (₹ in Lakhs)*</b> | <b>Tenure</b> |
|---------------------------------------|---------------------------|-------------------------------|--|--|---|---------------|
| Clix Capital Services Private Limited | Unsecured Business Loan   | April 29, 2022                | 50.18  | 30.10  | ~20.00  | 36 months     |
| ICICI Bank Limited                    | Business Loan             | April 20,                     | 51.00  | 8.76   | ~3.75   | 36 months     |

|                                     |                                 |                    |       |       |       |           |
|-------------------------------------|---------------------------------|--------------------|-------|-------|-------|-----------|
|                                     |                                 | 2022               |       |       |       |           |
| Unity Small Finance Bank Limited    | Business Loan                   | April 20, 2022     | 40.23 | 29.57 | 2.5   | 36 months |
| Credit Saison India Private Limited | Business Loan                   | September 02, 2022 | 15.00 | 38.67 | 15.00 | 36 months |
| MAS Financial Services Limited      | SME Business Loan               | November 15, 2022  | 55.00 | 37.88 | 20.75 | 29 months |
| HDFC Bank Limited                   | Self Employed Professional Loan | March 09, 2016     | 20.00 | 13.29 | 3.00  | 48 months |

**Notes:**

1. The amounts outstanding as on September 30, 2025 represent balances appearing in the books of account of the Company.
2. The proposed settlement amounts are based on settlement letters received and/or mutual discussions with the respective lenders.

**Rationale for Repayment / Settlement**

The proposed repayment and settlement of borrowings is expected to:

- reduce the overall debt burden of the Company;
- improve liquidity and cash flow position;
- resolve ongoing disputes and settlement matters with lenders;
- strengthen the balance sheet and credit profile of the Company; and
- enable the Company to focus on its core business operations and growth initiatives.

**Statutory Auditor Certification**

The details of the borrowings, including the nature of facilities, dates of loan agreements, original sanctioned amounts and outstanding balances as appearing in the books of account of the Company as on September 30, 2025, have been certified by the Statutory Auditors of the Company vide their certificate dated December 12, 2025.

**No Misutilisation Confirmation**

The Net Proceeds utilised towards repayment or settlement of borrowings shall be deployed strictly in accordance with the objects stated herein. Except as disclosed above, no part of the Issue Proceeds shall be utilised for repayment of loans to promoters, promoter group, directors, key managerial personnel or related parties.

**IV. General Corporate Purposes**

Our Company intends to deploy the balance Net Proceeds aggregating up to ₹[●] Lakhs towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, capital expenditure, meeting our working capital requirements, payment of principal, interest on borrowings, and, meeting of exigencies which our Company may face in its course of the business and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

**Estimated Issue Related Expenses**

The estimated Issue related expenses are as follows:

| Particulars  | Estimated amount*<br>(₹ in Lakhs) | Percentage of total<br>estimated Issue<br>expenses (%) | Percentage of<br>Issue Size (%) |
|--|-----------------------------------|--|---------------------------------|
| Fees payable to regulators, including Stock Exchange, SEBI, depositories and other statutory fee | [●]                               | [●]  | [●]                             |

|  |     |     |     |
|--|-----|-----|-----|
| Fees payable to the Registrar to the Issue, Monitoring Agency and other professional service providers | [●] | [●] | [●] |
| Printing and stationery, distribution, postage, etc.   | [●] | [●] | [●] |
| Other expenses (including miscellaneous expenses and stamp duty)                                       | [●] | [●] | [●] |
| <b>Total</b>   | [●] | [●] | [●] |

*\* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall, if any, shall be borne from the internal accruals and excess, if any, shall be adjusted with the amount allocated towards other objects of the issue.*

### **Bridge Financing Facilities**

The objects of the Issue are (i) Adjustment of unsecured loans against the entitlement of Promoter; (ii) Funding working capital requirements of the Company; and (iii) General corporate purpose. Accordingly, our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

### **Interim Use of Net Proceeds**

Our Company shall deposit the Net Proceeds, pending utilisation of the Net Proceeds for the purposes described above, by depositing the same with any scheduled commercial banks which are included in second schedule of Reserve Bank of India Act, 1934.

### **Monitoring Utilization of Funds from the Issue**

Our Company will appoint a monitoring agency in accordance with Regulation 82 of the SEBI ICDR Regulations to monitor utilization of proceeds from the Issue prior to filing of the Letter of Offer with Stock Exchange and SEBI. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations read with Regulation 32(8) of SEBI LODR Regulations, our Company shall, on a half yearly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Auditors.

Furthermore, in accordance with Regulation 32(1) of SEBI LODR Regulations read with Regulation 32(8) of SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the actual 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 actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published on our website and explanation for such variation (if any) will be included in our directors' report, after placing it before the Audit Committee.

### **Strategic or Financial Partners**

There are no strategic or financial partners to the Objects of the Issue.

### **Appraising entity**

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency or any financial institution.

**Other confirmations**

- Except as disclosed under this section titled “Adjustment of Unsecured Loans of Promoter”, no part of the Net Proceeds shall be paid to any Promoter, member of the Promoter Group, Director, Key Managerial Personnel or Senior Management.
- Other than the disclosures provided herein, our Promoters, Promoter Group and Directors do not have any direct or indirect interest in the objects of the Issue.
- There are no material proposed or existing related party transactions relating to the utilisation of the Net Proceeds.

As on the date of this Draft Letter of Offer, no material government or regulatory approval is required for implementation of the Objects of the Issue, other than those that may be obtained in the ordinary course and as required under applicable laws.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To

**The Board of Directors,**

**Dr Lalchandni Labs Limited**

*(hereinafter referred to as the "Issuer Company")*

M-20, Greater Kailash-I,

New Delhi – 110048, India

Dear Sir / Madam,

**Sub: Statement of Possible Special Tax Benefits available to DR Lalchandani Labs Limited ("Issuer Company") and its shareholders, prepared in accordance with Part B of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations")**

We enclose herewith the Statement setting out the possible special tax benefits, if any, available to the Issuer Company and its shareholders under the applicable provisions of direct and indirect tax laws currently in force in India, including the Income-tax Act, 1961 and applicable indirect tax laws, for the Assessment Year 2026-27 relevant to the Financial Year 2025-26, for inclusion in the Draft Letter of Offer, Letter of Offer and other Issue-related documents.

Certain tax benefits mentioned herein are subject to the Issuer Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of applicable taxation laws. Accordingly, the availability of such tax benefits depends upon compliance with such conditions.

The tax benefits discussed in this Statement are neither exhaustive nor conclusive. This Statement is based on the information and explanations provided by the Issuer Company and is intended to provide general information only. It should not be construed as tax, legal or investment advice. Each investor is advised to consult their own tax advisor regarding the specific tax implications arising from participation in the Issue.

We do not express any opinion or provide any assurance that:

- the Issuer Company or its shareholders will continue to derive these benefits in the future;
- the conditions for availing such benefits have been or will be fulfilled; or
- the tax authorities or judicial forums will concur with the views expressed herein.

We hereby consent to the inclusion of this Statement of Possible Special Tax Benefits in the Draft Letter of Offer, Letter of Offer and other Issue materials to be filed with BSE Limited and other statutory and regulatory authorities, subject to the limitations stated below.

### LIMITATIONS

This Statement is based on the interpretation of tax laws currently in force in India as on the date hereof, which are subject to change. We do not undertake any obligation to update this Statement for any changes in law or interpretation thereof. This Statement has been prepared solely for the purposes of the proposed Rights Issue in accordance with the SEBI ICDR Regulations and should not be relied upon for any other purpose.

Thanking You,

For **ATN & Company**

Chartered Accountants

**ICAI Firm Registration Number: 024358N**

Sd/-

**FCA Ashok Arora**

Partner

**Membership Number: 513250**

**UDIN: 25513250BMIBDX2834**

Place: New Delhi

Date: December 12, 2025

## **ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS**

### **DIRECT TAXATION**

Outlined below are the possible special tax benefits available to the Issuer Company and its shareholders under the Income-tax Act, 1961, as amended by the Finance Act, as applicable for the relevant Assessment Year.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF SUBSCRIBING TO, HOLDING AND DISPOSING OF THE EQUITY SHARES.**

#### **1. SPECIAL TAX BENEFITS AVAILABLE TO THE ISSUER COMPANY AND ITS MATERIAL SUBSIDIARIES:**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Issuer Company and its material subsidiaries have represented to us that they have opted for section 115BAA.

#### **2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE ISSUER COMPANY:**

The Shareholders of the Issuer Company are not entitled to any Special tax benefits under the Act.

### **INDIRECT TAXATION**

Outlined below are the special tax benefits available to Issuer Company and its shareholders and its material subsidiaries under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

#### **1. SPECIAL TAX BENEFITS AVAILABLE TO THE ISSUER COMPANY AND ITS MATERIAL SUBSIDIARIES:**

There are no special tax benefits available to the Issuer Company and its material subsidiaries under Indirect Tax.

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

The Shareholders of the Issuer Company are not entitled to any special tax benefits under the Indirect Tax.

Thanking You,

For **ATN & Company**

Chartered Accountants

**ICAI Firm Registration Number:** 024358N

Sd/-

**FCA Ashok Arora**

Partner

**Membership Number:** 513250

**UDIN:** 25513250BMIBDX2834

Place: New Delhi

Date: December 12, 2025

## SECTION IV- OUR MANAGEMENT

### A. Board of Directors

As per the Articles of Association, unless otherwise determined by our Company in a general meeting vide a special resolution, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. As on the date of this Draft Letter of Offer, we have four (4) Directors on our Board, which includes, one (1) Managing Director, one (1) Non-Executive Director and two (2) Independent Directors. The present composition of our Board of Directors is in conformity with the Companies Act, 2013 and SEBI Listing Regulations, to the extent applicable.

Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

| Sr. No. | Particulars                        | Details                                       |
|---------|------------------------------------|---|
| 1.      | Name of the Director               | Mohit Lal Chandani                            |
|         | Residential Address                | J-23, Block-J, Lajpat Nagar-III, Delhi-110024 |
|         | Date of Birth                      | 04-04-1986                                    |
|         | Age                                | 39 Years                                      |
|         | Designation                        | Promoter & Whole-time director                |
|         | DIN                                | 07873508                                      |
|         | Occupation                         | Business                                      |
|         | Date of expiration of current term | September 30, 2030                            |

| Sr. No. | Particulars          | Details                                       |
|---------|----------------------|---|
| 2.      | Name of the Director | Arjan Lal Chandani                            |
|         | Residential Address  | J-23, Block-J, Lajpat Nagar-III, Delhi-110024 |
|         | Date of Birth        | 05-10-1952                                    |
|         | Age                  | 73 Years                                      |
|         | Designation          | Promoter & Managing Director                  |
|         | DIN                  | 07014579                                      |
|         | Occupation           | Business                                      |

| Sr. No. | Particulars          | Details   |
|---------|----------------------|---|
| 3.      | Name of the Director | Anchal Gupta  |
|         | Residential Address  | Nishkam Bhawan, Near DPR Office, Tehsil Solan, Himachal Pradesh- 173211 |
|         | Date of Birth        | 12-11-1986  |
|         | Age                  | 39 Years  |
|         | Designation          | Promotor & Director   |
|         | DIN                  | 07873466  |
|         | Occupation           | Business  |

| Sr. No. | Particulars          | Details  |
|---------|----------------------|--|
| 4.      | Name of the Director | Rajiv Handa  |
|         | Residential Address  | K16, Kailash Colony, Greater Kailash, New Delhi-110048 |
|         | Date of Birth        | 01-05-1954   |
|         | Age                  | 71 Years   |
|         | Designation          | Independent Director                                   |
|         | DIN                  | 08036399   |
|         | Occupation           | Business   |

| Sr. No. | Particulars          | Details  |
|---------|----------------------|--|
| 5.      | Name of the Director | Swati Chandra  |
|         | Residential Address  | House No: D-57, Block-D, East of Kailash, South Delhi-110065 |
|         | Date of Birth        | 18-12-1986   |
|         | Age                  | 38 Years   |
|         | Designation          | Director   |
|         | DIN                  | 09514968   |
|         | Occupation           | Business   |

| Sr. No. | Particulars          | Details   |
|---------|----------------------|---|
| 6.      | Name of the Director | Mohan Lal Gandhi  |
|         | Residential Address  | House No. F-1, New Delhi-South Ex-II, Andrewsganj, New Delhi-110049 |
|         | Date of Birth        | 15-05-1954  |
|         | Age                  | 71 Years  |
|         | Designation          | Independent Director  |
|         | DIN                  | 00800786  |
|         | Occupation           | Business  |

## B. Confirmations

Neither any of our directors are debarred from accessing the capital markets by the SEBI nor any of our directors are directors of any company that is debarred from accessing the capital markets by the SEBI as on the date of filing of this Draft Letter of Offer.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations. Further, none of the directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

## Details of Key Managerial Personnel and Senior Management

| S. No  | Particulars        | Designation                              |
|--|--------------------|--|
| <b>Key Managerial Personnel</b>                                    |                    |  |
| 1.   | Arjan Lal Chandani | Managing Director                        |
| 2.   | Mohit Lal Chandani | Whole-time director                      |
| 3.   | Anchal Gupta       | Chief Financial Officer                  |
| 4.   | Saniya Hussain     | Company Secretary and Compliance Officer |
| <b>Senior Management (excluding Key Managerial Personnel) – NA</b> |                    |  |



**SECTION V: FINANCIAL INFORMATION****FINANCIAL STATEMENTS**

| <b>Sr. No.</b> | <b>Particulars</b>  | <b>Website Link</b>   |
|----------------|---|---|
| 1              | Audited financial results for the quarter and financial year ended March 31, 2025 | <a href="https://lalchandaniplab.com/website/Pages/">https://lalchandaniplab.com/website/Pages/</a> |

## Financial Information

Extract of the Financial year 2025 Audited Standalone Financial Statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchange:

(Amount in Lakhs)

| Sr. No. | Particulars   | For the Year ended on<br>March 31, 2025 | For the Year ended on<br>March 31, 2024 |
|---------|---|---|---|
| 1       | Revenue from operations                               | 445.38                                  | 480.95                                  |
| 2       | Other income  | 0.74                                    | 23.56                                   |
| 3       | Total income  | 446.13                                  | 504.51                                  |
| 4       | Net profit/loss before tax and<br>extraordinary items | 28.09                                   | (57.26)                                 |
| 5       | Net profit/loss after tax and<br>extraordinary items  | 40.22                                   | 61.75                                   |
| 6       | Equity share capital                                  | 433.31                                  | 433.31                                  |
| 7       | Reserves and surplus                                  | 562.40                                  | 520.68                                  |
| 8       | Net-worth   | 995.71                                  | 953.99                                  |
| 9       | Earnings per Share (Basic) (in ₹)                     | 0.96                                    | 1.43                                    |
| 10      | Earnings per Share (Diluted) (in ₹)                   | 0.96                                    | 1.43                                    |
| 11      | Return on Net Worth (%)*                              | 4.03%                                   | 6.67%                                   |
| 12      | Net Asset Value per Share (in ₹)**                    | 0.000221                                | 0.000212                                |

Notes:

\*Return on Equity / Net-worth is calculated as Profit for the year divided by Average Total Equity (Average of total equity at the beginning of the year and total equity at the end of the year)

\*\*Net assets value per equity share (₹): Total Equity at the end of the year/period divided by outstanding number of equity share at the end of the year.

The audited Standalone financial results for the quarter and financial year ended March 31, 2025 and audited standalone financial results for the quarter and financial year ended March 31, 2025 of our Company is uploaded on the website of our Company at <https://lalchandaniathlab.com/website/Pages/>

The above figures are derived from the financial year 2025 Audited Standalone Financial Statements of our Company for purpose of disclosure in this Draft Letter of Offer in accordance with SEBI ICDR Regulations

The financial year 2025 Audited Standalone Financial Statements of our Company have been prepared in accordance with the Indian Accounting Standards as notified by the Ministry of Corporate Affairs and as amended from time to time.

### Detailed rationale for the Issue Price

This information shall be provided in the Letter of Offer to be circulated by the Company to the eligible equity shareholders prior to the opening of the issue.

## **SECTION VI: REGULATORY APPROVALS AND STATUTORY DISCLOSURES**

### **GOVERNMENT AND OTHER APPROVALS**

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, refer to the chapter titled “Objects of the Issue” beginning at page 42.

## OTHER REGULATORY AND STATUTORY DISCLOSURE

### Authority for the Issue

The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on December 15, 2025, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

This Draft Letter of Offer has been approved by our Board of Directors pursuant to its resolution dated December 15, 2025. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on [●], 2025.

The Board of Directors in its meeting held on [●], 2025, has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at ₹[●] per Rights Equity Share of face value of ₹ 10 each (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 433.31\* Lakhs and the Rights Entitlement as [●] i.e. [●] Rights Equity Share for every [●] fully paid-up Equity Share of face value of ₹ 10 each, held as on the Record Date. The Issue Price will be decided by our Company which shall be determined in consultation with the Designated Stock Exchange, prior to determination of the Record Date.

*\* Assuming full subscription in the Issue and subject to finalisation of the basis of allotment.*

Our Company has received in-principle approval from BSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letter dated [●]. Our Company will also make application to BSE to obtain their trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: [●] for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, please see “Terms of the Issue” beginning on page 62.

### Prohibition by SEBI or Other Governmental Authorities

Our Company, our Promoters, the members of our Promoter Group and our Directors have not been and are not prohibited or debarred from accessing or operating in the capital market so restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Further, our Promoter and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our directors, who have been associated with the securities market.

Neither our Individual Promoter nor any of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

### Association with Entities Prohibited By SEBI

Our directors are not associated with any other entity which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

## **Eligibility for the Issue**

Our Company is a listed company and has been incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the SME Platform of BSE Limited (“**BSE SME**”). Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

## **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company will make applications to the Stock Exchange for in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to the Issue.

## **Compliance with Part B of Schedule VI of SEBI ICDR Regulations**

Company has paid the outstanding SOP and ALF dues, however as on date of the filing Letter of offer there is no dues pending and Company is in compliance with the equity listing agreement entered into with the Stock Exchange and the SEBI LODR Regulations.

As on the date of filing of this Draft Letter of Offer, neither any show-cause notices nor proceedings for imposition of penalty, have been issued by SEBI and are pending against our Company, our Promoters or Whole-time Directors.

Further, no show cause notices have been issued by the SEBI or an Adjudicating Officer in a proceeding for imposition of penalty and/or no prosecution proceedings have been initiated by SEBI, against our Company, our Promoters or Whole-time Directors.

Our Equity Shares have not been suspended from trading as a disciplinary measure during the three years immediately preceding the date of filing of this Draft Letter of Offer.

## **Caution**

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer and the Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company, its officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

## **Disclaimer with respect to jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Hyderabad, Telangana only.

## **Disclaimer Clause of the BSE**

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange

“[●]”

## **No Offer in the United States**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES AND THE RIGHTS ENTITLEMENTS REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” IN RELIANCE ON REGULATION S TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Letter of Offer, the Application Form and other applicable Issue materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and is eligible to subscribe for the Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where either a registered Indian address is not provided or our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. Our Company shall not be bound to issue or allot any Equity Shares and/ or the Rights Entitlements in respect of any such Application Form.

## **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer/ Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer/Letter of Offer and its accompanying documents being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

## **Filing**

This Draft Letter of Offer has been filed with the Stock Exchange for their approval. Once the in-principle approval from Stock Exchange are received, the Letter of Offer shall be filed with the Stock Exchange and with the SEBI for information and dissemination at its head office situated at:

SEBI Bhavan Plot No. C4- A, “G” Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

## **Disclaimer with respect to Redressal of Investor Grievances**

Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer within 15 days from the receipt of the complaint.

## **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular No.

SEBI/HO/OIAE/IGRD/CIR/P/2020/152 dated August 13, 2020 and shall comply with the SEBI circular bearing reference number SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Investor complaints received by our Company are typically disposed of within 30 days from the receipt of the complaint.

**Investors may contact the Registrar to the Issue or our Company Secretary for any pre- Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “Process of making an application through ASBA Process” at page 64 of this Draft Letter of Offer.**

**The contact details of our Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

**Registrar to the Issue**

**CAMEO CORPORATE SERVICES LIMITED**

“Subramanian Building”, No.1, Club House Road, Chennai - 600 002, India

Tel: +91 44-40020700

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

Investor grievance ID: [investor@cameoindia.com](mailto:investor@cameoindia.com)

Contact person: Ms. K. Sreepriya

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

SEBI Registration No.: INR000003753

CIN: U67120TN1998PLC041613

**Company Secretary and Compliance Officer of the Company**

Ms. Saniya Hussain is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

Saniya Hussain

M-20 Basement, Greater Kailash-1, South Delhi, New Delhi, India, 110048

Tel: +91 9873972036

E-mail: [info@lalchandaniplab.com](mailto:info@lalchandaniplab.com)

**Other Confirmations**

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, 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, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.



## SECTION VII: ISSUE INFORMATION

### TERM OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or by any other mode which may be notified by SEBI.

For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar of the issue at <https://cameoindia.com/>

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents/records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases, at least two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder at least on day before the Issue Closing Date. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

#### Overview

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations, the SEBI ICDR Master Circular and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

#### I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 87.

The Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity

Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Letter of Offer will be sent/dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access the Draft Letter of Offer, Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe to the Rights Equity Shares under applicable laws) on the websites of:

- i. our Company at <https://lalchandaniipathlab.com/>;
- ii. the Registrar at <https://cameoindia.com/>
- iii. the Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

**To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit <https://cameoindia.com/>.**

**Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://cameoindia.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at <https://lalchandaniipathlab.com/>;**

**Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

**The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.**

## II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

- **In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see “Grounds for Technical Rejection” on page 69. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 64.

- ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to in the Issue.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

- ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB

to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34).

Please note that subject to SCSBs complying with the requirements of the SEBI ICDR Master Circular, within the periods stipulated therein, applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI ICDR Master Circular, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

***Do's for Investors applying through ASBA:***

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

***Don'ts for Investors applying through ASBA:***

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not apply if you have not provided an Indian address.
- (c) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

- (d) Do not send your physical Application to the Registrar, the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (e) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (f) Do not submit Application Form using third party ASBA account.
- (g) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- (h) Do not submit Multiple Application Forms.

• **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Company, Registrar of the Issue or Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being **Dr. Lalchandani Labs Limited**;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total Application amount paid at the rate of Rs [●] (Rupees [●] only) per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the

NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers” on page 87, and shall include the following:

*“I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States (including its territories and possessions thereof, any State of the United States and the District of Columbia) (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 in compliance with any applicable securities laws of any State of the United States. I/we understand the Rights Equity Shares and Rights Entitlements referred to in this application are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders and located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in compliance with the applicable laws of such jurisdictions. I/we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/we confirm that I/we (a) am/are not in the United States and am/are eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) am/are complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar to the Issue, nor any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/We satisfy, and each account for which I/we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled “Restrictions on Purchases and Resales” on page 87.*

*I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

*In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.*

*Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar (i.e. <https://cameoindia.com/>) and the Stock Exchange (i.e. [www.bseindia.com](http://www.bseindia.com))*

*Our Company and the Registrar of the Issue shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.*

- **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only.



Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Suspense Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall visit <https://cameoindia.com/>, to upload their client master sheet and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and
- (c) The remaining procedure for Application shall be same as set out in the section entitled “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 66.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the demat suspense escrow account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

- **Application for Additional Rights Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “- Basis of Allotment” on page 80.

- **Additional general instructions for Investors in relation to making of an Application**

- a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 80.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e) Applications should not be submitted to the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSBs), our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this

Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participant The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar of the Issue, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit Multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

#### • **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, the Registrar of the Issue, Bankers to the Issue (assuming that such Bankers to the Issue are not SCSBs), to a branch of a SCSB which is not a Designated Branch of the SCSB.



- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records [(unless the Application Form is submitted by a person who is both an U.S. QIB and U.S. Qualified Purchaser in the United States)].
- s) Applicants not having the requisite approvals to make Application in the Issue.

- **Multiple Applications**

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “- Procedure for Applications by Mutual Funds” on page 71.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and are liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoter or members of our Promoter Group to meet the minimum subscription requirements, if applicable, to this Issue as described in the section entitled “Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group” on page 16.

- **Procedure for Applications by certain categories of Investors**

***Procedure for Applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, 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 that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. 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 issue, 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter-alia, the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b. 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.

#### ***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

#### ***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should 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 will 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 warrants. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in 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 of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### **• Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or

custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

- **Application by Specific Investor**

*In case of renunciation of Rights Entitlement to Specific Investor by Our Promoter or members of our Promoter Group*

Our Promoter or members of our Promoter Group may renounce any portion of their Rights Entitlement to one of more Specific Investor(s) subject to disclosure of the same in terms of the SEBI ICDR Regulations. The name of the Specific Investor(s) (i.e. the Renouncee), the name of our Promoter or members of our Promoter Group (i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

Our Promoter or members of our Promoter Group may renounce any portion of their Rights Entitlement to one of more Specific Investor(s) subject to disclosure of the same in terms of the SEBI ICDR Regulations. The name of the Specific Investor(s) (i.e. the Renouncee), the name of our Promoter or members of our Promoter Group (i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

In case of such renunciation of Rights Entitlement by our Promoter or members of our Promoter Group to any Specific Investor, all rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Specific Investor(s) (i.e. the Renouncee) as well.

The Application by such Specific Investor(s) shall be made on the Issue Opening Date before 11:00 a.m. (Indian Standard Time) and no withdrawal of such Application by the Specific Investor(s) shall be permitted. Our Company undertakes to disclose to the Stock Exchange(s) whether such Specific Investor(s) have made the Application or not, for dissemination on the Issue Opening Date by 11:30 a.m. (Indian Standard Time).

*In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor*

Our Company may allot any undersubscribed portion (if any) of the Rights Issue to one of more Specific Investor(s) and the names of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date. The Application by such Specific Investor(s) shall be made along with their Application Money before the finalisation of Basis of Allotment for undersubscribed portion of the Rights Issue in co-ordination with our Company and Registrar.

- **Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled “- Basis of Allotment” on page 80.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors

can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

- **Withdrawal of Application**

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post 5.00 P.M. (Indian Standard Time) on the Issue Closing Date.

No withdrawal of the Application by Specific Investor(s) shall be permitted, if such application is made pursuant to renunciation of Rights Entitlement by Our Promoter or members of our Promoter Group in favour of such Specific Investor.

- **Disposal of Application and Application Money**

*No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.*

*Our Board or a committee thereof reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.*

*In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Investor within one Working Day from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.*

*For further instructions, please read the Application Form carefully.*

### **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar of the issue (i.e. <https://cameoindia.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. <https://lalchandaniipathlab.com/>).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar of the issue (i.e. <https://cameoindia.com/>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

**In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.**

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “**DR. LALCHANDANI LABS LIMITED RIGHTS ISSUE SUSPENSE ESCROW DEMAT ACCOUNT**”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non- institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

#### **IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

- **Renounees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

- **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

- **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation

Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

***a) On Market Renunciation***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

***b) Off Market Renunciation***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer and the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### ***Mode of payment for Resident Investors***

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

#### ***Mode of payment for Non-Resident Investors***

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

#### ***Payment Schedule of Rights Equity Shares***

| Due Date  | Amount payable per Rights Equity Shares* |
|---|--|
| On the Issue application (i.e. along with the Application Form) | [●]                                      |

*\*To be finalised upon determination of the Issue Price*

**The Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.**

**Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, please see “The Issue” beginning on page 37.

### **• Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] ([●]) Equity Share for every [●] ([●]) Equity Shares of face value of ₹10 each held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares of face value of ₹10 each or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlement applied for.

Further, the Eligible Equity Shareholders holding less than [●] ([●]) Equity Shares of face value of ₹10 each as on Record Date shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non- negotiable.

### **• Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreement entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank pari passu with the existing Equity Shares, in all respects including dividends.

### **• Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principal approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 541299) under the ISIN: INE871Z01013. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.



The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- **Subscription to this Issue by our Promoter and members of our Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of our Promoter Group, please see “Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group” on page 16.

- **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

The right to receive dividend, if declared;

- a. The right to receive surplus on liquidation;
- b. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- c. The right to free transferability of Rights Equity Shares;
- d. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- e. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **VII. GENERAL TERMS OF THE ISSUE**

- ***Market Lot***

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share

- ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

- ***Nomination***

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- ***Arrangements for Disposal of Odd Lots***

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

• ***Restrictions on transfer and transmission of shares and on their consolidation/splitting***

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to the provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

• ***Notices***

Our Company will send through e-mail and speed post, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one regional language newspaper with wide circulation, in Telugu, as our company Registered Office is situated in the state of Telangana).

This Draft Letter of Offer, the Letter of Offer, and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

• ***Offer to Non-Resident Eligible Equity Shareholders/Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar. It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar of the Issue and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at <https://cameoindia.com/>

## ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 81.**

## VIII. ISSUE SCHEDULE

|  |     |
|--|-----|
| LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS          | [●] |
| ISSUE OPENING DATE                                   | [●] |
| LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS       | [●] |
| ENTITLEMENTS#  | [●] |
| ISSUE CLOSING DATE*                                  | [●] |
| FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)     | [●] |
| DATE OF ALLOTMENT (ON OR ABOUT)                      | [●] |
| DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT) | [●] |
| DATE OF LISTING (ON OR ABOUT)                        | [●] |
| FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)     | [●] |

*#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*\* Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such Shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in demat suspense escrow account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar of the Issue (i.e. <https://cameoindia.com/>).

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar of the Issue (i.e. <https://cameoindia.com/>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

## IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if

they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- c. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e. Allotment to Specific Investor, if any, as disclosed by our Company before opening of the Issue, or to any other person, as deem fit by our Board, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

## **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in demat suspense escrow account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within one Working Day from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts. Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/locked shall be refunded/unblocked. The unblocking of ASBA funds/refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **XI. PAYMENT OF REFUND**

### **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a. Unblocking amounts blocked using ASBA facility.
- b. NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c. National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- f. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 2 working Days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade

in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/refund intimation will be directly sent to the Investors by the Registrar, on their registered e-mail address or through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

**XIII. IMPERSONATION**

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

1. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
2. 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
3. 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 for fraud involving an amount of at least ₹10 lakh or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 lakh or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be

punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 lakh or with both.

#### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

All monies received out of this Issue shall be transferred to a separate bank account;

- a. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- b. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

#### **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 2 Working Days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of refund/unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. No further issue of securities shall be made from the date of filing the Draft Letter of offer with Stock Exchange till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc. other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
7. Adequate arrangements shall be made to collect all ASBA Applications.
8. As on date, our Company does not have any convertible debt instruments.
9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

#### **XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Dr Lalchandani Labs Limited– Rights Issue" on the envelope and postmarked in India) to the Registrar of the Issue at the following address:

##### **Registrar to the Issue**

##### **CAMEO CORPORATE SERVICES LIMITED**

"Subramanian Building", No.1, Club House Road, Chennai - 600 002, India

Tel: +91 44-40020700

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

Investor grievance ID: [investor@cameoindia.com](mailto:investor@cameoindia.com)

Contact person: Ms. K. Sreepriya

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

SEBI Registration No.: INR000003753

CIN: U67120TN1998PLC041613

3. In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar of the Issue ([www.cameoindia.com](http://www.cameoindia.com)). Further, helpline number provided by the Registrar of the Issue for guidance on the Application process and resolution of difficulties is +91 44-40020700
4. The Investors can visit following links for the below-mentioned purposes:
  - a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.cameoindia.com](http://www.cameoindia.com);
  - b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar of the Issue or our Company: [www.cameoindia.com](http://www.cameoindia.com);
  - c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.cameoindia.com](http://www.cameoindia.com);
  - d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [www.cameoindia.com](http://www.cameoindia.com).

This Issue will remain open for a minimum [●] ([●] days) . However, our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date and Issue Closing Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



## 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 FEMA. While the Industrial Policy, 1991, of the Government of India 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the Foreign Investment Promotion Board. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs through the FDI Policy (defined below). The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route. The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Policy, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. 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 falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and 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 FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals. The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **RESTRICTIONS ON PURCHASES AND RESALES**

### **Eligibility and Restrictions**

#### **General**

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with the Stock Exchange and with the SEBI only for record purposes.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer and any other Issue Materials should not distribute or send this Draft Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### **No offer in the United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and 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 applicable state securities laws. Accordingly, the Rights Entitlements (including their credit) and the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Draft Letter of Offer into the United States at any time.

#### **Representations, Warranties and Agreements by Purchasers**

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in “offshore transactions” in reliance on Regulations .In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Draft Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be

registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an “offshore transaction” meeting the requirements of Regulation S.

1. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” in the United States (as such term is defined in Regulation S under the U.S. Securities Act).
2. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
3. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
4. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
5. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
6. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Draft Letter of Offer with the Stock Exchange); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf have taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company’s business and our Company’s most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and

its press releases, announcements, investor education presentations, annual reports, collectively constitutes “Exchange Information”), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates, has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the “Information”), has been prepared solely by our Company.
13. The purchaser will not hold our Company or its affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Draft Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
15. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India.
16. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.

If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or Registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.

17. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
18. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
19. Except for the sale of Rights Equity Shares on one or more of the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
20. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Draft Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
21. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

## SECTION VIII: 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 Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection at the registered office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at <https://lalchandaniplab.com/> from the date of this Draft Letter of Offer until the Issue Closing Date..

#### I. Material Contracts for the Issue

- i. Registrar Agreement dated December 15, 2025 entered into amongst our Company and the Registrar to the Issue;
- ii. Monitoring Agency Agreement dated [●], between our Company and the Monitoring Agency. Bank.
- iii. Banker(s) to the Issue Agreement dated [●], between our Company, Registrar and the Bankers to the Issue.

#### II. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Annual Reports of our Company for the Financial Years 2025, 2024 and 2023.
3. Resolution of the Board of Directors dated December 15, 2025, in relation to the approval of this Issue.
4. Resolution of the Board of Directors dated [●] in relation to approving the quantum of issue, issue price and ratio of rights entitlement.
5. Resolution passed by our Board of directors dated [●] finalizing the Offering Information including Record Date and the Rights Entitlement ratio
6. Resolution of the Board of directors dated December 15, 2025, approving and adopting the Draft Letter of Offer.
7. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
8. Audit Reports dated May 30, 2025, for the year ended March 2025 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
9. Statement of Tax Benefits dated December 12, 2025, from the Statutory Auditor included in this Draft Letter of Offer.
10. In principle approval letter no. [●] dated [●] issued by BSE.

Any of the contracts or documents mentioned in this Letter of Offer 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 relevant statutes.

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

**SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY**

---

**(ARJAN LAL CHANDANI)**  
**Managing Director**  
**DIN: 07014579**

**Date:** December 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

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

---

**(MOHIT LAL CHANDANI)**

**Whole-time director**

**DIN: 07873508**

**Date:** December 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**(ANCHAL GUPTA)**  
**Director and Chief Financial Officer**  
**DIN: 07873466**

**Date:** December 15, 2025

**Place:** New Delhi



## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**(RAJIV HANDA)**  
**Independent Director**  
**DIN: 08036399**

**Date:** December 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**(SWATI CHANDRA)**

**Director**

**DIN: 09514968**

**Date:** December 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**(MOHAN LAL GANDHI)**  
**Independent Director**  
**DIN: 00800786**

**Date:** December 15, 2025

**Place:** New Delhi