Annexure- 10

Business Responsibility Report

The Company has in compliance with Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prepared the Business Responsibility Report as under:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L85110KA1987PLC008739
2	Name of the Company	Shilpa Medicare Limited
3	Registered address	#12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur – 584 135, Karnataka, India.
4	Website	www.vbshilpa.com
5	e-mail id	info@vbshilpa.com
6	Financial Year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceutical: NIC Code 210
8	List three key products/services that the Company manufactures/provides.	The following 3 key Products are Manufactured: 1) Active Pharmaceutical Ingredients. 2) Pharmaceutical Formulations. 3) Product development services.
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	**National:** **Unit I:** Plot Nos 1A, 1B, 2, 2A, 3A to 3E & 4A to 4C, 5A, 5B Deosugur Industrial Area, Deosugur- 584170, Raichur, Karnataka, India. **Unit -II:** 100% EOU at Plot Nos. 33-33A, 40 to 47, Raichur Industrial Growth Centre, Wadloor Road, Chicksugur Cross, Chicksugur- 584134, Raichur, Karnataka, India. **Unit III:** Plot No. S-20 to S-26, pharma SEZ TSIIC Green Industrial Park, Pollepally village, Jadcherla Mandal, Dist, - Mahaboobnagar - 509301, Telangana, India. **R & D Unit- Raichur:** Plot Nos. 33-33A, 40 to 47, Raichur Industrial Growth Centre, Wadloor Road, Chicksugur Cross, Chicksugur- 584134, Raichur, Karnataka, India. **R&D Unit-Vijayanagaram:** Survey No:207, Modavalasa Village, Denkada Mandalam, Dist: Vijayanagaram -531162 Andhra Pradesh, India. **R&D Unit Hubli:** Narisha STEP Building, B.V.B. C.E.T, Vidpraga, Hubli-580 031 Karnataka, India. **International:** **Loba Feinchemie GmbH,** Fahragasse 7, A- 2401, Fischamend, Austria. **Zatortia Holdings Limited** 70 Kennedy, 4th Floor, 1076 Nicosia, Cyprus, P.O Box- 20971, 1662 **Koanaa Healthcare Limited** 4TH Floor Cavendish House, 369 burnt Oak Broadway, Edgware Middlesex, England, HA8 5AW **Koanaa Healthcare GmbH** Fehrgasse 7, 2401 Fischamend, Austria, N. **Shilpa Pharma Inc.** 1980 S, Easton Road, Suite 220, Doylestown, PA, 18901, Bucks County
10	Markets served by the Company – Local/ State/ National/International	All over India & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 815.27/- Lakhs
2	Total Turnover (INR)	₹ 66,387.88/- Lakhs
3	Total profit after taxes (INR)	₹ 12,410.63/- Lakhs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5	List of activities in which expenditure in 4 above has been incurred:	Shilpa Medicare Limited has been transferring CSR amount to Shilpa Foundation, a public Charitable Trust for the purpose of taking up various activities as part of its services to the society in and around Raichur, Karnataka and the activities of the said trust are covered under the Schedule VII of the Companies Act, 2013. During the year, CSR amount of ₹ 326.33 Lakhs has been given to 'Shilpa Foundation'. Shilpa Foundation is largely involved in providing of Education, Promoting environment, and animal welfare and extending health care services.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies.

1. DIN Number : 01243391
2. Name : Mr. Vishnukant Chaturbhuj Bhutada
3. Designation : Managing Director

(b) Details of the BR head -

No.	Particulars	Details
1	DIN Number (if applicable)	01243391
2	Name	Mr. Vishnukant Chaturbhuj Bhutada
3	Designation	Managing Director
4	Telephone number	08532-238704
5	e-mail id	info@vbshilpa.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability (P1).

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (P2).

Principle 3: Businesses should promote the wellbeing of all employees (P3).

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized (P4).

Principle 5: Businesses should respect and promote human rights (P5).

Principle 6: Businesses should respect, protect and make efforts to restore the environment (P6).

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (P7).

Principle 8: Businesses should support inclusive growth and equitable development (P8).

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner (P9).

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for principles stated above?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy confirm to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y*	N	Y$	Y#	N	Y@	N	Y+	N
6	Indicate the link for the policy to be viewed online?				www.vbshilpa.com					
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

*Principle 1 implementation is looked after by Board of Directors through Code of conduct for board of director and senior management.

$Principle 3 implementation is looked after the Human resource department ensuring the well-being of employees.

Principle 4 implementation is achieved by CSR Committee

@ Principle 6 implementation is ensured by the CSR Committee.

+ Principle 8 implementation is looked after by the board of directors by implementing a pervasive policy pertaining to code of conduct in areas of purchase and procurement thereby enabling equitable and unbiased opportunity to stakeholders in immediate environment.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the Policies on specified principles.	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The report is published on annual basis and can be viewed on the website of the Company i.e. www.vbshilpa.com in the Annual Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

The board of directors has adopted the code of conduct for directors and senior management. In accordance with this adherence to the integrity and ethical principles is ensured while decision making by the senior management.

All related party transactions are approved by the audit committee and appraised to the Board, thereby ensuring that scope for nepotism or undue favoring is barred.

The same level of integrity is expected by the Company from its business partners so that sustainable goods and services are delivered in the market.

Any transaction with subsidiaries and joint ventures are treated at arm's length.

1. **Does the policy relating to ethics, bribery and corruption cover only the Company?**

   No

   Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

   Yes

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   27 (Twenty Seven) complaints were received from the shareholders during the reporting period and all have been resolved satisfactorily.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

Shilpa Medicare Limited in involved in production of Active Pharmaceutical Ingredients and other formulations with the motto of 'Innovating for affordable healthcare'.

In line with this, the Company has adopted responsible utilization of resources during production process which may range from usage of Solar Energy to utilization of locally procured husk in production process.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:**
   1. Ambroxol Hcl.
   2. Tranexamic acid
   3. Tenofovir Disoproxil Fumarate

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   The Company strives by putting its best efforts to develop Continuous flow Process right from the basic stage to all the Unit Operations such as separation, extractions, Concentrations, Crystallization to reduce the energy consumption enormously & there by achieving the quality products with less impurities.

   The Company Monitors the consumption of the resources –Energy , Water, Raw materials with reasonable targets to reduce the consumption.

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company monitors consumption of resources such as Energy, Water, Raw materials, etc. with reasonable targets to reduce their consumption.

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

In the process design of these products, the consumption of utilities has been reduced by about 6% and the solvents consumption is reduced by about 15% through continuous monitoring.

The process are designed to have minimum footprint on the environment.

All the solvents used, wherever applicable, are recovered & reused.

About 40% of the wastes are co-processed in Cement plants.

All the plants are 'zero liquid discharge' plants & water is recycled in the utilities.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   The Company has well defined Practices for sustainable sourcing.

   The Company ensures this by conducting the audits for its facilities and all the key Raw materials & motivate all its business partners & Bulk Material vendors to conduct their business in sustainable manner by following the environmental friendly practices & sustainable management systems like business ethics.

We minimize the environmental impact by sourcing the energy conservation & waste minimization products thereby conserving the precious resources and thereby cost reductions & derive the advantages.

Sustainable Transportation sourcing:

The Company realizes cutting down the transportation time results in conservation of resources and results in cost savings.

The Company is sourcing Renewable energy Fuel–Rice husk from the local vendors from the Rice mills located in the vicinity of the manufacturing sites.

This significantly reduced the logistics & thereby reducing the carbon footprint on environment.

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has always believed in localized procurements and development of immediate vicinity.

All resources which can be locally procured are given priority so that an equitable opportunity for sustainable development is given to the local community,

In line with this, around 70% are sourced sustainably from domestic sources & remaining 30%, internationally.

The Company's Quality system insists to conduct, and accordingly, the Company conducts audits of all key raw material vendors & bulk raw material vendors as well as major service vendors to confirm that sustainable practices are followed and based on the results of such audits, approves them as a source of supply. These activities result in capacity building & sharing of best practices, whereby new & alternate vendors are identified as a practice to ensure that the resources are maintained sustainably.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

We, at Shilpa Medicare Limited, believe that it is the local community that is the first to be affected by the production process. Accordingly, we feel that they shall be the first and immediate beneficiary of the process involved in production so that sustainable development, in line with the principle of Social, Environmental and Economic responsibilities, is achieved.

In line with the above, the Company has invested in complex 'Solid Fired Boilers' in all our manufacturing units to encourage the local suppliers. Renewable energy fuel such as Rice Husk, Briquettes, etc. are being used in all our units & the goods are procured locally from small rice mills through rice husk collecting agents & local briquette manufacturer.

The mechanical maintenance services are being sourced from local vendors.

All the housekeeping, printing, stationary & other consumables are sourced locally.

The afforestation & gardening services are outsourced locally.

(a) If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company has strived to share knowledge on ways to improve capability of vendors who have established themselves to be key resources in the areas within which they operate by conducting training programs. Long-term supply contracts have been executed to provide them a sustainable source of income.

5. **Does the Company have a mechanism to recycle products and waste?**

If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)? Also, provide details thereof, in about 50 words or so.

Yes, the Company's units are 'zero liquid discharge' units. The total effluents generated by all the units is treated & recycled as below:

- About 40% of the water used in the units & 93% effluent water are recycled by treating in-house.
- 90% of the solvents are recovered &reused.
- About 30% of the solid wastes are recycled by up cycling & given to other industries for usage.
- The Company is co-processing about 30% of the solid waste (ETP sludge) in nearby cement industries.

Principle 3: Businesses should promote the wellbeing of all employees:

We, at Shilpa Medicare Limited, are involved in the promotion of wellbeing of employees and creating a sense of security among them so that they can provide their maximum contribution to innovation and achievement of the vision of the Company, being "Innovating for affordable healthcare."

Please indicate the total number of employees.

The Company has 1781 employees as on 31 March, 2019.

Please indicate the total number of employees hired on temporary/contractual/casual basis.

The Company has over 621 contractual employees as on 31 March, 2019.

Please indicate the number of permanent women employees.

The Company has 24 women employees as on 31 March, 2019.

Please indicate the number of permanent employees with disabilities.

The Company has one such employee as on 31 March, 2019.

Do you have an employee association that is recognized by management?

Yes

What percentages of your permanent employees are members of this recognized employee association?

8.19% of employees are members of the association/ union.

Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	Remarks	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour	We have a policy of employing no child labour.	Not Applicable	Not Applicable
2	Forced Labour	We don't have any forced employees.	Not Applicable	Not Applicable
3	Involuntary Labour	All labour in the Company give their consent before employment.	Not Applicable	Not Applicable
4	Sexual Harassment	The Company has constituted an Internal Complaints Committee in accordance with statutory enactments at various business units.	Nil	Nil

What percentage of your under-mentioned employees were given safety & skill upgradation training in the last year?

(a) Permanent employees: 95%

(b) Permanent Women employees: 100%

(c) Casual/Temporary/Contractual employees: 100%

(d) Employees with disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

We, at Shilpa Medicare Limited, implement our Corporate Social Responsibility through Shilpa Foundation. We believe that the Company is responsible for betterment of the immediate society and shall do its bit as they have consumed the resources from the environment.

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, all the stakeholders have been mapped. The Company respects the interest of & is responsive towards all its stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company has identified disadvantaged, vulnerable & marginalized stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so-** No

   Identified clusters of stakeholders who are directly and indirectly affected by our operations

   The Company has different platforms.

   For employees: Health checkups, employee feedback, training programs, interaction with the top management by e-mail & in person.

   For the surrounding society: Through Shilpa Foundation by sponsoring & arranging infrastructure for schools and govt. hospitals, distribution of books, contribution to local NGO's and setting up health camps.

   For vendors, customers & partners: Regular business meets, visits to the customers, training & knowledge sharing with vendors & partners by continuous audits.

   For investors & shareholders: Quarterly results, Annual Reports, Sustainability Reports, e-mail communication, news releases and reporting of major happenings.

Principle 5: Businesses should respect and promote human rights:

We, at Shilpa Medicare, respect and preserve the basic human rights.

- We, through Shilpa Foundation, build educational infrastructure, thereby recognizing and trying to achieve the Millennium Development Goal of achieving primary education.
- We have a policy of no child labour and no forced labour, thereby complying with the labour laws and respecting human rights.
- We, through Shilpa Foundation, provide filter water facility to the immediate locality through 'reverse osmosis' technology and thereby try to provide for the basic human need of having safe and clean drinking water at their disposal.
- We, in accordance with Statutory regulations and principles of Global Responsible Initiative, encourage formation of Labour Unions and thereby provide a platform for redressal of grievances and enhancing collective bargaining.

1. **Does the policy of the Company on human rights cover only the Company: or extend to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/ Others?:**

   No, as we have already stated, only the Company involves in adopting the principles of Business Responsibility Reporting.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During the reporting period, there have been no complaints of Human Rights violation.

Principle 6: Businesses should respect, protect and make efforts to restore the environment:

Shilpa Medicare Limited, through Shilpa Foundation, has involved itself in preserving and restoring environment.

Geographically, the Company is located at place where the forest percentage is less than 2% (Approx).

Therefore, **Green Raichur NGO's** initiative has been taken up by the Company to plant saplings in a massive scale, which is being achieved with the help of participation of employees and the local community.

We have **Project 3926** pertaining to reduction of greenhouse gases by installing 'biomass fired boiler' registered under the Kyoto Protocol with United Nation Framework Convention on Climate Change (UNFCC).

The Company's policy is to have minimum carbon footprint on the environment.

1. **Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others.:**

   Applicable only to the Company.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company has initiated the reduction of greenhouse gases by installing 'husk-fired boilers' at its units & registered the project with UNFCC under Kyoto Protocol- **Project Reference No.-3926.**

   The Company, in its commitment to protect the environment, is using 'renewable biomass-fired boilers' in all it's units.

   Further, the Company is consuming 54,40,000 units of electrical energy generated from its wind mills, thereby trying to have minimum carbon footprint on the environment.

   The Company has initiated energy conservation measures in its processes by adopting the latest efficient technologies in its evaporation & chilling processes.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The Company has registered its 'biomass-fired boiler' with UNFCC- **Project Reference No.: 3926**. The Environmental Compliance Report is filed with Ministry of Environment & Forests, Government of India, & the report on 'Consent Conditions Compliance' is filed with concerned state Pollution Control Board.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company has invested ₹ 38.43 Crores in windmills and 58.58 lakhs units were generated from the windmills to meet all its electrical energy requirements & wheeling arrangement is done with the electricity Board. Thereby the Company is saving carbon emissions.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/waste generated by the Company is within the permissible limits given by CPCB/SPCB for the financial year being reported. The waste generated is discharged in accordance with the statutory provisions.

7. **Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Unit-1 of the Company is in the process of obtaining the EC as per MOEF&CC notification no-SO-(804) dated 14 March, 2017. The EIA and other requirements as per the notification have been submitted & Complied by the Company which have been considered by the expert appraisal committee.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner:

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Pharmexcil,

   Chemexcil,

   Raichur Chemical Manufacturers association and

   Raichur Chamber of Commerce.

2. **Have you advocated/lobbied through the above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Yes, the Company is associated with the above institutions with an intention of mutual learning and contribution towards inclusive development of stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

We, at Shilpa Medicare Limited, provide first priority to the vendors in the immediate vicinity for purchases and procurement, thereby providing an equal opportunity to the nearby society for sustainable and equitable growth and development:

1. **Does the Company have specified programs/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Pertaining to the purchases and procurement, the implementation is overseen by the purchase department.

   The Company oversees the remaining initiatives of Principle 8 through Shilpa Foundation which undertakes CSR initiatives.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   The Company has undertaken most of its programs/ projects directly through Shilpa Foundation.

3. **Have you done any impact assessment of your initiative?**

   No

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The amount spent towards CSR is as follows:

   CSR amount ₹ 326.33 Lakhs has been given to 'Shilpa Foundation', a public Charitable Trust for the purpose of taking up various activities as part of its services to the society in and around Raichur, Karnataka and the activities of the said trust are covered under the Schedule VII of the Companies Act, 2013.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

   Yes, the Company's CSR initiatives are rolled out through its foundation which ensures that the CSR initiatives are well reached, as well as successfully adopted by the community. The Corporate Social Responsibility Committee, at its meetings, reviews the programs/ initiatives/ projects undertaken and spending of amount in relation thereto.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible Manner:

The effectiveness of compliance of this principle can be enunciated by the Vision of Shilpa Medicare Limited -"Innovating for Affordable Healthcare".

Rigorous pursuit of the Company has always been to provide API (Active Pharmaceutical Ingredients) at a very reasonable cost, specifically in the field of Oncology, which is otherwise very expensive.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   During the financial year ended 31 March, 2019 there were 6 consumer complaints pending for investigation.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

   Shilpa Medicare Limited labels its products in accordance with the law of the land.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   We did not carry out any survey, however, in our business model, our customers evaluate our quality system by auditing our facilities periodically. Apart from the product quality evaluation at their end, the customer approves us as a qualified vendor after thorough auditing of our facilities. Also, govt. agencies like USFDA as well as those in other countries audit our facilities periodically to confirm our compliance to their quality systems.

For and on behalf of the Board of Directors

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: 13 August, 2019