

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER****FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF MAKERS LABORATORIES LIMITED (THE "COMPANY") ONLY**

This is an Abridged Letter of Offer ("ALOF") containing salient features of the Letter of Offer dated April 1, 2022 ("Letter of Offer" / "LOF") which is available on the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange (i.e. BSE Limited). You are encouraged to read greater details available in the LOF. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the LOF.

**THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES**

Our Company has made available on the Registrar's website at [www.linkintime.co.in](http://www.linkintime.co.in), Abridged Letter of Offer along with the Rights Entitlement Letter and Application Form to the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. You may also download the Letter of Offer from the websites of the Company, the stock exchange where the Equity Shares of our Company are listed, the Lead Manager and the Registrar, i.e., at [www.makerslabs.com](http://www.makerslabs.com); [www.bseindia.com](http://www.bseindia.com), [www.arihantcapital.com](http://www.arihantcapital.com), and [www.linkintime.co.in](http://www.linkintime.co.in), respectively. The Application Form is also available on the respective websites of the Company, Lead Manager, Registrar and the Stock Exchange.

**Makers Laboratories Limited**

CIN : L24230MH1984PLC033389

Regd Office: 54-D, Kandivli Industrial Estate, Kandivli (W), Mumbai, Maharashtra, 400067

Tel: No. 022-28688544; E-mail: [investors@makerslabs.com](mailto:investors@makerslabs.com); website : [www.makerslabs.com](http://www.makerslabs.com)

Contact Person: Ms. Rinku Kholakiya, Company Secretary and Compliance Officer

Promoters: Mr. Premchand Godha and Mr. Madhukar R Chandurkar

**ISSUE DETAILS**

**ISSUE OF 9,83,396 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 150/- PER EQUITY SHARE (INCLUDING PREMIUM OF RS. 140/- PER EQUITY SHARE) AGGREGATING TO RS. 1,475.09 LAKHS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF 1 EQUITY SHARE FOR EVERY 5 FULLY PAID EQUITY SHARES HELD BY THE EXISTING SHAREHOLDERS ON THE RECORD DATE, I.E. ON APRIL 1, 2022. THE ISSUE PRICE OF EACH EQUITY SHARE IS 15 TIMES TO THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE REFER THE SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 163 OF THE LETTER OF OFFER**

**AMOUNT PAYABLE ON APPLICATION : RS. 150/- PER EQUITY SHARE**

The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received in-principle approval from BSE for listing the securities arising from this Issue by its letter dated March 11, 2022.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled "Terms of the Issue" on page 163 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, Stock Exchanges, Registrar as stated above

**ELIGIBILITY FOR THE PRESENT RIGHTS ISSUE**

Our Company is eligible to undertake the Issue in terms of SEBI ICDR Regulation. Pursuant to Clause 1 of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations

**INDICATIVE TIMELINES**

Issue Opening Date	April 18, 2022	Date of Allotment (on or about)	May 6, 2022
Last date for on-market renunciation *	April 22, 2022	Date of Credit (on or about)	May 9, 2022
Issue closing date #	April 27, 2022	Date of Listing (on or about)	May 11, 2022
Finalisation of Basis of Allotment (on or about)	May 5, 2022	Date of trading (on or about)	May 11, 2022

\* 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

# The Board may however decide to extend the Issue period, as it may determine from time to time, but not exceeding 30 days from the Issue Opening Date.

**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 to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Equity Shares have neither been recommended nor approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of the Investors is invited to the section "Risk Factors" on page 14 of the Letter of Offer and "Internal Risk factors" on page 5 of this ALOF before making an investment in the Issue

**LEAD MANAGER TO THE ISSUE**

	<b>Arihant Capital Markets Limited</b> Merchant Banking Division
	SEBI Registration No.: INM 000011070 #1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai - 400 093 Tel : 022-42254800; Fax : 022-42254880 Email: <a href="mailto:mbd@arihantcapital.com">mbd@arihantcapital.com</a> Website: <a href="http://www.arihantcapital.com">www.arihantcapital.com</a> <b>Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P</b>

**REGISTRAR TO THE ISSUE**


<b>Link Intime India Private Limited</b> C 101, 1 <sup>st</sup> floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Maharashtra, India. Tel : + 91-22-4918 6200; Fax : +91-22-49186195 Email : <a href="mailto:makerslab.rights@linkintime.co.in">makerslab.rights@linkintime.co.in</a> Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Contact Person : Mr. Sumit Deshpande</b> SEBI Registration Number: INR000004058

Name of the Lead Manager and contact details	<b>Arihant Capital Markets Limited</b> 1011, Building No.10, Solitaire Corporate Park Guru Hargovindji Road, Chakala, Andheri (East), Mumbai – 400 093. Tel : 022-42254800; Fax : 022-42254880; E-mail : <a href="mailto:mbd@arihancapital.com">mbd@arihancapital.com</a> ; Website : <a href="http://www.arihancapital.com">www.arihancapital.com</a> Contact Persons : Mr. Amol Kshirsagar / Mr. Satish Kumar P
Name of the Registrars to the Issue and contact details	<b>Link Intime India Private Limited</b> C 101, 1 <sup>st</sup> floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083; Maharashtra, India. Tel : + 91-22-4918 6200; Fax : +91-22-49186195 Email : <a href="mailto:makerslab.rights@linkintime.co.in">makerslab.rights@linkintime.co.in</a> ; Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> ; Contact Person : Mr. Sumit Deshpande
Name of Statutory Auditors	<b>Natvarlal Vepari &amp; Co.</b> , Chartered Accountants 903-904, 9 <sup>th</sup> Floor, Raheja Chambers, 213, Nariman Point, Mumbai – 400 021. Tel : 022-67527100; E-mail : <a href="mailto:njayendran@nvc.in">njayendran@nvc.in</a>
Self Certificate Syndicate Banks (SCSB)	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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as updated from time to time or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA applications from the Designated Intermediaries and updated from time to time, please refer to the above mentioned link or any such other website as may be prescribed by SEBI from time to time
Bankers to the Issue	<b>YES Bank Limited</b> Yes Bank House, Off W.E. Highway, Santacruz (E), Mumbai – 400 055 Tel : 022-33479163; E-mail : <a href="mailto:akansha.agarwal@yesbank.in">akansha.agarwal@yesbank.in</a>

## SUMMARY OF BUSINESS

We are growing Indian Pharmaceutical Company with a strong thrust on Generics and Branded Generics drugs and offering high quality products at affordable prices. Our Company's major thrust is marketing of Branded Generic Pharmaceutical Formulations in Indian market. These formulations are mainly used by the dispensing doctors, nursing homes and hospitals. Our Company is one of the companies in India to start generic business in organized manner at a time when generic market was at its nascent stage. It gets its products manufactured from its own factory in Ahmedabad along with getting products manufactured on P2P and loan license basis from other cGMP standard manufacturing facilities of various pharmaceutical companies situated across India.

Our Company's products have a good presence among the Dispensing Doctors & Retail chemists and e-Pharmacies across India. Our Company provides cost effective medicines in various therapy segments to the end users. Our Company has a product range of around 170 products in therapy segments such as Anti Malarials, Analgesics, Anti Pyretics, Anti-Allergy, Nutritional Supplements, Dermatology, Ophthalmic, Anti Diabetic, Anti-Hypertensives etc.

Our Company has warehouses in Ahmedabad, Ambala and Mumbai which in turn cater to Distributors across India. The Distributors appointed by our Company have a good network of Medical Institutions, Dispensing Doctors and Retail chemist in Major cities as well as many far reaching rural markets.

Some of the Popular Brands of our Company are Arofen Plus Gel (Pain relief Gel), Corima (Platelet Booster), Winlyte (Oral Rehydration Salt), Nimuwil Plus (Analgesic) and Artemak (anti-Malarial). Our Company has a marketing field strength of around 80 covering major geographical parts of the country

During the financial year 2020-21, MLL commercialised an ophthalmic / eye drops manufacturing facility at Plot No. 30/4, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad and has started commercially manufacturing few ophthalmic eye drops. Further ophthalmic formulations are currently in the development stage.

We have two factories located at (a) Plot No. 29/3 Phase III, GIDC Industrial Estate, Naroda, Ahmedabad; and (b) Plot No. 30/4 Phase III, GIDC Industrial Estate, Naroda, Ahmedabad. Both these factories are opposite to each other. Apart from this, we have office-cum-warehouse situated at Plot No. 25/4, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad.

Our Company has been pioneer in supplying its products to dispensing Doctors (generic). Over a period of time, we have also developed good network with retail Chemists across the country. Thus we are catering to dispensing doctors as well as retail chemists across India. Generic products as compared with ethical products are cheaper and find good market with dispensing doctors / chemists in rural areas since the locals find these products more affordable. As marketing strategy, we approach the doctors through our marketing network, located in North, West, South and East zones. Each Zone is headed by a Zonal head who would depute their team of Medical Representatives for visiting various doctors / chemists for marketing of our products. Enquires / orders are generated from the respective doctors / chemists which in turn is passed on to the Stockists. Based on the orders, the stocklists would supply the products to the distributors. We have 3 major Depots – Mumbai, Ahmedabad and at Ambala.

Most of our manufacturing process is split into two parts – one on loan & licence basis (contract manufacturing) and other one on Principal to Principal (P2P) basis wherein we order the products with Company who supply the goods to us i.e. label showing manufactured by other company(ies) and marketed by us. Under the contract manufacturing, the products are manufactured by us and the entire production process is controlled by us. The products manufactured are sent to the various Depots from where the distribution would take place.

We also cater to institutional orders / supplies through our distributors and also have our presence on online portals for supply of our products.

In terms of our products, our major contributing therapy segments are pain and analgesic segment followed by anti-malarials

## OBJECTS OF THE ISSUE

Requirement of funds and utilisation of Issue Proceeds

		<i>(Rs. in lakhs)</i>
Serial	Particulars	Estimated Amount
(A)	Gross proceeds of the Rights Issue *	<b>1,475.09</b>
	Less : Expenses of the Issue	<b>40.00</b>
	Net proceeds of the Rights Issue	<b>1,435.09</b>
(B)	Utilisation of the net proceeds of the Rights Issue	
	a) Funding capital expenditure requirement for upgradation of our existing manufacturing units	<b>1,122.00</b>
	b) General Corporate purposes	<b>313.09</b>
	Sub-total	<b>1,435.09</b>

\* Assuming full subscription and allotment

Details of the Objects of the issue

### 1. Funding capital expenditure requirement for upgradation of our existing manufacturing unit

#### Rationale for the Capex / upgradation

The upgradation is proposed for the injectable manufacturing facilities of Vials and Ampoules at our Factory premises at Plot No. 29/3, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad.

The current capacity of the above unit is as under (*on a working of 26 days per month*):

Product	Capacity per month	Capacity Per annum
Vials (26 days per month)	12.50 lakhs	120.00 lakhs
Ampoules (26 days per month)	46.00 lakhs	552.00 lakhs

The present capacity and the available machineries is likely to become a bottleneck in the coming years with respect to the Gujarat FDA, WHO-GMP Certification and ROW Licencing for exports. Further, the above unit is also facing the following constraints :

- Sterilization equipment already running 24 hours daily and no space to install higher capacity equipment
- Non-availability of space for treating more effluent
- Absence of drains / gutters in Industrial Area hence ETP load cannot be increased
- Absence of Depyrogenation Tunnels for sterilization
- Absence of automation and CFR compliance
- Aging water and HVAC systems
- Restricted flexibility between vials and ampoule manufacturing inter-changeability

#### Proposal for the upgradation

Considering the above, our Company proposes the following upgradation programme thus enabling the company to be eligible for certification from WHO-GMP and from ROW market countries :

Scope of the Project

1. Dismantle and demolish the existing manufacturing, washing / sterilization and fill / finish areas
2. Instead of the existing two 8 Stoke Ampule Fill / Finish Machines and Vial / Opthal Fill Finish machine, install a combi lines as under :
  - (a) One combi Washer, filling/capping line on a two shift working having a capacity / speed of 24,000 / hour Ampoules or 9,000 Vials / hour (with inter-changeable flexibility).
  - (b) Installation of Depyrogenation tunnel -- Depyrogenation Tunnels are used to sterilize the the Glass vials and ampoules which are used for the manufacturing of pharmaceutical products. The glass vials and

ampoules are placed in the tunnel, where they travel through various heat zones and are subjected to extreme dry heat for ridding them of the pyrogens.

- (c) Provision for installation of 9-10m<sup>2</sup> Lyophilizer (*a freeze drying process*) with semi automatic tray loading which can accommodate upto 20,000 – 10ml Vials per cycle
3. The proposal would also include civil works towards renovation / restoration and providing sufficient area for the additional / new machineries. The vial/ampoule manufacturing unit is situated on a building of 2 floors. The following changes are proposed in the said manufacturing block :
- (a) Ground floor – demolish and rebuild (internal only) approx. 500 sq. mtrs for new manufacturing area, new sterilization and Fill/Finish combi line and utilities and water generation / distribution
- (b) Second floor – changes required for HVAC and Services and Water system / utilities

The capacity of the Vials/Ampoules manufacturing post the upgradation would be as under (*on a working of 26 days per month*):

Product	Capacity per month	Capacity Per annum
Vials (for 8 days p.m.)	8.00 lakhs	96.00 lakhs
Ampoules (18 days p.m.)	47.00 lakhs	564.00 lakhs

Thus, on a per day basis, the manufacturing capacity for vials would increase from approx. 48,000 units to 1,00,000 units and the capacity for ampoules would increase from 1,76,900 units to 2,61,000 units.

## 2. Issue Related Expenses

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 :

Expenses	Amount (Rs. lakhs)	% of estimated issue expenses	% of issue size*
Fees payable to the intermediaries (Lead Manager fees, registrar fees, Bankers to the Issue, Auditors etc) including reimbursement of out-of-pocket expenses	28.50	71.25	1.93
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	6.50	16.25	0.44
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	5.00	12.50	0.34
<b>Total *</b>	40.00	100.00%	2.71

\* Subject to finalisation 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 adjusted with the amount allocated towards general corporate purposes.

## 3. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with applicable laws, to drive our business growth, including, amongst other things, (a) brand building and other marketing expenses; (b) funding growth opportunities, including strategic initiatives; (c) acquiring additional assets, such as plant and machinery, furniture and fixtures, and intangibles; (d) acquisitions in pursuance of inorganic growth opportunities; (e) meeting any expenses incurred in the ordinary course of business by us, including salaries and wages, rent, administration expenses, insurance related expenses, reduction of consolidated borrowings and the payment of taxes and duties; (f) meeting of exigencies which we may face in course of any business; and (g) any other purpose as permitted by applicable laws and as approved by the Board of Directors.

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Monitoring Agency: Not Applicable

For more details, please refer to the chapter titled “Objects of the Issue” on page 30 of the Letter of Offer.

Equity Shareholding pattern of the Company as on December 31, 2021

Category of shareholder	Pre-issue number of shares held	% of total paid-up capital
Promoter & promoter group	28,69,947	58.37%
Public	20,47,033	41.63%
<b>Total</b>	<b>2,63,16,372</b>	<b>100.00%</b>

**BOARD OF DIRECTORS OF OUR COMPANY**

Name and Designation	Other Directorships as on the date of the Letter of Offer
<b>Mr. Raj Kamal Prasad Verma</b> Chairman/Independent Director	Krebs Biochemicals and Industries Limited Resonance Specialties Limited Evse Ready India Private Limited Omada Software Technologies Pvt Ltd
<b>Mr. Vishal Babulal Jain</b> Independent Director	Vipra Closures Private Limited Future Colours And Chemicals Pvt Ltd V Everywhere Foods LLP
<b>Ms. Dipti Chinubhai Shah</b> Independent Director	-
<b>Mr. Prashant Premchand Godha</b> Non-independent Director	Paschim Chemicals Private Limited Kaygee Laboratories Private Limited Resonance Specialties Limited Paranthapa Investments & Traders Private Limited Gudakesh Investment and Traders Private Limited Mexin Medicaments Private Limited Kaygee Investments Private Limited Ipca Laboratories Limited Capricoating Solutions Private Limited Ipca Foundation
<b>Mr. Saahil Umesh Parikh</b> Wholetime Director	-
<b>Mr. Nilesh Jain</b> Wholetime Director	-

For more details, see the chapter titled “Our Management” on page 45 of the Letter of Offer.

**NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY**

**FINANCIAL INFORMATION**

A summary of the consolidated financial information of our Company for Financial Year 2020-21 and for the 9 months period ended December 31, 2021 is set out below:

(Rs. in lakhs)

Particulars	Limited reviewed as at 31/12/2021	Audited as at 31/03/2021
Total income from operations (net)	10,186.68	6,959.73
Net profit / (loss) before tax and extraordinary items	1,442.65	270.47
Profit / (loss) after tax and extraordinary items	1,078.77	134.86
Equity Share Capital	491.70	491.70
Reserves and Surplus	-*	4,921.17
Networth	-*	5,412.87
Basic earnings per share (Rs.)	11.36	2.74
Diluted earnings per share (Rs.)	11.36	2.74
Net asset value per share (Rs.)	-*	110.08
Return on net worth (%)	-*	2.49%

\* Statement of Assets & Liabilities have not been drawn up as at December 31, 2021.

**INTERNAL RISK FACTORS**

The below mentioned risks are the top ten risk factors as per the Letter of Offer

1. Our Company's business is dependent on few customers. Any loss of such customers or a significant reduction in purchases by such customers could adversely affect our business, results of operations and financial conditions
2. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialises
3. Our funds requirements are based on internal management estimates and have not been independently appraised by any bank or financial institution. Any increase in the actual deployment of funds may cause an additional burden on our finance plans.
4. We have not yet placed orders for all the plant and machinery and equipment requirements for our proposed project; as specified in the Objects of the Issue. Any delay in procurement or delivery of plant & machinery,

equipment, etc. may delay the implementation schedule which may also lead to increased shut down period, increase in prices of these equipment, further affecting our costs, revenue and profitability.

5. Our Company may not be able to raise the entire Rs. 1,475.09 lakhs as proposed through the present Rights Issue due to non-subscription by shareholders of their rights entitlement either in part or full
6. We are dependent on our Whole Time Directors and the Leadership Team to manage our current operations and meet future business challenges
7. We have entered into related party transactions in the past and may continue to do so in future.
8. We, being a pharmaceutical company, operate in a highly regulated and controlled industry. Our business is dependent on various approvals from relevant regulatory and health authorities. Any delay or failure to obtain or renew such required regulatory approvals or any change in the regulatory environment in relation to manufacturing or for marketing our products may significantly impact our business and strategy
9. Our operations are subject to various environmental, health and safety laws and regulations. Our failure to comply with environmental laws and similar regulations in India, including improper handling of raw materials, may result in significant damages and may have an adverse effect on our business
10. If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business or comply with the conditions specified therein or otherwise specified by various regulatory authorities, it may have a material adverse effect on our business, results of operations and financial condition

For further details, see the section “Risk Factors” on page 14 of the Letter of Offer

## **SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS**

Our Company and its Subsidiaries are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. There are no outstanding litigation involving our Company and/or our Subsidiaries with respect to

- (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiaries/Promoters/Directors
- (ii) material violations of statutory regulations by our Company and/or our Subsidiaries /Promoters/Directors
- (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiaries/Promoters/Directors
- (iv) any matters which if they result in an adverse outcome would materially and adversely affect operations or financial position of our Company and/or our Subsidiaries/ Promoters/Directors.

For the purpose of point (iv) above, the Board of Directors had approved a materiality policy (‘Materiality Policy’). As per the said policy the materiality threshold shall be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact (i) exceeds 10% per cent of the consolidated gross turnover, or (ii) exceeds 10% per cent of the consolidated net worth; (whichever is lower).

For further details, see “Outstanding Litigation and Material Developments” beginning on page 156 of the Letter of Offer.

## **TERMS OF THE ISSUE**

In accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the ALOF, the Application Form, the Rights Entitlement Letter, and other 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 ALOF, 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 ALOF, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Investors can access the LOF, the ALOF 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 our Company at [www.makerslabs.com](http://www.makerslabs.com); the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in); the Lead Manager, at [www.arihantcapital.com](http://www.arihantcapital.com); and the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com).

### **Process of making an 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 Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” on Page 168 of the LOF. 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 escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on 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 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 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 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 see “Terms of the Issue - Grounds for Technical Rejection” on page 190 of the LOF. Our Company, the Lead Managers, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Application on Plain Paper under ASBA process” beginning on page 183 of the LOF.

#### **Making of an Application through the ASBA facility:**

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

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

#### **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 on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company. In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE987A20010. 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.

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 get lapsed 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.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

#### **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 Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two 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 escrow account opened by our Company.

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

- (a) The Eligible Equity Shareholders shall 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 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 "Application on Plain Paper under ASBA process" on page 183 of the LOF.

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

#### Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled "- Basis of Allotment" on page 194 of the LOF.

#### **Application 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, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address. Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.



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

1. Name of our Company, being MAKERS LABORATORIES LIMITED;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of Rs. 150/- per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR 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;
13. 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;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

*I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “US Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the US Securities Act (“Regulations S”) except for these purposes, U.S. persons include persons who would otherwise have been excluded from such term solely by virtue of Rule 902(K)(1)(VIII)(B) or Rule 902(K)(2)(I)), except pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the US securities Act.*

*I/ we understand the Rights Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States to non-U.S. Persons in compliance with Regulation S to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and (ii) in the United States to U.S. Persons who are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“U.S. QIBs”) and are also “qualified purchasers” (as defined in the Investment Company Act of 1940, as amended and the related rules (the “Investment Company Act”) pursuant to applicable exemptions under the US Securities Act and the Investment Company Act. I/we understand that the Company has not been and will not be registered under the Investment Company Act and I/we will not be entitled to the benefits of the Investment Company Act. I/we understand that the Company is relying on the exemption under Section 4(a)(2) of the US Securities Act and exception under Section 3(c)(7) of the Investment Company Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States, except in each case to persons in the United States who are U.S. QIBs and are also Qualified Purchasers. I/ we confirm that I am/ we are (a)(i) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or (ii) a U.S. QIB and also a Qualified Purchaser in the United States, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States (other than U.S. QIBs who are also Qualified Purchasers) or is outside of India and the United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

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

*I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

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

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager 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 [www.linkintime.co.in](http://www.linkintime.co.in)

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

### **Renounees**

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

### **Basis for this Issue**

The Rights Equity Shares are being offered for subscription for cash 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.

### **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 on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and one certificate number. The link for the same shall also be available on the website of our Company (i.e. [www.makerslabs.com](http://www.makerslabs.com))

### **Procedure for Renunciation of Rights Entitlements**

The Investors 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 Exchanges; or (b) through an off-market transfer, 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. The Lead Manager and 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 Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI 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 Exchanges under ISIN INE987A20010 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements. The On-Market Renunciation shall take place only during the Renunciation Period for On-Market Renunciation, i.e., from April 18, 2022 to April 22, 2022 (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 INE987A20010 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights

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

**(b) Off Market Renunciation**

The Investors 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 Renounees on or prior to the Issue Closing Date. 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 INE987A20010, 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.

**Credit of Rights Entitlements in dematerialised account**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings. In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE987A20010. 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. 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 the Company or the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in 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 the Company or the Registrar account is active to facilitate the aforementioned transfer. Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges 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 entering in their respective details along with other security control measures implemented thereat

**Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 Rights Equity Share for every 5 Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 5 Equity Shares or is not in the multiple of 5 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. The Eligible Equity Shareholders holding less than 5 Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity

Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, shareholders with zero entitlement cannot renounce the same in favour of third parties.

### **Rights Entitlement Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 (one) Rights Equity Shares for every 5 (five) Equity Shares held on the Record Date i.e. as on April 1, 2022.

**INVESTORS TO KINDLY NOTE THAT AFTER PURCHASING THE RIGHTS ENTITLEMENTS (RE) THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, AN APPLICATION HAS TO BE MADE FOR SUBSCRIBING THE SHARES OFFERED UNDER RIGHTS ISSUE. IF NO APPLICATION IS MADE BY THE PURCHASER OF RES ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES FOR SUCH LAPSED RE WILL BE CREDITED, EVEN IF SUCH RE WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE AMOUNT PAID TO ACQUIRE THE RE. PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS, SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES OFFERED UNDER RIGHTS ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES OFFERED UNDER RIGHTS ISSUE.**

### **Subscription to the Issue by our Promoters and Promoter Group**

Our Promoters and Promoter Group have undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. As a result of this subscription and consequent allotment, the Promoters/ promoter group may acquire shares over and above their entitlement in the Issue, which may result in an increase of their shareholding above the current shareholding with the entitlement of Equity Shares under the Issue. This subscription and acquisition of additional Equity Shares by the Promoters / promoter group, if any, shall be made in compliance with the applicable provisions of the SEBI SAST Regulations. Allotment to the Promoters / promoter group of any unsubscribed portion, over and above their entitlement shall be done in compliance with SEBI LODR Regulations and other applicable laws prevailing at that time relating to continuous listing requirements

The acquisition of Additional Rights Equity Shares by the Promoters and Promoter Group, over and above their Rights Entitlements, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI SAST Regulations 2011. 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. Pursuant to Regulation 10(4)(b) of SEBI SAST Regulations, 2011, acquisition of shares by any shareholder of a target company, beyond his entitlement, pursuant to rights issue, subject to fulfillment of conditions mentioned therein, shall be exempt from the obligations to make open offer under Regulation 3(2) of SEBI SAST Regulations, 2011. Accordingly, Promoter/ Promoter Group shareholders of the Company shall opt for this exemption from making open offer under SEBI SAST Regulations, 2011, if additional shares beyond their entitlement are allotted to them in this rights issue.

**Other disclosure :** The Company had made a Rights Issue of Equity Shares during the year 2000. Copy of the Letter of Offer issued in respect of the said Rights Issue is available for inspection at the Registered Office of the Company between 10.00 am to 5.00 pm on all working days from the date of the Letter of Offer till the Issue Closing date i.e. till April 27, 2022.

**DECLARATION BY OUR COMPANY :** We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in the Letter of Offer are true and correct.

Date: April 1, 2022

Place: Mumbai