

Notice

Notice is hereby given that the 32nd Annual General Meeting of the members of Shilpa Medicare Limited is scheduled to be held on Friday, the 20th day of September, 2019 at 12:15 P.M. at the registered office of the Company at #12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur- 584135, Karnataka India, to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31 March, 2019, together with the report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mr. Naresh Patwari, (DIN: 03319397), who retires by rotation and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Amit Chander (DIN: 02406965) as an Independent Director:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Amit Chander (DIN: 02406965), who was co-opted as an Additional Director (Independent) on 1 April, 2019 pursuant to the provisions of Section 161 and all other applicable provisions of the Companies Act, 2013 on the recommendation of the Nomination and Remuneration Committee and who holds office as such up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160, proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as stated under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, to continue to hold office upto 30 September, 2021.”

5. Appointment of Ms. Sirisha Chintapalli (DIN: 08407008) as an Independent Director:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Ms. Sirisha Chintapalli (DIN: 08407008) who was co-opted as an Additional Director (Independent) on 1 April, 2019 pursuant to the provisions of Section 161 and all other applicable provisions of the Companies Act, 2013 on the recommendation of the Nomination and Remuneration Committee and who holds office as such up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160, proposing her candidature for the office of Director of the Company and who has submitted a declaration that she meets the criteria of independence as stated under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, to continue to hold office upto 30 September, 2021.”

6. Appointment of Mr. Sharath Reddy Kalakota (DIN: 03603460) as Whole time director:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Sharath Reddy Kalakota (DIN: 03603460), in respect of whom the Company has received a notice in writing under Section 160, proposing his candidature for the office of director be and is hereby appointed as a Director of the Company, as well as a Whole-time Director

of the Company for a period of 3 (Three) years w.e.f 01 October, 2019, on the terms and conditions and at the remuneration as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Sharath Reddy Kalakota as the Whole-time Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate, subject to the overall limits specified herein and under the Companies Act, 2013.”

7. Ratification of remuneration of Cost Auditors:

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 1,25,000 (One Lakh Twenty Five Thousand Only) (excluding taxes, as applicable), in addition to reimbursement of out of pocket expenses at actuals, if any, payable to M/s. V.J. Talati & Co., Cost Accountants (Regd. No. M/2203), to audit the cost records maintained by the Company for the financial year ending 31 March, 2020, be and is hereby approved and ratified.”

“RESOLVED FURTHER THAT Mr. Vishnukant Chaturbhuj Bhutada, Managing Director of the Company (DIN: 01243391) be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution.”

8. Approval under section 188 of the Companies Act 2013 for appointment of Mr. Deepak Kumar Inani as General Manager - Projects.

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration

Committee and approval accorded by the Audit Committee and Board of Directors and subject to such other requisite approvals, if any, consent of the Company be and is hereby accorded to Mr. Deepak Kumar Innani to hold office or place of profit w.e.f. 1 September, 2019 as a General Manager – Projects in the monthly pay scale of ₹ 3,50,000/- (Three Lakhs Fifty Thousand Only) subject to the annual increment of minimum 5% and maximum as per the HR policies. and such perquisites as generally applicable to the respective designated employees, or at such designation as the Board of Directors of the Company may, from time to time, decide within the said pay scale.”

9. Approval for granting loans to Subsidiaries, Joint Ventures and Associate Companies:

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 185 of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors to grant loan(s) or any other financial assistance, either directly or indirectly, including loan represented as book debt, or give any guarantee and/ or provide any security for the loan made to the Company’s subsidiaries, joint ventures and/ or associate companies upto an amount of ₹ 50 Crores each, subject to such terms and conditions, with or without any security, as the Board may deem expedient in this regard.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to finalize and vary the terms of such loan(s), its repayment and other conditions as it may deem fit and proper in the best interests of the Company.”

10. Appointment of Mr. Vishnukanth Chaturbhuj Bhutada (DIN: 01243391) as a Managing Director

To consider and if thought fit to pass with or without modification(s) the following resolution as special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196,197 and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and in supersession of the shareholders’ resolution passed at 28th Annual General Meeting held on 28 September, 2015 in relation to

the appointment of Mr. Vishnukanth Chaturbhuj Bhutada, as the Managing Director, the consent of the Company be and is hereby accorded to re-appoint Mr. Vishnukanth Chaturbhuj Bhutada (DIN: 01243391), as the Managing Director of the Company for a term of five(5) years w.e.f. 01 October, 2019 on such remuneration and other prerequisites as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to this notice.”

“RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Vishnukanth Chaturbhuj Bhutada (DIN: 01243391), Managing Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the

overall limit specified under the Companies Act, 2013..”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the said remuneration shall be payable as minimum remuneration under Schedule V read with Section 197 of the Companies Act, 2013.

“RESOLVED FURTHER THAT the consent of the shareholders under this resolution shall be deemed to be accorded under the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as well.”

“RESOLVED FURTHER THAT this resolution is effective from 01 October,2019 until when previous resolution passed at the 28th Annual General Meeting held on 28 September, 2015 shall be in force,

Registered Office

Shilpa Medicare Limited,
12-6-214/A1, Shilpa House, Hyderabad Road,
Raichur, Karnataka- 584135.
CIN: L85110KA1987PLC008739.
Website: <https://www.vbshilpa.com/>
Email : cs@vbshilpa.com

By order of the Board of Directors
For **Shilpa Medicare Limited**

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: 13 August, 2019

Notes:

An explanatory statement setting out all the material facts

NOTES:

1. The Explanatory Statement in respect of the special business in the Notice, pursuant to Section 102 of the Companies Act, 2013 ('the Act') and Secretarial Standard (SS-2), wherever applicable, and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 wherever applicable are annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.
3. Proxy forms in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting.
4. The Company has notified closure of Register of Members and Share Transfer Books from 14.09.2019 to 20.09.2019 (both days inclusive) for the purpose of payment of dividend and Annual General meeting.
5. M/s. Karvy Fintech Pvt. Ltd., Karvy Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
6. A route map showing the directions to reach the venue of the 32nd AGM is annexed hereto.
7. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
8. All the shareholders and beneficial owners who have not claimed the dividend for the years 2011-12 to 2017-18 are requested to submit their claims immediately to the Company/ STA for respective dividends. The dividends unclaimed for 7 years will be transferred to Investor Education and Protection Fund.
9. The annual accounts of the subsidiary companies and the related detailed information are available for inspection by any shareholder(s) at the Registered Office of the Company during business hours and shall be provided to the shareholders who seek such information.
10. Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending the AGM. Copies of Annual Report will not be provided at the AGM.
11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar & Share Transfer Agents and members holding shares in electronic form may obtain the Nomination form from their respective Depository Participants.
13. The notice of the 32nd Annual General Meeting is available on the website of the Company www.vbshilpa.com and website of the Agency i.e <https://evoting.karvy.com>.
14. Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
15. Pursuant to the provisions of Section 125 of the Companies Act, 2013, the Company will transfer the unclaimed or un-encashed dividends for financial year 2011-12 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company transfers the unclaimed or un-encashed dividend along with the respective shares to the IEPF after the expiry of seven years from the date of transfer to unpaid dividend account. Members, who have a valid claim to any unclaimed dividends which are not yet transferred, may claim the same from the Company immediately.

Pursuant to the provisions of section 124 (5) of the Companies Act, 2013 read with IEPF Rules, the Company has transferred 18154 shares belonging to shareholders who did not claim dividend continuously for seven years starting from financial year 2010-11. to IEPF Account.
16. Registration of e-mail addresses for sending annual reports, communications, etc: Members are requested to register their e-mail addresses and changes therein from time to time with the Registrars and Share Transfer Agents (in case of physical shares) or with the concerned Depository Participant (in case of electronic holdings) so that the Company will use the same for sending notices, annual reports and other communications.

Copies of annual report 2018-19 are being sent under electronic mode only, to all the members whose e-mail addresses are registered with the Registrars and Share Transfer Agents of the Company i.e. Karvy Fintech Private Limited/Depository Participant(s) for communication

purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the annual report 2018-19 are being sent by a permitted mode.

17. That the Company is providing facility for voting by electronic means and the business may be transacted through such voting as mentioned down under;

18. Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Karvy Fintech Private Limited for facilitating e-voting to enable the

User ID

shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

A. In case a member receives an email from Karvy Fintech Private Limited (Karvy):

i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.

ii. Enter the login credentials (i.e., User ID and password mentioned in your email/AGM Notice). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

For Members holding shares in Demat form

For NSDL: 8 character DP ID followed by 8 digit Client ID

For CDSL: 16 digit Beneficiary ID/Client ID

For Members holding shares in Physical form:

Event No.(EVEN) followed by Folio No. registered with the Company

Password:

Your unique password is printed on the AGM Notice/provided in the email forwarding the electronic notice.

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 in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. If the shareholder 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. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution.

ix. 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 authorized representative(s), to the Scrutinizer at e mail ID: cs@vbsilpa.com, with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO?"

B. In case of Members receiving AGM Notice by Post:

I. User ID and initial password as provided in the AGM Notice Form.

II. Please follow all steps from Sr.No. (i) to (ix) as mentioned in (A) above, to cast your vote.

C. The e-voting period commences on 17.09.2019 at 09.00 A.M and ends on 19.09.2019 at 05.00 P.M. In case of any

query pertaining to e-voting, please visit Help & FAQ's section of Karvy e-voting website.

- D. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member(s)/beneficial owner(s) (in case of electronic shareholding) as on the cut-off date i.e. 13.09.2019. 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, i.e. 13.09.2019 will be entitled to avail the facility of remote e-voting/Insta Poll.
- E. Once the vote on a resolution is cast by a member(s), the member(s) shall not be allowed to change it subsequently or cast the vote again.
19. That 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 shall be able to exercise their right at the meeting.
20. That the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
21. 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.
22. The Board of Directors have appointed Ajay Vemuri, Proprietor of M/s. VCAN & Associates, a Practicing Company Secretary as the Scrutinizer to process the e-voting and submit the report to the Chairman.
23. Compliance Officer of the Company shall be responsible for addressing all the grievances of Shareholders in relation to this Annual General Meeting including e-voting. His contact details are Email: cs@vbshilpa.com, Phone No: 08532-238704.
24. The members may download a 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>.
25. Brief Profile of Directors seeking appointment and re-appointment at the 32nd Annual General Meeting (pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015) and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India is attached to this Notice as Annexure

EXPLANATORY STATEMENT IN ACCORDANCE WITH SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item 4:

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 (“the Act”), Mr. Amit Chander (DIN: 02406965) who was co-opted as an Additional Director (Independent) w.e.f 01 April, 2019 and who holds office as such up to the date of this Annual General Meeting, is proposed to be appointed as an Independent Director subject to the approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Amit Chander be appointed as an Independent Director on the Board of the Company.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Amit Chander (DIN: 02406965) for the office of Director of the Company. Mr. Amit Chander (DIN: 02406965) has consented to act as a Director and given a declaration stating that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that he meets the criteria of independence as prescribed under both, sub-section (6) of Section 149 of the Act and regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Mr. Amit Chander (DIN: 02406965) fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Amit Chander (DIN: 02406965) is independent of the management and possesses appropriate skills, experience and knowledge.

Mr. Amit Chander, is an Engineering graduate from the Indian Institute of Technology (IIT), Delhi. He holds accomplishment of receiving the Director’s Silver Medal for being Rank #1 in his department. He also holds an MBA degree from the Indian Institute of Management (IIM), Lucknow. He has work experience as a financial advisor and business consultant with leading Indian and multi-national companies. He is frequently quoted in the print media for his views on the healthcare industry in India. He was profiled in 2014 as one amongst the Top 5 Rising & Successful Fund Managers by leading Indian business daily “The Economic Times”. He has served as manager of CRISIL, world’s fourth largest and India’s most influential credit rating agency. He has experience in advising private and public sector clients on equity divestments, financial restructuring, and business strategy.

Subsequently he worked with Accenture – a leading global management consulting, technology, and outsourcing services company. As part of their India operations, he assisted public sector clients in India in implementing technology-led large-scale business transformations ranging from e-governance to e-commerce.

As per the provisions of section 149 and 152 of the Companies Act, 2013 consent of the members by way of ordinary resolution is required for the said appointment.

The relevant particulars of Mr. Amit Chander (DIN: 02406965) as required under the provisions of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this notice.

Copy of draft letter of appointment of Mr. Amit Chander (DIN: 02406965) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Except Mr. Amit Chander none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. Mr. Amit Chander does not hold directorships in any other company.

The Board recommends the resolution set forth in Item No.4 for approval of the members.

Item 5:

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 (“the Act”), Ms. Sirisha Chintapalli (DIN: 08407008) who was co-opted as an Additional Director (Independent) w.e.f 01 April, 2019 and who holds office as such up to the date of this Annual General Meeting, is proposed to be appointed as an Independent Director subject to the approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Ms. Sirisha Chintapalli, be appointed as an Independent Director on the Board of the Company.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Sirisha Chintapalli (DIN: 08407008) for the office of Director of the Company. Ms. Sirisha Chintapalli (DIN: 08407008) has consented to act as a Director and given a declaration stating that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that she meets the criteria of independence as prescribed under both sub-section (6) of Section 149 of the Act and regulation 16 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Ms. Sirisha Chintapalli (DIN: 08407008) fulfils the conditions of her appointment as an Independent Director as specified in the Act and the Listing Regulations. Ms. Sirisha Chintapalli (DIN: 08407008) is independent of the management and possesses appropriate skills, experience and knowledge.

Ms. Sirisha Chintapalli is

An Associate Member of The Institute of Company Secretaries of India.

An Associate member of The Institute of Cost Accountants of India.

A Semi Qualified CA from The Institute of Chartered Accountants of India.

She bagged all India 7th Rank and 1st Rank in South India in Company Secretary final-level examinations.

Job Profile:

As a Company Secretary:

She had been associated with L&T Shipbuilding Ltd, Chennai - Renowned Shipbuilding Company – engaged in construction of Defence Vehicles, Interceptor Boats, Offshore Patrol Vessels, Floating Dock;

International Seaport Dredging Limited, Chennai, a joint venture dredging between Larsen & Toubro Ltd and Dredging International – DEME Group, Belgium.

CCL Products (India) Ltd, Hyderabad - Instant Coffee Manufacturing Company

Professional Experience and Exposure:

Having more than 10 years of good exposure and experience in the fields of legal, financial, secretarial regulatory compliance matters particularly in relation to the Companies Act, laws applicable to the Capital Markets and other statutes. She has successfully handled and completed various issues/ assignments/ mergers and got well versed with various statutes involved in the day to day operations of the Company.

As per the provisions of section 149 and 152 of the Companies Act, 2013 consent of the members by way of ordinary resolution is required for the said appointment. the relevant particulars of Ms. Sirisha Chintapalli (DIN: 08407008) as required under the provisions of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this notice.

Copy of draft letter of appointment of Ms. Sirisha Chintapalli (DIN: 08407008) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Except Ms. Sirisha Chintapalli None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Ms. Sirisha Chintapalli holds directorship in Sai Silks (Kalamandir) Limited.

The Board recommends the resolution set forth in Item No.5 for approval of the members.

Item 6:

The Company has received a notice in writing under Section 160, proposing the candidature of Mr. Sharath Reddy Kalakota (DIN: 03603460) for the office of Director of the Company. The Nomination and Remuneration committee, at its meeting held on 13.08.2019, has reviewed and recommended the appointment of Mr. Sharath Reddy Kalakota (DIN: 03603460) as the Whole-time Director and made its recommendations to the Board for his appointment. Accordingly, based on the recommendations of the Nomination and Remuneration Committee, the Board, at its meeting held on 13.08.2019, has considered the said appointment and recommended necessary resolution for appointing him as Whole-time Director of the Company for a period of 3 (Three) years w.e.f 01 October, 2019, to the members at the ensuing Annual General meeting, as per the terms and conditions stated herein below:

Brief Profile: Mr. Kalakota Sharath Reddy, has acquired enriched experience of over 28 years in API manufacturing, Operations & Execution of Greenfield & brown field Projects by being associated with Shilpa Medicare Ltd since 1991, with diverse focus on Active Pharmaceutical Ingredients intermediate, Effluent Treatment R&D, quality Control Facilities designing commissioning & Operations. His vision of teamwork, mutual respect, innovative thinking and, excellence has resulted in developing a highly motivated team. His team's dedicated commitment is well aligned to achieve the mission of the Company.

Mr. Kalakota Sharath Reddy is a Post graduate in Pharmacy from Birla Institute of Technology & Science, Philani, Rajasthan. He obtained his bachelor's Degree from Raichur Gulbarga University. Mr. Kalakota Sharath Reddy joined the Company in the year 1991 and has been with the Company in its long successful journey and has grown along the Company.

Achievements: Joining the company as a chemist Mr. Kalakota Sharath Reddy, due to his will for self-learning and with the guidance of the management headed the team for the time bound implementation of the greenfield & brown field Projects. He is instrumental in building state of art API oncology & Non Oncology Facilities with quality Control Facilities of the Company at Deosugur Industrial Area, Raichur- Unit-1 & at Industrial Growth Centre, Chicksugur, Raichur. As a Team leader he undertook the Energy Conservation which won the company 1st National energy Conservation Award, from Bureau of Energy Efficiency, Govt. of India in the Year 2012. He is also a part in building Biomass based steam Generation Project which has been registered with UNFCC Reg. No: 3926, under Clean Development Mechanism under Kyoto protocol & which reduced the greenhouse Gasses emissions.

During his tenure as the Whole-time Director, he will be paid a maximum monthly remuneration of ₹ 8,00,000/- (Rupees Eight Lakhs Only) inclusive of all perquisites and subject to an annual increment of minimum 5% and maximum as per the HR policies.

In addition to the above said remuneration he is also entitled to leave encashment, gratuity and other benefits as applicable to other employees as per the policy of the Company

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where, in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified here-in-above shall be paid as minimum remuneration to him as per the provisions of Section II of Part of II of Schedule V to the Act, including any statutory modification(s) thereof.

Mr. Sharath Reddy Kalakota (DIN: 03603460) satisfies all the conditions set out in Part-I of Schedule V to the Act and also the conditions set out in Section 196 of the Act for being eligible for his appointment as the Whole-time Director of the Company. In terms with sub-section (2) of Section 164 of the Act, he is not disqualified to be appointed as a director and the Company has received from him a declaration to such effect.

The terms and conditions as set out herein above may be treated as written memorandum setting out the terms of appointment of Mr. Sharath Reddy Kalakota (DIN: 03603460) under the provisions of Section 190 of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013 consent of the members by way of ordinary resolution is required for the said appointment.

The relevant particulars as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this notice.

Copy of relevant resolutions of the Board with respect to above said appointment is available for inspection by members at the registered office during working hours on any working day till the date of the Annual General Meeting.

Except Mr. Sharath Reddy Kalakota, none of the other Directors/ Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

He does not hold directorship in any other company.

The Board recommends the resolution set forth in Item No.6 for approval of the members.

Item 7:

The Board, on the recommendations of the Audit Committee, has approved the appointment of the M/S V.J. Talati & Co, Cost Accountants (Regd. No. M/2203) and the remuneration payable to them for conducting the audit of the cost records of the Company for the financial year 2019-20.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for ratification of the remuneration payable to the cost auditors for the financial year ending 31 March, 2020.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No.7 for approval of the members.

Item 8:

Mr. Deepak Kumar Inani, General Manager - Projects who is related to Mr. Omprakash Inani, Director (DIN: 01301385), holds office/ place of profit in the Company, with the approval of Board of Directors, at a remuneration of up to ₹ 2,50,000/- per month in accordance with the provisions of Section 188 of the Companies Act, 2013. The Nomination and Remuneration Committee has recommended his increment equating to the contribution he is making to the Company which are within the applicable scale limits as the salary currently being paid to him is not commensurate with the present market trends for an individual with his qualification, experience and job responsibilities. Considering the recommendations of the Nomination and Remuneration Committee, the Audit Committee and the Board have approved the same.

As per the recommendations, the pay scale per month shall be ₹ 3,50,000/- (Three Lakhs Fifty Thousand Only) is subject to the annual increment of minimum 5% and maximum as per the HR policies.

In addition to the above-said remuneration he is also entitled for leave encashment, gratuity and other benefits as applicable to other employees as per the policy of the Company.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, consent of the members is sought by way of a Special

Resolution for the said appointment. Except Mr. Omprakash Inani, being related to the appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the resolution set forth in Item No.8 for approval of the members.

Item No. 9:

Statement setting out the facts of the resolution to be passed:

Lender	Borrower	Type of financial assistance	Maximum amount of loan/ guarantee/ security to be granted/ provided to each	Rate of interest/ commission	Particulars of loan/ guarantee/ security	Purpose for granting loan
Shilpa Medicare Limited	Subsidiaries/ Joint ventures/ Associate companies	Loan/ Guarantee/ Security	₹ 50 Cr.	As may be decided by the Board from time to time	N.A.	To meet the principle business objects of the borrower.

Your Company has been investing in various projects/ventures either directly or through subsidiaries/joint ventures/associate companies formed on its own or in collaboration with technocrats/marketing pioneers. The Company sometimes needs to infuse funds immediately by way of loan or other form of debt for the said projects for the scheduled implementations.

As per the provisions of Section 185 of the Companies Act, 2013, the Company may provide loans to its subsidiaries (which are not wholly owned)/ joint ventures/ associate companies with the approval of the shareholders by way of a special resolution.

Considering the above requirement, the Board proposes the resolution set out at Item No. 9 for the approval of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item 10:

Mr. Vishnukanth Chaturbhuj Bhutada, who is 57 years old and has been on the Board of the Company since incorporation i.e. 20-11-1987, is a key and an instrumental person in promoting and steering the Company to its present position. He is basically a pharmacy graduate and the main guiding force behind the progress of Shilpa Medicare Limited. Due to his untiring & constant efforts and planning, the Company has reached to its present level of operations in API and Oncology segments. With his foresightedness now, the Company successfully entered into formulation by setting-up Innovative Formulations Unit at Forma SEZ, TSIIC Green Industrial Park, Jadcherla, Mahabunagar District, Telangana, India. The Company achieved various prestigious awards under his stewardship. His vision, foresightedness and planning has always been giving a good path to the Company in its new ventures. He has been heading the Company with his vast experience in pharmaceutical industry and international marketing.

The Company, under the leadership of Mr. Vishnukanth Chaturbhuj Bhutada, has grown up leaps and bounds and has successfully initiated and implemented various new business plans. Under his supervision the Company achieved better performance, efficiency improvement, quality enhancement and cost reduction.

The Board feels that he should be re-appointed for a further period of five (5) years w.e.f 01 October, 2019, considering the contribution he has made to the Company and the push he would give to implement the projects and products in pipeline.

With regard to the trend in the pharmaceutical industry and remuneration packages of peers, the Nomination and Remuneration Committee, in its meeting held on 13 August, 2019, recommended the undermentioned remuneration, in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Minimum annual remuneration recommended by Nomination and Remuneration is ₹ 3,50,00,000/- (Rupees Three Crores Fifty Lakhs only) inclusive of allowances and perquisites and subject to minimum annual increment of 5% and maximum as per the HR policy.

The remuneration mentioned above shall be exclusive of the managerial commission on net profits.

However, the total remuneration shall be subject to maximum 5% of the Net Profits as calculated under section 198 of the Companies Act, 2013.

Mr. Vishnukanth Chaturbhuj Bhutada holds 80,86,012 equity shares of ₹ 1/- each in individual capacity and 13,36,130 equity shares of ₹ 1/- each in name of HUF in the share capital of the Company.

His directorships in other companies are as follows:

Name of company	Date of Appointment	Remarks
INM Technologies Private Limited	23.01.2015	Subsidiary of Shilpa Medicare Limited
INM Nuvent Paints Private Limited	07.03.2018	Step down subsidiary to Shilpa Medicare Limited
Raichem Medicare Private Limited	01.06.2009	Associate of Shilpa Medicare Limited
Shilpa Therapeutics Private Limited	07.09.2011	Wholly Owned subsidiary of Shilpa Medicare Limited
Sravathi Advance Process Technologies Private Limited	28.02.2019	Subsidiary of Shilpa Medicare Limited
Dharamkeshav Infra Private Limited	03.01.2012	Group company
Mohiniradha Infra Private Limited	27.12.2013	Group company
Mohini Infra Private Limited	01.04.2014	Group company
KMN Investments Private Limited	03.05.2018	Group company

Except Mr. Vishnukant Chaturbhuj Bhutada None of the Directors or Key managerial personnel is interested, financially or otherwise, directly or indirectly, in the above-mentioned resolution.

The board recommends the resolutions set forth in Item: 10 for approval of the members by way of special resolution in accordance with the provisions of Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, duly amended, and the Companies Act, 2013.

By order of the Board of Directors
For **Shilpa Medicare Limited**

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: 13 August, 2019

ANNEXURE

Details of directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	Mr. Naresh Patwari	Ms. Sirisha Chintapalli	Mr. Amit Chander	Mr. Sharath Reddy Kalakota	Mr. Vishnukanth Chaturbhuj Bhutada
Date of Birth	25 April, 1978	04 th June, 1980	25 January, 1979	25 August 1967	25 September, 1962
Date of Initial Appointment	26 December 2016	01 st April, 2019	01 April, 2019	01 October, 2019	20 November, 1987
Relationship with Directors	Not related to any Director	Not related to any Director	Not related to any Director	Not related to any Director	No relation with directors but is promoter of the company
Expertise in specific functional Area	Having good experience in advising on investments in India and other emerging markets. He has deep domain experience in healthcare and pharma, consumer-facing industries and media.	Having more than 10 years of good exposure and experience in the fields of legal, financial, secretarial regulatory compliance matters particularly in relation to the Companies Act, laws applicable to the Capital Markets and other statutes. She has successfully handled and completed various issues/ assignments/ mergers and got well versed with various statutes involved in the day to day operations of the Company.	He has work experience of total 18 years, 15 Years in the area of Health care and Technology Private Equity and 3 Years of experience in the area of Management Consulting and Financial Advisory. He has been a financial advisor and business consultant with leading Indian and multi-national companies. He has experience of advising private and public sector clients on equity divestments, financial restructuring, and business strategy. He has assisted public sector clients in India in implementing technology-led large-scale business transformations ranging from e-governance to e-commerce.	Mr. Kalakota Sharath Reddy, is having an enriched experience in pharmaceutical API manufacturing, Operations & Execution of Greenfield & brown field Projects for over 28 years being with the Shilpa Medicare Ltd since 1991, with diverse focus on Active Pharmaceutical Ingredients intermediate, Effluent Treatment R&D, quality Control Facilities designing commissioning & Operations. His vision of teamwork, mutual respect, innovative thinking and excellence has resulted in developing highly motivated team. His team's dedicated commitment is well aligned to achieve the mission of the Company	Mr. Vishnukanth Chaturbhuj Bhutada is a graduate in B. Pharmacy. He has been associated with the since incorporation and has been the key driver of the development of Shilpa Medicare Limited. He has tremendously exhibited strategic skills in formulation of business and product strategies. He is seasoned in negotiation Joint Ventures which are beneficial to the company. He has been associated with business, administration and strategic planning of the company.
Qualification	B. Tech (IIT), MBA (Tuck School of Business at Dartmouth)	1. Qualified Company Secretary 2. Qualified Cost Accountant 3. Semi-qualified Chartered Accountant	1. Engineering Graduate from IIT (Delhi) 2. MBA Graduate from IIM (Lucknow)	1. Bachelor's Degree from Raichur Gulbarga University 2. Post graduate in Pharmacy from Birla Institute of Technology & Science, Philani, Rajasthan,	Bachelor in Pharmacy
Board Membership of other Listed companies	TCNS Clothing Co. Ltd.	NIL	NIL	NIL	NIL
Chairman/ Member of the Committee of the Board of Directors Of Shilpa Medicare Limited	NIL	NIL	NIL	NIL	Chairman: Risk Management committee Member: Stakeholder Relationship Committee & Corporate Social responsibility committee
Chairman/ Member of the committee of Directors of other listed companies in which he is a director	1	NIL	NIL	NIL	NIL
a) Audit Committee	TCNS Clothing Co. Ltd.	NIL	NIL	NIL	NIL
b) Stakeholders' Relationship Committee	NIL	NIL	NIL	NIL	NIL

Name of the Director	Mr. Naresh Patwari	Ms. Sirisha Chintapalli	Mr. Amit Chander	Mr. Sharath Reddy Kalakota	Mr. Vishnukanth Chaturbhuj Bhutada
c) Nomination and Remuneration Committee	NIL	NIL	NIL	NIL	NIL
Number of shares held in the Company as on 31 March 2019	NIL	NIL	NIL	28089	80,86,012 equity shares in individual capacity & 13,36,130 equity shares as Karta of HUF.

By order of the Board of Directors
For **Shilpa Medicare Limited**

Sd/-
Omprakash Innani
Chairman
DIN: 01301385

Place: Raichur
Date: 13 August, 2019