



CHANDAN HEALTHCARE LIMITED

Reg Off. Add: Biotech Park, Sector-G, Jankipuram, Kursi Road, Lucknow-226021

CIN: L85110UP2003PLC193493

TEL NO.: -8069366666 Email: secretarial@chandan.co.in

www.chandandiagnostic.com

Date: 18-06-2026

To

The Manager

Listing Department

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex

Bandra (East), Mumbai – 400051

SYMBOL: CHANDAN

ISIN: INE0B2N01016

Subject: Submission of Reply filed with the Registrar of Companies, Uttar Pradesh

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the reply filed by Chandan Healthcare Limited before the Registrar of Companies, Uttar Pradesh, in response to the communication received in connection with a complaint filed by Dayal Institute of Medical Sciences Limited (formerly Chandan Institute of Medical Sciences Limited).

The aforesaid reply contains the Company's factual submissions, clarifications and undertakings with respect to the allegations raised in the complaint and has been filed with the Registrar of Companies on June 18, 2026.

Kindly take the same on record.

For Chandan Healthcare Limited

Rajeev Kumar Nain

Company Secretary & Compliance Officer

Encl.: As above



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Date: June 18, 2026

To,
**The Registrar of companies
Uttar Pradesh-1 at Kanpur
Ministry of corporate affairs
31/17, Westcott Building,
The Mall Kanpur-208001,
Uttar Pradesh**

Subject: Clarification to ROC Communication NO.TC/Comp/RKY /CHANDAN/2026/764 DATED 20.05.2026 regarding Complaint filed by Dayal Institute of Medical Sciences Limited (formerly Chandan Institute of Medical Sciences Limited (CIMS)) in relation to complaint under 206 of the companies Act, 2013 against serious financial mismanagement

PART I: Background and relationship with Dayal Institute of Medical Sciences Limited (DIMSL, formerly known as CIMS)

1. Background of the Relationship

An MOU dated December 18, 2021 was executed between CIMS (through its then directors, namely Amar Singh, Asmita Singh, and Aasti Singh) and Rajesh Kumar Singh (now Rajesh Singh Dayal), Sunita Singh, and Parth Singh, for the purpose of developing a hospital and medical college project on land owned by Rajesh Kumar Singh, Sunita Singh and Parth Singh (**Second Party to MOU**). The Chandan Group entities were allotted shares in CIMS pursuant to and in furtherance of this arrangement, and the Chandan Group invested substantially in CIMS.

2. Nature of the Investment

The Company, along with other Chandan Group entities, namely Chandan Hospital Limited, Chandan Pharmacy Limited, and Chandan Singh Foundation, held equity shares in DIMSL (formerly CIMSL). These shares were allotted during FY 2021-22 at a price of Rs.270 per share of face value Rs.10. At the time of allotment, only Rs. 27 per share was called up and paid. The balance amount of Rs.243 per share remained uncalled as on the date of the RHP.

3. Breakdown of Relationship and Current Status

Disputes arose between Chandan Group entities and Rajesh Kumar Singh, Sunita Singh and Parth Singh. So subsequently Rajesh Kumar Singh along with Sunita Singh and Parth Singh took over the management and control of CIMS, renamed it as



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DIMSL, and inducted their own directors. The original promoter group, which included persons associated with the Chandan Group, has since exited management.

It is respectfully submitted that as on the date of this reply, **the Company has no active financial transactions, operational involvement, or management participation in DIMSL.**

It is pertinent to state that the complainant, Rajesh Singh Dayal, had issued certain Post-Dated Cheques in favour of the Chandan Hospital Limited towards repayment of amounts transferred by Chandan Hospital Limited to CIMSL for the construction related purposes. However, in order to evade and avoid repayment of the said liability, Rajesh Singh Dayal has, after more than one year from the listing of the Company, instituted the present complaint with mala fide intent and for the ulterior purpose of circumventing and delaying his outstanding repayment obligations. Moreover, while making the complaint, the complainant Rajesh Kumar Dayal have made a calculated endeavour to **conceal and suppress the material fact that Rajesh Kumar Dayal have himself invoked the arbitration clause** for resolution of disputes pertaining to MoU dated December 18, 2021, That since the arbitration is to be conducted by a panel of three arbitrators, wherein the parties are to appoint one each nominee arbitrator and then the said nominee arbitrator would appoint a Presiding Arbitrator as such in pursuance thereof, group lead by Rajesh Singh Dayal have nominated **Vishnu Datta Shukla, Former Member, Commercial Tax Tribunal, U.P.** as their nominee arbitrator and the Company has nominated **Lalit Verma, (Retd.) IAS**, as their nominee arbitrator, the said nominee arbitrators are in the process of the appointing a Presiding Arbitrator. The complainant, Rajesh Singh Dayal have suppressed the fact that the disputes are arbitrable in nature and the proceedings are already underway as such, complaint made by Rajesh Singh Dayal is motivated and have been made with *mala fide* intent and thus, the same ought to be rejected.

The following active legal proceedings between the parties are noted for ROC's information:

- **Arbitration proceedings** are pending pursuant to Clause 9 of the MOU dated December 18, 2021. Arbitration notices were issued by the Rajesh Singh Dayal on February 13, 2026 and March 18, 2026. Both parties have since nominated their respective arbitrators and arbitral proceedings are underway.
- **Recovery Notices** were issued by Chandan Hospital Limited to DIMSL on March 25, 2026 claiming outstanding amounts of ₹ 5,82,99,814.87 representing financial assistance extended to DIMSL. DIMSL has denied these claims.
- **Call Notices** dated March 10, 2026 were issued by DIMSL to the Chandan Group entities demanding payment of ₹ 243 per share on partly paid shares. The Company has duly replied to these notices on April 21, 2026 challenging their validity and maintainability on grounds that they are contrary to the Articles of Association and applicable provisions of the Companies Act, 2013.



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- A **Forensic Audit** commissioned by DIMSLs current management (R.M. Lall & Co., Chartered Accountants) and the Company's response thereto are matters forming part of the ongoing disputes which are subject to arbitration.

PART II: Clarification Regarding the Observations Recorded in the Report

1. Allegation regarding Bogus and Fictitious Expenditure and Liability

The contents of the allegations pertaining to alleged bogus expenditure, fictitious liabilities and siphoning of funds are denied in toto. It is respectfully submitted that all entries recorded in the books of accounts are genuine, duly supported by underlying documents and have been accounted for in the ordinary course of business. The expenditures incurred under various heads, including professional fees, salaries, bonus, ex-gratia, HRA, travelling expenses and other administrative expenses, are true, genuine and incurred for bona fide business purposes.

The books of account of the Company are maintained in accordance with the provisions of the Companies Act, 2013 and applicable Accounting Standards and have been subjected to statutory audit. No adverse observations with regard to any fictitious expenditure, sham transaction or non-genuine entry have ever been made by the Statutory Auditors. Accordingly, the allegation that the Company has created fictitious liabilities or booked bogus expenditure with a view to siphon off funds is false, baseless and vehemently denied.

Further, the allegations are founded solely upon the unilateral findings and conclusions of a forensic audit commissioned by the present management of Dayal Institute of Medical Sciences Limited. The findings contained therein are strongly disputed and are subject matter of ongoing arbitration and other legal proceedings. In the absence of any adjudication by a competent authority, no adverse inference can be drawn merely on the basis of such unilateral allegations.

2. Allegation regarding Misrepresentation of Amounts Received from Chandan Group Entities as Secured Borrowings

With respect to the allegation regarding the purported mischaracterisation of capital-related receipts as secured borrowings, it is submitted that certain amounts were directly transferred by the Chandan group companies to DIMSL towards funding and construction-related expenses of the project undertaken by the said entity. To the extent such amounts represented share call money, the same was duly adjusted against the outstanding call money payable on the partly paid-up shares. Any excess amount remaining after such adjustment was subsequently classified in the books of accounts as loan/borrowing, based on its nature and treatment in the financial records. Accordingly, the classification was carried out for accounting and presentation purposes based on the underlying transaction and there was no intention to incorrectly portray or misrepresent the nature of the receipts. The allegation that the Company deliberately mischaracterized capital receipts as secured borrowings is therefore incorrect and without basis.

3. Allegation regarding Sale Proceeds of Excavated Soil

The allegations that the proceeds from sale of excavated soil were not accounted for and were



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siphoned off are wholly false and specifically denied. It is respectfully concluded that no excavated soil was sold by the Company or by any person acting on its behalf. The entire excavated soil generated during excavation and construction activities was utilized at the construction site itself for levelling, filling and other allied construction purposes. Consequently, there was no sale or disposal of excavated soil and, therefore, no question arises regarding accounting of any sale proceeds or diversion thereof.

4. Allegation regarding Issue of Shares without Payment of Consideration

With respect to the allegation that the share application money for the shares allotted was not fully paid through banking channels, we hereby submit that the entire amount was ultimately paid through bank transfers only. Initially, cheques were received from the allottees towards the share application money and were accordingly recorded under “cheques issued but not cleared.” However, since those cheques could not be presented/deposited, the consideration for the allotment of shares was subsequently received through bank transfers from the respective allottees. Therefore, the complete share application amount was duly received through proper banking channels.

5. Allegation regarding Anomalies in the Red Herring Prospectus

With respect to the allegation regarding suppression and inadequate disclosure of the unpaid call liability pertaining to partly paid-up shares of DIMSL, it is submitted that the Red Herring Prospectus had, at page 231 under the section titled “Our Group Companies- Shareholding Pattern of Chandan Institute of Medical Sciences Limited”, expressly disclosed the partly paid-up nature of such shares. The RHP specifically stated as follows:

“The shares of these shareholders are partly paid up. Only Re. 1 is received from them i.e., for Chandan Hospital Limited, Chandan Healthcare Limited, Chandan Pharmacy Limited and Chandan Singh Foundation have paid on ₹ 8,50,000, ₹ 8,25,000, ₹ 4,25,000 and ₹ 1,48,150, respectively.”

Accordingly, the fact that the shares were partly paid-up was clearly and specifically disclosed in the RHP itself. The Company had no commercial or regulatory incentive to suppress the status of such shares, particularly when the same had already been expressly disclosed in the narrative sections of the Offer Document.

It is further clarified that the amount of approximately ₹ 30,37,50,000 represents the unpaid amount on ₹12,50,000 equity shares at ₹ 243 per share remaining payable. The non-separate presentation of such amount in the financial statements was inadvertent in nature and cannot be construed as wilful suppression or concealment of material information, especially when the partly paid-up status of the shares had already been expressly disclosed elsewhere in the RHP.

Therefore, the allegation that the Company deliberately suppressed the unpaid call liability is incorrect and without merit. The disclosures made in the RHP, when read in entirety, adequately conveyed the partly paid-up nature of the shares and the associated payment obligations.

PART III: CONTEXT — THE COMPLAINT IS FILED IN THE BACKDROP OF ACTIVE COMMERCIAL DISPUTES



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Nature and Motivation of the Complaint

It is pertinent to state that the complainant, Rajesh Singh Dayal, had issued certain Post-Dated Cheques in favour of the Chandan Hospital Limited towards repayment of amounts transferred by Chandan Hospital Limited to CIMSL for the construction related purposes. However, in order to evade and avoid repayment of the said liability, Rajesh Singh Dayal has, after more than one year from the listing of the Company, instituted the present complaint with mala fide intent and for the ulterior purpose of circumventing and delaying his outstanding repayment obligations.

It is respectfully submitted to ROC that the complaint filed by DIMSL ought to be examined in its proper factual and commercial context. The complaint has been initiated at a time when:

- DIMSL has issued call notices to the Chandan Group entities for a total of approximately ₹ 54.64 crores towards unpaid call money on partly paid-up shares, which notices have been disputed and challenged by the Company as being invalid and unsustainable in law;
- DIMSL has withheld and denied the payment of approximately ₹ 5.82 crores claimed by the Chandan Hospital Limited as outstanding financial assistance extended by it; and
- The Arbitration proceedings have been initiated between the parties to the Memorandum of Understanding, which proceedings do not involve Chandan Healthcare Limited.

The Company is not suggesting that genuine grievances should not be examined by the regulatory authorities. However, it is respectfully submitted that the present complaint has been pursued in the backdrop of ongoing and heavily contested commercial disputes between two shareholder groups. In these circumstances, the Company respectfully requests ROC to consider the matter in its entirety and appreciate that the issue relating to disclosure arose merely on account of a clerical/inadvertent error in the Notes to the Financial Statements, and does not involve any deliberate concealment, fraud, or misrepresentation.

With respect to Group-level responsibility and not a mere clerical lapse allegation.

All disputes arising out of and/or in connection with the Memorandum of Understanding dated December 18, 2021, executed between CIMS (through its then directors, namely Amar Singh, Asmita Singh, and Aasti Singh) constituting the First Party, and Rajesh Kumar Singh, Sunita Singh, and Parth Singh constituting the Second Party, are presently the subject matter of arbitration proceedings. The arbitration clause under the said MOU has already been invoked by the Second Party led by Rajesh Kumar Singh, and the First Party has consented to resolution of the disputes through arbitration.



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Accordingly, the disputes between the parties are presently pending adjudication before the learned Arbitral Tribunal. In these circumstances, raising allegations against the Company on matters which are directly connected with and form part of the pending arbitration proceedings is improper and contrary to the principles of fairness and judicial propriety. Such allegations therefore deserve to be rejected at the very outset.

Undertakings

The Company hereby undertakes the following:

- (i) The Company will cooperate fully with ROC and any other regulatory authority in connection with any further inquiry or investigation arising from this matter.
- (ii) The Company reiterates that the error in the RHP was inadvertent, unintentional, and without any mala fide intent, and that the correct position was also available within the same RHP document.

Request

In view of the foregoing, the Company respectfully requests ROC to:

- (a) Consider the full factual background, including the existence of active commercial and legal disputes between the Company and DIMSL, in evaluating the complaint filed by DIMSL;
- (b) Take note of the Company's undertaking to make corrective and complete disclosures in all future filings; and

We remain committed to full transparency, regulatory compliance, and good corporate governance. Kindly acknowledge receipt of this reply.

Yours faithfully,
For Chandan Healthcare Limited

Rajeev Kumar Nain
Company Secretary & Compliance Officer
Place: Lucknow