



Innovating for
affordable healthcare

SHILPA MEDICARE LIMITED

REGISTERED OFFICE: 12-6-214/A-1, SHILPA HOUSE, HYDERABAD ROAD, RAICHUR - 584135

CIN: L85110KA1987PLC008739

Website - www.vbshilpa.com, Email - info@vbshilpa.com, Telephone - +91-8532-238704

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON MONDAY, THE 30TH DAY OF MARCH, 2020, at 11.30 AM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 12-6-214/A-1, SHILPA HOUSE, HYDERABAD ROAD, RAICHUR- 584135 KARNATAKA TO TRANSACT THE FOLLOWING BUSINESS:

ITEM NO: 1

To Consider and Approve sale of Biological Unit of the Company under construction / installation by way of Slump Sale to Shilpa Biologicals Private Limited a wholly owned Subsidiary of the Company.

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and any other applicable law for the time being in force and subject to other applicable rules, regulations, guidelines and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which shall be deemed to include any Committee of Directors or Director(s) or official(s) of the Company for the time being authorized by the Board to exercise the powers conferred on the Board by this resolution) to sell, assign, deliver or otherwise dispose of the Biological Unit of the Company under construction/installation on a slump sale basis along with its, assets, liabilities, working capital pertaining thereto, all licenses, rights, regulatory approvals, permits

and contracts, as identified by the Board, to Shilpa Biologicals Private Limited a wholly owned subsidiary ("WOS") of the Company, further the consideration payable will be arrived based on the Fair Market Value from an Independent Valuer and other assets and liabilities be taken at Book Value, the valuation will be Aggregate of Capital assets at Market value and net of other assets and liabilities at Book Value as on the effective date and upon such other terms and conditions as may be determined by the Board, by way of Slump Sale Agreement ("SSA") to be executed between the Company and Shilpa Biologicals Private Limited.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this Resolution and to settle any question, difficulty or doubt that may arise in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution, to any Director(s), or to any committee of Directors or any other officer(s) / Authorised Representative(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this Resolution."

By the Order of Board of Directors

Sd/
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: 24th February, 2020

Notes

1. The Explanatory Statement pursuant to Section 102 (1) of the Act with respect to the special business set out in the Notice is annexed hereto.
2. A Member entitled to attend and vote at the Extraordinary General Meeting (EGM), is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the company.
3. Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the General Meeting.
4. Members are requested to bring their Attendance Slip along with their copy of EGM Notice to the Meeting.
5. The Notice of the EGM is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company /DP unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/DP.
6. Members desiring any additional information/clarification on the resolution are requested to send such requests at the earliest so as to enable the Management to keep the information ready at the EGM.
7. The facility for voting either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting system may be able to exercise their right at the meeting.
8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the EGM through ballot paper.
9. That the members who have cast their vote by remote e voting prior to meeting may also attend the meeting but shall not be entitled to cast their vote again.
10. Kindly note that the shareholders can opt only one mode of voting i.e either by e-voting or polling paper. If they are opting for e voting, they cannot vote physically and vice versa. However, in case shareholders cast their vote physically as well as through e voting, voting done through e - voting will prevail and voting done physically will be treated as invalid.
11. The Board of Directors has appointed Mr. Ajay Vemuri Proprietor of M/s VCAN & Associates, a practicing company secretary as the scrutinizer to process the e-voting and submit report to the chairman.
12. Compliance officer of the Company shall be responsible for addressing all the grievances of the shareholders in relation to the Extra Ordinary General Meeting including e-voting and his contact details are Email: cs@vbshilpa.com, Phone No: 08532-238704.
13. The members may download the copy of the notice of this meeting and the results declared along with the scrutinizer's report from the website of the company (www.vbshilpa.com) or from <https://evoting.karvy.com>.
14. Route map showing the directions to reach the venue of the Extra Ordinary General Meeting is annexed hereto.
15. Voting Through Electronic Means (Electronic Voting)
 - a. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e- voting services provided by KFin Technolgoies Private Limited on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
 - b. In case a Member receives an email from KFin Technolgoies Private Limited [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your vote.

- iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Shilpa Medicare Limited'.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on specified item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ajay@vcancs.com with a copy marked to evoting@karvy.com and cs@vbshilpa.com. The scanned image of the above mentioned documents should be in the naming format "Shilpa Medicare Limited, Extra Ordinary General Meeting".
- c. In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
 - i. E-Voting Event Number - XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
 - d. Voting at EGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the EGM. The Company will make necessary arrangements in this regard at the EGM Venue. The facility for voting through Ballot Papers shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again at the Meeting.
- A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the EGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the EGM shall be treated as invalid.
16. Other Instructions:
- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> or contact Ms. Rajitha Cholleti, Assistant General Manager of Kfin Technologies Private Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 - 67162222 or call Kfintech toll free No. 1-800-34-54-001 for any further clarifications.
 - b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - c. The remote e-voting period commences on Friday, 27th March, 2020 (9.00 a.m. IST) and ends on Sunday, 29th March, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd March, 2020 may cast their votes electronically through remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 23rd March, 2020.

e. In case a person has become a Member of the Company after dispatch of EGM Notice but on or before the cut-off date for E-voting i.e., 23rd March, 2020, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

- ii. If e-mail address or mobile number of the Member is not registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Member may call Kfintech toll free number 1800-3454-001.
- iv. Member may send an e-mail request to evoting@karvy.com. However, Kfintech shall endeavor to send User ID and Password to those new Members whose mail ids are available.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The nature of risk and opportunities inherent in proposed Biologicals business is distinct from other businesses of the Company and requires different business plans, strategies for growth and management focus. In line with the strategic directions outlined by the Board of Directors ("the board"), the Board at its meeting held on 24th February, 2020 approved the sale of the Biologicals Unit and all related assets under construction / installation situated at Belur Industrial Area, Dharwad, Hubballi, by way of slump sale to Shilpa Biologicals Private Limited, a Wholly Owned Subsidiary of the Company in accordance with the terms of slumpsale agreement. The sale of Biological Unit will be along with its employees, assets, liabilities, working capital pertaining thereto, all licenses, rights, regulatory approvals, permits and contracts, as identified by the Board, by way of 'Slump Sale' for a lump sum cash consideration which will be arrived based on the fair market value from an independent valuer and other assets and liabilities will be taken at Book Value. Hence the valuation will be aggregate of Capital assets at market value and net of other assets and liabilities at book value as on the effective date. Further, Net worth of the proposed Unit is estimated to be around 22% to 24% on standalone financials basis. .

The Audit Committee of the Company has reviewed and approved the above proposal and the terms of draft Slump Sale Agreement proposed to be entered between the Company and Shilpa Biologicals Private Limited at its meeting held on 24th February, 2020 and its financial and accounting impact of the said transaction on the Company's books of accounts.

It is the view of the Management and Board that the proposed sale of the Biological Unit to a separate entity will inter alia benefit the Company as it

- would result into operational synergies and lead to overall cost optimization.
- would result in to sector focused company and facilitates for strategic investment.
- Facilitates to create a Biological Business with a separate focused management that would provide greater

flexibility in pursuing long-term growth plans and strategies.

- Helps the management to efficiently exploit opportunities for Biological business independently.

Since, Shilpa Biologicals Private Limited is a wholly owned subsidiary of the Company the proposed sale does not have any impact on the consolidated turnover and net-worth of Company. However, it may impact on the stand-alone basis. In terms of the provisions of Section 180 (1) (a) of the Companies Act, 2013 (the "Act"), consent of the members is required with regard to above sale of Biological Unit of the Company. In terms of the provisions of Section 110 of the Act read with Companies (Management and Administration) Rules, 2014 as amended by The Companies (Management and Administration) Second Amendment Rules, 2018, a resolution proposed to be passed under this section may be transacted at a general meeting by providing the facility to members to vote by electronic means and in the manner provided under section 108 of the Companies Act, 2013

The Board, therefore, recommends the proposed resolution for your consideration and approval by way of a Special Resolution.

A copy of the draft Slump Sale Agreement proposed to be entered may be inspected during the business hours till the date of meeting at the Registered Office of the Company and the same will be kept open at the meeting for members' inspection.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives is considered to be interested in the proposed resolution.

By the Order of Board of Directors

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: 24-02-2020

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:

Name of the Company: Registered office:

I/ We being the member of, holding.....shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

E-mail Id:

Signature:,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Extra Ordinary General Meeting of members of the Company, to be held on at the..... registered office of the Company at, and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No. 1 To Consider and Approve sale of Biological Unit of the Company under construction / installation by way of Slump Sale to Shilpa Biologicals Private Limited a wholly owned Subsidiary of the Company

Signed this day of..... 2020

Signature of Shareholder

Signature of Proxy holder(s)

Affix Re.1 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the meeting.

SHILPA MEDICARE LIMITED
CIN: L85110KA1987PLC008739
#12-6-214/A-1, SHILPA HOUSE, HYDERABAD ROAD, RAICHUR, KARNATAKA 584135
EXTRA ORDINARY GENERAL MEETING

ATTENDANCE SLIP

Date:

30th March, 2020

Venue

#12-6-214/ A-1, Shilpa House,
Hyderabad Road, Raichur,
Karnataka - 584135

Time: 11:30 AM

Name and Address of the
Member: (Client id or Folio No:)

I hereby certify that I am a member of Shilpa Medicare Limited and hold _____ shares. Person attending
(please strike off the category attendee belongs to)

- Member
- Proxy

Name of Proxy in Block Letters

Signature of member/ proxy

Notes:

- Member or proxy should bring the duly filled Attendance slip to the EGM venue and deposit it before commencement of meeting.
- Duplicate attendance slip shall not be issued at venue of meeting.

ELECTRONIC VOTING

Electronic voting (e voting) facility is being provided in respect of resolution proposed at the EGM, in accordance with section 108 of Companies Act, 2013 read with rule 20 of companies (Management and administration) rules, 2014. Please see note no 15 convening the EGM for the procedure with respect to e-voting.

Your e voting user id and password are provided hereunder:

Electronic voting event number (EVEN)	User ID	Password

ROUTE MAP

