Letter of Offer
Dated: July 12, 2025
For Eligible Equity Shareholders Only

KILITCH DRUGS (INDIA) LIMITED

Our Company was originally incorporated in the name and style of "*KILITCH DRUGS (INDIA) LIMITED*" at Bombay, Maharashtra as a public limited company under the provision of Companies Act, 1956 pursuant to a Certificate of Incorporation dated May 12, 1992 issued by the Registrar of Companies, Maharashtra. The Corporate Identification Number of our Company is L24239MH1992PLC066718.

Registered Office: C-301/2 MIDC, TTC Industrial Area, Pawane Village, Thane, Maharashtra, India, 400705;
Corporate Office: 37, Ujagar Industrial Estate, W. T. Patil Marg, Deonar, Mumbai,Maharashtra, India, 400088;
Contact Person: Pushpa Nyoupane, Company Secretary and Compliance Officer;
Tel: + 022 61214100; **Email-ID:** pushpanyoupane@kilitch.com ; **Website:** https://kilitch.com/

PROMOTERS OF OUR COMPANY: MUKUND MEHTA AND KILITCH COMPANY (PHARMA) LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF KILITCH DRUGS (INDIA) LIMITED ("COMPANY" OR "ISSUER") ONLY

ISSUE OF 13,98,463* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE "**RIGHTS EQUITY SHARES**") FOR CASH AT A PRICE OF ₹357.00 PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹347.00 PER RIGHTS EQUITY SHARE) ("**ISSUE PRICE**") AGGREGATING TO ₹ 4,992.51 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 2 (TWO) RIGHTS EQUITY SHARE FOR EVERY 23 (TWENTY THREE) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON TUESDAY, JULY 15, 2025 ("**RECORD DATE**") (THE "**ISSUE**"). FOR FURTHER DETAILS, SEE "ISSUE INFORMATION" BEGINNING ON PAGE 71.

**Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.*

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	10.00	347.00	357.00
Total (₹)	10.00	**347.00**	**357.00**

**For further details on Payment Schedule, see "Issue Information" on page 71.*

WILFUL DEFAULTERS OR A FRAUDULENT BORROWERS

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

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of investors is invited to the section "*Risk Factors*" beginning on page 22.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Letter of Offer as a whole or any 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 BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), (the "**Stock Exchanges**"). Our Company has received "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares through their letters dated July 08, 2025 and July 07, 2025 respectively. Our Company will also make applications to NSE and BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is NSE.

REGISTRAR TO THE ISSU

MUFG MUFG Intime

MUFG Intime India Private Limited
(Formerly *Link intime India Private Limited*)
C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India
Contact Person: Shanti Gopalkrishnan;
Tel No.: +91 81081 14949; **E-mail:** kilitchdrugs.rights@in.mpms.mufg.com ; **Investor grievance e-mail:** kilitchdrugs.rights@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/
SEBI Registration Number: INR000004058

ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	**WEDNESDAY, JULY 16, 2025**
ISSUE OPENING DATE	**WEDNESDAY, JULY 23, 2025**
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	**MONDAY, AUGUST 18, 2025**
ISSUE CLOSING DATE**	**THURSDAY, AUGUST 21, 2025**
FINALISATION OF BASIS OF ALLOTMENT	**FRIDAY, AUGUST 22, 2025**
DATE OF ALLOTMENT	**FRIDAY, AUGUST 22, 2025**
DATE OF CREDIT OF RIGHTS EQUITY SHARES	**MONDAY, AUGUST 25, 2025**
DATE OF LISTING	**TUESDAY, AUGUST 26, 2025**

**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.*
***No withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I: GENERAL

A. DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

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

This Letter of Offer uses certain definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the/our Company', 'we', 'our', 'us' or similar terms are to Kilitch Drugs (India) Limited as the context requires, and references to 'you' are to the Eligible Equity Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in chapter titled "*Summary of Letter of Offer*", "*Financial Statements*", "*Statement of Special Tax Benefits*" and "*Issue Information*" on pages 17, 62, 55, and 71 respectively of this Letter of Offer, shall have the meaning given to such terms in such sections.

GENERAL TERMS

Term	Description
"Kilitch Drugs (India) Limited/ the Company/ our Company"	Kilitch Drugs (India) Limited incorporated under the provisions of the Companies Act, 1956 as amended from time to time and having its Registered Office at C - 301/2 MIDC, TTC Industrial Area, Pawane Village, Thane, Maharashtra, India, 400705 bearing Corporate Identification Number "L24239MH1992PLC066718"
"We/ us/ our"	Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company along with our Subsidiaries on a consolidated basis

COMPANY RELATED TERMS

Term	Description
"AoA/ Articles of Association"	The Articles of Association of Kilitch Drugs (India) Limited, as amended from time to time
"Audit Committee"	The Audit Committee of our Board
"Audited Consolidated Financial Statements"	Our Audited Consolidated Financial Statements comprising of the consolidated balance sheets of our Company and our Subsidiaries as at March 31, 2025 and the related consolidated statement of profit and loss (including other comprehensive income), consolidated cash flow statements and the consolidated statements of changes in equity, including summary of significant accounting policies and other explanatory information to the respective consolidated financial statements, for the financial year ended March 31, 2025, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.
"Audited Standalone Financial Statements"	Our Audited Standalone Financial Statements comprising of the standalone balance sheets of our Company as at March 31, 2025 and the related standalone statement of profit and loss (including other comprehensive income), standalone cash flow

Term	Description
	statements and the standalone statements of changes in equity, including summary of significant accounting policies and other explanatory information to the respective standalone financial statements, for the financial year ended March 31, 2025, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.
"Auditors/ Statutory Auditors"	The current Statutory Auditors of our Company, being M/s. C. Sharat & Associates, Chartered Accountants
"Board of Directors/ Board"	Board of Directors of our Company
"Chairman & Managing Director"	The Chairman & Managing Director of our Company, being Mukund Prataprai Mehta
"Chief Financial Officer/ CFO"	The Chief Financial Officer of our Company, being Sunil S. Jain
"Company Secretary and Compliance Officer"	The Company Secretary and Compliance Officer of our Company, being Pushpa Nyoupane.
"Directors"	Directors on our Board as described in "*Our Management*", beginning on page 58
"Equity Shares"	Equity shares of the Company having face value of ₹10.00 (Rupees Ten only)
"Independent Director"	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled "*Our Management*" beginning on page 58.
"ISIN"	International Securities Identification Number being INE729D01010.
"Issue Materials"	Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue.
"Key Management Personnel /KMP"	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled "*Our Management*" beginning on page 58
"MoA/ Memorandum of Association"	The Memorandum of Association of Kilitch Drugs (India) Limited, as amended from time to time
"Non-Executive Director(s)"	A Director, not being an Executive Director of our Company
"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. For further details, see "*Capital Structure*" on page 44.
"Promoters"	The promoters of our company are Mukund Mehta and Kilitch Company (Pharma) Limited
"Registered Office"	C-301/2 MIDC, TTC Industrial Area, Pawane Village, Thane, Maharashtra, India, 400705.
"Registrar of Companies/ RoC"	Registrar of Companies, Mumbai.
"Senior Management Personnel"	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled "*Our Management*" beginning on page 58.
"Stakeholders' Relationship Committee"	Stakeholders' relationship committee of our Board of Directors
"Stock Exchanges"	Stock exchange where the Equity Shares are presently listed, being NSE and BSE
"Subsidiaries"	Our Company has two subsidiaries as on March 31, 2025: Monarchy Healthserve Private Limited and Kilitch Estro Biotech Plc.
Managing Director	Managing Director of our Company, being Mukund Prataprai Mehta and Mira Bhavin Mehta
Whole-time Director	Whole-time Director of our Company, being Bhavin Mukund Mehta

ISSUE RELATED TERMS

Term	Description
"Additional Rights Equity Shares"	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlements
"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, Kotak Mahindra Bank Limited
"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 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
"Allotment" or "Allot" or "Allotted"	Allotment of Rights Equity Shares pursuant to the Issue
"Allottees(s)"	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
"Applicant(s)/ Investor(s)"	Eligible Equity Shareholder(s) and/or Renouncee(s), to the extent applicable under the applicable law, who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the 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
"Bankers to the Issue"	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, which is Kotak Mahindra Bank Limited
"Bankers to the Issue Agreement"	Agreement dated July 03, 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 and transfer of funds to the Allotment Account, 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, and which is described in the section titled "*Issue Information*" beginning on page 71.
"Controlling Branches /Controlling Branches of the SCSBs"	Such branches of the SCSBs the Registrar to the Issue and the Stock Exchanges, 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

Term	Description
"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 Branches"	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"	National Stock Exchange of India Limited (NSE).
"Eligible Equity Shareholder(s)"	Eligible holder(s) of the Equity Shares of Kilitch Drugs (India) Limited as on the Record Date
"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)(lll) of the SEBI ICDR Regulations
"Gross Proceeds"	The gross proceeds raised through the Issue.
"Issue/ Rights Issue"	Rights Issue of 13,98,463* Equity Shares of our Company for cash at a price of ₹ 357/- (Rupees Three Hundred and Fifty Seven Only) per Rights Equity Shares (including a premium of ₹ 347/- per Rights Equity Share) not exceeding ₹ 4,992.51* Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 2 (Two) Rights Equity Shares for every 23 (Twenty Three) Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Tuesday, July 15, 2025. On Application, Investors will have to pay ₹ 357/- per Rights Equity Share which constitutes 100% of the Issue. **Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.*
"Issue Closing Date"	Thursday, August 21, 2025
"Issue Materials"	Collectively, this Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
"Issue Opening Date"	Wednesday, July 23, 2025
"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"	₹ 357/ - (Rupees Three Hundred and Fifty-Seven Only) per Right Equity Share including a premium of ₹ 347/- (Rupees Three Hundred and Forty-seven Only) per Rights Equity Share)
"Issue Proceeds"	The gross proceeds raised through the Issue
"Issue Size"	The issue of 13,98,463* Rights Equity Shares aggregating to ₹ 4,992.51* Lakhs ** Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.*
"Letter of Offer/ LOF"	The final letter of offer to be filed with the Stock Exchanges after incorporating the observations received from the Stock Exchanges on the Letter of Offer
"Listing Agreements"	The uniform listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI LODR Regulations
Monitoring Agency	Infomerics Valuation & Rating Limited
Monitoring Agency Agreement	Agreement dated July 02, 2025, 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

Term	Description
	additional Rights Entitlements will not be treated as multiple applications
"Net Proceeds	Issue Proceeds less the estimated Issue related expenses. For further details, please refer to the section titled "*Objects of the Issue*" beginning on page 47
"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. 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 Exchanges through a registered stock broker in accordance with the SEBI ICDR Master Circular, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before Monday, August 18, 2025.
"QIBs or Qualified Institutional Buyers"	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 the Letter of Offer, being Tuesday, July 15, 2025
"Refund Bank"	The Banker to the Issue with whom the refund account will be opened, in this case being Kotak Mahindra Bank Limited
"Registrar Agreement"	Agreement dated July 02, 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 / Registrar to the Issue / Registrar or Share Transfer Agent"	MUFG Intime India Private Limited (formerly *Link intime India Private Limited*)
"Renouncees"	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 Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Monday, August 18, 2025 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 Letter"	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through the website of our Company
"Rights Entitlement (s)/ REs"	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 2 (Two) Rights Equity Share for every 23 (Twenty-Three) Equity Shares held by an Eligible Equity Shareholder on the Record Date.
"Rights Equity Shareholders"	Holder of the Rights Equity Shares pursuant to this Issue
"Rights Equity Shares"	Equity Shares of our Company to be Allotted pursuant to this Issue, on a fully paid-up basis on Allotment
"Self-Certified Syndicate Banks/ SCSB(s)"	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , or

Term	Description
	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 (a) whose name has been disclosed by our Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by our Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations
"Stock Exchange"	Stock exchanges where the Equity Shares are presently listed i.e. BSE and NSE
"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)(lll) of the SEBI ICDR Regulations
"Working Day(s)"	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
"API"	Active Pharmaceutical Ingredients
"BMS"	Building Management System
"CAGR"	Compound Annual Growth Rate
"CIS"	Commonwealth of Independent States
"CQA"	Critical Quality Attribute
"ETP"	Effluent Treatment Plant
"EU Standard Guidelines"	European Union Standard Guidelines
"FDI"	Foreign Direct Investment
"FWA"	Fraud, Waste, and Abuse
"GAIL"	Gas Authority of India Limited
"GDP"	Gross Domestic Product
"GMP"	Good Manufacturing Practices
"GST"	Goods and Services Tax
"HDPE"	High-Density Polyethylene
"HOD"	Head of Department
"HPCL"	Hindustan Petroleum Corporation Limited
"HVAC"	Heating, Ventilation, and Air Conditioning
"IOCL"	Indian Oil Corporation Limited
"LDPE"	Low-Density Polyethylene
"LLDPE"	Linear Low-Density Polyethylene
"MHE"	Material Handling Equipment
"MoU"	Memorandum of Understanding
"OPAL"	ONGS Petro Additions Limited
"ORS"	Oral Rehydration Solutions
"OSD"	Oral Solid Dosage
"OTC"	Over-the-Counter
"PET"	Polyethylene Terephthalate
"PLC"	Public Limited Company
"PVC"	Polyvinyl Chloride
"R&D"	Research and Development

"RBI"	Reserve Bank of India
"RIL"	Reliance Industries Limited
"ROI"	Return on Investment
"SEBI"	Securities and Exchange Board of India
"STP"	Sewage Treatment Plant
"STT"	Securities Transaction Tax
"VP"	Vice President

CONVENTIONAL AND GENERAL TERMS OR ABBREVIATIONS

Term	Description
"₹" 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
"AS"	Accounting Standards issued by the Institute of Chartered Accountants of India
"BSE"	BSE Limited
"CAF"	Common Application Form
"CDSL"	Central Depository Services (India) Limited
"CFO"	Chief Financial Officer
"CIN"	Corporate Identification Number
"CIT"	Commissioner of Income Tax
"CLRA"	Contract Labour (Regulation and Abolition) Act, 1970
"Companies Act, 1956"	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
"Companies Act, 2013"	Companies Act, 2013 along with rules made thereunder
"Consolidated FDI Policy"	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
"CSR"	Corporate Social Responsibility
"Depositories Act"	The Depositories Act, 1996
"Depository"	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
"DIN"	Director Identification Number
"DP"	Depository Participant
"DP-ID"	Depository Participant's Identification
"DR"	Depository Receipts
"EBITDA"	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortisation expense, as presented in the statement of profit and loss
"EEA"	European Economic Area
"EGM"	Extraordinary General Meeting
"EPS"	Earning per Equity Share
"FDI"	Foreign Direct Investment
"FEMA Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"FEMA"	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
"FII(s)"	Foreign Institutional Investors registered with SEBI under applicable laws
"FIPB"	Foreign Investment Promotion Board
"FPIs"	Foreign Portfolio Investors as defined under the SEBI FPI Regulations

Term	Description
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"FVCI"	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
"FY"	Period of 12 months ended March 31 of that particular year, unless otherwise stated
"GAAP"	Generally Accepted Accounting Principles
"GDP"	Gross Domestic Product
"GDR"	Global Depository Receipt
"GNPA"	Gross Net Performing Assets
"GoI / Government"	The Government of India
"GST"	Goods and Services Tax
"HUF"	Hindu Undivided Family
"ICAI"	The Institute of Chartered Accountants of India
"ICSI"	The Institute of Company Secretaries of India
"IFRS"	International Financial Reporting Standards
"Income Tax Act/ IT Act"	The Income Tax Act, 1961 and amendments thereto
"Ind AS"	Indian Accounting Standards
"Indian GAAP/ I-GAAP"	Generally Accepted Accounting Principles In India
"Insider Trading Regulations"	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
"Insolvency Code"	Insolvency and Bankruptcy Code, 2016, as amended
"IT"	Information Technology
"MCA"	The Ministry of Corporate Affairs, GoI
"Mn / mn"	Million
"Mutual Funds"	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"N.A. or NA"	Not Applicable
"NAV"	Net Asset Value
"NEFT"	National Electronic Fund Transfer
"Notified Sections"	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
"NR/ Non- Resident"	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
"NRE"	Account Non-resident external account
"NRI"	Non-resident Indian
"NSDL"	National Securities Depository Limited
"NSE"	National Stock Exchange of India Limited
"OCB"	Overseas Corporate Body
"p.a."	Per annum
"P/E Ratio"	Price/Earnings Ratio
"PAN"	Permanent account number
"PAT"	Profit after Tax
"RBI Act"	Reserve Bank of India Act, 1934
"RBI"	Reserve Bank of India
"RoNW"	Return on Net Worth
"SCORES"	SEBI Complaints Redress System
"SCRA"	Securities Contracts (Regulation) Act, 1956
"SCRR"	Securities Contracts (Regulation) Rules, 1957
"SEBI (ICDR) Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
"SEBI (LODR) Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
"SEBI (SAST)	Securities and Exchange Board of India (Substantial Acquisition of Shares and

Term	Description
Regulations"	Takeovers) Regulations, 2011 and amendments thereto
"SEBI Act"	Securities and Exchange Board of India Act, 1992
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
"SEBI"	Securities and Exchange Board of India
"Securities Act"	United States Securities Act of 1933, as amended
"STT"	Securities transaction tax
"Trademark Act"	Trademarks Act, 1999 and the rules thereunder, including subsequent amendments thereto
"U.S. GAAP"	Generally Accepted Accounting Principles in the United States of America
"US$/ USD/ US Dollar"	United States Dollar, the official currency of the United States of America
"USA/ U.S./ US"	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"VCF"	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

B. NOTICE TO INVESTORS

The distribution of this Letter of Offer, Application Form and Rights Entitlement Letter and any other offering material (collectively, the "**Issue Materials**") and issue of Rights Entitlement as well as 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 Letter of Offer, the Rights Entitlement Letter or Application Form may come or who receive Rights Entitlement and propose to renounce or apply for Rights Equity Shares in the Issue are required to inform themselves about and observe such restrictions. For details, see "*Restrictions on Purchases and Resales*" on page 101.

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. 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 valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any of the Issue Materials.

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, this 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 details, see "*Restrictions on Purchases and Resales*" on page 101.

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

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

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 Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire 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). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the "*Restrictions on Purchases and Resales*" on page 101.

Our Company, in consultation with the Registrar, 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 any other jurisdiction 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 the Application Form is outside the United States and 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 this Issue; or (iii) where either 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 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 Letter of Offer or the date of such information. The contents of this 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 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.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (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 EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD 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 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 LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation 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 or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis

to the Eligible Equity Shareholders, and will dispatch this Letter of Offer and Application Form only to Eligible Equity Shareholders, who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

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

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.

C. PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references in this 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 Letter of Offer is in IST. Unless indicated otherwise, all references to a year in this Letter of Offer are to a Calendar Year. Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer. In this Letter of Offer, unless otherwise specified or if the context requires otherwise, 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, the financial data in this Letter of Offer is derived from the 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 Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31 of that year. For further details, please refer to the section titled "*Financial Information*" beginning on page no 61.

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 Letter of Offer should accordingly be limited.

In this 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.

Unless stated otherwise, throughout this 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 Letter of Offer, which are Net Worth, Return on Net Worth, Net Asset Value per Equity 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.

CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US$", "U.S. Dollar", "USD" or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

In this Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in "lakhs". The amounts derived from financial statements included herein are represented in "lakhs", as presented in the Audited Financial Statements. One lakh represents 1,00,000 and one crore represents 1,00,00,000.

Except as otherwise set out in this Letter of Offer, certain monetary thresholds have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

CONVERSION RATES FOR FOREIGN CURRENCY:

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

Sr. No.	Currency	As of March 31, 2025 (in ₹)	As of March 31, 2024 (in ₹)	As of March 31, 2023 (in ₹)
1.	1 USD	85.58	83.37	82.21

Source: www.fbil.org.in

Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.

D. FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward-looking statements. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the industry in which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Any adverse outcome in the legal proceedings in which we are involved;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Changes in government policies and regulatory actions that apply to or affect our business.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled "*Risk Factors*" beginning on pages 22.

The forward-looking statements contained in this Letter of Offer are based on the beliefs of our Company's management, as well as the assumptions made by, and information currently available to, the management of our Company. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

SECTION II: SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled "*Risk Factors*" and "*Objects of the Issue*" beginning on pages 22 and 47.

SUMMARY OF OUR BUSINESS

Our Company, incorporated in the year 1992, is an established pharmaceutical manufacturing, supplying and marketing broad range of pharmaceutical formulations in the various dosage forms like Solid, Liquid and Parental across the globe with over three decades of experience.

We have established ourselves as a global innovator and have been consistently recognized for our excellence in quality, innovative processes, research and development and sustainable product portfolio. Our extensive research efforts have led to development of comprehensive, diverse and highly complementary portfolio of medicines targeting a wide spectrum of chronic and acute treatments which includes Sterile dosages namely Injectables & Ophthalmic, Effervescent tablets & Granules, Tablets & Capsules, OTC range covering varied Nutraceuticals & Cosmetics and Medical devices. The Promoters of our company are Mukund Mehta and Kilitch Company (Pharma) Limited.

We have presence in many countries in Asia, Africa, CIS and Latin America with a broad product portfolio to suit needs of each country.

Our Product portfolio includes:

a) **Oral solid dosage (OSD):** Wide range of oral formulations including effervescent tablets and powders, capsules, dry syrups and oral powders.

b) **Parenterals, Ophthalmic and Nasal Products:** In the form of liquid ampoule, vials, dry powder injectable, Ophthalmic and Nasal drops.

c) **Nutritional Products:** In the form of tablets, capsules dry syrups and oral powders as well as drinks and energy bars.

Manufacturing units of our group are loacted in:

1. Mumbai Unit - equipped with a dedicated dry powder section, ophthalmic products as well as the capacity to produce small volume liquid ampoules and vials. Our product range encompasses, Parenteral, Nasal Products, Opthalmic Products and Medical Devices. With our strong product portfolio, we are well positioned to leverage our existing customers & markets and targeting new market opportunities and we also acknowledge a very high retention rate of customers.

2. Ethiopia Unit – A Cephalosporin plant in East Africa having facility to produce Cephalosporin in different dosage forms like Tablets, Capsules, Injectable and Dry Powders for suspensions with an objective to lead in the African Markets, owned by one of our subsidiaries named by Kilitch Estro Biotech Plc.

3. Green Field Project at Pen Maharashtra- We are setting up a new Green Field Project at Pen Maharashtra, India, 73 km distance from the corporate office, Deonar Mumbai. This project aims for development and manufacturing of various pharmaceutical product dosage to meet the requirements of World Health Organization, EU Standard Guidelines USFDA GMP & other regulatory requirements by expanding our own manufacturing capabilities to produce Oral Tablets, Liquid Injectable Vials, Liquid Injectable Ampules, Nutraceuticals products, Opthalmic Drops and Nasal Drops, we aim to fulfil increased demand of not only existing territories but approach new territories across the globe.

We maintain high-quality standards through a robust Quality Management System and compliance with cGMP certifications. our dedicated Quality Management Team ensures regulatory adherence across all manufacturing

units. We have trained sales force with top-tier productivity and is actively expanding this team to strengthen our market presence and geographical reach. As on March 31, 2025, we have employed 187 personnel at our plants and offices.

As of March 31, 2025, our Company has two subsidiaries: *Monarchy Healthserve Private Limited*, based in India, and *Kilitch Estro Biotech Plc*, located in Ethiopia, East Africa.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS & PROMOTER GROUP

Promoters and Promoter Group of our Company through their letter dated July 02, 2025, have confirmed that:

i. they may intend to subscribe to the Rights Entitlements in part or in full in this Right Issue.

ii. they may renounce the Rights Entitlements within the Promoter Group or to one or 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.

iii. they may or may not apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation)Rules, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.

iv. any acquisition of additional Equity Shares shall not result in change of control of the management of our Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,20ll and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation l0 of the SEBI (SAST) Regulations.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

ALLOTMENT OF UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE

Our Company may allot any undersubscribed portion (if any) of the Rights Issue to one or 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 finalization of Basis of Allotment for undersubscribed portion of the Rights Issue in co-ordination with our Company and Registrar.

DETAILS OF OUR COMPANY OR ANY OF OUR PROMOTERS OR DIRECTORS BEING A WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company, nor any of our Promoters or Directors, has been identified as a wilful defaulter or a fraudulent borrower.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of the outstanding legal proceedings involving our Company and our subsidiaries as per SEBI LODR Regulations as on the date of this Letter of Offer are mentioned herein below

A. Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Involving criminal liability on the part of our Company	NA	NA
Tax Proceedings	NA	NA
Material violations of the statutory regulations by our Company	NA	NA

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Economic offences where proceedings have been initiated against our Company	NA	NA
Other Material Civil Litigation	NA	NA

A. Cases filed against our Subsidiaries:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Involving criminal liability on the part of our Subsidiaries	NA	NA
Tax Proceedings	NA	NA
Material violations of the statutory regulations by our Subsidiaries	NA	NA
Economic offences where proceedings have been initiated against our Subsidiaries	NA	NA
Other Material Civil Litigation	NA	NA

OBJECTS OF THE ISSUE

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

Particulars	Estimated amount (₹ Lakhs)
Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India	4,700.00
General Corporate Purpose*	245.45
Total Net Proceeds**	**4,945.45**

** Subject to the finalization of the Basis of Allotment and the Allotment, the amount utilized for general corporate purpose shall not exceed 25% of the gross Proceeds.*

*** Assuming full subscription with respect to the Rights Equity Shares and subject to finalization of the Basis of Allotment. For further details, please see "Objects of the Issue" on page 47.*

DETAILS OF THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on July 02, 2025 in pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on July 09, 2025.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in "*Issue Information*" beginning on page 47:

Rights Equity Shares offered in the Issue*	13,98,463# Equity Shares
Rights Entitlement	2 (Two) Equity Shares for every 23 (Twenty-Three) Equity Shares held on the Record Date
Record Date	Tuesday, July 15, 2025
Face Value per Equity Share	₹10.00/- (Rupees Ten Only) each
Issue Price per Equity Share	₹ 357/- (Rupees Three Hundred and Fifty-Seven Only) including a premium of ₹347/- (Rupees Three Hundred and Forty-Seven Only) per Rights Equity Share On Application, Investors will have to pay ₹ 357 per Equity Share, which constitutes 100% of the Issue price including premium.
Issue Size	₹ 4,992.51 Lakhs#
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank pari-passu in all respects with the Equity Shares of our Company.

Security Codes for the Equity Shares	ISIN: INE729D01010 BSE Code: 524500 NSE Symbol: KILITCH
ISIN for Rights Entitlements	INE729D20010
Terms of the Issue	For details, please see "*Issue Information*" on page 71.
Use of Issue Proceeds	For details, please see "*Objects of the Issue*" on page 47.

**For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 23 Equity Shares or is not in multiples of 23, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements.*
 # Subject to the finalization of the Basis of Allotment and the Allotment.

TERMS OF PAYMENT

Due Date	Face Value (₹)	Premium (₹)	Total amount payable per Rights Equity Share (including premium) (₹)
On Application (i.e., along with the Application Form)	10/-	347/-	357/-

MINIMUM SUBSCRIPTION

The objects of this Issue involve: (i) Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India and (ii) for General Corporate Purposes.

Further, Promoters and Promoter Group of our Company through their letter dated July 02, 2025 have confirmed that:

i. they may intend to subscribe to the Rights Entitlements in part or in full in this Right Issue.

ii. they may renounce the Rights Entitlements within the Promoter Group or to one or 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.

iii. they may or may not apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation)Rules, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.

iv. any acquisition of additional Equity Shares shall not result in change of control of the management of our Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,20ll and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation l0 of the SEBI (SAST) Regulations.

In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to this Issue.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	Wednesday, July 23, 2025
Last Date for On Market Renunciation of Rights	Monday, August 18, 2025
Issue Closing Date	Thursday, August 21, 2025

The above schedule is indicative and does not constitute any obligation on our Company. 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 not later than two (2) Working Days prior to the Issue Closing Date, i.e., Tuesday, August 19, 2025 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, being Wednesday, August 20, 2025.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see "*Issue Information*" on page 71.

Please note that 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 Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

SECTION III: RISK FACTORS

An investment in the 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 the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the section "Summary of Letter of Offer" and "Introduction" on pages 17 and 41 respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue have independently verified the information in the publicly available information cited in this section.

Unless otherwise stated, references in this section to the "Company" or "our Company" means "Kilitch Drugs (India) Ltd", and "we", "our" or "us" (including in the context of any financial information) is a reference to our Company together with its consolidated Subsidiaries, Joint Ventures, and Associates, as applicable. Unless otherwise stated, references to "Group" or "Kilitch Group" shall mean Kilitch Drugs (India) Ltd along with its subsidiaries and associates, as applicable.

This 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, in the section titled "Forward-Looking Statements" on page 16.

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. Unless the context requires otherwise, the financial information of our Company has been derived from the Consolidated Audited Financial Information, prepared in accordance with Ind AS and the Companies Act and in accordance with the SEBI ICDR Regulations.

MATERIALITY

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- Some risks may not be material individually but may be found material collectively.;
- Some risks may have an impact which is qualitative though not quantitative.;
- Some risks may not be material at present but may have a material impact in the future.

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another. In this Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

OBJECT RELATED RISK

1. ***We have not placed 100% orders for plant and machinery / Equipments. In case of any escalation in prices of these Equipments, our total project cost may increase which in turn will adversely affect our financials.***

While we have identified the types of plant and machinery and other ancillary activities necessary for our operations, orders for 100% of the plant & machinery and other ancillary activities, as detailed in the "*Objects of the Issue*" Section starting on page 47, have not been placed. These estimates are based on Project Report issued by M/s Deepak Kapoor, Chartered Engineer. As on June 30, 2025, an amount of ₹ 7,578.00 Lakhs has already been deployed towards the, Independent Chartered Engineer, dated July 02, 2025 which are subject to various variables, including potential cost overruns, changes in management's strategic decisions, alterations in suppliers of plant & machinery equipment, among others. These factors may adversely affect our business and operational results. Furthermore, we cannot guarantee our ability to procure these plant and machinery components, or obtain them within the budgeted costs and timelines. Delays in their acquisition could result in cost and time overruns, leading to a significant adverse impact on our business, operational results, and financial condition.

2. ***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 based on current market conditions and have not been appraised by any bank or financial institution or other external agency. Further, in the absence of such external appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see "*Objects of the Issue*" on page 47.

3. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.***

As on date of this Letter of Offer, we have not made any alternate arrangements for meeting our capital requirements for objects of the issue. We meet our capital requirements through, owned funds, debt and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Net Issue proceeds may delay the implementation schedule and could adversely affect our growth.

RISK MATERIAL TO OUR COMPANY AND OUR BUSINESS

4. ***A significant proportion of our revenues are derived from OSD, General Injectable and Cephalosporin, any reduction in the demand for such products could have an adverse effect on our business, results of operations and financial condition.***

We derive majority of our revenues from the sale of OSD, General Injectable and Cephalosporin:

(Rs. in Lakhs)

Products	**FY 2024-2025***		**FY 2023-2024***		**FY 2022-2023***	
	Revenue from Operation	**% of total Revenue from Operation**	**Revenue from Operation**	**% of total Revenue from Operation**	**Revenue from Operation**	**% of total Revenue from Operation**
OSD	4,002.52	22%	3,614.47	27%	2,080	18%
General Injectable	5,837.11	32%	5,503.42	42%	4,096.81	35%
Cephalosporin	3,688.16	20%	2,880.29	22%	2029.75	17%

**Figures are based on audited standalone financial statements.*

As these segments account for the majority of our operations, any adverse developments affecting their demand—such as changes in government procurement policies, increased competition, pricing pressure, or

regulatory action—could materially impact our business. Our customer base includes government institutions and international buyers in over 46 countries, with exports forming a substantial share of total revenue; therefore, fluctuations in healthcare budgets or tender-based procurement in these markets may lead to revenue volatility. Moreover, if our customers lose market share, fail to secure recurring tenders, or reduce their purchasing volumes, it may result in reduced repeat orders and revenue loss. We also face risks from evolving therapeutic trends or shifts in demand away from the product categories we currently manufacture. While we continue to expand our product offerings and plan to increase capacity through our upcoming Greenfield facility at Pen, Maharashtra, success is contingent upon maintaining customer confidence, product relevance, and quality consistency. We strive to strengthen customer retention by providing cost-effective, quality-driven solutions and adapting to emerging healthcare needs. However, there can be no assurance that demand for our current formulations will remain consistent, and any decline in sales from our core product segments may adversely affect our profitability and growth prospects.

5. ***We derive a huge portion of our standalone revenues from exports and are subject to risk of international trade. Our exports accounted for 61%*, 63%* and 70%* of our total revenue for the financial year ending March 31, 2025, 2024 and 2023, respectively.***
****Figures are based on audited standalone financial statements.***

   A significant proportion of our revenue is generated from international markets, particularly in Africa, Asia, CIS, and Latin America. During financial year 2023-2024, one of our subsidiaries, *Kilitch Estro Biotech Plc*, secured a major government tender worth USD 9.13 million in Ethiopia, underlining the material reliance on specific export geographies. While this strategic presence enhances market penetration, it also exposes our Company to substantial geopolitical and economic risks. Any adverse shift in trade policies, customs duties, or import-export regulations by these countries can disrupt product flows and impact overall revenue generation. Additionally, political instability, social unrest, or armed conflict in these regions could lead to temporary or prolonged business disruptions. Our Company is also exposed to the volatility of foreign exchange markets, where sudden currency fluctuations may affect pricing and profitability. We are susceptible to regulatory changes in healthcare standards, which vary widely between countries and may delay product approvals or lead to additional compliance costs. Localized economic crises or banking restrictions, such as foreign exchange reserve issues can also result in delayed payments or defaults. Furthermore, concentration in developing economies often correlates with heightened credit risk from government or institutional buyers. Further, adverse currency movements may also affect profitability, despite hedging mechanisms. Any sustained adverse developments in these markets could significantly impair our financial performance and cash flows.

6. ***Our manufacturing facilities are geographically concentrated, and any disruption at these locations could adversely affect our operations, financial performance, and business prospects.***

   Our manufacturing operations are primarily concentrated in Mumbai, Maharashtra, with a new Greenfield facility under development at Pen, Maharashtra. The Mumbai unit is equipped to manufacture dry powder, ophthalmic products, and small-volume liquid ampoules and vials, while the Ethiopia unit is the Cephalosporin plant in East Africa, catering to government tenders and institutional supply. As these facilities are critical to our production and revenue, any disruption — including those caused by technical failure, power outages, equipment breakdown, industrial accidents, regulatory interventions, or acts of nature — may lead to delays in delivery, contract breaches, or loss of revenue.

   Although we have not experienced significant operational disruptions in the past, events such as civil unrest, workforce disputes, logistical bottlenecks, or compliance issues may result in temporary or prolonged production halts. Additionally, any region-specific challenges, such as political instability or foreign exchange shortages (as recently experienced in Ethiopia), could hamper supply chain continuity and working capital efficiency. Our reliance on a limited number of facilities increases the risk of business continuity failure if adverse circumstances affect any one site. Further, with rapid industrialization around our Mumbai facility, rising pressure on infrastructure and utilities may also impair operational efficiency. Any such interruption may lead to failure in fulfilling customer orders on time, causing reputational harm and financial losses. A prolonged disruption in any of our key facilities could have a material adverse effect on our results of operations, financial condition, cash flows, and overall business prospects.

7. ***We depend on the success of our relationships with our customers. We derive a significant part of our revenue from our limited number of customers and we do not have long term contracts with these***

customers. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.

Our business is significantly dependent on a concentrated customer base, with a substantial portion of our revenues derived from a limited number of customers, particularly in institutional segments across export markets. Given the nature of our business, there can be no assurance that we would be able to attract new customers or reduce our dependence on any of our top customers. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers or to remain suppliers to these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our expectant and existing inventory levels at our unit, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also several factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects**.**

8. ***We highly depend on our major raw materials on many of the suppliers who help us procure the same. Our Company has not entered into long-term agreements with our suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.***

Our operations rely heavily on third-party suppliers for key raw materials such as APIs, dextrose anhydrous, pharmaceutical-grade sugar, colorants, and packaging materials. We typically do not enter into long-term contracts with these suppliers, sourcing materials primarily from domestic markets such as Maharashtra, Gujarat, Andhra Pradesh and Telangana. For the year ended March 31, 2025, our consolidated cost of materials consumed stood at ₹ 10,574.97 lakh, which accounted for a substantial portion of our total expenses. The absence of price-lock contracts exposes us to volatility in input prices and supply disruptions that could adversely impact our manufacturing schedules and margins. Our consolidated raw material inventory doubled, from ₹142.72 lakh in FY 2023 to ₹325.45 lakh in FY 2024, highlighting rising input dependencies. Any inability to source timely and competitively priced raw materials could severely affect our ability to meet customer demands, thereby impacting our revenues and profitability.

9. ***Our business is working capital intensive, and any inability to generate adequate cash flows or secure financing to meet our working capital requirements, including payments to third-party manufacturers, could adversely affect our operations, financial condition, and growth prospects.***

Our business operations are inherently working capital intensive, requiring substantial funding for raw material procurement, inventory management, production activities, and timely payments to third-party manufacturers. We also rely on outsourced manufacturing arrangements for certain products, and maintaining smooth relationships with these contract manufacturers is critical to ensuring uninterrupted production and timely delivery to our customers. As we continue to expand our operations by setting up a new Green Field Project at Pen Maharashtra, India —particularly for capturing regulated and international markets—our working capital needs are expected to increase, resulting in higher levels of current assets and receivables. Delays in customer collections or longer credit periods extended to clients can intensify pressure on our working capital cycle. Our working capital requirements are typically financed through internal accruals and external borrowings,

including working capital loans and cash credit facilities. As of March 31, 2025, our total outstanding working capital borrowings stood at ₹2,132.41 Lakhs. Our ability to obtain such financing in the future depends on various factors, including banking sector liquidity, interest rate movements, creditworthiness, and broader economic and regulatory conditions. In certain customer contracts, especially in export markets or government tenders, payment schedules may be deferred or milestone-based, which can result in delayed cash inflows. This heightens our dependence on working capital financing to meet our ongoing obligations, including timely payments to third-party manufacturers. Failure to honour such payments on time may lead to supply chain disruptions, strained vendor relationships, and potential production delays. If we are unable to generate sufficient internal cash flow or raise funds on favourable terms, it may adversely impact our ability to fulfill orders, manage supplier commitments, and maintain operational continuity. Additionally, reliance on debt financing could increase our interest burden and impose restrictive covenants, thereby limiting financial flexibility. Unforeseen cost overruns, adverse market conditions, or regulatory changes could further affect our liquidity position and capital requirements.

10. ***Our operations are dependent on our R&D capabilities, and any inability to innovate or adapt to evolving pharmaceutical trends may adversely affect our competitiveness and growth.***

As a manufacturer primarily engaged in the formulation of injectables, ophthalmics, oral solids, and Cephalosporins, our continued success depends on our ability to enhance process efficiencies, reduce costs, and respond to evolving therapeutic demands through effective research and development (R&D) initiatives. While our business model has historically focused on generic formulations and contract manufacturing. Our ability to compete globally—especially in semi-regulated markets—depends on developing differentiated, cost-effective products and adapting manufacturing techniques to meet stringent international standards. Failure to identify emerging trends, upgrade formulations, or introduce new dosage forms may result in stagnation and limit our market expansion. Moreover, the absence of a strong in-house R&D engine may delay our entry into high-growth segments like biologics, complex injectables, or fixed-dose combinations. If we are unable to enhance our R&D capabilities or secure technology partnerships that drive innovation, it may adversely affect our product pipeline, operational scalability, and long-term sustainability.

11. ***We do not possess patents for our processes, which may result in inadequate protection of our intellectual property rights. This could potentially have a substantial adverse effect on our business and operational outcomes.***

Our ongoing commercial success hinges on our ability to safeguard our processes and secure intellectual property rights. This lack of patent protection allows competitors to potentially replicate these process technologies, thereby diminishing or nullifying any competitive advantage we possess, which could negatively impact our business and profitability. Additionally, there is no guarantee that any future patent applications we submit will result in granted patents, or that such patents, if granted, will offer sufficient proprietary protection or competitive benefits.

Consequently, we cannot ensure the confidentiality of our technical knowledge. There is a risk that certain technical information may be disclosed, either unintentionally or deliberately, at various stages of the manufacturing process. A significant number of our employees have access to these confidential processes, and we cannot guarantee that this information will remain secure. Furthermore, some employees may leave our company and join competitors. While our arrangements with some of our customers include confidentiality clauses, we cannot assure that these arrangements will effectively protect our technical knowledge. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Any leakage of confidential technical information could adversely affect our business, operational results, financial condition, and future prospects. Failure to protect the intellectual property associated with our in-house developed processes may prevent us from claiming registered ownership of these processes, and consequently, we may be unable to seek remedies for any infringement by third parties.

12. ***Any failure in our manufacturing processes or quality control systems may disrupt our operations, harm our reputation, lead to regulatory actions or litigation, and adversely impact our business, financial condition, and results of operations.***

The pharmaceutical industry is subject to stringent regulatory oversight globally, particularly concerning manufacturing practices, product quality, and safety standards. Our manufacturing operations must comply

with applicable laws and regulations, including Good Manufacturing Practices (GMP), as prescribed by Indian and international regulatory authorities. Our products must be manufactured, tested, packaged, labelled, and stored in accordance with the specific requirements laid down by these authorities.

Our facilities are subject to periodic inspections by regulatory bodies, both scheduled and unannounced, to assess compliance. Any failure to meet prescribed standards may result in regulatory warnings, observations, or enforcement actions, which could include suspension of operations, product recalls, import alerts, or cancellation of approvals. Following such inspections, authorities may issue notices identifying deviations from regulatory standards, which we are required to address within stipulated timelines. Failure to do so may invite further regulatory scrutiny or penalties.

Additionally, any change in our manufacturing processes, equipment, or sites may require prior approval from relevant authorities. Such approvals can involve lengthy and complex procedures and are not guaranteed. Delays or denials in obtaining such approvals can impact production timelines and market availability of our products.

We operate and seek to expand in regulated international markets, which impose high entry barriers and extensive requirements for product testing, approval, and ongoing compliance. Each country has its own set of regulatory frameworks relating to product registration, environmental safety, and efficacy. Any failure on our part to meet these evolving regulatory standards, renew product registrations, or adapt to changes in compliance norms may adversely affect our market presence, credibility, and future expansion plans.

Further, any lapse in manufacturing or quality control—whether actual or perceived—could lead to product liability claims, damage our reputation for high-quality manufacturing, and expose us to potential litigation or commercial losses, ultimately affecting our business prospects, cash flows, and financial performance.

13. Our significant dependence on third-party manufacturers exposes us to risks related to quality control, regulatory compliance, and timely supply, any of which could adversely affect our business operations, reputation, and financial condition.

We currently also rely on third-party pharmaceutical manufacturers for the production of a wide range of formulations, including tablets, dry syrups, granules, suspensions, oral drops, effervescent granules, suppositories, gels, ORS, powders for injection, ointments, powders for oral suspension, vitamin serums, and other products. These products are marketed and sold under our own brand name. A substantial portion of our revenue is derived from such contract manufacturing arrangements.

However, under these arrangements, we have limited control over the manufacturing processes, quality assurance protocols, and regulatory compliance of third-party manufacturers. Any failure on their part to adhere to required standards of good manufacturing practices (GMP), quality control, or regulatory norms may expose us to significant business risks, including reputational damage, regulatory scrutiny, import alerts, product recalls, or potential litigation. Additionally, delays or interruptions in product supply by these third parties may result in cancellation of customer orders, loss of revenue, and disruption in our operations.

Our existing in-house manufacturing facility located at C-301/2, MIDC, TTC Industrial Area, Pawane Village, Thane, Maharashtra – 400705 is currently operating at near full capacity. Given the rising demand for our products, our dependence on outsourced manufacturing is expected to remain high in the near term.

To mitigate this dependency and improve supply chain control, we propose to set up a new manufacturing facility at Pen, Maharashtra, approximately 73 km from our corporate office in Deonar, Mumbai. This facility is intended to manufacture key product lines currently outsourced, including oral tablets, liquid injectable vials and ampoules, ophthalmic drops, and nasal drops. The expansion is expected to enhance our capacity to meet growing global demand and reduce reliance on third-party manufacturers. For further details, see "*Objects of the Issue*" on page 47.

Despite these plans, there can be no assurance that our dependency on third-party manufacturers will be fully mitigated in the short term. Continued reliance on external vendors exposes us to risks beyond our control, which may adversely affect our business, results of operations, and financial performance.

14. ***Our business involves usage of manpower and any unavailability of our employees or any strikes, work stoppages, increased wage demands by workmen or changes in regulations may have an adverse impact on our cash flows and results of operations.***

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments, limitations on the number of hours of work or provision of improved facilities. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes with labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

15. ***We are dependent on demand from the pharmaceutical industry, and any adverse developments in the industry could materially impact our business, revenue, and profitability.***

Our business model is inherently tied to the health and growth of the global pharmaceutical industry, as we are primarily engaged in the manufacturing and export of pharmaceutical formulations including injectables, ophthalmic, nasal, and oral solid dosages. A substantial portion of our revenue is derived from pharmaceutical companies and government contracts across emerging markets such as Africa, Asia, CIS, and Latin America. Consequently, any industry-wide downturn—whether due to regulatory changes, pricing pressures, reduced public healthcare spending, or technological disruption—may adversely impact our business.

Our revenue model also faces risks in the event that pharmaceutical companies choose to internalize production, shifting from outsourcing to captive manufacturing. In such a scenario, the demand for our manufacturing capabilities could decline. Additionally, any major breakthrough by competitors or customers in drug formulations, manufacturing techniques, or sourcing of superior raw materials could render our offerings less relevant or obsolete. This could lead to a loss of competitiveness and pricing power.

Moreover, if competitors develop more cost-efficient or high-yield production processes, they may be able to offer similar or superior quality products at lower prices. Given our current manufacturing footprint, we may face challenges in responding quickly to such innovations. Inability to scale efficiently, retain customers, or match industry advancements could materially affect our financial performance and market position. Hence, the performance of the pharmaceutical sector as a whole directly influences the sustainability and profitability of our operations.

16. ***The availability of counterfeit drugs, such as drugs passed off by others as our products, could adversely affect our goodwill and results of operations.***

Entities in India and abroad could pass off their own products as ours, including counterfeit or pirated products. For example, certain entities could imitate our brand name, packaging materials or attempt to create look-alike products. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. We have also invested in our products to prevent counterfeit versions of our products from being distributed in the markets. Such measures include, monitoring products in the market and initiating actions against counterfeiters, each of which entails incurring significant costs at our end. The proliferation of counterfeit and pirated products, and the time and attention lost to defending claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition could suffer

17. ***Our Company has incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

As on March 31, 2025, we had long term borrowings of Rs. 2,777.04 Lakh and short-term borrowings of Rs. 2,132.43 Lakhs of outstanding debt in terms of long-term borrowings and short-term borrowings on our balance sheet from HDFC Bank Limited, Standard Chartered Bank and Kotak Mahindra Bank Limited. In the

event that we fail to meet our debt servicing obligations under our financing documents, the relevant lenders could declare us to be in default, accelerate the maturity of our obligations or takeover our properties or even sell our properties. We cannot assure investors that in the event of any such acceleration we will have sufficient resources to repay these borrowings. Failure to meet such obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. We cannot assure you that we will generate sufficient cash to enable us to service existing or proposed borrowings. Incurring significant indebtedness may limit our flexibility in planning for or reacting to changes in our business & industry and limit our ability to borrow additional funds.

18. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

As per our Standalone Audited Financial Statements, our cash flows from operating, investing and financing activities are as set out below:

(Rs. in Lakhs)

Particulars	**For the Financial Year ended on**		
	2025	**2024**	**2023**
Net Cash Generated from Operating Activities	1,523.28	(119.32)	609.7 6
Net Cash Generated from Investing Activities	(4,142.49)	(1,009.60)	624.45
Net Cash Generated from Financing Activities	1,565.19	1,140.22	304.41

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources.
If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

19. We are dependent on third-party transportation providers for the supply of raw materials and finished products.

Our business operations are significantly dependent on third-party transportation providers for the timely delivery of both raw materials to our manufacturing facilities and finished pharmaceutical products to customers across domestic and international markets. With manufacturing facilities located in Mumbai, Maharashtra and, Ethiopia, and exports to more than 46 countries, including substantial volumes to Africa, CIS, and Asia, any disruption in logistics could materially impact our supply chain and order fulfillment capabilities. Transportation delays due to accidents, geopolitical disturbances, natural disasters, or fuel price fluctuations can lead to increased freight costs or missed delivery timelines. For instance, in FY 2024–25, we earned ₹10,322.61 lakhs in foreign exchange, underscoring our reliance on cross-border transport and distribution channels. While we maintain operational buffers, any significant delay or damage in transit—especially of temperature-sensitive injectable and ophthalmic products—could result in sales losses, strained customer relationships, and elevated replacement costs. Additionally, compensation from insurers or logistics partners may not fully offset the business impact, potentially affecting our financial performance, cash flows, and brand reputation.

20. We have previously engaged in related party transactions and may continue to do so in the future. However, there is no assurance that we will be able to secure more favorable terms in such transactions compared to those with unrelated parties.

We have entered into transactions with our related parties in the ordinary course of business and may continue to do so in the future. These transactions include, among others, sales and purchases, loans and advances. While such transactions were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of SEBI LODR Regulations, they may involve inherent risks. There can be no assurance that all such transactions have been or will be on terms that are more favourable, or as favourable, as those that could have been obtained from unrelated third parties. Further, there is a potential risk of conflict of interest, perception of preferential treatment, or non-arm's length dealings, which could adversely impact our business, financial condition, and reputation. In addition, if we extend credit or loans to

related parties, we may be exposed to risks of delayed recovery, default, or write-offs, which could adversely affect our financial results. We strive to ensure that all related party transactions are conducted in compliance with Companies Act, 2013 and SEBI LODR Regulations.

We enter into related party transactions from time to time. If we extend loans or advances, or purchases or sales to related parties, we may face risks related to defaults or non-recovery. There is no assurance that we will be able to secure more favourable terms for such transactions if conducted with unrelated parties.

21. The success of our business relies on the expertise of our employees including key managerial personnel, and senior management, as well as our ability to attract, train, and retain skilled employees.

The continued success of our business is significantly dependent on the knowledge, expertise, and experience of our employees, particularly our key managerial personnel, senior management, and technical staff. Their contributions have been instrumental in driving our operational performance, consistent profitability, and maintaining a strong liquidity and capital position. As of March 31, 2025, we have around 187 employees, and our employee strength includes more than 40% women, in each department including women at management level and HOD level of maximum departments.

Our future growth and competitiveness will depend on our ability to attract and retain qualified professionals, particularly in the areas of formulation development, quality assurance and regulatory compliance, manufacturing operations, and international business development. The pharmaceutical industry is highly competitive, and the availability of skilled talent is limited. We face challenges in recruitment and retention due to increasing competition, better opportunities in the market, and industry-specific factors.

If we are unable to attract or retain qualified personnel, our ability to execute business strategies, deliver high-quality products, and expand into new markets could be compromised. Additionally, the departure of key personnel without timely and adequate replacement could disrupt our operations, delay projects, and result in increased training and hiring costs. We would also need to ensure that new hires are properly trained and integrated into our internal control systems and risk management framework, failure of which could impact operational efficiency and compliance.

Furthermore, any labour unrest, strikes, or agitations involving our employees may result in production halts, delivery delays, and reputational damage. Such disruptions could lead to increased costs, lowered employee morale, and strained customer relationships. Although we strive to maintain a harmonious work environment and address employee concerns proactively, there is no assurance that such disputes can be prevented or resolved in a timely manner.

However, we confirm that there have been no incidents of labour unrest, strikes, or employee agitations affecting our operations during the last three financial years. While this track record reflects positively on our employee relations, it does not preclude the risk of such events occurring in the future.

22. Introduction of alternative pharmaceutical products caused by changes in technology or consumer needs may affect demand for our existing products which may adversely affect our financial results and business prospects.

Our products are mainly used in the healthcare sector to cater to masses. Our business is affected by change in technology, consumer needs, market perception of brand, convenience, health and safety norms. Our ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of pharmaceutical businesses and consumer needs may have an adverse effect on our business, profitability and growth prospects.

23. ***The nature of products we deal into are prone to attracting litigation and long trials. In the event of any checking of our products by the respective authority, we may be drawn up into prolonged litigations thus adversely affecting our operations.***

As a manufacturer of pharmaceutical formulations, primarily injectables, ophthalmic preparations, and oral solids, our products are subject to stringent quality standards. While we maintain cGMP-compliant facilities and rigorous in-house quality controls, we have limited control over the post-delivery storage conditions at government dispensaries or distribution points. Several of our formulations require specific temperature and handling conditions, and any deviation from these standards by the end-user may lead to quality degradation. Given the nature of our customer base and the markets we serve, regular drug quality checks and inspections by regional drug control authorities are an ongoing aspect of our operations. We cannot assure that future inspections will not result in adverse findings or lead to further litigation. In such events, our financial condition, operational continuity, and goodwill could be negatively impacted. Additionally, if any such litigation gains public attention or regulatory traction, it may lead to temporary suspension of supply orders or affect our ability to secure future tenders.

24. ***Our insurance coverage may not adequately protect us against losses.***

We maintain insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances, and are subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us, or that such coverage will continue to be available on reasonable terms, or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, results of operations and financial condition.

25. ***Our inability to obtain, renew, or maintain the statutory and regulatory approvals required for our operations, including for our upcoming manufacturing facility at Pen, Maharashtra, could materially and adversely affect our business, financial condition, and results of operations.***

Our business is subject to extensive regulation by various Indian and international authorities. We are required to obtain, maintain, and periodically renew a number of statutory and regulatory approvals, licenses, permits, and registrations from central and state government bodies in India, as well as from relevant international regulatory authorities, to operate and export our pharmaceutical products.

While we currently possess the requisite licenses and approvals for our ongoing operations and for initiating construction at our proposed manufacturing facility in Pen, Maharashtra, we will be required to obtain further approvals prior to commencing manufacturing activities at the new plant. Although no new products are currently proposed to be manufactured at this facility and we do not anticipate significant regulatory challenges, there can be no assurance that all required approvals will be granted in a timely manner or at all.

Additionally, many of our existing approvals are subject to conditions and are valid for specified periods, requiring timely renewals. Any delay in obtaining, renewing, or maintaining such approvals may result in interruptions to our operations, time and cost overruns, or restrictions on product manufacturing and exports. Regulatory authorities may also impose additional conditions or compliance obligations, which could result in increased operational costs or affect our business flexibility.

Furthermore, the regulatory environment in which we operate is evolving and becoming increasingly stringent. Any failure to comply with applicable regulations or the terms of our licenses may result in penalties, suspension, or cancellation of approvals, which could have a material adverse effect on our business, reputation, financial performance, and future growth.

26. ***Compliance with, and changes in safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental, health and safety laws including but not limited to:

a. The Pharmacy Act, 1948;
b. The Drugs and Cosmetics Act, 1940 (DCA);
c. The Drugs and Cosmetics Rules, 1945 (DC Rules);
d. The Drugs (Price Control) Order, 2013 (DPCO 2013);
e. Essential Commodities Act, 1955;
f. Food Safety and Standard Act, 2006;
g. Good Manufacturing Practice Guidelines (GMP);
h. The Environment Protection Act, 1986 (Environment Protection Act);
i. Air (Prevention and Control of Pollution) Act, 1981;
j. Water (Prevention and Control of Pollution) Act, 1974;
k. Hazardous Waste Management & Handling Rules, 2008;
l. Public Liability Insurance Act, 1991

Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being initiated against us, third party claims or the levy of regulatory fines, which may adversely affect our business, results of operations and financial condition. Further amendments to such statutes may impose additional provisions to be followed by our Company and accordingly our Company may need to avoid use of certain ingredients in preparation of our products, discontinue any range of product, incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, which could adversely affect our business, prospects, financial condition and results of operations.

27. Our Fiscal 2025 Audited Consolidated Financial Statements and the Fiscal 2025 Audited Standalone Financial Statements have not yet been placed before our Shareholders in a general meeting.

Pursuant to a resolution dated May 19, 2025, our Board approved the Fiscal 2025 Audited Consolidated Financial Statements and the Fiscal 2025 Audited Standalone Financial Statements. In terms of Section 134(3) of the Companies Act, 2013, as amended, read with Rule 8 of Companies (Accounts) Rules, 2014, as amended, a board report on the reporting period which shall be placed before our Shareholders in a general meeting. Our Company, in due course will hold its annual general meeting for the year ended March 31, 2025 and place our Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2025 Audited Standalone Financial Statements, before our Shareholders. Such financial statements, which include the Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2025 Audited Standalone Financial Statements, the link whereof has been included in this Letter of Offer, shall remain subject to adoption, remarks and observations of our Shareholders, if any.

28. Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid any dividend in the past 3 financial years. The amount of our future dividend payments, if any, will be at the sole discretion of our Board of Directors and will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. Our historical payment of dividends is not indicative of any payments of dividends in the future. We may be unable to pay dividends in the near or medium term and our future dividend policy will depend on our capital requirements, financial condition and results of operations. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

ISSUE RELATED RISK

29. You may not receive the Equity Shares that you subscribe in this Issue until two days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you may be Allotted in this Issue may not be credited to your demat account with the depository participants until approximately two days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. We cannot assure you that the Equity Shares allocated to you will be credited to your demat account, or that trading in such Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

In terms of the SEBI ICDR Regulations, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders 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 Physical Shareholders 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).

31. 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.

32. 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.

33. 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 Materials 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, this 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 this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdiction. While our Company will request its shareholders to provide an address in India for the purposes of distribution of Issue Materials, our Company cannot assure that the regulator would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject our Company to fines or penalties.

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

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

35. The Rights Equity Shares may experience price and volume fluctuations.

The market price of the Rights 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 exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Rights 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 Rights Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

36. 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 Exchanges 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 Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares.

37. Overseas shareholders may not be able to participate in our 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.

38. 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.

39. There are significant differences between Indian GAAP, Ind AS, and other accounting standards such as IFRS and U.S. GAAP, which may affect investors' assessment of our financial position.

We have not quantified the impact of U.S. GAAP or IFRS on our financial data, nor have we provided a reconciliation of our financial statements to these standards. As U.S. GAAP and IFRS differ significantly from Ind AS and Indian GAAP, the relevance of our financial statements in this document largely depends on the reader's familiarity with Indian accounting practices. Therefore, those not familiar with Indian accounting standards should limit their reliance on the financial information presented.

40. You may be subject to Indian taxes arising out of capital gains on the sale of the Rights Equity Shares.

Under the current Indian tax laws and regulations, unless specifically exempted, 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 capital gain realized on the sale of listed equity shares on the stock exchanges held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.50% (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 12.50% (plus applicable surcharge and cess).

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 20.00% (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.

41. Our Equity Shares are quoted in Indian rupees in India and investors may be subject to potential losses arising out of exchange rate risk on the Indian rupee and risks associated with the conversion of Indian rupee proceeds into foreign currency.

Investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. In addition, foreign investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. The volatility of the Indian rupee against the US dollar and other currencies may subject investors who convert funds into Indian rupees to purchase our Equity Shares to currency fluctuation risks.

42. 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 read with the Articles of Association specifically provides 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.

43. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

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.

SECTION IV: CONFIRMATIONS

A. COMPLIANCE WITH THE SEBI LODR REGULATIONS, 2015

Our Company is compliant with the requirements of Equity Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

B. REDRESSAL OF INVESTOR COMPLAINTS

Our Company has redressed all the complaints received from the investors until the end of the quarter immediately preceding the month of the date of filing this Letter of Offer.

C. IMPACT OF SEBI PROCEEDINGS

Our Company, our Promoters or Whole Time Directors have neither received any show cause notices from SEBI nor its Adjudicating Officers for imposition of any penalty. Further, there are no prosecution proceedings which have been initiated by SEBI against our Company, our Promoters and Whole Time Directors.

In view of the same, there is no potential adverse impact on our Company.

D. SUSPENSION OF TRADING IN EQUITY SHARES OF OUR COMPANY ON ACCOUNT OF DISCIPLINARY REASONS

The trading in equity shares of our Company have not been suspended on account of any disciplinary measure during last three years immediately preceding the date of filing of this Letter of Offer.

SECTION V: INTRODUCTION

A. GENERAL INFORMATION

REGISTERED OFFICE OF OUR COMPANY

Kilitch Drugs (India) Limited
C 301/2 MIDC, TTC Industrial Area,
Pawane Village, Thane, Maharashtra, 400705
Tel No: 022 62996300
Email: pushpanyoupane@kilitch.com
Website: www.kilitch.com
Corporate Identity Number: L24239MH1992PLC066718

CORPORATE OFFICE OF OUR COMPANY

Kilitch Drugs (India) Limited
37, Ujagar Industrial Estate,
W. T. Patil Marg, Deonar,
Mumbai, Maharashtra, India, 400088
Tel No: 022 61214100
Email: pushpanyoupane@kilitch.com
Website: www.kilitch.com
Corporate Identity Number: L24239MH1992PLC066718

COMPANY SECRETARY AND COMPLIANCE OFFICER

Pushpa Nyoupane is our Company Secretary and Compliance Officer. Her contact details are as follows:

Pushpa Nyoupane
37, Ujagar Industrial Estate,
W. T. Patil Marg, Deonar,
Mumbai, Maharashtra, India, 400088
Tel No: 022 61214100
Email: pushpanyoupane@kilitch.com
Website: www.kilitch.com

STATUTORY AUDITORS OF OUR COMPANY

M/s. C. Sharat & Associates
Chartered Accountants
226, 2nd Floor, Champaklal Udyog Bhawan,
Next to MTNL Office, Sion East,
Mumbai – 400022.
Tel: 9892145055
Email: chintan@csa.firm.in
Contact Person: Chintan Sharatchandra Shah
Firm Registration No.: 128593W
Peer review Certificate No.: 018874

REGISTRAR TO THE ISSUE AND COMPANY

MUFG Intime India Private Limited
(Formerly *Link intime India Private Limited*)
C-101, 1st Floor, 247 Park, LBS Marg,
Surya Nagar, Gandhi Nagar Vikhroli (West),
Mumbai –400 083,Maharashtra, India
Contact Person: Shanti Gopalkrishnan
Tel No.: +91 81081 14949

E-mail: kilitchdrugs.rights@in.mpms.mufg.com
Investor grievance e-mail: kilitchdrugs.rights@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/
SEBI Registration Number: INR000004058

DEPOSITORY PARTICIPANT

National Securities Depository Limited.
Address: 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051.
Tel: 022-6848 8400 / 022-6848 8515
Email: equityca@nsdl.com
Website: www.nsdl.co.in
SEBI Registration No: IN-DP-NSDL-89-99

Central Depository Services (I) Limited.
Address: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013
Tel: 1800-21-09911
Email: complaints@cdslindia.com
Website: www.cdslindia.com
SEBI Registration No: IN-SD-CDSL-02-98

BANKERS TO THE ISSUE / REFUND BANK

Kotak Mahindra Bank Limited
Intellion Square, 501, 5th Floor, A Wing,
Infinity IT Park, Gen. A.K. Vaidya Marg,
Malad – East, Mumbai 400097
Tel: 022-69410636
Email: cmsipo@kotak.com
Website: www.kotak.com
Contact Person: Siddhesh Shirodkar
SEBI Registration No.: INBI00000927

SELF-CERTIFIED SYNDICATE BANKS

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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes 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. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted

CREDIT RATING

As this is a Rights Issue of Equity Shares, the details of Credit Rating are not applicable.

DEBENTURE TRUSTEE

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

MONITORING AGENCY

Our Company has appointed Infomerics Valuation & Rating Ltd to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations.

Infomerics Valuation and Rating Limited
Office No. 1102–1104, B-Wing,
Kanakia Wall Street, Off Andheri-Kurla Road,

Andheri East, Mumbai – 400093, India
Contact Person: Bhavesh Gupta
Tel: +91 90044 00090
Email: bhavesh.gupta@infomerics.com
Website: www.infomerics.com
SEBI Registration No.: IN/CRA/007/2015

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

The Letter of Offer have been filed with Stock Exchanges. The Letter of Offer will also be submitted with the Corporate Finance Department, SEBI, for information and dissemination.

B. CAPITAL STRUCTURE

The equity shares capital of our Company as at the date of this Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below.

(In ₹ lakhs, except share data)

	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A	**Authorized Share Capital***		
	2,50,00,000 Equity Shares of ₹10.00 each	2,500.00	NA
B	**Issued, Subscribed and Paid-up Share Capital Before the Issue**		
	1,60,82,319 Equity Shares of ₹10.00 each	1,608.23	NA
C	**Present Issue in Terms of this Letter of Offer** (1)		
	13,98,463(4) Right Equity Shares, each at a premium of ₹ 347/- (Rupees Three Hundred and Forty-Seven only) per Right Equity Share, at an Issue Price of ₹ 357/- (Rupees Three Hundred and Fifty-Seven only) per Rights Equity Share (2)	139.85	4,992.51
D	**Issued, Subscribed and Paid-up Equity Share Capital After the Issue** (3)(4)		
	1,74,80,782 Equity Shares	1,748.08	NA
E	**Securities Premium Account**		
	Before the Issue as on March 31, 2025	46.68	
	After the Issue (3)	4899.35	

(1) & (2) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on July 02, 2025.
(2) On Application, Investors will have to pay Rs. 357per Rights Equity Share which constitutes 100% of the Issue Price.
(3) Assuming full subscription for and Allotment of the Rights Equity Shares.
(4) Subject to finalization of Basis of Allotment.

HOLDINGS OF OUR PROMOTERS & PROMOTER GROUP AS ON MARCH 31, 2025

The statement showing holding of the Equity Shares of the persons belonging to the category of the *"Promoters and Promoter Group"* including details of lock in, pledge and encumbrances, if any" as on March 31, 2025, can be accessed on the website of the Stock Exchanges at (www.bseindia.com/www.nseindia.com)

SHARES ACQUIRED BY OUR PROMOTERS AND PROMOTER GROUP

Except as disclosed below, no Equity Shares have been acquired by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of this Letter of Offer with the Stock Exchanges:

Sr. No.	Name	Category	No of shares Acquired	Date of Acquisition
1.	Mira Bhavin Mehta	Promoter Group	8,41,046*	August 23, 2024

** Bhavin Mukund Mehta had gifted the above-mentioned shares to Mira Bhavin Mehta.*

EX RIGHTS PRICE

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers Regulation), 2011 is ₹ 414.97/- per equity share.

SHAREHOLDING PATTERN

Shareholding pattern of our Company as per the last filing with the Stock Exchanges is in compliance with the provisions of the SEBI LODR Regulations:

1. The statement showing holding of the Equity Shares as on March 31, 2025 can be accessed on the website of the BSE at (https://www.bseindia.com/stock-share-price/kilitch-drugs-india-ltd/kilitch/524500/shareholding-pattern/)

2. The statement showing holding of the Equity Shares of the persons belonging category to the "*Promoters and Promoter Group*" as on March 31, 2025, can be accessed on the website of the BSE at (https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=524500&qtrid=125.00&QtrName=March%202025)

3. The statement showing holding of the Equity Shares of persons belonging to the category "*Public Shareholders*" as on March 31, 2025, can be accessed on the website of the BSE at (https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=524500&qtrid=125.00&QtrName=March%202025)

4. The statement showing holding of the Equity Shares of persons belonging to the category "*Non - Promoter-Non-Public Shareholder*" as on March 31, 2025 can be accessed on the website of the BSE at (https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=524500&qtrid=125.00&QtrName=March%202025)

5. The statement showing holding of the Equity Shares of persons belonging to the category "*Trading Members*" holding more than 1% or more of the Total Shares as on March 31, 2025, can be accessed on the website of the BSE at (https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=524500&qtrid=125.00&CompName=Kilitch%20Drugs%20India%20Ltd&QtrName=March%202025&Type=TM)

6. As on the date of this Letter of Offer, following shareholders hold more than 1% of the total number of Equity Shares:

Sr. No.	Name	Category	No of Equity Shares held	% of Pre-Issue Capital
1.	Kilitch Company (Pharma) Limited	Promoter	66,29,342	41.22%
2.	Bhavin Mukund Mehta	Promoter Group	25,23,138	15.69%
3.	Mukund Mehta	Promoter	11,40,647	7.09%
4.	Mira Bhavin Mehta	Promoter Group	8,41,046	5.23%
5.	Dipak Kanayalal Shah	Public	5,00,000	3.11%
6.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	Public	2,32,916	1.45%
7.	Shreni Shares Limited	Public	1,91,714	1.19%

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Letter of Offer.

NOTES TO CAPITAL STRUCTURE

Except as disclosed below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer:

Kilitch Employee Stock Option Scheme 2007 ("ESOP 2007"). The ESOP 2007 was approved by our Shareholders pursuant to their resolution dated September 29, 2007. The details of grants, exercise and lapse of units under the ESOP 2007, for the year 2024-2025 are as follows:

Particulars	Kilitch Employee Stock Option Scheme 2007
Options Outstanding and vested at the beginning of the year	17,526
Units exercised	0
Units forfeited/lapsed	0
Money realized by exercise of units (in ₹)	0
Options Outstanding and vested at the end of the year	17,526

Kilitch Employee Stock Option Scheme 2020 ("ESOP 2020"). The ESOP 2020 was approved by our Shareholders pursuant to their resolution dated September 30, 2020. The details of grants, exercise and lapse of units under the ESOP 2020, for the year 2024-2025 are as follows:

Particulars	Kilitch Employee Stock Option Scheme 2020
Options Outstanding and vested at the beginning of the year	1,05,264
Units exercised	0
Units forfeited/lapsed	0
Money realized by exercise of units (in ₹)	0
Options Outstanding and vested at the end of the year	1,05,264

SECTION VI: PARTICULARS OF THE ISSUE

A. OBJECTS OF THE ISSUE

The Issue comprises of 13,98,463 Rights Equity Shares of face value of ₹ 10 each for a cash price at ₹ 357.00 per Rights Equity Share (including a premium of ₹ 347.00 per Rights Equity Share) aggregating to ₹ 4,992.51 Lakhs. For further details, see "*Summary of this Letter of Offer*" on page 17.

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

1. Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India; and

2. General Corporate Purposes.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable our Company: (i) our existing activities; (ii) the activities for which the funds are being raised by our Company through this Issue; and (iii) to undertake activities for which funds earmarked towards general corporate purposes shall be used.

ISSUE PROCEEDS

The details of the Issue Proceeds are set forth in the following table:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Issue#	4,992.51
Less: Estimated Issue related Expenses	47.06
Net Proceeds from the Issue	**4,945.45**

 # Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.;

REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Amount*
1.	Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India	4,700.00
2.	General Corporate Purposes#	245.45
	Total Net Proceeds	**4,945.45**

#The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds;
** Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio;*

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount proposed to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the Financial Year ending March 31, 2026
1.	Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India	4,700.00	4,700.00
2.	General Corporate Purposes#	245.45	245.45

Sr. No.	Particulars	Amount proposed to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the Financial Year ending March 31, 2026
	Total Net Proceeds*	**4,945.45**	**4,945.45**

#The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds;
**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio;*

Our Company plans to deploy the funds towards the above stated Objects depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year, subject to compliance with applicable laws. Further, at present we propose to deploy the entire Net Proceeds towards the Objects as described herein during Financial Year F.Y. 2025-26 as stated in the table above.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, Environmental conditions and relation with foreign countries which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal FY 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year i.e., Fiscal 2026-27, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. The fund requirements for the Objects are proposed to be funded from the Net Proceeds, existing identifiable internal accruals and funding from our bankers and in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

All the details mentioned in this section are valid as on the date of this Letter of Offer. However, we have not entered into any definitive agreements with any of the contractors, suppliers and vendors and there can be no assurance that the same contractors, suppliers and vendors would be engaged to eventually for construction, electrical, mechanical work or for supply of the plant and machineries with the same costs. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. For further details, see "*Risk Factors*" on page 22.

MEANS OF FINANCE

The fund requirement for capital expenditure for Greenfield Project at Pen, Maharashtra, India is ₹15,635.00 Lakhs shall be met partially from Net Proceeds for ₹ 4,700.00 Lakhs, as on June 30, 2025, an amount of ₹ 7,578.00 Lakhs has already been deployed towards the Greenfield Project from internal accruals and bank borrowings, as certified by our Statutory Auditor vide certificate dated July 02, 2025 and balance requirement shall be funded through the following sources:

Particulars	Amount (₹ in Lakhs)	
Greenfield Project Cost	15,635.00	
Less: Amount already deployed from internal accruals as on June 30, 2025	3,435.00	
Less: Amount already disbursed by HDFC Bank Limited as on June 30, 2025	583.00	
Less: Amount already disbursed by Kotak Mahindra Bank Limited as on June 30, 2025	2,100.00	
Less: Amount already disbursed by Standard Chartered Bank Limited as on June 30, 2025	1,460.00	
Balance Funding Requirement	**8,057.00**	
Funding Plan	**Amount (₹ in Lakhs)**	**Date of Sanction Letter**
Net Proceeds from the Right Issue	4,700.00	-
Term Loan from HDFC Bank Limited	1,917.00	Original Sanction Letter dated July 22, 2023 latest renewed on June 19, 2024
Term Loan from Kotak Mahindra Bank Limited	400.00	Original Sanction Letter dated June 10, 2024 latest renewed on March 13, 2025
Term Loan from Standard Chartered Bank Limited	1,040.00	Original Sanction Letter dated March 12, 2025
Total	**8,057.00**	

Accordingly, we are in compliance with the requirements prescribed under Paragraph XII(E)(1) of Part B of Schedule VI and Regulation 62(1)(c) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from, time to time. These fund requirements have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to applicable law.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking additional equity and/or debt arrangements from existing and future lenders or any combination of them. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Financial Year 2025-2026, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to Objects of the Issue are set forth herein below:

1. *Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India*

Our Company, Kilitch Drugs (India) Limited, is a growing pharmaceutical company engaged in the manufacturing, supply, and marketing of a wide range of pharmaceutical formulations across solid, liquid, and parenteral dosage forms. We currently operate a manufacturing facility located at C-301/2, MIDC TTC Industrial Area, Pawane Village, Navi Mumbai – 400705, Maharashtra, India. This facility supports the production of dry powder formulations, ophthalmic products, and small volume liquid ampoules and vials.

Over the years, we have witnessed a consistent increase in demand for our products across domestic and international markets. Our Navi Mumbai facility is presently operating at or near full capacity. To cater to this growing demand and enhance operational scalability, we propose to establish a new Greenfield manufacturing facility at Survey. No. 24/1 to 46, 48 to 56 & 58 to 71, Village - Maldev, Khopoli Pen Road, Khopoli: 410203, Maharshtra India.

Purpose and Scope of the Greenfield Project

The new facility is intended to manufacture the following categories of pharmaceutical products:

- Nutraceuticals
- Oral Solid Dosage forms
- Injectables (Vials, Ampoules)
- Ophthalmic formulations

This investment will enable us to scale our production capacities, adhere to global GMP standards, and strengthen our long-term competitive position in both domestic and international markets.

<u>Location and details of the Project</u>

Our new ***Greenfield Project*** is located at Survey No. 24/1 to 46, 48 to 56 & 58 to 71, Village Maldev, Khopoli Pen Road, Khopoli – 410203, Maharashtra, India ("said land"). The land was acquired through a registered sale deed dated February 28, 2022. The site is strategically located along the Pen National Highway (Zone 'D' Area), approximately 73 km from our Head Office at Deonar, Chembur, Mumbai – 400088. The land parcel measures 14.5 acres (58,600 square meters) and development is at an advanced stage. The facility has been designed to comply with all relevant statutory, regulatory, environmental, GMP, and safety requirements.

Key Features of the Facility:

- **Main Pharmaceutical Block**:
  - Built-up area: 19,006 square meters
  - Structural design: Ground + 3 floors, maximum height of 25 meters
  - Currently, construction of Ground + 1st floor with mezzanine (12.5 meters height) is already completed
  - Designed to accommodate storage, manufacturing, and packing of:
    - Nutraceuticals
    - Injectables (Vials, Ampoules)
    - Ophthalmic formulations
    - Oral Solid Dosage forms
- **Ancillary Blocks**:
  - **Central Utility**
  - **Effluent Treatment Plant (ETP)** and **Sewage Treatment Plant (STP)**
  - **Security & Support Facilities**

Estimated Capacity: The estimated production capacities from the new plant per shift per day, once fully operational, are as under:

Segment	Product Form	Estimated Capacity	Packing Type
Nutraceuticals	Tablets	9,00,000 Tablets	Tube, Blister, Strip, Pouch
	Sachets	44,000 Sachets	
Oral Solid Dosages	Tablets	10,00,000 Tablets	Blister, Strip, Tube, Sachet
	Sachets	44,000 Sachets	
Injectables	Vials (30 ml standard) *	96,000 Vials	Designed to handle 2 ml to 100 ml volumes
	Ampoules	1,60,000 Ampoules	
Ophthalmics	Eye Drops (2/3-piece)	60,000 Bottles	

**Capacity for vials varies depending on the fill volume; the facility is capable of producing various vial sizes: 2 ml, 5 ml, 10 ml, 20 ml, 30 ml, 50 ml, and 100 ml.*

This facility is expected to significantly enhance our production capabilities while ensuring supply chain resilience. The total estimated cost of this Greenfield Project is ₹ 15,635.00 Lakhs, and encompasses the following components:

- **Civil Construction**: Includes construction of the main pharmaceutical building, utility blocks, water proofing, lifts, partitions, doors, ceilings, and associated civil infrastructure.
- **Utility Infrastructure**: Investment in Heating, Ventilation, and Air Conditioning (HVAC), Building Management System (BMS), cooling towers, air compressors, nitrogen systems, boilers, and various pumps required for operational efficiency.
- **Electrical and Mechanical Installations**: Includes transformers, DG sets, power distribution boards, lighting, cabling, piping, insulation, and installation support.
- **Manufacturing Equipment**: Procurement of equipment necessary for manufacturing, filling, and packaging of pharmaceutical formulations.
- **Safety Systems**: Installation of fire safety systems including fire hydrants, sprinkler systems, fire extinguishers, public address system, CCTV surveillance, and smoke detection systems.
- **Effluent and Sewage Treatment**: Construction and commissioning of Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) in compliance with environmental norms.
- **Storage Facilities**: Includes procurement of pallets, Material Handling Equipment (MHE), storage racks, and other storage infrastructure.
- **Quality Control and Administrative Set-Up**: Equipment and setup for qualification, validation, testing, laboratory furniture, and other administrative and office support infrastructure.
- **Initial Operating Costs**: Includes procurement of raw materials, packing materials, and other testing-related costs to support commencement of commercial operations.
- **Miscellaneous Costs**: Covering administrative expenses, travel, hospitality, canteen facilities, landscaping, uniforms, and related operating expenditures.

The detailed break-down of estimated cost and estimated schedule of implementation of the ***Greenfield Project***, is set forth below:

S.N.	Description	Total Estimated Cost (₹ in Lakhs)^	Estimated Schedule of Implementation	
			Commencement Period	Expected Completion Period
A.	Civil Construction	7,711.00	November, 2023	September, 2025
B.	Utility Infrastructure	1,415.00	February, 2025	May, 2026
C.	Electrical work	753.00	February, 2025	May, 2026
D.	Mechanical Installations	117.00	March, 2025	May, 2026
E.	Manufacturing Equipment	2,908.00	January, 2025	July, 2026
F.	Safety Systems and Effluent	169.00	February, 2025	September, 2025

	and Sewage Treatment			
G.	Storage Facilities	96.00	June, 2025	September, 2025
H.	Quality Control and Administrative Set-Up	81.00	May, 2025	September, 2025
I.	**Sub-total**	**13,250.00**		
J.	GST @18%	2,385.00		
	Total Project Cost (I+J)	**15,635.00**		

^As per the Project Report dated July 02, 2025 issued by M/s Deepak Kapoor, Chartered Engineer. As on June 30, 2025, an amount of ₹ 7,578.00 Lakhs has already been deployed towards the Greenfield Project from internal accruals and bank borrowings, as certified by our Statutory Auditor vide certificate dated July 02, 2025

Notes

1. *The estimated cost of project is summarized with all expected expenditures based on certain reasonable assumptions.*

2. *Cost estimates are based on prevailing market rates and reasonable assumptions.*

3. *Subject to applicable taxes, to the extent not included in the estimated cost.*

4. *We have considered the Project Report for the budgetary estimate purpose and have not placed 100% orders for them. The actual cost of procurement and actual supplier/dealer may vary.*

5. *The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.*

6. *We are not acquiring any second-hand machinery.*

7. *None of our Promoters, Promoter Group, Directors, KMPs, or Group Companies have any interest in vendors or contractors related to this project.*

8. *We have obtained project report from M/s Deepak Kapoor, Chartered engineer who is not related to our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies.*

Working capital have not been shown as part of the Project we will fund in the ordinary course of our business from our internal accruals and financing from banks, financial institutions, non-banking financial company, our directors and their relatives.

2. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating ₹ 245.45 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, investments for inorganic growth, capital expenditure, funding growth opportunities, including strategic initiatives, 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.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank, financial institution or any other external agency.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loan or through other financial arrangement from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

DETAILS OF BALANCE FUND DEPLOYMENT

Our Company proposes to deploy the entire Gross Proceeds towards the Objects described herein above during Fiscal 2025-2026.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

EXPENSES FOR THE ISSUE

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

(₹ in Lakhs)

Activity	Estimated Expense	% of Estimated Issue Expenses	% of Estimated Issue Size
Brokerage, selling commission and upload fees	0.50	1.06%	0.01%
Fees of Registrar to the Issue	4.50	9.56%	0.09%
Advertising and marketing expenses	3.56	7.56%	0.07%
Regulators including stock exchanges	21.00	44.62%	0.42%
Printing and distribution of issue stationary	2.00	4.25%	0.04%
Other expenses (including Fees of Professionals, Auditor's fees, Depositories Fees and other miscellaneous expenses.)	15.50	32.94%	0.31%
Total estimated Issue expenses*	**47.06**	**100.00%**	**0.94%**

** Notes:*

1. Subject to finalization of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

2. Excluding taxes.

3. Assuming full subscription.

STRATEGIC AND/ OR FINANCIAL PARTNERS

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

MONITORING OF UTILIZATION OF FUNDS

Our Company has appointed Infomerics Valuation & Rating Limited as the Monitoring Agency to monitor utilization of proceed from the Issue, prior to filing the Letter of Offer, including the proceeds proposed to be

utilised towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. 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 LODR 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 LODR Regulations, our Company shall, on a quarterly 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 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 our Statutory Auditors.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects.

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.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to our Company for the proposed Objects of the Issue.

INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE

No part of the proceeds of the Issue will be paid by us to the Promoters, Promoter Group and the Directors, except as stated above and in the normal course of business and in compliance with applicable.

Our Promoters, our Promoters Group and our Directors do not have any interest in the Objects of the Issue. There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Promoter Group, our Directors.

B: STATEMENT OF TAX BENEFITS

STATEMENT OF TAX BENEFITS FOR ISSUER AND ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES

To
The Board of Directors,
Kilitch Drugs India Limited,
37, Ujagar Indl. Estate,
Deonar, Mumbai.

Dear Sir/Madam,

Sub: Statement of possible special direct tax benefits available to "Kilitch Drugs India Limited" ("the Company"), its Wholly Owned Subsidiary and its shareholders – ("The Statement")

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company, its wholly owned subsidiary and the shareholders under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the Conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, Wholly Owned Subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may not choose to fulfill.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

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

a) The Company, wholly Owned Subsidiary or its shareholders will continue to obtain these benefits in future; or

b) The conditions prescribed for availing the benefits, where applicable have been/would be met

This statement is intended solely for information and for inclusion in the Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent.

Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct, we will not be liable to any other person in respect of this Statement.

For C. Sharat & Associates
Chartered Accountants

FRN:- 128593W
SD/-

Chintan Shratchandra Shah
M. No.: 127551
UDIN: 25127551BMIIKY6229
Date: 02/07/2025
Place: Mumbai

Statement of Special Tax Benefits available to the company and its shareholders under the Income Tax Act, 1961 and other direct tax laws presently in force in India

Special Tax Benefits:

Benefits available to the Company – There are no special Tax benefits available to the Company.

Benefits available to the Shareholders – There are no special tax benefits available to the shareholders for investing in the proposed rights issue of shares of the company.

SECTION VII: OUR MANAGEMENT

BOARD OF DIRECTORS

As on the date of this Letter of Offer, our Company has 6 (Six) directors, comprising of 1(One) Chairman & Managing Director, 1 (One) Managing Director, 1 (One) Whole time Director and 3 (Three) Independent Directors inclusive of one-woman Director. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

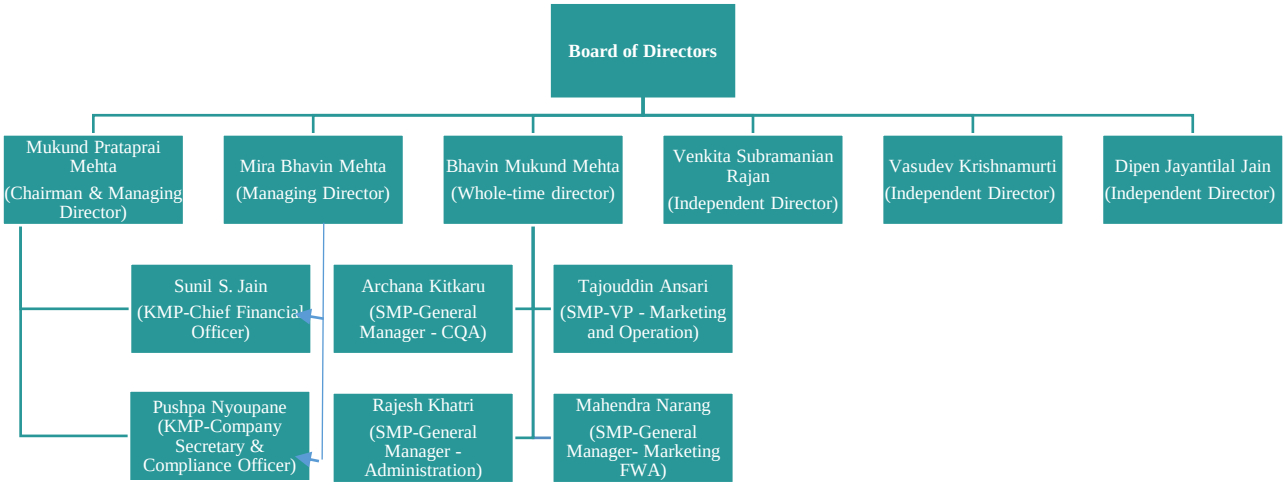
The following table sets forth details regarding our Board of Directors as on the date of this Letter of Offer:

Name, Designation, Address, Occupation, Date of Appointment, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Date of Appointment/ Re appointment	Other directorships
Mukund Prataprai Mehta **Designation:** Chairman & Managing Director **Address:** A- 1903 -1904 Beaumonte Tower A, Plot C – 56, Shiv Koliwada Sion Circle, Sion East, Mumbai – 400022, Maharashtra **Occupation:** Service **Date of Birth:** August 10, 1953 **Date of Appointment:** April 01, 2021 **Term:** Re-Appointed as Managing Director for a period of 5(five) years with effect from April 01, 2021 to March 31, 2026 **Date of Expiration of the Current Term:** March 31, 2026 **DIN:** 00147876	71		• Kilitch Company (Pharma) Limited • Monarchy Healthserve Private Limited • Indo Ethiopian Chamber of Commerce and Industry • NBZ Healthcare LLP • Arham Neeta Realities LLP
Mira Bhavin Mehta **Designation:** Managing Director **Address:** A- 1903, Beaumonte Tower A, Plot C – 56, Kamani Marg, Sion Circle, Mumbai – 400022, Maharashtra **Occupation:** Service **Date of Birth:** August 06, 1978 **Date of Appointment:** November 14, 2023 **Term:** Designated as Managing	46		• Kilitch Company (Pharma) Limited • Monarchy Healthserve Private Limited • NBZ Healthcare LLP • Arham Neeta Realities LLP

Name, Designation, Address, Occupation, Date of Appointment, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Date of Appointment/ Re appointment	Other directorships
Director with effect from August 26, 2024 till expiration of her tenure i.e., November 13, 2028 **Date of Expiration of the Current Term:** November 13, 2028 **DIN:** 01902831			
Bhavin Mukund Mehta **Designation:** Whole-time director **Address:** A- 1903, Beaumonte Tower A, Plot C – 56, Kamani Marg, Sion Circle, Mumbai – 400022, Maharashtra **Occupation:** Service **Date of Birth:** September 30, 1976 **Date of Appointment:** September 01, 2022 **Term:** Re-Appointed as Whole-time director for a period of 5 (five) years with effect from September 1, 2022 to August 31, 2027 **Date of Expiration of the Current Term:** August 31, 2027 **DIN:** 00147895	48		• Pharmaceuticals Export Promotion Council of India • Kilitch Company (Pharma) Limited • Monarchy Healthserve Private Limited
Venkita Subramanian Rajan **Designation:** Independent Director **Address:** 7/2, Jaswant Baug, Plot No. 424, Sion Trombay Road, Behind Akbarallys, Chembur, Mumbai 400071, Maharashtra. **Occupation**: Professional **Date of Birth:** May 25, 1943 **Date of Appointment:** June 28, 2023 **Term:** Re-Appointed as Independent Director for a period of 5(five) years with effect from June 28, 2023 to June 27, 2028 **Date of Expiration of the Current Term:** June 27, 2028	82		• Anamed Instruments Private Limited • Indo Ethiopian Chamber of Commerce and Industry • Marsap Services Private Limited

Name, Designation, Address, Occupation, Date of Appointment, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Date of Appointment/ Re appointment	Other directorships
DIN: 00059146			
Vasudev Krishnamurti **Designation:** Independent Director **Address:** Flat No.601, 6th Floor, Riddhi Plot No. 288-b, Road No. 5, Chembur, Mumbai – 400071, Maharashtra. **Occupation:** Professional **Date of Birth:** March 18, 1952 **Date of Appointment:** March 16, 2023 **Term:** Re-Appointed as Independent Director for a period of 5(five) years with effect from March 16, 2023 to March 15, 2028 **Date of Expiration of the Current Term:** March 15, 2028 **DIN:** 00567672	73		• Sunjewels Private Limited • Polmann India Limited
Dipen Jayantilal Jain **Designation:** Independent Director **Address:** A/52, Kalumal Estate, A.B. Nair Road, Opp Juhu Post Office, Mumbai – 400049, Maharashtra. **Occupation:** Professional **Date of Birth:** October 24, 1977 **Date of Appointment:** August 27, 2024 **Term:** Appointed as Independent Director for a period of 5 (five) years with effect from August 27, 2024 to August 26, 2029 **Date of Expiration of the Current Term:** August 26, 2029 **DIN:** 01148262	47		• LSD Lifestyles Private Limited • Enviro Creators Foundation • Leed Ecosystems LLP • Happy Ecom Brands LLP • LSD Ecom Ventures LLP

ORGANISATIONAL STRUCTURE


Board of Directors
Mukund Prataprai Mehta (Chairman & Managing Director)
Mira Bhavin Mehta (Managing Director)
Bhavin Mukund Mehta (Whole-time director)
Venkita Subramanian Rajan (Independent Director)
Vasudev Krishnamurti (Independent Director)
Dipen Jayantilal Jain (Independent Director)
Sunil S. Jain (KMP-Chief Financial Officer)
Archana Kitkaru (SMP-General Manager - CQA)
Tajouddin Ansari (SMP-VP - Marketing and Operation)
Pushpa Nyoupane (KMP-Company Secretary & Compliance Officer)
Rajesh Khatri (SMP-General Manager - Administration)
Mahendra Narang (SMP-General Manager- Marketing FWA)

SECTION VIII: FINANCIAL INFORMATION

The Audited Consolidated Financial Statements of our Company for the year ended March 31, 2025, and March 31, 2024, can be accessed on the website of our Company at (https://kilitch.com/). The following table provides a brief summary of the Audited Consolidated Financial Results for the year ended March 31, 2025, and March 31, 2024:

(₹ in Lakh, except share data)

Particulars	**Financial Year Ended March 31, 2025**	**Financial Year Ended March 31, 2024**
Total Income from Operations	19,831.85	15,437.25
Net Profit/Loss Before Tax and Extraordinary Items	3,447.42	1,935.45
Net Profit/Loss After Tax and Extraordinary Items	2,494.01	1,357.52
Equity Share Capital	1,608.23	1,608.23
Reserves and Surplus	18,624.68	16,020.89
Net Worth	20,232.91	17,629.12
No of Shares (Equity)	1,60,82,319	1,60,82,319
Basic Earnings Per Share *(₹)*	16.60	9.17
Diluted Earnings Per Share *(₹)*	16.60	9.17
Return on Net Worth (%*) Note1*	12.33	7.70
Net Asset Value Per Share *(₹) Note2*	125.81	109.62

Note:

1. Return on Net Worth (%) = Profit for the period/year / Net Worth at the end of the period/year.

2. Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Equity shares outstanding at the end of the year.

SECTION IX: RATIONALE FOR THE ISSUE PRICE

The investors should read the following summary with the section titled "*Risk Factors*" with the details about our Company under the section titled "*Summary of Letter of Offer*" and its financial statements under the section titled "*Financial Information*" beginning on page 22, page 17 and page 62 respectively. The trading price of the Equity Shares of our Company could decline due to these risks and the investors may lose all or part of their investment.

The Board of Directors have determined the Rights Issue price of ₹357.00 per equity share, considering various factors, including that the issue price is at a discount to the recent market prices making it attractive to existing shareholders and the discount range to the current market price is in line with the industry practice, ensuring competitiveness.

Further, the issue price represents a discount of approximately:

1. 15.05% and 15.00% on average of 60 trading days volume weighted average price of the Equity Shares of our Company quoted on BSE and NSE, respectively, preceding the date of announcement of the Rights Issue Price by our Company (i.e., July 08, 2025) to the Stock Exchanges.

2. 17.76% and 18.00% on average of 10 trading days volume weighted average price of the equity shares of our Company quoted on BSE and NSE, respectively, preceding the date of announcement of the Rights Issue Price by our Company (i.e., July 08, 2025) to the Stock Exchanges.

3. 15.61 % and 15.47% on the closing market price of the Equity Shares of our Company, on NSE and BSE, respectively, on one trading day prior (i.e., July 08, 2025) to the date of announcement of the Rights Issue Price by our Company (i.e., July 09, 2025) to the Stock Exchanges.

For further details, please refer the section titled "*Summary of Letter of Offer*" on page 17. Our Company has received In-principle approvals from NSE and 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 letters each dated July 07, 2025 and July 08, 2025, respectively. Our Company will also make applications to NSE and BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: INE729D20010 for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, see "*Issue Information—Credit Of Rights Entitlements In Demat Accounts Of Eligible Equity Shareholders*" beginning on page 84.

SECTION X: GOVERNMENT AND OTHER APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

There is no material pending government and regulatory approvals pertaining to the Objects of the Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 47

SECTION XI: OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the resolution of the Board passed at its meeting held on July 02, 2025 pursuant to Section 62 (1) (a) of the Companies Act, 2013.

The Board has, at its meeting held on July 09, 2025 determined the Issue Price as ₹ 357.00 per Rights Equity Share (including a premium of ₹ 347.00 per Rights Equity Share) and the Rights Entitlement as 2 Rights Equity Shares for every 23 Equity Shares held on the Record Date.

This Letter of Offer has been approved by our Board pursuant to their resolutions dated Saturday, July 12, 2025.

Our Company has received in-principle approval from BSE and NSE pursuant to Regulation 28 of SEBI (LODR) Regulations, vide its letter dated July 08, 2025 and July 07, 2025 for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. Our Company will also make applications to BSE and NSE to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE729D20010 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. Our Company has been allotted the ISIN INE729D20010 both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see "*Issue Information*" on page 71.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

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

ASSOCIATION WITH ENTITIES PROHIBITED BY SEBI

i. Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

ii. Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE and NSE. 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.

iii. Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

iv. 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 has made an application to the Stock Exchange for receiving its In Principle approval for the listing of the Equity Shares to be issued pursuant to this Issue. National Stock Exchange of India Limited (NSE) is the Designated Stock Exchange for the Issue.

v. Disclaimer from our Company, our Director(s): Our Company accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be including our Company's website https://kilitch.com/.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Caution:

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

DISCLAIMER WITH RESPECT TO JURISDICTION

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

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be National Stock Exchange of India Limited (NSE).

DISCLAIMER CLAUSE OF BSE AND NSE

Disclaimer Clause of the BSE

The disclaimer clause as intimated by BSE to our Company vide their in-principal approval dated July 08, 2025, is as under:

"BSE Limited ("the Exchange") has given vide its letter dated July 08, 2025, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

• Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or

• Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

• Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

The disclaimer clause as intimated by NSE to our Company vide their in-principal approval dated July 07, 2025, is as under:

*"**As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No: NSE/LIST/49505 dated July 07, 2025*** **permission** ***to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.***

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the contents of this letter of offer; not does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer; its promoters; its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever*."*

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

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 redressal of investor grievances in compliance with the SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. MUFG Intime India Private Limited (formerly *Link intime India Private Limited*) is our Registrar and Share Transfer Agent. 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.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

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

Company Secretary and Compliance Officer	Registrar to the Issue
Pushpa Nyoupane 37, Ujagar Industrial Estate, W. T. Patil Marg, Deonar, Mumbai, Maharashtra, India, 400088 **Tel No:** 022 61214100 **Email:** pushpanyoupane@kilitch.com **Website:** www.kilitch.com	**MUFG Intime India Private Limited** (formerly *Link intime India Private Limited*) C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083,Maharashtra, India **Contact Person:** Shanti Gopalkrishnan **Tel No.**: +91 81081 14949 **E-mail:** kilitchdrugs.rights@in.mpms.mufg.com **Investor grievance e-mail:** kilitchdrugs.rights@in.mpms.mufg.com **Website:** https://in.mpms.mufg.com/ **SEBI Registration Number:** INR000004058

SELLING RESTRICTIONS

This 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 Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this 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 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 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 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 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 Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are 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 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 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.

SECTION XII: MATERIAL DEVELOPMENTS

There have not been any material developments, since the date of the last financial statements disclosed in this Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

SECTION XIII: ISSUE INFORMATION

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this 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 Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Investors are requested to note that application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this 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, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE and NSE and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Letter of Offer, the Entitlement Letter, Application Form and other issue material ("Issue Materials") only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such 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 case 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 or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access this 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) on the websites of:

a. Our Company's website at https://kilitch.com/ ;

b. Registrar to the Issue's website at https://web.in.mpms.mufg.com/rightsoffers/rightsissues-Knowyourapplication.aspx ;

c. BSE and NSE's website at www.bseindia.com and www.nseindia.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://in.mpms.mufg.com/ .

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at https://web.in.mpms.mufg.com/rightsoffers/rightsissues-Knowyourapplication.aspx 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 at https://kilitch.com/ .

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of 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. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, 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 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.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of the Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

2. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and 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 or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see "*Issue Information—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 84.

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 or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. 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:

i. the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

ii. the requisite internet banking.

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 note that they should very 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, please see "*Issue Information—Grounds for Technical Rejection*" on page 79. 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, along with the requisite application money if they have not received the application form. 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, - please see "*Issue Information —Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 75.

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 details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://in.mpms.mufg.com/ and link of the same would also be available on the website of our Company at https://kilitch.com/. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

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

a) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

b) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

c) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

d) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or

e) 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 authorising 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 https://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 circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, 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 dematerialised form only.

c) Ensure that the Applications are submitted to 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 authorized 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 submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

c) Do not send your physical Application to the Registrar, 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.

d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

e) Do not submit Application Form using third party ASBA account.

f) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.

g) 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 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 Registrar or the 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.

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. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the 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 utilise 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:

a. Name of our Company, Kilitch Drugs (India) Limited.

b. 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);

c. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID in which RE held;

d. 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 Rights Equity Shares applied for pursuant to this Issue;

e. Number of Equity Shares held at Record Date;

f. Allotment option – only dematerialised form;

g. Number of Rights Equity Shares entitled to;

h. Number of Rights Equity Shares applied for within the Rights Entitlements.

i. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

j. Total number of Rights Equity Shares applied for;

k. Total amount paid at the rate of ₹ 357.00 per Rights Equity Share;

l. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

m. 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.

n. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

o. 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);

p. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at kilitchdrugs.rights@in.mpms.mufg.com.

q. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Purchases and Resales*" on page 101 and shall include the following:

"*I/ We hereby make representations, warranties and agreements set forth in "Restrictions on Purchases and Resales*" on page 101.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, 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 at https://in.mpms.mufg.com/. Our Company and the Registrar 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

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, 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 at 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 whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at 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 send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar 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;

c. The remaining procedure for Application shall be same as set out in "*Issue Information—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 75.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat 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 "*Issue Information—Basis of Allotment*" on page 92.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

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 regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this 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 "*Issue Information—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 75.

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 authorizing 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, 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 Participants. 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 authorized 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, failing which such Application is liable to be rejected. The 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 at 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 by them do 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 for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 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 do not match with the PAN records available with the Registrar/Depositories.

c) Sending an Application to our Company, Registrar, Banker to the Issue, 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) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money 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) appear 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.

s) Applicants not having the requisite approvals to make Application in the Issue.

t) IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

u) RE not available in DP ID on Issue Closing Date.

Multiple Applications

In case where multiple Applications are made using same demat account, 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 dematerialised 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 applications.

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 "*Issue Information—Procedure for Applications by Mutual Funds*" on page 83. 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 on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in "*Capital Structure*" on page 44.

An application made by a Specific Investor for Equity Shares - (a) against their existing entitlement and for additional Equity Shares: (b) renounced in their favour in terms of Regulation 77B(2) of SEBI ICDR Regulations; and (c) for the undersubscribed portion of the Issue in terms of Regulation 77B(4) shall not be treated as multiple applications for the purpose of allotment in this Issue.

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 and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

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.

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-

Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs.

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.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

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 Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where 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.

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.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is August 21, 2025, i.e., Issue Closing Date. Our Board may extend the said date for such a 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, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Issue Information—Basis of Allotment*" on page 92.

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, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

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 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 a period of 15 days 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.

3. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

Rights Entitlements

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 at 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 (https://in.mpms.mufg.com/) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e https://kilitch.com/). In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is INE729D20010 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 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 Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at 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 not 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 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. 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 Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised 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 account (namely, "**Kilitch Drugs (India) Limited RE Suspense 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 at 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 Monday, August 18, 2025 to enable the 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. 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.

4. Renunciation and Trading of Rights Entitlement

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(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. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

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.

Payment Schedule of Rights Equity Shares

₹ 357.00 per Rights Equity Share (including premium of ₹ 347.00 per Rights Equity Share) shall be payable on Application.

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.

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.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, 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: INE729D20010 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 dematerialised 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 July 23, 2025 to August 18, 2025 (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: INE729D20010 band 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 and NSE under automatic order matching mechanism and on 'T+1 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: INE729D20010, 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.

5. 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.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising 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 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 finalisation 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.

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

6. 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 ratio, please see "*Summary of Letter of Offer*" on page 17.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 2 (Two) Equity Share for every 23 (Twenty-Three) Equity Shares 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 23 (Twenty Three) Equity Shares or not in the multiple of 23 (Twenty Three) 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.

Further, the Eligible Equity Shareholders holding less than 23 (Twenty-Three) Equity Shares 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 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 LODR 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 Agreements 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, upon being fully paid-up 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-principle approval from the BSE through letter dated July 08, 2025 and NSE through letter bearing reference number Ref. No: NSE/LIST/49505 dated July 07, 2025. 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: 524500, Symbol: KILITCH) and NSE (Symbol: KILITCH) under the ISIN: INE729D01010. 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 four 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 Promoters and members of our Promoter Group

Promoters and Promoter Group of our Company through their letter dated July 02, 2025, have confirmed that:

i. they may intend to subscribe to the Rights Entitlements in part or in full in this Right Issue.

ii. they may renounce the Rights Entitlements within the Promoter Group or to one or 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.

iii. they may or may not apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation)Rules, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.

iv. any acquisition of additional Equity Shares shall not result in change of control of the management of our Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,20ll and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation l0 of the SEBI (SAST) Regulations.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Rights of Holders of Rights Equity Shares

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

a. The right to receive dividend, if declared;

b. The right to receive surplus on liquidation;

c. The right to receive offers for rights shares and be allotted bonus shares, if announced;

d. The right to free transferability of Rights Equity Shares;

e. 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 Letter of Offer; and

f. Such other rights 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.

7. General Offering Information

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights 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 the Rights Equity Shares offered in this Issue.

Nomination

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

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched 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 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 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.

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 Marathi language daily newspaper with wide circulation (Marathi being the regional language of Thane, where our Registered Office is located).

This 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 a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out there in (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 at kilitchdrugs.rights@in.mpms.mufg.com . 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 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 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 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.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by RBI, OCBs have been derecognised 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 to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to kilitchdrugs.rights@in.mpms.mufg.com or pushpanyoupane@kilitch.com.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED 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 93.

8. Issue Schedule

Last date for Credit of Rights Entitlements	**Wednesday, July 16, 2025**
Issue Opening Date	**Wednesday, July 23, 2025**
Last Date for On Market Renunciation of Rights Entitlements *	**Monday, August 18, 2025**
Issue Closing Date@	**Thursday, August 21, 2025**
Finalisation of Basis of Allotment (on or about)	**Friday, August 22, 2025**
Date of Allotment (on or about)	**Friday, August 22, 2025**
Date of Credit (on or about)	**Monday, August 25, 2025**
Date of Listing (on or about)	**Tuesday, August 26, 2025**

** 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.*

[@] *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 at 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 not later than two clear Working Days prior to the Issue Closing Date, i.e., Monday, August 18, 2025, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., Wednesday, August 20, 2025. 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 suspense 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 i.e., https://in.mpms.mufg.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 (i.e. https://in.mpms.mufg.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.

9. Basis of Allotment

Subject to the provisions contained in 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:

a) 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.

b) 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 should be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If the 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 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(s), if applicable, subject to applicable laws, that our Board may deem fit, 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.

f) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c), (d) and (e) 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 (f) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Further, our Company has opted for allotment to specific investor(s) in terms of Regulation 77B of SEBI (ICDR) Regulations, 2018.

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.

10. Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret 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 Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense 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 a period of 4 (Four) days 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 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 (Four) days' period.

The Rights Entitlements will be credited in the dematerialised 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/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed 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 a rate as prescribed under applicable law.

11. 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 at 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, a refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. 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.

g) 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.

12. Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED 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 AT THE RECORD DATE OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/ FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialised (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 dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

a) Tripartite agreement amongst our Company, NSDL and the Registrar to the Issue; and
b) Tripartite agreement amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALISED 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 the 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 dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide 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, 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.

Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 76.

13. 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 –*

a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447. Also, any penalty if imposed pursuant to Companies Act, 2013 shall be disclosed*"

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.1 crore 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 10 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 fraud involves an amount less than ₹0.1 crore 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 ₹0.5 crore or with both.

14. Minimum Subscription

The objects of this Issue involve: (i) Funding Capital Expenditure for Greenfield Project at Pen, Maharashtra, India and (ii) for General Corporate Purposes.

i. Further, Promoters and Promoter Group of our Company through their letter dated July 02, 2025, have confirmed that: they may intend to subscribe to the Rights Entitlements in part or in full in this Right Issue.

ii. they may renounce the Rights Entitlements within the Promoter Group or to one or 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.

iii. they may or may not apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation)Rules, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.

iv. any acquisition of additional Equity Shares shall not result in change of control of the management of our Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,20ll and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation l0 of the SEBI (SAST) Regulations.

In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to this Issue.

15. Investor Grievances, Communication and Important Links

1. Please read this 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 Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.

2. All enquiries in connection with this 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 at 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 "Kilitch Drugs (India) Limited – Rights Issue" on the envelope and postmarked in India) to the Registrar at the following address:

   MUFG Intime India Private Limited
   (formerly *Link intime India Private Limited*)
   C-101, 1st Floor, 247 Park, LBS Marg,
   Surya Nagar, Gandhi Nagar Vikhroli (West),
   Mumbai –400 083,Maharashtra, India
   Contact Person: Shanti Gopalkrishnan
   Tel No.: +91 81081 14949
   E-mail: kilitchdrugs.rights@in.mpms.mufg.com
   Investor grievance e-mail: kilitchdrugs.rights@in.mpms.mufg.com
   Website: https://in.mpms.mufg.com/
   SEBI Registration Number: INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar https://in.mpms.mufg.com/ . Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 81081 14949.

4. The Investors can visit following links for the below-mentioned purposes:

   Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: https://in.mpms.mufg.com/

   Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: https://in.mpms.mufg.com/

   Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://in.mpms.mufg.com/

   Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: https://in.mpms.mufg.com/

SECTION XIV: UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following that:

a) the complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;

b) all steps for completion of the necessary formalities for listing and commencement of trading at BSE and NSE, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;

c) the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

d) where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (fiften) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

e) where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;

f) adequate arrangements shall be made to collect all ASBA applications;

g) as of the date of this Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Letter of Offer, our Company has not issued any outstanding convertible debt instruments; and

h) our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

SECTION XV: UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

A. all monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.

B. details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and

C. Details of all unutilized monies out of this Right Issue referred to in clause (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.

SECTION XVI: 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 ("**FIPB**"). 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, **FIPB** section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

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**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates 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 Government of India 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 between FEMA and such policy pronouncements, FEMA prevails.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company fall 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.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognized as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company. 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.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in this Issue unless such application is accompanied with necessary approval or covered under a preexisting approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in this Issue.

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

SECTION XVII: RESTRICTIONS ON PURCHASES AND RESALES

ELIGIBILITY AND RESTRICTIONS

General

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.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the 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.

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, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

The 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 Equity Shares are only being offered and sold 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 the 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 the 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 are being offered in "offshore transactions" as defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of the 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):

1. 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.

2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act).

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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 Letter of Offer with SEBI and the Stock Exchanges); 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.

9. 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.

10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has 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.

11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (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 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 (including any research reports) (other than, with respect to our Company and any information contained in this 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.

12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and the National Stock Exchange of India 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 and the National Stock Exchange of India 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) our Company, any of its affiliates, has not 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.

13. 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 the Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.

14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.

15. 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 the 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.

16. 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 (i) 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 or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

17. 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.

18. 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.

19. 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.

20. 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.

21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, 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.

22. 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 the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

23. 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 XVIII: STATUTORY AND OTHER INFORMATION

Please note that:

1. The allotment of the equity shares under Rights Issue shall be in Dematerialised Form.
2. Copies of Annual Reports for the Financial Years 2025, 2024 and 2023 can be viewed at the link https://kilitch.com/ .

SECTION XIX: MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material contracts and documents (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of Offer which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available for inspection at the registered office of our 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 our Company at https://kilitch.com/ from the date of this Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated July 02, 2025 between our Company and the Registrar to the Issue.
2. Bankers to the Issue Agreement dated July 03, 2025 among our Company, the Registrar to the Issue and the Bankers to the Issue.
3. Monitoring Agency Agreement dated July 02, 2025, between our Company and the Monitoring Agency

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the Certificate of Incorporation, the updated Memorandum of Association and Articles of Association of our company.
2. Copies of Annual Reports of our Company for the Financial Year ending March 31, 2025, March 31, 2024, March 31, 2023.
3. Certified copies of the Resolution of our Board of Directors dated July 02, 2025 approving the Right Issue.
4. Certified copies of the Resolution of our Board of Directors dated July 09, 2025 finalizing the terms of the Right Issue including Right Issue Price, Record Date and the Rights Entitlement Ratio.
5. Certified copies of the Resolution of our Board of Directors dated July 02, 2025 approving and adopting the Draft Letter of Offer.
6. Certified copies of the Resolution of our Board of Directors dated July 12, 2025 approving and adopting the Letter of Offer.
7. Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Bankers to the Issue, Monitoring Agency and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities.
8. Statement of Tax Benefits dated July 02, 2025 from the Statutory Auditors of our Company included in this Letter of Offer.
9. In-principal approval issued by BSE dated July 08,2025 and NSE dated July 07, 2025 respectively.

SECTION XX: DECLARATION

We hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. All the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government and any other competent authority in this behalf, have been duly complied with. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- _____ **Mukund Prataprai Mehta** Chairperson and Managing Director **DIN:** 00147876	**Sd/-** _____ **Mira Bhavin Mehta** Managing Director **DIN:** 01902831
Sd/- _____ **Bhavin Mukund Mehta** Wholetime Director **DIN:** 00147895	**Sd/-** _____ **Venkita Subramanian Rajan** Independent Director **DIN:** 00059146
Sd/- _____ **Vasudev Krishnamurti** Independent Director **DIN:** 00567672	**Sd/-** _____ **Dipen Jayantilal Jain** Independent Director **DIN:** 01148262

SIGNED BY OUR CHIEF FINANCIAL OFFICER

Sd/-

_____

Sunil S. Jain

Place: Thane
Date: July 12, 2025