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Hetal Madhukant Gandhi: Can somebody turn on the timer? Hello. Somebody can turn on the timer. Oh, it's already 11.

Moderator: Madam, I hand over the proceedings to you. You can start the meeting.

Ritu Tiwary (Company Secretary): Good morning everybody. I welcome you all to the 36th Annual General Meeting of Shilpa Medicare. I also welcome Sri Om Prakash Inani, Chairman, Sri Vishnu Kanth C Bhutada, Managing Director, Sharad Reddy, Full Time Director, Mr. Hetal Madhukant Gandhi, Independent Director and Chairman of the Audit Committee, Arvind Vasudev, Independent Director, Chairman of Nomination and Remuneration Committee, Doctor Kamal Sharma, Independent Director, Doctor Anita Bandyopadhaya, Independent Women Director. We also have us Mr. Alpesh Dalal, Chief Financial Officer of the Company, Mr. Yogesh Bong representing Statutory auditors. Mr. DS Rao, Secretarial Auditors, Mr. Venkatram Reddy internal auditors and Mr. Ritesh cost auditor. In accordance with the companies act this meeting is being conducted virtually and all the board members and the other officials are joining from the respective places, I now request to Om Prakash Inani, Chairman of the company, kindly address the members.

Chairman: Very good morning to all of you. Dear members on behalf of the Board of Directors of Shilpa Medicare. I welcome you all to the 36th Annual General Meeting for the financial year 22-23 scheduled through audio visual means. At the outside, I take this opportunity to congratulate ISRO, our government and the entire nation for resounding Trump and impeccable execution of Chandrayan-3 mission on the lunar terrain. Having consolidated its position as a global space power, what India can achieve in future is indeed limitless. Dear members, when we look at the geopolitical and economic situation, there are dark clouds of uncertainty throwing around us. However, there is also one share ray of certainty. The certainty that India will rise as a leading nation in our increasing multi-polar world. India's transformation as a prosperous, strong and self-confident nation stands out as a beacon of hope for the world. This is the reflected in India G2 theme- One Earth, One Family, and one Future.

Related to business and financial performance.

It is important to acknowledge the challenges that the Indian pharmaceutical sector faces. Even though the Indian government is making efforts to boost domestic pharmaceutical manufacturing through a production link incentive (PLI) scheme, the nation's pharmaceutical industry is still grappling with increased imports of raw materials, drugs and medical devices. Lower than anticipated uptake of the PLI scheme. Our industry's hallmark is the mass production of high-grade and generic drugs and vital medical supplies, priming us for forthcoming challenges. Nevertheless, to entrench our global pre-eminence, we must address existing gaps. This involves fostering research and innovation, optimizing manufacturing costs and facilitating partnership pharmaceutical entities to capitalize on mutual core competencies.

Dr Kamal K Sharma: Hello, can you hear me

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Ritu Tiwary (Company Secretary): Yes sir we can see you

Chairman: Coming to the performance of the company during the year 2023, Let me admit it has been a period of contrast for us. Our performance has been subdued due to pricing pressure, the aftershocks pandemic and challenges triggered by the Russia- Ukraine conflict. Nevertheless, we remain steadfastly focused on our strategic intent of pursuing leadership in complex oncology active pharmaceutical integrates (APIs) development of complex non-oncology API's, peptides, polymers, CDMO services along with incremental innovation and the formulation front, while consistently optimizing our manufacturing process to deliver a better portfolio of our products. The company continues its efforts to maintain the highest standards of corporate governance by ensuring the accountability, responsibility and transparency in the conduct of its business and complied the laws with the true letter and spirit. The Board of Directors through various committees along with senior management of the company closely monitor and ensure that we adhere to environmental, social and governance principles, a commitment that threads our continuous innovation and efficiency enhancement journey, including the statutory Business responsibility and Sustainability report (BRSR) which measures our preparedness to integrate the ESG principles into our operational matrix seamlessly. The BRSR fortifies our commitment transparency, providing our stakeholders with an all-encompassing insight into our sustainability endeavors. We perceive this initiative as an optimum platform to underscore our relentless dedication to responsible and sustainable practices, affirming our conviction that progress must be charted with ethical, integrity, social, accountability and environmental stewardship.

On the CSR front, your company maintains its engagement with communities through a diverse array of CSR programs. During the year, we contributed towards health, education, environment, water, conservation, sports, arts and culture also. We have always emphasized responsible leadership and innovation. We are creating a strong and sustainable organization that benefits all stakeholders in the long run. Our strategy aligns with our business priorities and global standards. I thank the Board for its strategic leadership, my executive team for their steadfast commitment and our people who are committed to the success of Shilpa. It is through their efforts, along with the collaboration and support of our partners and shareholders, that we are achieving our purpose of empowering the health and the lives of our patients. As we continue this exciting journey, your unwavering support and belief in our vision are appreciated. On behalf of your Company's Board, I would like to extend my deep appreciation to the banks, financial institutions, stakeholders, business associates and the state and the central government. Their support has been invaluable in driving your company's growth. Thank you for your continued trust and partnership. Thank you.

Ritu Tiwary (Company Secretary): Thank you, Sir. I now request Managing Director kindly address the members

Vishnukanth C Bhutada (Managing Director): Good morning to one and all. I welcome all for this 36th Annual General Meeting. I am delighted to take this opportunity to express my sincere gratitude for your ongoing trust and support for Shilpa Medicare. After going through two intense years triggered by the pandemic and the geopolitical crisis, Shilpa Medicare is recalibrating its operational strategy to remain focused. while we continue to concentrate on

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improving our capabilities our renewed strategies are aimed at tackling external challenges like inflation and increased complexity. This transition is seen as an opportunity to deliver greater value, stay ahead of the industry challenges, maintain our commitment to the innovations and deliver affordable healthcare. We continue to improve drivers in our core businesses for sustainable growth through productivity improvements, market share gains and new product launches. On performance for FY 2022-23 had been in a challenging year. Despite the challenges, we managed to generate positive operational cash flows with well thought process, well thought out strategies to enhance operational efficiencies and implement robust financial strategies. We are confident about overcoming these difficulties and returning to the growth of trajectory in this fiscal year. Despite ongoing global challenges this year's operational performance showcases our continuous and persistent efforts to consolidate our position in API and formulations, in domestic as well as international markets. We have successfully maintained our established presence and continue to take steady steps in strengthening our market position.

On the operations side, I will cover the four major areas i.e., API, formulation, biologics and the film formulation & transdermal patches. Currently we are working in Onco and non Onco APIs. I am delighted to share that our API business has made significant strides. We have broadened our market presence, filing over 200 drug master files across various geographies and leveraged our expertise in diverse areas such as polymer, peptides, CDMO, import substitute API and capacity expansion. The company focus on introducing generics that face significant barriers to entry, thus increasing access to these critical medications. Shilpa actively seeks collaborations with other companies to reach more patients and enhance impact in the generic markets.

On formulation front, the facility has been cleared by the recently by the Canadian authorities and very recently by the Brazilian authority and Visa. We have communicated to the USFDA for our readiness to inspect our facility and awaiting their inspection dates of our Jadcherla facility. Nacharam has been cleared by the US FDA already and we are consequently moving some products analysis work to these sites.

We continue focusing on complex formulation development products for global markets. In addition to enabling site transfer for formulation sales into the US, we have explored the EU and ROW regions for our portfolio. Moreover, we have worked towards the creating out licensing opportunity in order to tap our development capabilities. Recently the Film formation and Transdermal Patches, UK MHRA approval has been enabled. Our film formulation and transdermal products enter into the UK/EU market for the string revenue growth for us. Progress in developing biologics and cost rationalization effort promised potential revenue generation in the coming years in a profitable manner. With the robust portfolio we have to performance transit transformation in the coming years focusing on managing cash flows, maximizing revenue and the bottom line. Your continued support propels us to innovate and create value

Further, we are happy to inform that the Shilpa Biologics Private Limited , which is our wholly owned subsidiary of Shilpa has received recently the marketing authorization permission for its Adalimumab 40mg/ 0.44ml injection in pre-filled syringe (PFS), a biosimilar of adalimumab higher concentration formulation (100mg/ml) in India.

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This formulation will contribute to increased patient comfort based on reduced injection volume. Shilpa Biologics Private Limited, has also received a No Objection Certificate from the review committee of Genetic manipulation, allowing us to conduct clinical studies for our biosimilar Aflibercept with the Drug controller general of India. This biosimilar, the first in India, fills a significant market gap.

Soon we'll start the phase three study which should be probably able to complete by end of 2024. The recombinant albumin which is our flagship products in our Shilpa Biocare, have already started the phase one study and we will be completing this study by this year end. This has already received the new biological entity status from Government of India. The commercial facility for manufacturing the recombinant albumin in Shilpa Biocare is already at the mid of this it's completion. Hopefully before March we should be able to complete this facility also.

Our strategies for the future, we are committed to foregoing a leadership position in manufacture of complex oncology APIs, persistently optimizing our processes to deliver an improved product portfolio. We are also seeing 7the proficiency in the high end non oncology APIs for key global markets alongside a growing emphasis on peptides, polymers and CDMO services, reflecting our dedication to research back segments. We aim to capitalize on the market opportunities and drive revenue growth by targeting these specific areas. Cost optimization drive, product capacity enhancement, customer centric expansion, regulatory engagement, API diversification and expansion, focus on complex offerings in licensing of the R&D assets to enhance the market assets in the regulated and the ROW market. Additionally, we are executing robust plans for biologics and aim to introduce an attractive product line-up. Our progress and initiatives exemplify our dedication to innovation, operational excellence and delivering value to our shareholders. Your continued trust fuels our mission to enhance healthcare accessibility worldwide. While navigating a complex and volatile landscapes across its beginner segments, Shilpa Medicare has stood steadfast in terms of its growth strategy and regulatory compliance. Our strong adherence to the mandated process and unwavering commitment to quality underlies our solid foundation for achieving the strategic business expansion. We are positioning our company to move up the value chain by pursuing complex and niche opportunities in a profitable manner. Shilpa Medicare remains committed to upholding high standards of ethics and corporate governance and consistently striving for excellence in business. Our future endeavors will remain aligned with the principle of "Vasudhaiva Kutumbham" i.e. the world is one family. Our strategic and operational decisions will always echo our commitment to the health, well-being and unity of the global community we saw.

On CSR front as duly addressed by Chairman Sir. we are making our sincere contribution to the society to bring the visible changes in the uplifting the life of rural community. Apart from funding in Education, Healthcare, Environment, Sports and Cultural areas, we have taken the initiative to construct the Naturopathy center to provide the healthcare services in order to improve the quality of life of people in and around Raichur.

I take this opportunity to thank our esteemed shareholders for their continued trust and support in our journey; the regulatory bodies for the consistent support for ensuring the

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highest compliance and quality standards. Our heartiest gratitude to our dedicated employees whose hard work, commitment and dedication continue to drive Shilpa Medicare's growth and success. We express our appreciation to the government, local, state and central authorities. Lastly, we acknowledge the pivotal role of our banking partners and other financial institution in aiding our financial stability and growth. Thank you all for being integral part of our journey as we continue to strive toward the excellence in the Pharmaceutical industry

Thanks to one and all who has supported directly or indirectly for the growth of the Shilpa Group. Thank you. Thanks once again. Thank you.

Ritu Tiwary (Company Secretary): Thank you Sir. Dear members. The notice of AGM and Annual report was sent to all the members electronically and with your permission. I shall take them as read. Please note that there were no qualifications in the audit report. Members may also note that the remote e-voting facility was open from 26th September to 28th September between 9:00 to 5:00 PM and those who have not voted can now go to Insta poll after the meeting is concluded for 15 minutes. And now I shall hand over the quorum to the moderator and I request the shareholders to keep the questions crisp and freeze.

Moderator: Thank you, Ritu. We will be taking the speaker session for the day and I would be calling the first speaker. Mr. Praful Chadha, I request to please unmute yourself, switch on your camera and proceed with your question. Mr. Praful Chadha. So we, I think he has not joined. We will be proceeding with the second speaker, Mr. Badri Vishal Bajaj. I'll request yourself to please unmute and switch on your camera and proceed with your question, Sir.

Mr. Badri Vishal Bajaj: Good morning Can I open my video

Moderator: Yes, Sir, you can. Go ahead,

Mr. Badri Vishal Bajaj: One minute. Anyway, there is some problem, Sir. Good morning to the Chairman, Managing director and the team. And, it is once in a year we are meeting but if I go through the financials latest first quarter also, Q1 FY 24 compared to Q1 FY 23, revenue is flat. margin has gone down by 50% every year on year MDS told revenues are flat. Margin also reduced from 102 crores to 31 cores loss along with this submission is that you are going lot of expansions. So is it worth expanding and our existing business profitability and revenue generation that is the issue which I am submitting to you. Now, Next question, you have approved the right issue of 325 crores. Again borrowing has come already, your borrowing has gone up year on year from last year to this year if you go through balance sheet. So again borrowing goes down, revenues are tracked, marginal going down, capacity expansion is going on. This is the circular vicious circle where board has to be serious as that and it is not the business for public charity. Now question No 3 is the reason for the Jadcherla plant unit 4 I'm following in concall, also there is no proper response. Only thing is MD has mentioned is this speech just now that they are suppose USMDA has to give the dates, I don't know it is almost three years coming where we stand. Suppose approval does come. It is a serious matter of our investment at the Jadcherla plant though you got Brazilian approval, it doesn't cater because main market you have to see US is the market where you got the alert. So you are not serious on that. Now 4th question, is your throw some light, you mention about CDMO growth but throw some light on that in figures in kindle in sales are opportunity which you are

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going to see even on ODF also oral dissolving fields also on that also because combo line you have started so how you view throw some light on that that is what only single word was there from MD. And lastly my serious objection to the company's corporate governance, my raise the issues remain unanswered even from secretary even from others. These are the serious matter as a shareholder as a growth of the company though see MD has told chairman has told lot of things are doing it, but it is just repeat of earlier speech what I have seen. Please be serious on that and come to the real value where we can do the service to the shareholder as well to society. Thank you for this opportunity. Good day.

Moderator: Thank you Sir. We would now call on our next speaker, Celestine Elizabeth Mascarenhas. Elizabeth, I would request yourself to unmute and switch on your camera. We have not received any feedback. We will be moving to the next speaker, Mr. Ramesh Shankar Gulla. Mr. Ramesh Shankar Gulla, request you to kindly unmute yourself and switch on your camera.

Hetal Madhukant Gandhi: Moderator, Why there's so much of background noise. You need to regulate that. Please

Moderator: We have not received any feedback from them. The speakers for the day are done. I would request the CS to continue from here and handing over the proceedings.

Vishnukanth C Bhutada (Managing Director): I will take a few of the questions, the borrowings and all, probably Alpesh will reply on that. But I can tell you one thing on the capacity expansion, the few points which you are asking, the capacity expansion was not done, whatever the earlier commitment was there, that only is ongoing. Rest all capacity expansion is not there at all now currently. Whatever the maintenance Capex is required that only we are doing. So, in the API there is no capacity expansion, only maintenance formulation, there is no capacity expansion or into, the film formulation, transdermal biologicals, all expansion and this one is completed except the Biocare which is a fermentation facility. And we feel that the albumin, recombinant albumin is an unmet need in India all over the world. And fortunately we have a very good asset on this and the phase one trial is already going on. We need to create a capacity for the after once we get the phase three approval. For that reason the fermentation capacity has been added in this and this is not only for this albumin, but this can be a multipurpose facility. You know very well that the currently the green chemistry is most important part of this API industry. So the fermentation is a future. That is why this capacity has been earlier committed and that only will be continued to go on. You are mentioning on the Jadcherla facility, we were not, I think there is a some misunderstanding from you. We have already communicated to FDA for our readiness of our facility. So it is not that it is pending from our side. We have already communicated to FDA that we are ready for the inspection and we are waiting from the FDA to come to the site. It is probably as you know very well, that these things are totally in the hands of the USFDA. But we communicated to the USFDA for our readiness of inspection of facility. In that process you must have seen that the Canadian authority which has been you know inspected and given the approval and visa has come and given the approval, EU were currently still were continued to explore US Also currently all this the shortage products were still continuing to export into US also including the injectable and the oral products. So the readiness of our facility of the Jadcherla is ready. We are waiting for the USFDA to communicate us when they

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are coming in. You are mentioning that the US market is important and the other markets are not its probably is , we understand that the US market is most important market but we are continue to export to the EU and ROW market which is also equally important market currently. If you see the trends of the other companies also this is happening all over the ROW market is playing most important role also along with the EU and the US market. So we are continue to license our products in this market and the continue to export our products till the USFDA comes for the inspection. We are doing that. Then the compliance point of view, I have already mention you that we have already informed to the FDA that we are ready for the inspection and we are waiting for their dates. Then the performance of the company on the, I do agree that the 22-23 was not the expected year what we should do, but we have learned the lesson from this. We have improved that is why the several measures has been taken cost efficiency, R&D this one licensing of the products, the shifting of the products to the other side for the US market. So there are several majors including the launchings of the products including into India and the other market and the crystallization of the our assets which are there in the pipeline. These are all majors will definitely you will see the results in coming year the whatever the majors we are taking it that will definitely have a positive impact on the company. This is what I can say you on your questions and the and the financials.

Alpesh Dalal: Yeah on the financial side, you know your questions were more related to Q1 of the current year where you know I would like to bring it to your attention that whilst you are correct that compared to the same quarter last year the revenue was more or less flat. But you know as Vishnu ji just mentioned that we have been taking various measures for improving our operational efficiency that is visible in our results where our margins, I don't know where you got the numbers that the margins are lower than the previous year Q1, they were better off than previous year Q1. Also the EBITA has improved significantly compared to Q1 of last year. Some of these measures that Vishnu ji was just mentioning about they have started kicking in their you know showing up in the results as well. So I would request that you please have a look at the Q1 results one again. And then then on the borrowings front, your comment was about borrowing additionally I think we had clarified this in our con call as well and I'm we iterating that the NCD borrowing that we had done was for replacement of existing you know debt that we have got that was from a cash flow management perspective and that was not to increase the overall borrowing. And again, you know we are working on various measures apart from you know along with the announced rights issue as well to bring our overall borrowing levels down right in due course and you know get more deliver the company to the right extent. So those efforts are already on. The only thing is as I would like to clarify that there is not been increasing borrowing. We have replaced existing borrowing with different borrowing. So that's what I would like to mention on the borrowings front.

Hetal Madhukant Gandhi: Hello, this is Hetal Gandhi here. I think you also raised the question of corporate governance. Can you please elaborate what exactly is the question?

Vishnukanth C Bhutada (Managing Director): Yeah, I don't know that he's, yeah, he wants to ask that

Hetal Madhukant Gandhi: We would like to explain what is the issue of corporate governance so that our CFO can explain to you.

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Alpesh Dalal : Mr. Bajaj, are you able to, you know provide your inputs as to where you felt that corporate governance was missing.

Hetal Madhukant Gandhi: The question that he has sent for answering to company secretary, I don't know whether there is any communication from him earlier.

Ritu Tiwary (Company Secretary): So that was pertaining to the FDA approval to which we had given response that whatever the updates are there, management has been giving regular updates during the Board meeting through outcome as well as to investor calls .

Alpesh Dalal: Yeah, So I think you know the one e-mail that Mr Bajaj had sent was in relation to asking for updates on USFDA related matter which was appropriately replied to, by Ritu indicating that you know we are at regular intervals. Whenever there is an action that happens, we are providing updates on those actions even though there are no actions happening in between. After every quarter result on our concall we are updating the shareholders about you know where we stand on USFDA. So even on today's call Vishnu ji has updated that we have invited FDA for you know for to come along and inspect and we are awaiting their revert. Now if there is no progress that happens, there obviously won't be any further update that could be provided. And this was duly replied to Mr. Bajaj by Ritu when he had raised it. So that's what you know. We are not too sure where you know his question comes in that it was not replied to.

Ritu Tiwary (Company Secretary): Thank you sir, Thank you Alpesh for addressing queries of the shareholders. Dear members, thank you for showing keen interest with the company. Please note the voting results would be announced within two working days from the report of the Scrutinizer. Since the proceedings of the meetings are completed. The meeting is concluded with the vote of thanks to the Chair, Directors, auditors, scrutinizers and other officials attending the meeting. I thank you all. Now over the moderator. Thank you everyone.

Moderator: Thank you Ritu will proceed with the Insta poll

Vishnukanth C Bhutada (Managing Director): Thank you

Alpesh Dalal: Thank you