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CLINITECH LABORATORY LIMITED
Corporate Identification Number: U85195MH2010PLC201078

Our Company was incorporated as Clinitech Laboratory Private Limited on March 19, 2010 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 201078. The status of the Company was changed to public limited and the name of our Company was changed to Clinitech Laboratory Limited vide Special Resolution dated July 24, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on August 25, 202 by the Registrar of Companies, Mumbai. For further details of our Company, see "General Information" and "History and Certain Other Corporate Matters" on pages 36 and 92, respectively.

Registered Office: AL-1/545, Sector 16, Airoli, Opposite Radhikabai Meghe Vidyalaya, Navi Mumbai, Thane - 400708, Maharashtra, India; **Tel No.:** +91 22 27792281 / +91 9004072223; **Email:** ipo@clinitechlab.com; **Website:** www.ctllab.in; **Contact Person:** Bharat Kumar Bohra, Company Secretary and Compliance Officer

ADDENDUM TO THE DRAFT PROSPECTUS DATED JANUARY 23, 2024: NOTICE TO INVESTORS (THE "ADDENDUM")

OUR PROMOTERS: JAGDISH UMAKANT NAYAK , JYOTI JAGDISH NAYAK AND ASHUTOSH JAGDISH NAYAK

INITIAL PUBLIC OFFERING OF UP TO 6,02,400 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF CLINITECH LABORATORY LIMITED ("CLINITECH" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 96 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ 578.30 LAKHS ("THE OFFER"). OF THE OFFER, 31,200 EQUITY SHARES AGGREGATING TO ₹29.95 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 5,71,200 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹ 96.00 PER EQUITY SHARE AGGREGATING TO ₹548.35 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.39% AND 25.02%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE OFFER" ON PAGE 169 OF THE DRAFT PROSPECTUS.

This is with reference to the Draft Prospectus filed by the Company with the BSE Limited ("BSE"). Potential Applicants/Bidders may note the followings:

- 1) Under the heading titled "Summary of the Offer Document" beginning from page 12 of the Draft Prospectus, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 4 of the Addendum.
- 2) Under the heading titled "Risk Factor" beginning from page 17 of the Draft Prospectus, certain risk factors shall be amended and/ or updated and/ or added, as provided beginning on page 5 of the Addendum.
- 3) Under the heading titled "General Information" beginning from page 36 of the Draft Prospectus, certain risk factors shall be amended and/ or updated and/ or added, as provided beginning on page 10 of the Addendum.
- 4) Under the heading titled "Capital Structure" beginning from page 43 of the Draft Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 11 of the Addendum.
- 5) Under the heading titled "Objects of the Issue" beginning from page 53 of the Draft Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 14 of the Addendum.
- 6) Under the heading titled "Business Overview" beginning from page 77 of the Draft Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 15 of the Addendum.
- 7) Under the heading titled "Our Promoters and Promoter Group" beginning from page 106 of the Draft Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 17 of the Addendum.
- 8) Under the heading titled "Government and Other Approvals" beginning from page 154 of the Draft Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 18 of the Addendum.
- 9) The consequent changes and/ or additions as made in the respective above sections shall be accordingly disclosed in the Draft Prospectus wherever applicable.

The above additions and/ or amendments are to be read in conjunction with the Draft Prospectus, unless indicated otherwise, and accordingly their references in the Draft Prospectus stand amended pursuant to the Addendum to the Draft Prospectus. The information in the Addendum supplements the Draft Prospectus and updates the information in the Draft Prospectus, as applicable. However, please note that the Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Prospectus and the date thereof, and the information included in the Draft Prospectus will be suitably updated, including to the extent stated in the Addendum to the Draft Prospectus, as may be applicable in the Prospectus, as and when filed with ROC and the Stock Exchange.

The Addendum is filed with BSE and shall be made the respective websites NSE i.e. www.bseindia.com; Lead Manager at www.inventuremerchantbanker.com and the Issuer Company at www.ctllab.in.

All capitalized terms used in the Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For Clinitech Laboratory Limited
On behalf of the Board of Directors
Sd/-

Place: Mumbai
Date: June 04, 2024

Jagdish Umakant Nayak
Managing Director

LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
 <p>INVENTURE MERCHANT BANKER SERVICES PVT. LTD. Enhancing Fortunes. Enriching Lives.</p>	<p>INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED 2ndFloor, Viraj Towers, Near Andheri Flyover (North End), Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra Tel No: +91 22 4075 1500 Fax No: +91 22 4075 1511 Email: compliance@inventurermerchantbanker.com Investor Grievance Email: redressal@inventurermerchantbanker.com Website: www.inventurermerchantbanker.com Contact Person: Arvind Gala SEBI Registration No: INM000012003</p>	 <p>BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai - 400 093, Maharashtra, India Tel. No.: +91 22 6263 8200 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Registration No.: INR000001385</p>	

Clinitech Laboratory Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has been filed the Draft Prospectus dated January 23, 2024 with BSE. The Draft Prospectus and the Addendum to the Draft Prospectus shall be available on the respective websites BSE i.e. www.bseindia.com; Lead Manager at www.inventurermerchantbanker.com and the Issuer Company at www.ctllab.in. Potential Applicants/Bidders should note that investment in equity shares involves a high degree of risk and details relating to such risk, please see the section entitled "Risk Factors" beginning on page 17 of the Draft Prospectus. Potential Applicants/Bidders should not reply on the Draft Prospectus filed with BSE for making any investment decision.

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SUMMARY OF THE OFFER DOCUMENT

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “Summary of Offer Document” beginning from page 12 of the Draft Prospectus:

B. Promoters:

Jagdish Umakant Nayak, Jyoti Jagdish Nayak and Ashutosh Jagdish Nayak are the Promoters of our Company.

E. Pre-Offer Shareholding of Promoters, Promoter Group:

Sr.	Particulars	Pre-Offer	
		No. of Shares	% Holding
a)	Promoters		
	Jagdish Umakant Nayak	6,74,500	40.15
	Jyoti Jagdish Nayak	6,75,000	40.18
	Ashutosh Jagdish Nayak	100	Negligible
	Total - A	13,49,600	80.33
b)	Promoter Group		
	Ananya Jagdish Nayak	100	Negligible
	Anant Umakant Nayak	100	Negligible
	Eshwari Anant Nayak	100	Negligible
	Siddhesh Anant Nayak	55500	3.30
	Total – B	55800	3.30
	Grand Total (A+B)	14,05,400	83.63

M. Weighted Average Price of the Equity Shares acquired by the Promoter in the last one year preceding the date of this Draft Prospectus:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Jagdish Umakant Nayak	4,16,667	Nil*
Jyoti Jagdish Nayak	4,16,667	Nil*
Ashutosh Jagdish Nayak	100	Nil*

*Cost of acquisition of equity shares is NIL as the shares acquired by way of bonus shares

For further details please refer to chapter titled “Capital Structure” on page 43.

N. Average cost of acquisition of shares for promoter:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Jagdish Umakant Nayak	6,74,500	Nil*
Jyoti Jagdish Nayak	6,75,000	Nil*
Ashutosh Jagdish Nayak	100	Nil*

*Cost of acquisition of equity shares is NIL as the shares acquired by way of bonus shares and net of selling consideration for the shares sold.

RISK FACTORS

The following Risk Factors shall be amended and/ or updated and/or added under the section titled “Risk Factors” beginning from page 17 of the Draft Prospectus:

4) Substantial portion of our purchases has been dependent upon limited number of vendors/ suppliers.

Purchases from our top 10 vendors/suppliers constituted 80.31%, 79.76%, 92.75% and 88.19% of our purchases for the period ended September 30, 2023 and financial years ending March 31, 2023, 2022 and 2021, respectively. The details of our top 5 vendors/ suppliers is as follows:

For the period ended September 30, 2023

Sr. No.	Name of vendors/ suppliers	Amount (in Rs.)	% of purchases
1	Reliable Corporation	1,696,128	26.34%
2	Analog Healthcare Private Limited	1,225,141	19.02%
3	Neolife Diagnostic	570,174	8.85%
4	Neelesh Agency	539,694	8.38%
5	Medvision Biomedicals Pvt Ltd	301,395	4.68%

For FY 2022-23

Sr. No.	Name of vendors/ suppliers	Amount (in Rs.)	% of purchases
1	Reliable Corporation	2,777,065	24.12%
2	Analog Healthcare Private Limited	2,307,824	20.04%
3	Neolife Diagnostic	1,109,257	9.63%
4	Elderbeery Diagnostics LLP	852,058	7.40%
5	Premier Biomed Services Pvt Ltd	741,523	6.44%

For FY 2021-22

Sr. No.	Name of vendors/ suppliers	Amount (in Rs.)	% of purchases
1	Analog Healthcare Private Limited	2,858,447	18.88%
2	Reliable Corporation	2,489,272	16.44%
3	Medvision Biomedicals Pvt Ltd	2,015,545	13.31%
4	Neolife Diagnostic	1,578,285	10.42%
5	Elderbeery Diagnostics LLP	1,143,000	7.55%

For FY 2020-21

Sr. No.	Name of vendors/ suppliers	Amount (in Rs.)	% of purchases
1	Reliable Corporation	3,345,053	35.64%
2	Neolife Diagnostic	1,625,455	17.32%
3	Medvision Biomedicals Pvt Ltd	917,350	9.77%
4	Aster Scientific	619,213	6.60%
5	Midas Diagnostics	518,707	5.53%

Further, we have not entered into any service agreements with most of our suppliers and loss of any significant vendor would have a material effect on our financial results. We cannot assure you that we would be able maintain the historical levels of business from these suppliers or that we will be able to replace them in case we lose any of them. While we are constantly striving to increase our supplier base and reduce dependence on any particular vendor, there is no assurance that we will be able to do so in any future periods or that our business or results of operations will not be adversely affected by cessation of our relationship with any of our major vendors.

5) *We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.*

The following table sets forth our cash flow for the periods indicated:

(₹ in lakhs)

Particulars	Period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net Cash from Operating Activities	-13.48	124.75	95.57	37.62
Net cash from Investing Activities	-4.85	-65.32	-146.56	54.37
Net cash flow from financing activities	-24.85	8.56	29.32	-87.79

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages **Error! Bookmark not defined.** and **Error! Bookmark not defined.**, respectively.

9) *Failure to establish and comply with appropriate quality standards when testing and diagnostics services could result in litigation and liability for us and could materially and adversely affect its reputation and results of operations.*

We, as an operator of the diagnostic centre’s and providing diagnostics tests that we perform and services we provide, are intended to supply healthcare professionals with information to help them establish or support diagnoses and prescribe medication and treatment for patient care. Inaccuracies or negligence in performing the testing and imaging services, for example through the misreading of test results, overdose of drugs, the contamination of samples or errors caused by testing equipment, could lead to incorrect diagnoses by doctors, adverse reactions by patients to the substances used in diagnostic testing, prescriptions of inappropriate treatment or decisions by doctors and other healthcare professionals not to prescribe treatment *when* treatment is required. While there have not been any instances of inaccuracies or negligence in the past that resulted in material liabilities, any such instances in the future, may lead to illness, harm, death or other adverse effects or liabilities, which could in turn subject us to malpractice claims from patients. Further, we are also generally exposed to liabilities relating to its employees’ contact with hazardous samples and waste. Claims and litigation or any negative publicity against us by either patients or employees may result in liability for the harm or other adverse effects caused. Payments related to such liabilities may adversely affect our financial position and results of operations. The process of defending such cases, including the malpractice claims discussed above, even when we may be successful in their defence, is costly, could distract management from executing our strategy and could result in substantial damage to our Company’s reputation in the medical community and adverse publicity leading to substantial damage to our reputation in the general public, each of which could materially and adversely affect our business. To the extent we are held liable for negligence, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

10) *Our Company has allotted Equity Shares during the preceding one year from the date of the Prospectus which are lower than the Issue Price.*

Our Company has allotted the following Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price:

Date of allotment	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature / Reason of Allotment
December 22, 2023	1,80,000	10.00	38.00	Further Issue (preferential basis)

For Further details of equity shares issued, please refer to the section titled “Capital Structure” beginning on page no. **Error! Bookmark not defined.** of this Draft Prospectus.

11) If we are unable to attract new clients or retain our existing clients or default in payments, the growth of our business and cash flows will be adversely affected.

Our revenue from operations is earned from individual customers and business customers. For details on the revenue earned from our B2C and B2B clients, please refer to page 77 of the Draft Prospectus. Any default or delays in payments by significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. Our B2C (individual consumer business) contributed to 79.07%, 68.84%, 66.07% and 68.04% of our revenue from operations for September 30, 2023 and last three financial years, respectively. Our top 5 B2B customers contributed 20.39%, 31.16%, 33.93% and 31.96% of our revenues from operations for September 30, 2023 and last three financial years, respectively. However, we have entered into an agreement/ contract with few of our B2B customers. Due to the patient sensitive information related to our individual walk-in customers, information related to them is not disclosed in the Draft Prospectus. However, the details of our top 5 B2B customers is as follows:

For the period ended September 30, 2023

Sr. No.	Name of B2B Customers	Amount (in Rs.)	% of revenue from Operations
1	Avadhoot Hospital	1979572.00	6.47
2	Sitec Labs	902050.00	2.95
3	Sachi Hospital	529279.00	1.73
4	Genecht Research Pvt Ltd	511522.00	1.67
5	Anuja Dagnostics	352192.00	1.15

For FY 2022-23

Sr. No.	Name of B2B Customers	Amount (in Rs.)	% of revenue from Operations
1	Enem Nosrtum Remedies Pvt Ltd	7840330.00	12.35
2	Avadhoot Hospital	3436420.00	5.41
3	Sitec Labs	1596980.00	2.52
4	Sachi Hospital	962545.00	1.52
5	Kharghar Hospital	911746.00	1.44

For FY 2021-22

Sr. No.	Name of B2B Customers	Amount (in Rs.)	% of revenue from Operations
1	Avadhoot Hospital	4509421.00	7.06
2	Good Lab Diagnostic	3097686.00	4.85
3	Kharghar Hospital	3035445.00	4.75
4	Reliance Industries Ltd	2792550.00	4.37
5	Clinitech Lab LLP	1738050.00	2.72

For FY 2020-21

Sr. No.	Name of B2B Customers	Amount (in Rs.)	% of revenue from Operations
1	Avadhoot Hospital	3683336.00	8.09
2	Kharghar Hospital	2094562.00	4.60
3	Clinitech Lab LLP	1828163.00	4.01
4	Vision Healthcare	1790797.00	3.93
5	Sitec Labs	961190.00	2.11

Further, to increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient sales leads through our marketing programs, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to repeat order / new orders with us due to various factors including clients satisfaction with our services, collection of data and information as desired by our clients, our prices and the prices of competing service providers. If we fail to achieve repetitive orders from existing clients or to add new clients, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

16) *Failure to establish and comply with appropriate quality standards when testing and diagnostics services could result in litigation and liability for us and could materially and adversely affect its reputation and results of operations.*

We, as an operator of the diagnostic centre's and providing diagnostics tests that we perform and services we provide, are intended to supply healthcare professionals with information to help them establish or support diagnoses and prescribe medication and treatment for patient care. Inaccuracies or negligence in performing the testing and imaging services, for example through the misreading of test results, overdose of drugs, the contamination of samples or errors caused by testing equipment, could lead to incorrect diagnoses by doctors, adverse reactions by patients to the substances used in diagnostic testing, prescriptions of inappropriate treatment or decisions by doctors and other healthcare professionals not to prescribe treatment when treatment is required. While there have not been any instances of inaccuracies or negligence in the past that resulted in material liabilities, any such instances in the future, may lead to illness, harm, death or other adverse effects or liabilities, which could in turn subject us to malpractice claims from patients. Further, we are also generally exposed to liabilities relating to its employees' contact with hazardous samples and waste. Claims and litigation or any negative publicity against us by either patients or employees may result in liability for the harm or other adverse effects caused. Payments related to such liabilities may adversely affect our financial position and results of operations. The process of defending such cases, including the malpractice claims discussed above, even when we may be successful in their defence, is costly, could distract management from executing our strategy and could result in substantial damage to our Company's reputation in the medical community and adverse publicity leading to substantial damage to our reputation in the general public, each of which could materially and adversely affect our business. To the extent we are held liable for negligence, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

17) *We may be subject to customer complaints and to litigation relating to our diagnostic healthcare services, which could have a material and adverse effect on our reputation and our business.*

We may be subject to customer complaints in the course of providing our diagnostic healthcare services on various grounds, including alleged delays in providing test results and incorrect results or misdiagnoses. In addition, we may also be subject to complaints based on malicious rumors regarding our services or testing results. Such events may generate negative publicity about our business, reduce customer confidence in the quality of our diagnostic healthcare services and negatively impact our reputation. While we have established systems to help minimize errors that can arise during the collection of samples and the testing and the delivery of reports, any failure in those systems may lead to the delivery of inaccurate or untimely results to the customers, and in serious cases, may expose us to civil and criminal charges. Although, during last 3 years, we have not received any customer complaint or any of our customer have initiated any legal proceedings against our Company. However, in the future, if any customer complaints or litigation is filed against us as a result of our services or otherwise may damage our reputation and brand, result in our incurring material legal expenses, result in substantial damage awards against us and divert the attention of our management from our operations, any of which would have a material and adverse effect on our business.

18) *We depend on skilled personnel and if we are unable to recruit and retain skilled personnel, our ability to operate or grow our business could be affected.*

Our services are skilled and creative manpower intensive and we engage a considerable number of skilled personnel every year to sustain our growth. Further, we spend significant time and resources in training the manpower we hire. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects.

The diagnostics industry in India is highly competitive with several companies present in the market, and therefore it is challenging to improve market share and profitability. Our competitors include diagnostic healthcare service providers in India, hospital-based laboratories, independent clinical laboratories, other smaller-scale providers of diagnostic services (with more established local and regional presence in certain geographies) such as pathology, radiology laboratories and preventive care providers as well as international service providers, which may establish and expand their operations in future. We compete on the breadth of our test offerings, the geographical reach of our network, our ability to accurately process specimens and report data in a timely manner and our

customer relationships. Some of our competitors may have greater financial, research and development, marketing and other resources, broader service offerings, more experience in obtaining regulatory approvals or greater geographic reach or economies of scale. Further, the diagnostics industry is highly fragmented, the lack of regulations and low entry barriers allow a multitude of organised and unorganised players to compete in the market.

Also, the pricing-related competition may intensify in the near future which may have an adverse effect on the results of our operations, including our profit margins. Increase in the number of comparable diagnostic healthcare facilities may exert additional pricing pressure on some or all of our services. The manufacturers of laboratory equipment and test kits may also enter the diagnostic industry by marketing point-of-care laboratory equipment to physicians and by selling self-test kits, which may be more convenient to the patients and cheaper than our services. If we are unable to compete effectively, our business could decline or contract and our business, results of operations and financial condition could be adversely affected.

24) Our ability to attract individual patients is largely dependent on the disposable income and increasing general health awareness of India's general population, which could decline due to a variety of factors.

Our key source of income is from individual patients. Our individual consumer business contributed to 79.07%, 68.84%, 66.07% and 68.04% of our revenue from operations for September 30, 2023 and last three financial years, respectively. The growth of these types of customers is dependent on brand recognition, wider acceptance of our business in the communities in which we operate and our ability to compete effectively within our industry, all of which we may be negatively affected by a wide variety of reasons. For example, individual decisions regarding when to access healthcare services may be impaired by the absence of a developed health insurance sector or the lack of appropriate government programs to cover the costs of healthcare. Moreover, given the small proportion of people in India presently with health insurance, customers in India generally are responsible for all or part of the cost of diagnostic healthcare services, which means that a decrease in disposable income that can be allocated for healthcare services, or even the perception thereof, such as during times of economic downturn, can lead to a reduction in individuals' expenditures for healthcare services. In addition, we cannot assure you that the current increasing trend in health awareness and demand for preventive healthcare services will continue, and it may even reverse. Any of the above reasons may affect our ability to maintain or increase growth in walk-in customers, which may adversely affect our business, financial condition, results of operations and cash flows.

31) We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into related party transactions with our Promoters, Promoter Group, Group Entities and Directors in compliance with the Companies Act 2013 and other applicable regulations. Further, our RPT transactions, i.e., the rent deposits as 21% of total deposit and Partnership Investment as 100% of total investment as on September 30, 2023; none of the other RPT transactions are exceeding 20% of the corresponding amounts as at September 30, 2023. For details of these transactions, please refer "Related Party Transactions" on page 112. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

GENERAL INFORMATION

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “General Information” beginning from page 36 of the Draft Prospectus:

LEAD MANAGER TO THE COMPANY

Name : **INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED**
Registered Office : 2ndFloor, Viraj Towers, Near Andheri Flyover (North End), Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra
Tel No. : +91 22 4075 1500
Email Id : compliance@inventuremerchantbanker.com
Contact Person : Mr. Arvind Gala
Website : www.inventuremerchantbanker.com
SEBI Registration No. : INM000012003

Changes in Auditors for last three years

M/s. Kale Malde & Co., Chartered Accountants, were appointed as Statutory Auditors of our Company for 1 year for FY 2023-24 at Board of Directors meeting held on January 29, 2024 subject to the approval of the shareholders in the upcoming Annual General Meeting. The previous auditors of our company were M/s. E. A. Patil & Associates LLP, Chartered Accountants, for a period of 5 years, i.e. from FY 2019 to FY 2023. Beside this, there has been no change in Auditors during last 3 years.

CAPITAL STRUCTURE

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “Capital Structure” beginning from page 43 of the Draft Prospectus:

2. History of Issued and Paid-Up Share Capital of our Company

2. Allotment of 2,45,000 Equity Shares to Jagdish Umakant Nayak and 2,45,000 Equity Shares to Jyoti Jagdish Nayak as a Bonus issue in the ratio of 1:1.
3. Allotment of 83,333 Equity Shares to Jagdish Umakant Nayak and 83,333 Equity Shares to Jyoti Jagdish Nayak as a Bonus issue in the ratio of 1:1.
4. Allotment of 4,16,667 Equity Shares to Jagdish Umakant Nayak and 4,16,667 Equity Shares to Jyoti Jagdish Nayak as a Bonus issue in the ratio of 1:1.

a) Build-up of our Promoters’ shareholding in our Company

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
Ashutosh Jagdish Nayak							
July 17, 2023	Transfer from Jagdish Umakant Nayak	100	10	10	Cash	0.01	0.00

b) Details of Promoter’s Contribution Locked-in for Three Years

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of atleast 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters’ contribution and locked-in for a period of three years from the date of Allotment (“**Minimum Promoters’ Contribution**”). Details of the Equity Shares (eligible for inclusion in the Minimum Promoters’ Contribution, in terms of Regulation 33 of the SEBI (ICDR) Regulations) forming part of Minimum Promoters’ Contribution as 20.15% and proposed to be locked-in for a period of three years are as follows:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Offer Equity Share Capital (%)	Percentage of Post-Offer Equity Share Capital (%)
Jagdish Umakant Nayak							
March 28, 2022	Bonus Issue	3,40,000	10	Nil	Nil	20.24	14.90
Jagdish Umakant Nayak							
March 28, 2022	Bonus Issue	1,20,000	10	Nil	Nil	7.14	5.26

Total		4,60,000				27.38	20.154
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c) Equity Shares locked-in for one year

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance Equity Shares held by Promoters and Others shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018. The details are as follows:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Offer Equity Share Capital (%)	Percentage of Post-Offer Equity Share Capital (%)
Jagdish Umakant Nayak							
March 10, 2010	Subscribers to MOA	5,000	10	10	Cash	0.30	0.22
March 31, 2018	Bonus Issue	245,000	10	Nil	Nil	14.58	10.73
March 01, 2019	Bonus Issue	83,333	10	Nil	Nil	4.96	3.65
March 28, 2022	Bonus Issue	1,167	10	Nil	Nil	0.07	0.05
		3,34,500				19.91	14.66
Jagdish Umakant Nayak							
March 10, 2010	Subscribers to MOA	5,000	10	10	Cash	0.30	0.22
March 31, 2018	Bonus Issue	245,000	10	Nil	Nil	14.58	10.73
March 01, 2019	Bonus Issue	83,333	10	Nil	Nil	4.96	3.65
March 28, 2022	Bonus Issue	221,667	10	Nil	Nil	13.19	9.71
		555,000				33.04	24.32
Ashutosh Jagdish Nayak							
July 17, 2023	Transfer from Jagdish Umakant Nayak	100	10	10	Cash	0.01	0.00
Total		8,89,600				52.95	38.97

12. The shareholding pattern of our Promoters and Promoter Group before and after the Offer is set forth below:

Sr.	Particulars	Pre-Offer		Post-Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters				
	Jagdish Umakant Nayak	6,74,500	40.15	6,74,500	29.55
	Jyoti Jagdish Nayak	6,75,000	40.18	6,75,000	29.58
	Ashutosh Jagdish Nayak	100	Negligible	100	Negligible
	Total - A	13,49,600	80.33	13,49,600	59.13
b)	Promoter Group				
	Ananya Jagdish Nayak	100	Negligible	100	Negligible

	Anant Umakant Nayak	100	Negligible	100	Negligible
	Eshwari Anant Nayak	100	Negligible	100	Negligible
	Siddhesh Anant Nayak	55500	3.30	55500	2.43
	Total – B	55800	3.30	55800	2.43
	Grand Total (A+B)	14,05,400	83.63	14,05,400	61.56

13. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Jagdish Umakant Nayak	6,74,500	Nil*
Jyoti Jagdish Nayak	6,75,000	Nil*
Ashutosh Jagdish Nayak	100	Nil*

*Cost of acquisition of equity shares is NIL as the shares acquired by way of bonus shares and net of selling consideration for the shares sold.

OBJECTS OF THE ISSUE

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “Objects of the Issue” beginning from page 53 of the Draft Prospectus:

Schedule of implementation

The entire amount of Fresh Issue Proceeds, other than Issue Expenses, will be utilised during FY 2025.

Estimated Time lines for Schedule of implementation is as under:

Particulars	Month of Commencement	Month of Completion
Expansion of Diagnostic Centres		
Security Deposit for Lease Property	July 2024	September 2024
Rent for 12 months	August 2024	August 2025
Interiors, Furniture and Electronic Equipments	July 2024	November 2024
Employee cost and other operational costs	July 2024	August 2025

Deployment of Funds in the Objects

Our Company has not incurred Rs. 17.92 Lakhs towards Issue Expenses till June 04, 2024 from the internal accruals of the Company. The same is certified by M/s. Kale Malde & Co., Chartered Accountants, vide their certificate dated June 04, 2024 (UDIN No.: 24138034BKDAYT6135).

Details of balance fund deployment

(₹ in Lakhs)

Sr. No.	Particulars	Expenses Already Incurred till 04-06-2024	FY 2025	Total
1	Expansion of Diagnostic Centres	Nil	400.00	498.67
2	General Corporate Purposes	Nil	41.33	41.33
3	Issue Related Expenses	17.92	20.38	38.30
	Total	17.92	566.99	578.30

Details of balance fund deployment

(₹ in Lakhs)

Sr. No.	Particulars	Expenses Already Incurred till 04-06-2024	FY 2025	Total
1	Expansion of Diagnostic Centres	Nil	400.00	498.67
2	General Corporate Purposes	Nil	41.33	41.33
3	Issue Related Expenses	17.92	20.38	38.30
	Total	17.92	566.99	578.30

BUSINESS OVERVIEW

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “Business Overview” beginning from page 77 of the Draft Prospectus:

The revenue from our B2B and B2C customers during last 3 years and for the period ended September 30, 2023:

(₹ in lakhs, except for percentage)

Particulars	01.04.2023 to 30.09.2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% #	Amount	% #	Amount	% #	Amount	% #
B2B *	63.99	20.93	197.77	31.16	216.62	33.93	145.55	31.96
B2C **	241.82	79.07	436.97	68.84	421.81	66.07	309.86	68.04
Total	305.81	100.00	634.75	100.00	638.43	100.00	455.40	100.00

*includes Hospitals and CRO (Contract Research Organization)

**includes individual walk-in customers

as a percentage of revenue from operations

The revenue from each of the above tests during last 3 years and for the period ended September 30, 2023:

(₹ in lakhs, except for percentage)

Particulars	01.04.2023 to 30.09.2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% #	Amount	% #	Amount	% #	Amount	% #
Biochemistry	84.47	27.62	171.45	27.01	186.24	29.17	164.9	36.21
Immunology	62.4	20.40	132.72	20.91	148.44	23.25	124.06	27.24
Hematology	75.62	24.73	135.06	21.28	126.61	19.83	104.32	22.91
Molecular Biology	8.59	2.81	44.45	7.00	69.49	10.88	0	0.00
Serology	12.64	4.13	33.71	5.31	31.34	4.91	25.87	5.68
Microbiology	10.58	3.46	21.74	3.42	17.41	2.73	14.21	3.12
Clinical Pathology	8.84	2.89	14.76	2.33	12.79	2.00	11.16	2.45
Histopathology	2.37	0.77	4.7	0.74	5.24	0.82	4.80	1.05
Other tests	40.3	13.18	76.16	12.00	40.87	6.40	6.08	1.34
Total	305.81	100.00	634.75	100.00	638.43	100.00	455.40	100.00

as a percentage of revenue from operations

Insurance

Sr. No.	Name Of the Insurance	Type Of Policy	Risk Covered for	Insurance Amount (Rs.)	Period of Insurance
1	The New India Assurance Company Limited	New India Bharat Sookshma Udyam Suraksha Policy	Building, Furniture & other Equipments, Plant & Machinery	23,00,000	From 28/02/2024 To 27/02/2025

Human Resource

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We source our human resources locally and the same is available easily.

The detailed break-up of our full-time employees as on December 31, 2023 is summarized as under:

Sr. No.	Category	Number
1.	Senior Management	4
2.	Middle Level Management	13
3	Lab staff *	40
3.	Other Employees **	17
Total		74

*includes Pathologists, Radiologists, X-Ray Technicians, Phlebotomist, Lab Technicians and Logistics.

** includes Receptionist, Sonography, X-Ray typist and Administrative.

We do not have any employees on contract basis at our offices or Diagnostic Centres.

OUR PROMOTERS AND PROMOTER GROUP

The following disclosure shall be amended and/ or updated and/or added under the chapter titled “Our Promoters and Promoter Group” beginning from page 106 of the Draft Prospectus:

Individual Promoter:

3. Ashutosh Jagdish Nayak



Ashutosh Jagdish Nayak, aged 25 years is the Promoter Non-Executive Director on the board of the Company since 2022 and is redesignated as Non-Executive Director w.e.f. September 30, 2023. He is a MBBS Bachelor of Medicine, Bachelor of Surgery from Maharashtra University of Health Sciences. He has around 2 years of experience with multi specialty hospitals in the field of patient treatment. At Clinitech, he is currently responsible as Public Relationship Officer explaining reports etc. to patients.

For a complete profile of Ashutosh Jagdish Nayak, and other directorships, please refer “Our Management” on page **Error! Bookmark not defined.**

As on date of the Draft Prospectus, Ashutosh Jagdish Nayak holds 100 Equity Shares representing 0.01% of the pre-issue paid-up share capital of our Company.

A. Individuals forming part of Promoter Group:

Relationship	Ashutosh Jagdish Nayak
Father	Jagdish Umakant Nayak
Mother	Jyoti Jagdish Nayak
Spouse	-
Brother	-
Sister	Ananya Nayak
Son	-
Daughter	-
Spouse’s Father	-
Spouse’s Mother	-
Spouse’s Brother	-
Spouse’s Sister	-

GOVERNMENT AND OTHER APPROVALS

The following disclosures shall be amended and/ or updated and/or added under the chapter titled “Government and Other Approvals” beginning from page 154 of the Draft Prospectus:

C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

Sr. No.	Authorisation Granted	Issuing Authority	Registration No. / Reference No. / License No.	Applicable Act/ Regulation	Valid up to
11.	Maharashtra Shop and Establishment License-Registered Office	Maharashtra Shop & Establishment (Regulation of Employment and Condition of Service) Act, 2018	104759671803	Maharashtra Shop & Establishment (Regulation of Employment and Condition of Service) Act, 2018	Valid until cancelled

DECLARATION

We hereby declare that, all the relevant provisions Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations/ guidelines issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

Signed by all the Directors of Clinitech Laboratory Limited

Name and designation	Signature
Jagdish Umakant Nayak <i>Chairman & Managing Director</i>	Sd/-
Jyoti Jagdish Nayak <i>Whole Time Director</i>	Sd/-
Ashutosh Jagdish Nayak <i>Non-Executive Director</i>	Sd/-
Balu Laxman Kumbharkar <i>Non-Executive Independent Director</i>	Sd/-
Smita Arjun Patil <i>Non-Executive Independent Director</i>	Sd/-
Ravikant Moreshwar Mhatre <i>Non-Executive Independent Director</i>	Sd/-
Signed by the – Chief Financial Officer	
Rahul Motilal Patil	Sd/-

Place: Mumbai

Date: June 04, 2024