



**Vivo Bio Tech Ltd.**  
Your Trusted Preclinical CRO

IGNITING  
NEW  
HORIZONS

Annual Report 2023-24

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### Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information.





# Igniting New Horizons

As the global pharmaceutical sector becomes increasingly demanding of new drug development standards, there is a growing priority for new and demanding laboratory tests.

A forward-looking company like Vivo Bio Tech Limited is attractively placed to capitalise.

During the last few years, the company deepened its investments in infrastructure with large animal facility under construction and equipment for analytical studies, talent, processes and stakeholder relationships with the objective to build a world-class company.

The company has arrived at an inflection point, following which it is expected to report an increase in revenues from all business segments.

The company expects to capitalise on the watershed to deepen competence and business sustainability.

### Corporate snapshot

Vivo Bio Tech Limited.

We are a comprehensive Pre-clinical CRO offering, in-vivo and in-vitro toxicity studies, pharmacological investigations, pharmacokinetic and toxicokinetic studies, genotoxicity screening, analytical services and others.

We employ experienced scientists who offer customized drug development guidance for specific molecules.

We focus on laboratory animal research to enhance assurance for our customers and strengthen their outcomes.

We have become a reliable solution provider for companies looking to accelerate their drug discovery programmes.



### Our background

Vivo Bio Tech is a comprehensive pre-clinical CRO serving pharmaceutical and biotech firms, following OECD-GLP, AAALAC & IND guidelines. Our services include in-Vivo and in-Vitro toxicity studies, pharmacological investigations, pharmacokinetic, toxicokinetic studies, genotoxicity screening and analytical services. Our skilled scientists provide personalised drug development guidance for specific molecules.

Our scientists offer regulatory and non-regulatory IND pre-clinical services. We screen and assess molecules for diverse pharmacological properties. In oncology, we design syngeneic/xenograft models for anti-cancer agent evaluation. Our scientists customize in-Vivo DMPK studies for rodent and non-rodent models to profile drug candidates.



### Our partnerships

Vivo Bio partners global companies to provide specific pathogen-free animals and high-quality animal diets. Our collaboration with Taconic Biosciences allows us to supply SPF rodent models, making us a leading provider to major pharmaceutical companies, vaccine manufacturers and CROs in the country. Additionally, our partnership with Cyagen Biosciences offers convenient access to genomic technologies for Indian biomedical R&D. For premium rodent diets, we teamed with SAFE diets in France for imports to India.



### Our certifications

The Company holds AAALAC International Accreditation, GLP Certification and is registered with CIBRC, DCA, ISO and CPCSEA.



### Strategy

We seek to achieve a sustainable and profitable growth by identifying our customers' research problems and providing a solution by partnering with global companies using cutting-edge science.



### Values

- We constantly strive to identify our Customers' research problems and commit ourselves towards providing a seamless solution.
- We value our employees as they are the foundation of our success and provide meaningful and exciting opportunities to perform at their best.
- We are committed to highest standards of ethics and integrity.



### Our presence

The Company's expansive infrastructure is based in Hyderabad, Telangana, serving the increasing research and study demands of customers in India and the USA.



### Our human resources

The Company comprises a skilled team of experts in toxicology and animal care. As of March 31, 2024, the Company employed 40 professionals out of a total manpower strength of 150.



### Our shareholding pattern

42.08

%, Promoter and promoter group shareholding as on March 31, 2024.

57.92

%, Public shareholding as on March 31, 2024.



### Mission

Support Indian Biomedical Research by making advanced research tools accessible by strategic global partnerships.



### Our board and advisory team

The Company is guided by Board of Directors of repute from the industry, featuring Mr. Sunder Kanaparthi as Chairman and Dr. Alangudi Sankaranarayanan, a discovery biologist with over 35 years of experience in pharmaceutical R&D. Our Scientific Advisory Board includes Dr. KS Nayak, an Indian pioneer in Peritoneal Dialysis and Cadaver Kidney Transplantation.



### Our state-of-the-art facilities

The Company's advanced 150,000 sq. ft. pre-clinical research center includes animal breeding, experimentation and cutting-edge equipment.



### Our customer base

The Company serves 400 firms spanning CROs, research institutes, agro, medical devices and diagnostics sectors with more than 150 active clients at any given point in time.

# Our milestones

2007

Vivo Bio Tech received the status of a Research Establishment vide No. 1117/C/07/ CPCSEA from the Ministry of Environment & Forests, Government of India, for its pre-clinical research facility.

2008

The Company received the status of a Research Establishment vide No. TU/1VRD/2740/2007 from the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India, for its custom research facility.

2009

The Company secured a SEZ gazette notification from Government of India, for the Company's land (10.93 hectares) at Pregnapur for developing a Biotech specific Special Economic Zone vide No. F.1/139/2007.

2010

The Company started operations at a 1,25,000 sq. ft. pre-clinical research facility – small animals (rats, mice, rabbits, hamsters and guinea pigs).

2011

The Vivo Bio Tech pre-clinical research facility secured full accreditation by AAALAC International.

2013

The Company entered into a partnership with a major global lab animal breeding company to offer an international quality of lab animals.





## 2016

The Company was audited by CIBRC in September 2016 and certified for agrochemical testing for toxicology studies. The Company entered into a partnership with Cyagen Biosciences to access genomic technologies.

## 2017

The Company started the breeding and distribution of SPF guinea pigs.

## 2019

Vivo Bio Tech Limited received ISO 9001:2015 certification for Quality Management System. The Company successfully completed NGCMA - OECD GLP Surveillance and Scope Extension with the introduction of inhalational studies.

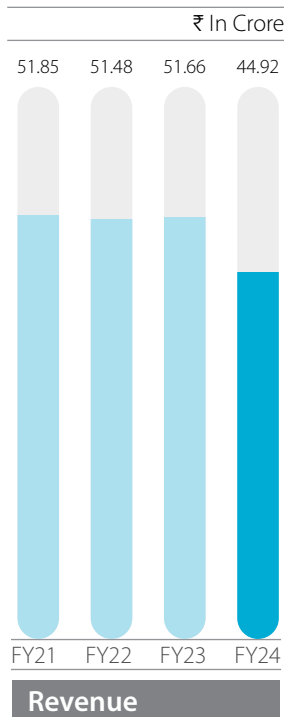
## 2021

The Company transformed from an animal breeding and distributing Company into a full service CRO with interest in In-vitro, In-Vivo, EcoTox, Analytical, Bio-Analytical and Physchem, ADME and PK-PD studies. Last year saw addition of international clients with long-term outsourcing and service agreements.

## 2022

During the year, the Company received an approval from CPCSEA for carrying out studies on large experimental animals such as canines and mini-pigs.

# How we have performed over the years



### Definition

Increase in sales after taxes (if any).

### Why is this measured?

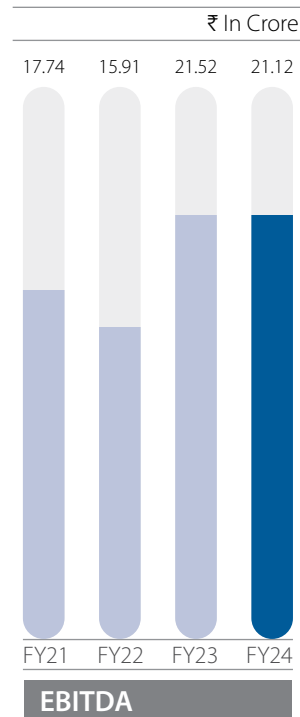
It shows the Company's capacity to increase sales, as indicated by the number's comparability to peers in the industry.

### What does it mean?

Aggregate sales were maintained around the level of ₹44.92 Crore in FY 2023-24, partly on account of reduction in the lease income as one of the large pharma customers moved contract research to its facilities.

### Value impact

The Company grew slower than the sectorial average, which resulted in a degrowth in market share in FY 2023- 24.



### Definition

Earning before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

### Why is this measured?

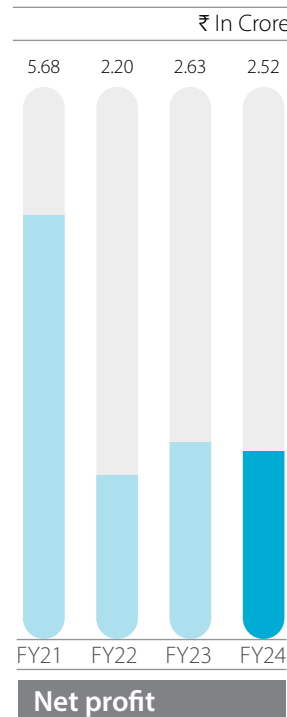
It is an indicator of the Company's capacity to produce a surplus after deducting operational expenses.

### What does it mean?

It contributes to the development of a strong growth engine, much of which may be made available for reinvestment.

### Value impact

The Company maintained an attractive EBITDA despite sectorial challenges.



### Definition

Profit earned during the year after deducting all expenses and provisions.

### Why is this measured?

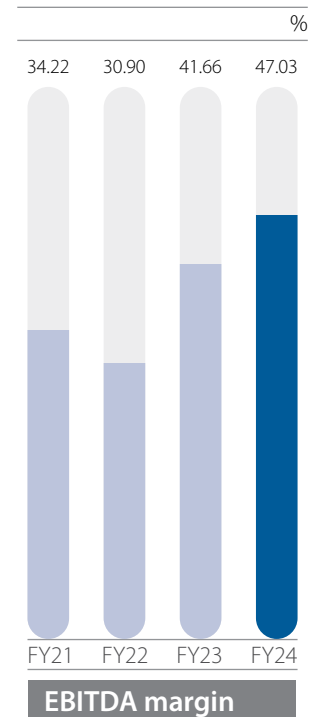
This measure highlights the strength of the business model in enhancing shareholder value.

### What does it mean?

It ensures that adequate surplus is available for reinvestment in the Company's operations and enhancing net worth.

### Value impact

The Company reported a 4.3% decrease in net profit in FY 2023-24 following a decrease in total operating income.



### Definition

Increase in sales after taxes (if any).

### Why is this measured?

It shows the Company's capacity to increase sales, as indicated by the number's comparability to peers in the industry.

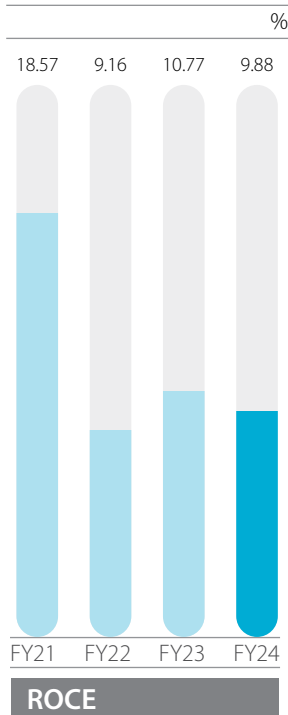
### What does it mean?

The Company reported a 537 bps increase in EBITDA margin in FY 2023-24.

### Value impact

EBITDA margin strengthened following reduced realizations, demand and inventory gains.





#### Definition

It is a financial ratio that measures a Company's profitability and the efficiency with which capital is employed in the business.

#### Why is this measured?

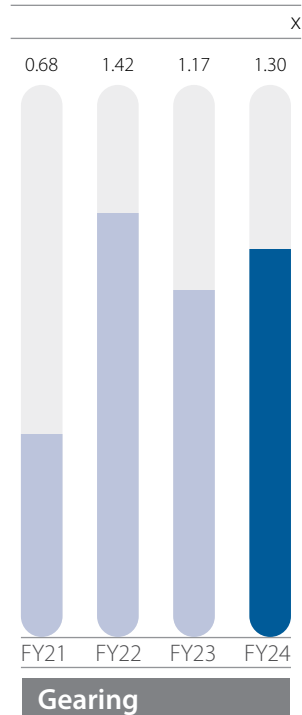
RoCE is a useful metric for comparing profitability across Companies based on the amount of capital they use – especially in capital intensive sectors.

#### What does it mean?

Enhanced RoCE can influence valuation and perception.

#### Value impact

The Company reported a 89 bps decrease in RoCE during FY 2023-24, due to a decrease of ₹0.43 Crore in operating profit during the year.



#### Definition

This is derived through the ratio of debt to net worth (less revaluation reserves).

#### Why is this measured?

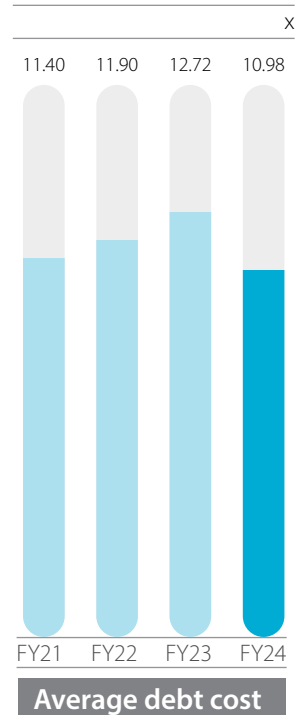
This is one of the defining measures of a Company's financial solvency.

#### What does it mean?

This measure indicates the extent of borrowing room available, the lower the gearing the better.

#### Value impact

The Company's gearing stood at 1.30 due to an increase in borrowings to commission the Large Animal Facility.



#### Definition

This is derived through the calculation of the average cost of the consolidated debt on the Company's books.

#### Why is this measured?

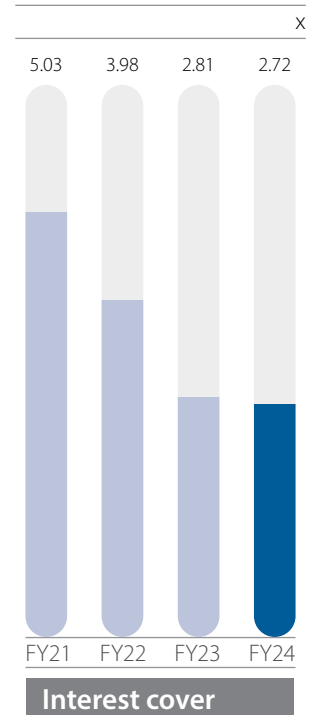
This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

#### What does it mean?

Enhanced cash flows; strengthened credit rating for successive declines in debt cost.

#### Value impact

The normalised debt cost of the Company decreased by 174 bps during the year following a reduction in interest rates quoted by lenders.



#### Definition

This is derived through the division of EBITDA by interest outflow.

#### Why is this measured?

Interest cover indicates the Company's comfort in servicing interest – the higher the better.

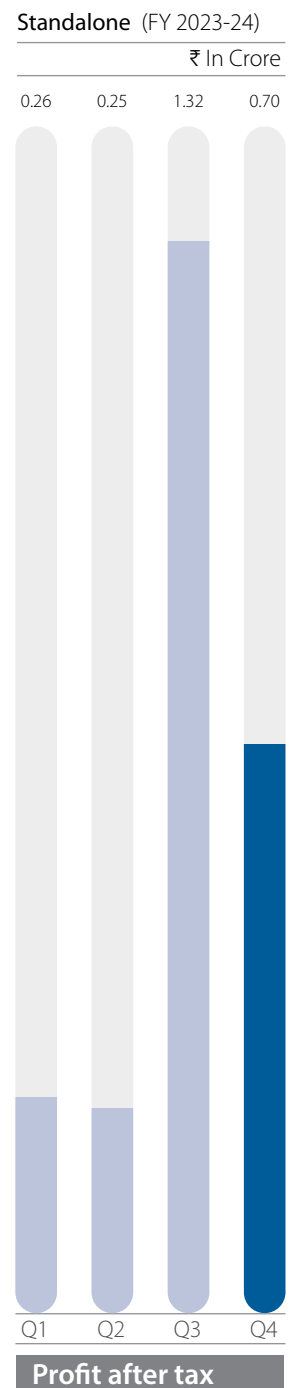
#### What does it mean?

A Company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in assuring sizeable returns to shareholders.

#### Value impact

The Company's interest cover decreased marginally during the year under review due to a marginal decline in EBITDA.

# Our performance in each quarter of FY 2023-24

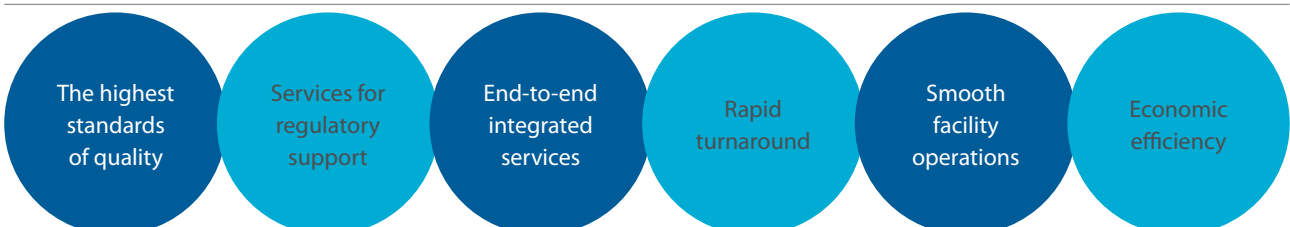


The first word

# Our range of services and their possibilities

| Services | Late stage drug discovery services  | Contract development services contract development & manufacturing services  | Clinical trials  |
|----------|---|--|--|
|          | <ul style="list-style-type: none"> <li>• Pharmacology Studies</li> <li>• Safety Pharmacology Studies</li> <li>• Pharmacokinetics (PK) &amp; Pharmacodynamics</li> <li>• Toxicology / Safety Studies</li> <li>• Inhalation Toxicity Studies</li> <li>• Reproductive Toxicity Studies</li> <li>• Genotoxicity Studies</li> <li>• Disease Models</li> <li>• Imaging Studies</li> <li>• Efficacy Studies</li> <li>• Formulation Studies</li> <li>• Physicochemical Characterisation</li> <li>• Agrochemical Toxicity Studies</li> <li>• Environmental Toxicology Studies</li> <li>• Specific Pathogen Free Animal Breeding &amp; Supply</li> <li>• Transgenic Animal Models</li> <li>• Laboratory Animal Diagnostics</li> </ul> | <ul style="list-style-type: none"> <li>• DNA, MRNA</li> <li>• Reagents and Protein Development Services</li> <li>• Non-Nucleic Acid Based Laboratory Animal Diagnostic Services</li> <li>• Nucleic Acid &amp; Non- Nucleic Acid Based Livestock Diagnostic Services</li> <li>• Diagnostic Services – Oncology</li> </ul> | <ul style="list-style-type: none"> <li>• Phase I, II and III clinical trials in partnership with a leading healthcare service provider.</li> <li>• Phase IV / Pharmacovigilance Services.</li> <li>• Medical Device Testing Services.</li> </ul> |

## The Vivo Bio proposition



Chief Business Officer's overview

We are at the right place at the right time in the right geography to build on our business and generate sustainable year-on-year growth thereafter.

### Overview

I am pleased to present our performance of the last financial year.

At first glance, the numbers may disappoint on account of a 13.06% decline in revenues to ₹44.92 Crore. However, there was only a 1.87% decline in our EBITDA, which indicates a ground shift in the quality of our operations that should translate into a superior year-on-year performance from this point onward.

The ground shift comprised a winding down of lease and non-core operations and an increase in operations related to the core business of the company. The two areas of our business where we see growing potential comprise pre-clinical CRO sales and animal sales.

Your company is attractively placed to build on each of these business streams, aligned with a transforming sectoral environment worldwide.

The company's performance during the last financial year could have been better but for a large longstanding partnership selecting to discontinue expensive animal models. Your company was responsive in plugging this business gap with low-value animal models. Besides, your company imported the nucleus of large expensive animals, which should begin generating commercial revenues from the current year.

At Vivo Bio Tech, we are optimistic of our long-term prospects on account of an evolving sectoral reality that indicates that our markets will not only grow but also become increasingly sophisticated.

This indicates that our revenues could not only grow, but our margins could also strengthen across the foreseeable future.

The optimism of our business is being derived from the fact that we expect to get our Good Laboratory Practices certification that will empower us to conduct carcinogenic studies. This is imperative for pharmaceutical companies seeking USFDA approval for their products. What makes this space attractive is that it comes with a moat that we have overcome, marked by a two-year performance track record that companies like us need to conduct with our resources (which we have completed). On the other hand, these studies fetch attractive realizations, strengthening our overall profitability.



What makes prospects attractive is that we commissioned the facility to conduct dog studies across the foreseeable future. We expanded the testing scope to goats/sheeps and large pigs and intend to extend to the study of mini pigs. The complement of these studies will widen our service spectrum, deepen our customer relevance, and enhance our brand for providing a one-stop solution. We concluded large exclusive deals for medical device testing with global partners. We added expertise of implant testing in large animals that will fetch us good deals for implant testing

We introduced new services such as chemical characterisation and support clients for preparing toxicology risk assessments that help sponsors in hassle-free registration of the products with regulatory agencies.

What provides optimism is that the company is fully invested and now needs to scale the business. The company belongs to a niche within the country; its services and infrastructure are second to none. The company enjoys enduring engagements with prominent customers that now need to be scaled.

Besides, there is a convergence of sectoral developments that indicates that the company is at the right place at the right time.

Pre-clinical Contract Research Organization studies – the space in which our company is present - are of critical importance in the pharmaceutical sector. Pre-clinical CRO studies assess the safety and efficacy of a new drug candidate before being tested on humans. These studies involve In-Vitro (test tube or cell culture) and in vivo (animal) testing to identify potential toxicity, side effects, or adverse reactions.

Demanding regulatory agencies like the U.S. FDA, EMA and others require comprehensive pre-clinical data before approving a drug candidate for human trials. CROs specialize in generating the necessary data that meet these stringent regulatory requirements, ensuring that the drug development process adheres to legal and safety standards.

There is a good reason why the space for CROs is widening. Outsourcing pre-clinical studies to CROs empowers pharmaceutical companies to focus on core research and development while leveraging the specialized expertise of CROs. This approach is usually cost-effective, as CROs possess the infrastructure, equipment and expertise

to conduct comprehensive pre-clinical studies, reducing the need for customers to commission proprietary capabilities.

By identifying potential safety and efficacy issues early in the drug development process, preclinical CRO studies help pharmaceutical companies avoid costly subsequent failures. Most importantly, pre-clinical CROs expedite drug development by conducting studies and generating the necessary data.

There is another development—safety—that is catalysing the importance of pre-clinical CROs. Carcinogenic studies balance innovation in the pharmaceutical industry with patient safety, regulatory compliance and long-term health outcomes.

There is a growing premium on the assurance that new drugs do not endanger patients in any way, deepening the relevance of carcinogenic testing. Regulatory agencies such as the U.S. Food and Drug Administration (FDA) and the European Medicines Agency (EMA) now seek extensive carcinogenicity studies before they approve any new drug. There is a focus on the safe long-term treatment of chronic diseases (cancer, diabetes and cardiovascular conditions) that puts a premium on ensuring that these treatments do not pose additional cancer risks over prolonged use. As an extension of this reality, the USFDA is demanding a precise analysis of nitrosamines in new drug development, as prolonged exposure to certain levels of nitrosamines can increase cancer risk.

Besides, with drug discovery becoming sophisticated, converging biotechnology, nanotechnology and complex chemical structures, there is always the danger that carcinogenic effects may increase, warranting comprehensive testing. As public awareness of potential risks associated with pharmaceuticals becomes larger, there is a greater scrutiny of pharmaceutical companies that could lead to legal action, trust deficits and reputation damage. Additionally, extensive testing makes it possible to mitigate the possibility of product recalls, litigation and drug development investment write-offs.

Your company has generated full pre-clinical data for one agrochemical product registration submitted to EPA (Environmental Protection Agency), which could ignite pre-clinical sales for new product testing. Besides, carcinogenicity

scope addition will enable your company to reach niche agro chemical manufacturers for product registration.

Good Laboratory Practices (GLP) are becoming increasingly stringent due to critical research, testing, and development within industries such as pharmaceuticals, biotechnology and environmental testing. With science becoming more complex, the demand for accurate, reproducible and reliable data has increased. Stricter GLP standards ensure that experiments and studies are conducted in a controlled and consistent manner, minimizing errors and ensuring that results are credible and reproducible.

Regulatory agencies worldwide, such as the USFDA, EMA and others, are strengthening laboratory compliance standards to ensure that all studies, particularly those related to human health and safety, meet rigorous standards. With advances in science, testing procedures have become more complex; the imposition of strict GLP ensures that laboratories handle complex procedures with precision. Besides, there is a growing need for standardized practices across countries and industries, harmonized through uniform and stringent GLP standards.

The ethical treatment of test subjects (animals) and the integrity of scientific research are putting a premium on strict GLP to prevent research manipulation. Additionally, stringent GLP comprises guidelines for waste management, resource use and environmental responsibility, balancing the interests of the customer and the world.

The last reason why the business of Vivo Bio Tech is optimistic is due to the increasing need for extensive pre-clinical testing of medical devices—implantable, invasive, diagnostic and combination devices—to ensure safety, effectiveness and compliance with regulatory standards. This growing emphasis on pre-clinical testing due to regulatory pressures, technological advancements, personalized medicine and heightened public device safety awareness is widening the market for companies like ours.

The result is that we are at the right place at the right time in the right geography to build on our business and generate sustainable year-on-year growth.

**Chandrasekhar Patnaik**  
Chief Business Officer

Whole Time Director & CFO overview

We are climbing  
the value chain,  
potentially  
strengthening  
revenues, margins  
and respect

We have laid the ground for a reinvented Vivo Bio Tech





## Overview

The principal financial message that the management seeks to send out is that during the year under review, it embarked on a decisive restructuring.

This restructuring comprises the initiative to moderate one segment of the business (animal-centric sales) and enhance the role of the other (pre-clinical contract research organisation).

This decision has been inspired by the following realities:

- The animal-centric revenue stream is subject to competitive intensity, moderate value-addition, nominal organisational respect and high corresponding risk.
- The pre-clinical contract research business is relationship-driven and

offers growing margins in a world where such studies are becoming increasingly critical

The company generated 44% of its revenues from animal-centric sales during the last financial year. Over the next few years, even as the company's revenues increase by 50%, all the increase is likely to be derived from pre-clinical contract research revenues. This is likely to skew the company's revenues towards pre-clinical contract research, strengthening visibility, market respect and margins. We believe that this shift is likely to strengthen overall profitability and business sustainability.

The company also expects that the increase in pre-clinical contract research revenues will build on its extensive presence in this segment of the business in India (engaged as it is with virtually

every prominent Indian pharmaceutical company in one way or another). The company will seek to deepen its market standing as a complete end-to-end contract research service provider.

During the year under review, the company moderated its lease rental business, which is expected to strengthen its recall as a science organization. The decline in the rental income is likely to be more than made up by revenues derived from pre-clinical contract research.

The complement of these initiatives is expected to lay the foundation of a reinvented company that generates superior value for stakeholders across the foreseeable future.

**Sri Kalyan Kompella,**  
*CFO & Whole Time Director*



# Governance represents the heart of our business

**This subject is becoming increasingly important in the area of  
pre-clinical Contract Research Organization studies**



## Overview

Our growing pre-clinical contract research business indicates a validation of our governance commitment and ethical practices.

### Regulatory compliance

As a responsible pre-clinical CRO, we have operated within a framework of stringent regulatory standards set by agencies like the FDA, EMA and others. Adhering to governance and ethical standards ensures that our organization remains compliant with laws and regulations, avoiding potential legal issues and penalties.

### Public trust

At our company, the integrity of pre-clinical studies has helped maintain public trust in pharmaceutical and biotechnology research. High ethical standards in conducting studies, particularly those involving animal testing, continue to assure our stakeholders—including patients, regulatory bodies and the general public—that the organization prioritizes humane treatment and scientific integrity.

### Data integrity

At our company, ethical governance ensures that data generated from pre-clinical studies remain reliable and credible. We recognise that any compromise in ethical standards could lead to data manipulation or falsification, undermining the study's validity and potentially risking patient safety in subsequent clinical trials.

### Quality assurance

At our company, strong governance promotes consistent quality control throughout the study process. This ensures that experiments are conducted systematically, minimizing errors and improving the overall reliability of the results.

### Risk management

At our company, ethical governance identifies and mitigates potential risks associated with pre-clinical studies. This is particularly important in managing conflicts of interest and ensuring that all research outcomes are dedicated to advancing knowledge rather than personal gain.

### Reputation management

At our company, reputation is the principal asset. Maintaining high standards of governance, ethics and integrity are crucial for deepening credibility and client relationships in the pharmaceutical and biotech sectors. We recognise that negative incidents or ethical breaches can damage a CRO's reputation and client trust.

### Patient safety

At our company, the goal of pre-clinical research is to protect patient health and safety. Ethical conduct in studies ensures that potential risks are transparently communicated, contributing to safer drug development processes and better health outcomes.

### Sustainable practices

At our company, governance frameworks promote sustainable practices in research and business. This can lead to innovative approaches that prioritize environmental responsibility and the sensitive treatment of subjects, aligning with wider societal values.

### Responsibility to society

At our company, pre-clinical research has broader implications for public health and safety. Ethical governance ensures that researchers consider the social and ethical dimensions of their work, contributing positively to health advancements and society as a whole.

### Collaboration and partnership

At our company, governance facilitates trust among stakeholders, including pharmaceutical companies, regulatory agencies, and academic institutions. This fosters a more conducive environment for research and development, enhancing the effectiveness of pre-clinical studies

# The India story: Why our company enjoys an attractive future



## Overview

In the coming years, India is expected to become a global center for clinical trials due to significant changes in the dynamics of clinical research. This rise is supported by several strong factors, including a broad range of patients, an abundance of seasoned researchers, affordable research infrastructure and progressive regulatory changes. In the rapidly evolving landscape of pharmaceutical research, India stands on the cusp of a transformation that

promises to significantly enhance its contributions to global clinical trials. Regulatory reforms since 2013 and the New Drugs and Clinical Trial Rules of 2019 have streamlined the approval processes, reducing timelines 30% to 40%, resulting in India becoming a favourable destination for clinical trials. India contributes 3% to 4% of global clinical trials, while it accounts for nearly 17% of the world population. Furthermore, India accounts for over 15% of the global burden of the most highly prevalent

diseases. This presents a significant opportunity for India to become a leading destination for clinical trials worldwide. During 2017 to 2023 phase II and phase III clinical trials have grown at about 15% to 18% in India.

*(Sources: The Economic Times, Livemint, Clinical Trials Arena, Invest Up.gov.in)*



**The big picture**

The last few years have witnessed a dramatic increase in the number of clinical trials in India, the government is aggressively promoting India as a location for clinical trials. After the pandemic the numbers registering a 10-fold increase in three years. The definition of having an ethics committee within a 50 km radius of an investigator site has become strong, resulting in a conducive ecosystem, catalysed by infrastructure in Tier 1 and 2 cities comprising the hospital and investigator site network.

The phase I segment is expected to grow at the fastest with a growing CAGR of 10.0% over the forecast period from 2023 to 2030. Recently, pharmaceutical companies that are involved in clinical trials are being trailed by a growing concern over the clinical research ethics followed in India. In India, pharmaceutical companies carry out about 60% of clinical trials, while the other 40% are handled by CROs in India. Clinical trials are more than 50% cheaper in India compared to developed countries.

Several relaxations and exemptions to conduct clinical trials for diseases that target life-threatening conditions were offered, including exemptions from phase III and phase IV trials. Disease prevalence, density of investigators and number of patients accessing healthcare are significantly higher in tier-1 cities. In addition, the majority of public and private sector tertiary care hospitals are located in tier-1 cities..

*(Sources: IJRPC.com, Grandview Research, Longdom.org, Livemint)*

**India: favourable clinical trial hub**

The Indian clinical trials market is expected to reach USD 3.88 Billion by 2030, with a growing CAGR of 8.2% from 2023 to 2030. The globalization of clinical trials, the growing variation and prevalence of diseases in the country, the adoption of new technology in clinical research and the increasing promotion of outsourcing are the key factors driving the market. The cost of carrying out clinical trials in India is nearly 40% to 70% less when compared to that in Europe

or the U.S. Thus, the cost efficiency, along with skill sets and ease of doing business, is anticipated to fuel the market growth. Over the past 10 years, clinical trials in India have become easier, more accessible and accelerated, experts from the pharma sector have said as top multinationals are increasingly looking at the country as their base for clinical trials. From 2017 to 2023 the phase two and phase three clinical trials are growing at about 15% to 18% in India.

India is populated with 1.44 Billion people, R&D individuals with varying genetic backgrounds and a large

patient pool for the development of therapeutics on a range of disease conditions. The economic, environmental and ecological variations in India present the most diverse disease profile, making it an ideal setting for comprehensive clinical trials that aim to understand the broad spectrum of diseases and their interactions with different demographic and environmental factors.

*(Source: Business Wire, Research and Markets, Allied Sciences, The Economic Times)*

**Sustained market growth**

2.07    3.15    3.88

|   |   |   |
|---|---|---|
| USD Billion, size of the Indian clinical trial market in 2022 | USD Billion, projected size of India's clinical trials market by 2025 | USD Billion, projected size of India's clinical trials market by 2030 |
|---|---|---|

(Sources: Allied sciences, Fortune India)

**India a growing market**

40    50    15

|   |  |  |
|---|--|--|
| % of clinical trials are carried out by CROs in India | % cheaper in India compared to developed countries | %, of most highly prevalent diseases, India accounts for |
|---|--|--|

(Sources: Longdom.org, ProRelix Research, Livemint)

# Growing importance of R&D in the pharmaceutical industry





## Approvals of new drugs and product introductions

In 2023, the global launch of 69 novel active substances (NASs) highlighted an improvement in clinical development productivity, with the composite success rate increasing to 10.8%, the highest level since 2018. The Clinical Development Productivity Index, which measures success rates, clinical trial complexity and trial duration, reached a value of 17.4 in 2023. Over the past five years, 362 NASs have been launched globally, including 113 NASs introduced in the U.S. in 2023. NAS launches in China are increasing, indicating a growing domestic industry as well as a combination of reduced barriers and increased incentives for multinational NAS launches. Regulatory agencies are generally attempting to make changes which the industry finds positive, including greater simplification, transparency and speed, but the pace of change differs across geographies. Large pharmaceutical companies have shifted country utilization over the last decade by reprioritising and rationalizing country selection for trials.

## Research and Development pipeline

In 2023, the biopharmaceutical industry experienced substantial growth and transformation. Global funding for research and development (R&D) surged to USD 72 Billion, up from USD 61 Billion in 2022, reflecting increased investment in innovative drug and therapy development. Mergers and Acquisitions (M&A) activity saw a dramatic rise, soaring to USD 140 Billion from USD 78 Billion in the previous year. Despite this increase in activity, the median deal value continued to decline for the second consecutive year, indicating a trend towards a higher volume of smaller deals.

The most notable transactions of 2023 included 11 deals each valued at over USD 5 Billion, with a strategic focus on critical areas such as cancer, neurology and cardiovascular diseases. Among these, the most significant investments were directed towards antibody-drug

conjugates (ADCs), a cutting-edge approach in targeted cancer therapy. ADCs were the focal point of six major deals, collectively worth USD 90 Billion, highlighting the industry's commitment to advancing treatment options in oncology. This broader trend emphasizes the biopharmaceutical sector's dedication to addressing pressing health challenges through substantial financial commitments and strategic partnerships.

## Clinical trial landscape

Drug developers initiated nearly 4,900 clinical trials in 2023, down 15% from 2022 and down 32% from their highpoint in 2021. The decline is largely attributable to the decrease in COVID-19 trials, but other areas are also affected. The annual number of clinical trials has fallen below pre-pandemic levels. Although COVID-19 disruptions have mostly subsided, the impact of past delays in trial starts or completions will continue to affect companies' future activities. Clinical trial starts in oncology, metabolic/endocrinology, immunology and neurology were together down by around 8%. Oncology showed the least slowing, at just 3%. Neurology slowed the most of these, down 26%. These four therapeutic areas accounted for 79% of new trial starts in 2023. In contrast, obesity saw a 68% increase in clinical trial starts in 2023, making it a growth area. Over 120 drugs are now in development for obesity and 35% of these drugs are incretin-based therapeutics.

## Improving clinical development productivity

The composite drug development success rate across all therapy areas at 10.8% in 2023, up from a low-point of 5.9% in 2022. This change was driven by increases in success rates in phase I trials and phase III trials. The biggest upswings were for rare diseases rising to 13.3%, oncology 10.4% and neurology 10.8%. While overall success rates improved slightly. As technology and data advances take hold across the pharmaceutical development pipeline, productivity is

being impacted by a range of trade-off effects on complexity, timing and probability of success.

## Investments

In the fourth quarter of 2023, biopharma licensing partnerships experienced significant activity, with a total announced deal value of USD 63.0 Billion from 108 deals. Notably, one deal alone accounted for USD 22 Billion of this total. Venture investment in therapeutics also saw substantial engagement, with USD 3.5 Billion invested across 79 venture rounds in Q4. This brought the total venture investment for the year to USD 17.0 Billion from 350 rounds, indicating robust financial support for therapeutic development.

The IPO market for biopharma was active as well, with one IPO raising USD 300 Million in Q4. Over the entire year, there were 12 IPOs on U.S. exchanges, collectively raising USD 2.5 Billion. This reflects a strong interest in biopharma companies among public market investors. Mergers and acquisitions (M&A) in the biopharma sector also showed significant activity. Q4 saw M&A deal values of USD 37.6 Billion. For the whole year, the total upfront M&A value reached USD 128.8 Billion from 112 acquisitions. This highlights a dynamic M&A landscape, with companies seeking to consolidate and expand their capabilities through strategic acquisitions.

## Innovation and the role of biopharmaceutical companies

Biopharma companies with less than USD 200 Million in R&D spending and less than USD 500 Million per year in annual revenue sponsored over 60% of clinical trials starts in 2023. Large pharmaceutical firms sponsored 27% of the new trials in 2023. The 15 largest pharmaceutical companies invested USD 161 Billion in R&D in 2023, marking an increase of nearly 50% compared to 2018.

*(Sources: Bio Space, Nature, J.P. Morgan)*

# The benefits of R&D outsourcing in the global pharma sector



## Overview

The global pharmaceutical R&D outsourcing market valued USD 81.23 Billion in 2023. It is expected to reach USD 187.80 Billion in 2032, growing at a CAGR of 9.76% during the forecast period from 2024 to 2032. Pharmaceutical companies outsource R&D activities to contract research organizations (CROs) and contract development and manufacturing organizations (CDMOs) to reduce operational costs, access specialized expertise and optimize resource allocation. This approach enables companies to scale R&D efforts according to project needs without incurring fixed overhead costs.

North America remains the largest shareholder in the global pharmaceutical R&D outsourcing market, with a growth

rate of 9.20% CAGR from 2022 to 2032. Europe is also expected to see robust growth, with a CAGR of 9.71% from 2022 to 2032. The Asia-Pacific region is the fastest-growing market for pharmaceutical R&D outsourcing, driven by emerging countries such as China and Japan. These countries benefit from lower labour costs and a surge in outsourcing for biologics manufacturing.

Key factors fuelling the demand for pharmaceutical R&D outsourcing include increasing populations, the emergence of new infections, high demand for cell and gene therapy, vaccines, enhanced biopharmaceutical facilities and the impact of COVID-19.

(Sources: Credence Research, Straits Research)

## Surge in usage of cloud-based computing and related software platforms in R&D

Many global companies are leveraging cloud infrastructure to facilitate remote work, optimizing cloud and data strategies remains crucial for enhancing innovation, research and development. The cloud provides instant infrastructure setup, scalability to accommodate changing needs and robust protection for both physical data centers and virtual networks. This makes it an ideal solution for supporting R&D efforts. Additionally, enterprises can accelerate the development of secure digital applications and platforms. The cloud also offers significant potential for storing and integrating information across a resilient network, enabling organizations

to achieve interoperable data and foster teamwork, collaboration and co-creation. As a result, cloud and data modernization strategies are closely intertwined and essential for maximizing organizational efficiency and innovation.

Human genome sequencing data volumes are expected to reach 40 exabytes by 2025 and scientists spend up to 30% to 40% of their time searching, combining and cleaning data. The cloud could be a game-changer for getting pharmaceuticals to market faster and cheaper. It has already broken the world record for elastic genomic data analysis. As per several studies, sharing infrastructure and resources for master protocols can shorten research cycle time by 12% to 17% while saving 11% to 14% in overall costs, thus propelling the pharmaceutical R&D outsourcing market growth.

### Emergence of AI in drug discovery and development

AI has a significant impact on healthcare, particularly within the pharmaceutical industry, AI is deployed to accelerate drug discovery and development, optimize clinical trials and improve productivity. Traditionally, the drug discovery process is lengthy and complex, involving multiple stages from the lab to the pharmacy. AI can streamline these processes, minimizing complexities and enabling pharmaceutical companies to develop drugs more quickly.

Pharmaceutical companies have achieved many breakthroughs but have yet to generate a return on their R&D investments. In R&D, the average investment in successful drug development is USD 2.6 Billion. This cost encompasses the repeated successes

or failures of millions of compounds in the R&D process to achieve approval. Many pharmaceutical companies now leverage cutting-edge technologies to deliver high-quality results more efficiently. These technologies generate vast amounts of data, which AI can analyse to extract relevant information from experiments. The increased use of AI in advanced experiments in recent years has significantly contributed to the growth of the market.

### Pharmaceutical R&D expensive with a low success rate

The pharmaceutical industry invested USD 83 Billion in 2019, for research and development (R&D) activities including novel drug testing, incremental improvements and safety trials. Despite rising R&D spending relative to revenue, developing new medications remains costly and uncertain. A significant portion of potential drugs never reaches the market, as only 12% of rigorously tested medications receive FDA approval. The lengthy development timeline, often exceeding a decade and the lack of immediate financial rewards present substantial barriers to market growth.

### Rising the venture capitalist investments in biotech industry

Biotech start-ups are experiencing unprecedented venture capital (VC) funding, notably from biopharma Companies through their corporate VC divisions. This involves substantial investments in affiliates, typically focusing on promising start-ups in the same field. Such record-breaking investments are generating numerous new opportunities in global healthcare.

### Access to specialized knowledge

Pharmaceutical R&D is complex, requiring expertise in scientific, technological, regulatory and legal fields. Outsourcing R&D to third-party providers offers access to a broader pool of specialized knowledge, including expertise in therapeutic areas, drug delivery technology, clinical trial design, and regulatory compliance. This access to specialized expertise can help pharmaceutical companies accelerate drug development, reduce costs and enhance product quality. It also enables them to stay competitive in a rapidly evolving market by keeping up with the latest scientific and technological advancements.

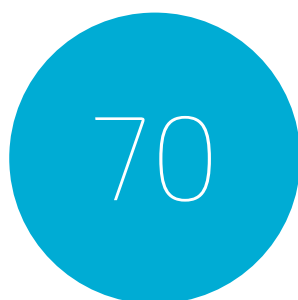
### Financial advantage

Expanding existing facilities, leasing additional laboratory space and hiring staff can be both expensive and often unnecessary. Constant expansion can result in bloated, fixed expenses that may surpass operational needs once the required product is developed. R&D outsourcing is considered more flexible and cost-effective solution to manage growth and resources efficiently.

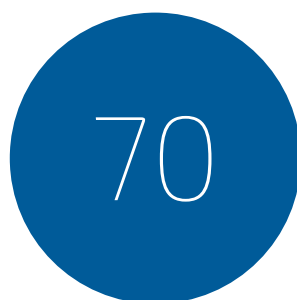
### R&D failure rates in the pharma sector

Biotech and Pharma sectors entail substantial risk and investment. Developing new drugs demands roughly a decade and USD 1.3 Billion per drug. Beyond clinical trial letdowns, initial drug discovery and R&D management steps also face noteworthy failure, with a staggering 96% rate.

(Sources: Straits Research, Credence Research, Tilley Distribution)



USD Billion, is expected to be saved in the drug discovery process by 2028 with the assistance of AI



%, of time and costs for drug discovery in pharmaceutical companies is anticipated to be saved with the assistance of AI



USD Billion, global research and development spending in the pharmaceutical industry in 2023

(Sources: Contract Pharma, Statista)

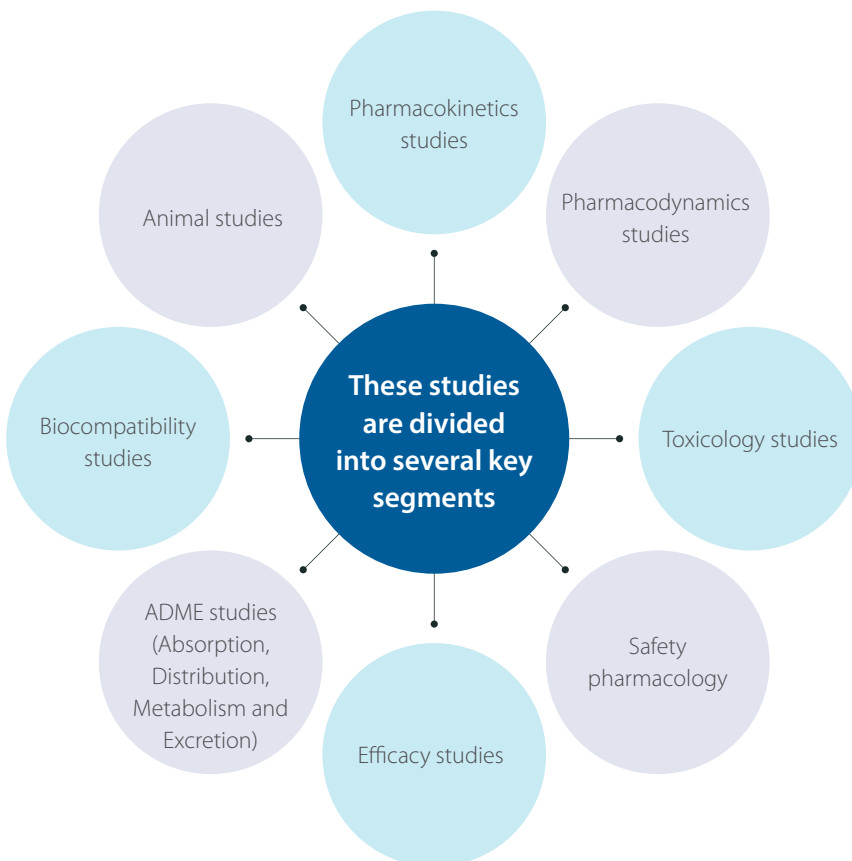
# Pre-clinical research scenario

## Overview

The global pre-clinical contract research organisation (CRO) market valued USD 7.79 Billion in 2023, is poised to reach USD 19.41 Billion by 2030, at a CAGR of 13.9% during the forecast period from 2023 to 2030. Biotechnology and biopharmaceutical companies are increasingly outsourcing their R&D for

new therapeutics to contract research organizations (CROs) to achieve cost-effective and time-efficient research outcomes. Key drivers of this trend include the need for enhanced pre-clinical testing, the shift toward decentralized studies, stringent regulatory compliance, improved risk management and significant cost

reduction. These factors have led healthcare companies and research institutes to rely more on pre-clinical CROs for their research studies. Pre-clinical studies, often conducted before clinical trials in humans, are essential for assessing the safety, efficacy and pharmacokinetics of a new drug or medical device.



(Sources: Fortune Business Insights)

## Big numbers

47.14

%, North America led the global market with the highest market share in 2023.

10.9

% CAGR, the Asia Pacific region is expected to grow from 2024 to 2033.

20.20

%, the global market share of the Asia Pacific region in 2023.

(Sources: Precedence Research)

# Prospects of the contract research organizations (CROs)

## Overview

Contract research organizations (CROs) offer a range of services, including pre-clinical research, data collection and clinical trial management, biotechnology,

pharmaceutical and medical device companies. The global contract research organization (CRO) services market reached USD 79.54 Billion in 2023. The market is expected to grow from USD 86.33 Billion in 2024 to USD 175.46

Billion by 2032, with a growing CAGR of 9.3% from 2019 to 2032. By partnering with CROs, life science companies can significantly cut down on the costs and required time to develop and launch new therapeutics and medical devices.

## Advantages

### Expertise and specialization:

Pre-clinical CROs provide specialized knowledge and expertise in early-stage research, including in vitro and in vivo studies, toxicology, pharmacokinetics and pharmacodynamics.

**Cost efficiency:** Outsourcing pre-clinical research can be more cost-effective than maintaining in-house facilities and staff. It allows companies to manage costs better by avoiding the need for expensive equipment and infrastructure.

**Accelerated timelines:** CROs can often speed up the research process due to their established protocols, experienced staff and optimized workflows, which helps in meeting project deadlines and getting products to market faster.

### Access to advanced technology:

CROs typically have access to state-of-the-art technology and equipment, which might be cost-prohibitive for individual companies to acquire and maintain.

**Regulatory compliance:** Pre-clinical CROs are well-versed in regulatory requirements and can ensure that studies are conducted in compliance with guidelines from agencies like the FDA or EMA, reducing the risk of regulatory issues.

**Risk management:** CROs help in identifying potential issues early in the development process, which can mitigate risks associated with drug development and avoid costly late-stage failures.

**Global reach:** Many CROs have a global presence, enabling access to diverse patient populations and facilitating studies that meet international regulatory requirements.

**Data management and analysis:** CROs offer advanced data management and analysis services, ensuring accurate and reliable results that are crucial for making informed decisions in drug development.



# The business landscape for medical device testing



## Overview

The global medical device testing market was valued USD 10.6 Billion in 2023, it is expected to reach USD 13.5 Billion by 2028, growing at a rate of 4.9% CAGR from 2023 to 2028. The rapid expansion of the global healthcare sector presents a substantial opportunity for stakeholders in the medical device testing market. As healthcare infrastructure improves, particularly in emerging markets the demand for advanced medical devices is rising.



### The growth landscape

#### Healthcare sector expansion:

The rapid expansion of presents a significant opportunity for stakeholders in the medical device testing market. The global healthcare sector valued USD 10 Trillion in 2023, as healthcare infrastructure improves, particularly in emerging markets, the demand for advanced medical devices is increasing, driving the need for comprehensive testing services to ensure safety and regulatory compliance.

#### Increasing healthcare

**accessibility:** Healthcare accessibility is improving in regions like Asia-Pacific, Latin America and parts of Africa, leading to increased demand for medical devices. Governments and private sectors are investing heavily in healthcare infrastructure, creating a growing need for testing services to ensure the safety and efficacy of new devices entering these markets. The United States has the highest average disposable income compared to other countries.

#### Rising disposable incomes

**and health awareness:** As disposable incomes rises, especially

in developing countries more people can afford advanced healthcare services and products. This trend increases the need for comprehensive testing. In 2024, the United States leads in average gross disposable income at USD 54,854, followed by Switzerland USD 43,035, Australia USD 42,547 and Germany USD 42,433, which further accelerates the adoption of sophisticated healthcare solutions.

#### Technological advancements and

**innovation:** The medical device industry is continuously innovating with new technologies such as wearables, AI-driven diagnostics and minimally invasive surgical devices. These advancements require sophisticated testing protocols to ensure their safety, efficacy and regulatory compliance. The AI in healthcare market is expected to grow from USD 14.6 Billion in 2023 to USD 102.7 Billion by 2028.

#### Regulatory stringency:

Regulatory bodies worldwide are enforcing strict guidelines and standards for medical devices. In regions like North America and Europe, the regulatory environment is

particularly rigorous, necessitating extensive testing and certification before devices can enter the market. This regulatory pressure is a significant driver of growth in the testing market.

#### Outsourcing and specialized

**services:** Many medical device companies are outsourcing their testing needs to specialized third-party providers. This trend is particularly strong among small and medium-sized enterprises (SMEs) that may lack in-house testing capabilities. Outsourcing allows these companies to focus on core activities like R&D while ensuring compliance with regulatory standards. the global medical device for analytical testing outsourcing market reached USD 5.55 Billion in 2023 and it is anticipated to grow USD 11.28 Billion by 2032. The market is expected to grow with a CAGR of 8.20% during the forecast period from 2023 to 2032.

### Outlook

The market is expected to grow as the global healthcare sector expands, driven by factors such as increasing healthcare accessibility, rising disposable incomes and technological advancements. Stakeholders in the medical device testing market are well-positioned to benefit from these trends, particularly as

the demand for high-quality, safe and effective medical devices continues to rise.

The global medical device testing market is set for robust growth, supported by the expansion of healthcare infrastructure, regulatory pressures, technological innovations and increasing health

awareness. These factors collectively create a fertile environment for market expansion, presenting numerous opportunities for stakeholders across the industry.

*(Sources: Markets and Markets, The Hindu, World Population Review, The Indian Express, Zion Market Research)*

# Development of animal genetics



## Global overview

The global animal genetics market valued USD 7.77 Billion in 2023, the industry is on a strong growth trajectory. It is expected to reach from USD 8.31 Billion in 2024 to USD 14.78 Billion by 2032, with a growth rate of 7.5% CAGR during the forecast period from 2024 to 2032.

Animal genetics focuses on developing animals with superior traits through genetic modification. This involves various breeding methods, including natural breeding, artificial insemination, cryopreservation and embryo transfer.

In addition to breeding, animal genetics encompasses a range of testing techniques, such as genetic trait testing, DNA typing and genetic disease testing.

Several factors are driving the growth of the market. The increasing population of livestock animals is a major contributor, as it raises the need for efficient and productive breeds. Additionally, the rising incidence of genetic disorders in animals, which necessitates genetic testing and the growing demand for animal-derived protein are further fuelling the market's expansion.

## Indian overview

The animal genetics market in India is experiencing significant growth, driven

by several key factors that reflect the country's evolving agricultural landscape and rising demand for high-quality animal products. The animal genetics market in

India is anticipated to reach a revenue of USD 460.9 Million by 2030, with a growth rate of 8.5% from 2024 to 2030.

### Key drivers of growth in India

#### Increasing demand for animal protein:

With India's growing population and increasing urbanisation, there is a rising demand for animal-derived products like meat, milk and eggs. This demand is pushing the need for more efficient and productive livestock. The animal protein market size of India is expected to reach USD 486.39 Million in 2024 and it is anticipated to reach USD 666.84 Million by 2029, with a growth rate of 6.51% CAGR.

#### Government initiatives and support:

The Indian government is actively promoting the improvement of livestock through various programs such as the National Livestock Mission and Rashtriya Gokul Mission. These initiatives focus on enhancing the genetic quality of indigenous breeds, boosting milk production and improving overall livestock productivity. India's dairy exports reached a significant milestone during the year 2023-24, with the

country exporting 63,738.47 metric tons (MT) of dairy products globally. These exports generated a total revenue of USD 272.64 Million.

#### Adoption of advanced genetic technologies:

Indian farmers and livestock producers are increasingly adopting advanced genetic techniques like artificial insemination, embryo transfer and cryopreservation. These technologies are helping to produce animals with superior traits, such as higher yield, better disease resistance and improved adaptability to local conditions.

#### Rising awareness among farmers:

There is a growing awareness among Indian farmers about the benefits of using genetically superior animals. This awareness is leading to greater acceptance and implementation of genetic testing, DNA typing and other modern breeding techniques.

#### Expansion of the private sector:

The private sector, including

both domestic and international companies, is investing in India's animal genetics market. These companies are involved in breeding programs, genetic testing and the development of advanced genetic technologies, contributing to the market's growth.

#### Focus on indigenous breeds:

Efforts are being made to preserve and enhance the genetic traits of indigenous breeds, which are well-suited to India's diverse climatic conditions. Genetic improvements in these breeds are helping to increase their productivity and ensure their sustainability.

#### Research and development:

India's research institutions and universities are increasingly focusing on animal genetics. Collaborations with global organizations and advancements in biotechnology are accelerating the pace of innovation in this field. In the Union Budget for FY 2024-25, the government allocated ₹ 1 Lakh Crore for research and development (R&D).

## Big numbers

4.01

USD, Billion animal genetics market size of North America in 2023

2.71

USD, Billion animal genetics market size of Europe is expected to reach by 2028

4.3

%, India accounted for the global animal genetics market in 2023.

261.2

USD, Million market revenue of India in 2023

(Sources: Fortune Business Insight, Business Market Insights)

(Sources: Grandview Research, Gii Research, Invest India, PIB)

# Vivo's innovative approach to contract research

The Company's involvement in animal sales, testing and research is becoming increasingly vital in the broader field of drug development.

## Our strengths

**Vision:** The Company aims to become one of the top five drug discovery services companies in India.

**Intensity:** The Company is India's only SPF animal source, the world's leading lab animal breeder and one of the few CROs with a substantial animal facility.

**Range:** The Company offers a diverse range of studies, including those in pharmaceuticals, biopharma, agrochemicals, toxicology and biocompatibility.

**Services:** The Company offers services ranging from in vitro to pre-clinical development, positioning itself as one of India's largest comprehensive CROs for studies and beyond.

**Distinctive offering:** The Company provides a comprehensive solution with a wide range of discovery services all in one location, along with globally competitive pricing.

**Facilities:** The Company has a large pre-clinical facility that's 150,000 sq. ft. It's like a top-notch service center. The Company's business covers 12 acres and has plenty of space to grow more.

**Certifications:** The Company possesses crucial industry accreditations, including AAALAC, OECD GLP, and CPCSEA, among others.

**Scope:** The Company has shifted its focus from animals to research, now covering pharmaceuticals, biopharma, nutraceuticals and agrochemical studies.

**Clients:** The Company boasts an extensive client base in Pharma, biotech, vaccines, CROs and research institutions.

**Expertise:** With a team of over 60 staff members across drug discovery, toxicology and pathology, the company also employs more than ten veterinary doctors. These professionals ensure top-tier animal care that meets global market standards.

**Performance:** The Company plans to acquire reference compounds and standards, conduct in vivo bacteria studies and in vitro animal studies, develop a capability profile and collaborate with key clients on their molecules.

**Quality standards:** All study processes follow OECD-GLP guidelines. Quality assurance aligns with OECD and FDA rules. The Company houses a GLP-accredited expansive facility and an AAALAC accredited site.

**Assistance:** The Company advances lead candidates to IND and market approval, offering viable research choices for swift regulatory submissions.

**Duration:** Centralized infrastructure improves biological research by offering in vivo and in vitro services, thereby reducing costs and turnaround time.

**Strategies:** Vivo Bio has extensive Good Laboratory Practice accreditations and is staffed by experienced American Board of Toxicology Diplomates. Skilled in complex methodologies, it conducts a wide range of studies. Expanding its ADME and DMPK research to include large animals.

**Economical:** The Company is renowned for providing cost-effective solutions that are delivered on time, meeting service level agreements (SLAs) and budget requirements.

# Advancing the business through modern infrastructure

Vivo Bio Tech's Premium Research Facilities in Hyderabad

## Laboratory animals business

- Vivo Bio's facility is recognized as one of India's leading centers for animal experimentation.
- Spanning five floors, the facility is purposefully designed to house a variety of animal species, including rats, mice, guinea pigs, rabbits, hamsters and canines.
- The storage section features dedicated rooms for food storage, equipped with vermin-proof measures and temperature control systems.
- The Class 100,000 facility with efficient HVAC control (Blue Star) facilitates 100% air circulation.
- The Company implemented a three-level pressure gradient system, incorporating supply and return corridors equipped with air locks.
- Distinct separation exists between the Company's barrier (clean corridor) and non-barrier (service corridor) areas.
- The Company has designated sections with separate entrances and exits for breeding and experimentation.
- The Company provides ample infrastructure to meet the needs for experimental isolation.
- The Company manages transgenic, disease and surgical models.
- Independent air handling units cater to each study room and quarantine room at the Company.
- The Company has implemented a robust integrated building management system (iBMS) in collaboration with Siemens, Inc.
- The Company benefits from layered biometric access control, ensuring limited entry

## Drug discovery services

- The Company's advanced pre-clinical research facility covers 1,50,000 square feet.
- It is designed adhering to AAALAC and GLP standards, with input from global consultants.
- The facility is registered with the committee responsible for the control and supervision of experiments on animals.

## Investment in the best equipment

Vivo Bio Tech employs top-notch instruments from reputable vendors, ensuring exceptional study quality

- Biochemical analyser
- Hematology analyser
- Urine analyser
- Reverse osmosis water system
- Elix water system
- Refrigerated centrifuge
- Mix mate
- Autoclaves
- Refrigerator
- Freezer
- Tissue processor
- Tissue embedder
- Flattening table
- Water bath
- Semi motorised
- Microtome
- Manual microtome
- Slide stainer
- Cold plate
- Inverted microscope
- Magnetic stirrer
- PH meter/ Temperature laboratory bench
- Hot plate stirrer
- Autoclave
- Animal weighing balance
- AHU ventilation Units – IVCs
- Laminar Air Flow
- Freezer
- Balances



# Vivo's strategy for growth through prudent risk management





## Overview

Vivo Bio Tech's business model is centered around inherent risk management, following a 'Predictable, Sustainable, Profitable and De-risked' approach. This involves identifying, assessing, monitoring and mitigating risks to minimize negative impacts, enhance stakeholder value and secure a competitive edge.

## Risk management framework

The risk management framework comprises these essential components

- Risk management structure
- Risk categories
- Key risk management practices

## Risk management structure

The Company handles diverse risks throughout its organization, organised into different lines of defense within its risk management structure. The major roles and responsibilities regarding risk management in the Company are as follows:

| Level                      | Key roles and responsibilities   |
|----------------------------|--|
| Board of Directors (Board) | <ul style="list-style-type: none"> <li>• Corporate governance oversight of risk management performed by the executive management</li> </ul>  |
| Segment heads              | <ul style="list-style-type: none"> <li>• Organising their functions as per Company's risk management philosophy</li> <li>• Managing risks related to the business decisions relating to their unit, range of control or scope of operations</li> <li>• Managing risks at the unit level that may arise from time to time in consultation with the Board</li> </ul> |

## Risk categories

**Strategy risk:** Risks related to market preferences, resource allocation and the delivery model could impact the company's long-term competitive advantage.

**Industry risk:** Shifts in industry trends, competition, technology, economic conditions and regulations could affect the company's operations.

**Counterparty risk:** The Company's risks arise from its associations with business entities such as clients, vendors and alliance partners, as well as their respective industries.

**Resources risk:** The Company could face sourcing risks due to inadequate procurement or suboptimal use of critical resources such as talent, capital and infrastructure.

**Operational risk:** The Company may face various risks related to its business operations, including client acquisition, service delivery, support functions, information security, physical security and potential disruptions to business activities.

**Regulatory risk:** The Company could face risks from inadequate adherence to regulations, contractual commitments and instances of intellectual property infringement. Such situations could lead to legal actions and harm the company's reputation.

**Key risk management procedures:** Key risk management practices include risk assessment, measurement, mitigation, monitoring, reporting and their integration with strategy and business planning.

**Assessing and identifying risks:** The Company regularly evaluates risks by identifying and prioritizing them for action. This involves risk surveys, scanning the business environment, and conducting focused discussions within the Risk Council and Management Committee. Executives across units are surveyed prior to the annual strategy exercise. Additionally, the Company utilizes a risk register, internal audit findings and executive input for identifying risks.

**Risk measurement, mitigation and monitoring:** The Company uses dashboards to monitor top risks, tracking both external and internal indicators to assess risk levels. Trends, exposure, and potential impacts are analysed and mitigation plans are developed. Risk owners are identified and progress is reviewed regularly.

**Risk reporting:** The Company has established a risk reporting process where risk reports covering risk levels, trends, exposure, impact and mitigation status are periodically reviewed by the Board. Additionally, entity-level risks, such as those related to projects and accounts, are reported and discussed at appropriate organizational levels.

**Integration with business planning and strategy:** The Company incorporates identified risks as a crucial input for strategic decision-making and business planning.

# Vivo's wide range of services

| Test Item  | Test System   | Toxicology (In-Vivo)  |  |
|--|---|---|--|
| <ul style="list-style-type: none"> <li>Pharmaceuticals</li> <li>Industrial chemicals</li> <li>Veterinary drugs</li> <li>Pesticides</li> <li>Food and feed additives</li> <li>Vaccine</li> <li>Biologics and cosmetics</li> <li>Nutraceuticals</li> <li>Medical devices</li> <li>Herbals</li> </ul> | <ul style="list-style-type: none"> <li>Rat</li> <li>Mouse</li> <li>Rabbit</li> <li>Guinea pig</li> <li>Hamster</li> <li>S. typhimurium</li> <li>E. coli cell lines</li> </ul> | <b>Acute</b> <ul style="list-style-type: none"> <li>Acute (All routes of administration)</li> <li>Skin irritation / sensitization</li> <li>Dermal irritation / corrosion</li> <li>Eye irritation</li> <li>Inhalation</li> </ul> | <b>DRF / MTD Sub Acute Sub-Chronic Reproductive Toxicity</b> <ul style="list-style-type: none"> <li>Male fertility</li> <li>Pre-natal development / teratology</li> <li>One generation reproduction</li> <li>Toxicokinetics</li> </ul> |

## Biocompatibility Testing – Capability

| Test Item   | Test System  | Regulatory  | Study   |
|---|--|---|---|
| <ul style="list-style-type: none"> <li>Surface devices</li> <li>External communicating devices</li> <li>Implant device</li> </ul> | <ul style="list-style-type: none"> <li>Rat</li> <li>Mice</li> <li>Guinea pig</li> <li>Rabbit</li> <li>S. typhimurium</li> <li>Cell Lines (Balb/c 3T3, L5178Y TK+/-, CHO-K1)</li> </ul> | <ul style="list-style-type: none"> <li>ISO</li> <li>OECD</li> <li>ASTM</li> </ul> | <ul style="list-style-type: none"> <li>Cytotoxicity</li> <li>Genotoxicity</li> <li>Dermal sensitization</li> <li>Irritation</li> <li>Systemic toxicity</li> <li>Implantation studies</li> <li>Hemo-compatibility</li> </ul> |

## Pharmacology

|  |   |   |  |
|--|---|---|--|
| <b>Cell-based Xenograft Models</b> <ul style="list-style-type: none"> <li>Cell-based Xenograft models</li> <li>Breast cancer (MDAMB-231)</li> <li>Non-small cell lung cancer (A-549)</li> <li>Multiple myeloma (MM.1S)</li> <li>Colorectal carcinoma (HT-29)</li> <li>Glioblastoma (U-87MG)</li> <li>Ovarian cancer (OVCAR-3)</li> </ul> | <b>Syngenic Models</b> <ul style="list-style-type: none"> <li>Breast cancer (4T1)</li> <li>Melanoma (B16F10)</li> <li>Colon cancer (CT26.WT)</li> </ul> | <b>Immunogenicity Studies</b> <ul style="list-style-type: none"> <li>With recombinant proteins</li> <li>Ex-Vivo studies</li> <li>Serum neutralisation test (SNT)</li> </ul> | <b>Other Pharmacology Studies</b> <ul style="list-style-type: none"> <li>Cyclophosphamide Induced Thrombocytopenia</li> <li>Cyclophosphamide Induced Alopecia Model</li> <li>Pre-biotic screening</li> <li>Hemo-compatibility</li> </ul> |
|  | <b>Chemical Induced Cancer Models</b> <ul style="list-style-type: none"> <li>Colon cancer (DMH induced)</li> </ul>                                      | <b>Cell-based Assays In-Vitro</b> <ul style="list-style-type: none"> <li>Proteasome activity</li> </ul>   | <b>DIO</b> <ul style="list-style-type: none"> <li>Research diets (60% HFD)</li> </ul>  |

## Vaccine Testing – Capability

### Test Item

- Conjugated polysaccharide
- Polysaccharide
- Toxoid
- Live attenuated
- Recombinant
- Subunit

### Study

- Acute and sub-acute toxicity
- Local tolerance
- Specific toxicity
- Immunogenicity
- Serum neutralisation test
- Safety and persistence
- Serum bactericidal assay

### Regulatory

- WHO
- EMA
- FDA
- ICH
- DBT
- Schedule-Y

## Analytical

### Physico – Chemical Analysis (5 Batch Analysis)

- Determination of active ingredient content
- UV visible absorption spectrum
- Dissociation constant
- Density, colour, odour and pH
- Recombinant
- Subunit

## Pathology

### Clinical Pathology

- Hematology (multispecies)
- Coagulation analysis
- Clinical chemistry
- Electrolyte analysis
- Urine analysis

### Histopathology

- Routine / Specialised Necropsy Procedures
- Tissue Processing and slide preparation
- Routine (H&E) staining techniques
- Special staining techniques (on demand)
- Microscopic imaging system & analysis
- Microscopic evaluation of slides
- Peer review (on sponsor's demand)

### Quality Assurance

- Verification of study plans & amendments
- Review of SOPs
- Raw data verification & report audit
- Study based Inspections
- Facility based Inspections
- Process based Inspections
- Vendor audits
- Customer audits
- Training programs
- Competency evaluation for personnel
- Calibration and validation of critical equipment

### Physical State & Validation of Analytical Method

- Method development
- Method validation
- Dose formulation analysis
- Bioanalysis

### Residue Studies (Lab Analysis)

#### Analytical Test Report (ATR)

#### Container Content Compatibility (CCC)

#### Shelf Life Studies & Accelerated Storage Stability

# Vivo's progress in toxicology service



## In-Vitro

In the early stages of research, pre-clinical investigations use in-vitro assessments to determine the safety and efficacy of a medication before human trials. These in-vitro experiments, conducted outside the animal's body, are popular for their non-invasive nature. They are also cost-effective and manageable, making in-vitro testing a fundamental component of preliminary research, especially in cancer-related studies.

The effectiveness of in-vitro examinations has been improved by transitioning from traditional two-dimensional setups to three-dimensional cell cultures. This shift to 3D cell cultures has been more successful in replicating natural environments and accurately depicting complex micro-environments. Vivo Bio Tech offers a wide range of services, from in-vitro analyses to pre-clinical development, covering the entire lifecycle of research and extending beyond the experimental phases.

## In-Vivo

"In-Vivo," originating from the Latin term meaning "within the living," refers to pre-clinical studies conducted within living organisms, including humans and animals. The merit of in-Vivo experimentation lies in its ability to demonstrate the impact of a drug on the organism's internal environment, facilitating the identification of potential interactions and enabling precise forecasts of toxicity, safety and effectiveness.

## Outlook

Biological and Ribonucleic Acid (RNA) therapeutics have the potential to play a crucial role in combating rapidly emerging diseases that are resistant to conventional treatments. To accelerate the development and market introduction of these biotherapies, swift and comprehensive in vitro and in vivo studies are essential. These investigations are integral to iterative testing strategies and are complemented by critical

clinical trials involving a range of human subjects, from small groups to larger cohorts.

Revolutionary technologies like organ-on-chip systems are increasingly recognized for their potential to transform the efficiency, effectiveness, and cost dynamics of the drug discovery process. These technologies provide valuable insights into human biology, enhancing clinical research in situations where direct human trials may not be feasible.

In vitro and in vivo studies are fundamental for gaining critical insights into responses related to safety, efficacy, pharmacokinetics, and pharmacodynamics. These insights significantly save time and streamline clinical trials, providing a wealth of meaningful data. The benefits of these studies remain indispensable, even as new supplementary or alternative methodologies are developed.



# Vivo's commitment to Health, Safety and Environment (HSE)

## Overview

An increasing number of global manufacturers are recognizing both financial and environmental benefits from adopting sustainable business practices. Strict regulations from environmental bodies are crucial in reducing resource depletion, mitigating water scarcity, lessening pollution and addressing other negative impacts. A 55-acre Vivo Science Park borders the facility, where plantation initiatives have been implemented to expand the green cover.

This shift has intensified the focus on sustainable operations, which includes producing goods through methods that reduce energy and resource consumption while minimizing environmental harm. It also emphasizes enhancing the safety of employees, communities and products.

Additionally, there is a growing emphasis on aligning business practices with the United Nations' 10 principles for responsible manufacturing and environmental sustainability, which cover human rights, labour practices, environmental responsibility and anti-corruption measures.

## The management's strategy

Vivo Bio Tech is committed to expanding its business while minimizing resource

consumption and reducing its environmental footprint. The company believes that the most successful, profitable and sustainable organizations adhere to stringent environmental standards.

To support this vision, Vivo Bio Tech has invested in low-carbon technologies, enhancing resource and energy efficiency. Its risk mitigation policies reflect a long-term commitment to sustainable growth. Due to a shift in business strategy from animal-centric to study-centric approaches, the use of animals and the resulting pollution from solid waste have decreased by 30%. By focusing on reducing environmental impact, preserving the planet and using resources responsibly, the Company embraces modern technologies and practices. Its operations are guided by the principles of the 4Rs: recycling, replacement, reduction and renewables.

## Water management

Vivo Bio Tech is committed to minimizing water consumption and uses autoclaved water for its operations. The company performs thorough water contamination assessments, including regular system checks and evaluations of the entire system. Chemical and water storage tanks are essential for maintaining system functionality. To ensure water

quality, representative samples are analysed for bio burden, free chlorine levels, pseudomonas species and coliform organisms. Additionally, annual assessments are conducted to identify potential contaminants in the water.

## Temperature and humidity management

Vivo Bio Tech regulates the temperature of individual animal rooms between 18°C to 26°C and maintains facility humidity levels at 30% to 70% using a general building thermo-hygrometer.

## Cage washing

At Vivo Bio Tech, all animal cages undergo autoclaving before entering the clean area. The cage washing process consists of four stages: water wash, detergent wash, flushing and rinsing. The use of a cage washer has reduced water consumption by 50%.

## Quality standards

Vivo Bio Tech was awarded ISO 9001:2015 Certification for its Quality Management System in 2019.

# Board of Directors

## Mr. M. Kalyan Ram

*Whole Time Director*

Mr. Kalyan has over 21 years of experience in Accounting, Finance and Administration. He holds a postgraduate degree in Commerce and an MBA.

## Mr. Sri Kalyan Kompella

*Whole Time Director & Chief Financial Officer (CFO)*

Mr. Kalyan Kompella brings over 21 years of expertise in manufacturing, project management, test facilities and super-speciality hospital design and execution. As an accomplished Management graduate, he has successfully implemented ISO 9001, ISO 14001, Lean Manufacturing, Six Sigma, SPC-SQC, and Quality Circles. He has also led the company through AAALAC International, OECD-GLP, CIBRC, CESCO, and NABL

accreditation, ensuring continued compliance. In his role, Mr. Kompella is responsible for corporate partnerships, driving both top and bottom-line growth, and ensuring year-on-year expansion. He oversees the addition of new business verticals, manages customer complaints, study scheduling and the overall operations and financial management of India's premier C.R.O.

## Dr. Alangudi Sankaranarayanan

*Whole Time Director*

Dr. Sankaranarayanan is a distinguished discovery biologist with over 36 years of experience in Pharmaceutical R&D. He has an impressive track record in establishing drug discovery and development facilities and implementing GxP standards and accreditation for various biotech and pharma facilities. An accomplished

innovator, Dr. Sankaranarayanan holds more than 30 patents in cardiovascular and endocrine specialties. His scientific contributions have led to over 70 international publications, including in prestigious journals like PNAS. In addition to his research, he has mentored and guided approximately 20 research

theses and has presented at around 80 scientific conferences. Before joining Vivo Bio Tech Limited, Dr. Sankaranarayanan was associated with several leading companies and academic institutions, including Torrent Pharma, GVK Biosciences, PGIMER and BITS.

## Dr. T. Shyam Sundar

*Non-Executive - Independent Director*

Mr. Shyam Sunder Tipparaju, aged 65 years has completed his MBBS from Gandhi Medical College in 1983, a MD from NTR Medical University in 1987 and Post Doctoral Critical Care in 1993-94.

Mr. Shyam Sunder Tipparaju – "Believes in Medicine as a scientific discipline based on humanism". He has over 30 years of quantifiable experience in Critical Care and 10 years of experience in handling Healthcare Operations of large Super Speciality Hospitals. He has been practicing Critical Care for the last 3 decades and is responsible for conceptualizing to Inceptualization of three major corporate Hospitals in Hyderabad. He is also Certified for Good Clinical Practice by NIDA Clinical Trials Network

## Dr. Shivanand Nayak Karopadi

*Non-Executive Director*

Dr. K. S. Nayak is a globally recognized pioneer in Peritoneal Dialysis (PD) and Cadaver Kidney Transplantation. He is renowned for his expertise in Acute Kidney Injury (AKI), Chronic Kidney Disease Management and Critical Care Nephrology, including CRRT, and Liver Dialysis (MARS & FPSSA; Prometheus: largest series in India). He was instrumental in the country's first Simultaneous Heart and Kidney Transplantation (SHK). Dr. Nayak is an internationally acknowledged in Telemedicine for Dialysis, Reverse 'Medical' Innovation and Medical Tourism.

## Mrs. Kunda Kalpana

*Non-Executive - Independent Director*

Mrs. Kalpana holds a Master's degree in Biotechnology from Bangalore University and brings over 11 years of extensive experience in teaching, scientific data research analysis and clinical data management. She has served as a senior lecturer in the Biotechnology Department, teaching both undergraduate and postgraduate students and has also held the position of Vice President at Clinnova Research Labs (P) Limited.



## Dr. Shivanand Nayak Karopadi

Scientific Advisor

Dr. K S Nayak is one of the pioneers of Peritoneal Dialysis (PD) internationally and Cadaver Kidney Transplantation and well known in the areas of Acute Kidney Injury (AKI), Chronic Kidney Disease Management, Critical Care Nephrology including CRRT, Liver Dialysis (MARS & FPSA; Prometheus: Largest series in India). He was responsible for the Country's first Simultaneous Heart and Kidney Transplantation (SHK). He is also an internationally acknowledged expert in Telemedicine in Dialysis, Reverse 'Medical' Innovation & Medical Tourism. As a member of various Task Forces & Committees, Dr. K. S Nayak has developed Best Practice Guidelines for CKD and Anaemia management. He is the Chief Co-ordinator of the Asia Pacific Chapter

for ISPD and also a Past Councillor of ISPD. He successfully organised the prestigious 2<sup>nd</sup> Asian Chapter Meeting of the ISPD, Hyderabad in January 2005 and was also the Co-Director of the 3<sup>rd</sup> Hemodialysis University TM of ISHD at Hyderabad, March 2014. Dr. K. S Nayak has contributed extensively to International Journals such as KI, AJKD, JASN, NDT, Transplantation Proceedings, PDI, Nephrology, American Journal of Gastroenterology, Contributions to Nephrology, Harvard Business Review, etc. He has authored several invited editorials and book chapters and has delivered invited lectures all over the world, including the 'Ronco' meetings in Vicenza, Italy, International Society of Peritoneal Dialysis (ISPD), World Congress of Nephrology, Annual Dialysis Conference

USA, International Society of Hemodialysis (ISHD), the prestigious Salzburg Global Seminar to name a few. The Harvard Business Review Magazine cited and applauded his work at Deccan Hospital and mentioned that it had world-class outcomes. Presently, he is at the forefront of promoting cadaver organ transplants. He is the Convenor of the M.A.R.C.H (Medically Aware and Responsible Citizens of Hyderabad) Transplantation group, which has drawn the organ transplant registry organ sharing guideline for Andhra Pradesh.

# Management team

### Mr. Sri Kalyan Kompella

- B.E, MBA
- Executive Director, Head - Operations & CFO

### Dr. Pinakin Soni

- M.V.SC, DABT
- Head - Discovery Services

### Mr. Kandula Srinivasa Rao

- MSC – Biochemistry
- Head – Toxicology

### Dr. Salim Tamboli

- M.V.SC, Ph.D. - Zoology
- Senior Scientist

### Dr. Jyothi Kaja

- M.V.SC
- Deputy Test Facility Management

### Dr. Rajaram Ravikrishnan

- M.Sc., Ph.D. (Toxicology)
- Test Facility Management



## Corporate Information

### Registered Office:

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.  
Phone : 040 4819 9999  
Email: investors@vivobio.com  
Website: www.vivobio.com  
CIN: L65993TG1987PLC007163

### Statutory Auditors:

**M/s. P. Murali & Co,**  
Chartered Accountants,  
6-3-655/2/3, Somajiguda, Hyderabad,  
Telangana – 500082.  
Phone: 040 2332 6666

### Internal Auditors:

**M/s. LVS Prasad Rao & Associates,**  
Chartered Accountants,  
Rep by CA. K.L.V.S Prasad Rao ,  
Flat No.304, Santha Lake View Apartments, Opp  
Manasarovar Heights, Ph-1, Manovikas Nagar,  
Tirumalgherry, Secunderabad, Telangana –  
500009.

### Secretarial Auditor:

**G. Vinay Babu,**  
Company Secretary in Practice,  
4-65, Koheda, Hayathnagar, Hyderabad,  
Telangana – 501511.

### Main Bankers:

Canara Bank  
IF Branch, Hyderguda, Hyderabad.

### R & D Facility:

Survey # 349/A, Pregnapur Village, Gajwel,  
Siddipet District, Hyderabad, Telangana - 502311.

### Board of Directors:

#### Mr. M. Kalyan Ram

Whole Time Director

#### Dr. Alangudi Sankaranarayanan

Whole Time Director

#### Mr. Sri Kalyan Kompella

Whole Time Director & Chief Financial Officer

#### Mr. Hariharan R (Upto August 31, 2023)

Non-Executive - Independent Director

#### Mrs. Kunda Kalpana

Non-Executive - Independent Director

#### Dr. Shivanand Nayak Karopadi

Non-Executive Director

#### Mr. Shyam Sunder Tipparaju (From August 31, 2023)

Non-Executive - Independent Director

### Company Secretary & Compliance Officer:

#### Mr. A V Kiran (From January 23, 2024)

Company Secretary & Compliance Officer

### Registrar & Share Transfer Agents :

M/s. Aarthi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad - 500029.  
Phone: 040 2763 8111  
Fax: 91-40-2763 2184  
Email: info@arthiconsultants.com,  
arthiconsultants@gmail.com  
Website: www.arthiconsultants.com

# VIVO BIO TECH LIMITED

Registered Office: 03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1,  
Banjara Hills, Hyderabad, Telangana – 500034.

CIN: L65993TG1987PLC007163 Phone No: 040-23313288

Email: [investors@vivobio.com](mailto:investors@vivobio.com) Website: [www.vivobio.com](http://www.vivobio.com)

## Notice of Annual General Meeting

To the Members of  
**Vivo Bio Tech Limited**

Notice is hereby given that the **37<sup>th</sup> Annual General Meeting** of the Members of the Vivo Bio Tech Limited will be held on **Monday, September 30, 2024, at 03.00 P.M.** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following businesses:

### ORDINARY BUSINESS:

#### Item No.1:

**To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, the Report of the Auditors' thereon and the Report of the Board of Directors.**

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

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the reports of the Directors and Auditors thereon placed before the 37<sup>th</sup> Annual General Meeting be and are hereby received, considered, approved and adopted."

#### Item No.2:

**To appoint a Director in place of Mr. Sri Kalyan Kompella (DIN 03137506) who retires by rotation, and being eligible, offers himself for re-appointment**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sri Kalyan Kompella (DIN 03137506), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS:

#### Item No.3:

**Approval to advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan under Section 185.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013 ('Act') and any other applicable provisions of the Act & Rules made there under read with the Companies (Amendment) Act, 2017 (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and subject to such approvals, consents, sanctions and permissions, as may be necessary, provisions of other applicable laws, the Articles of Association of the Company, consent of the members of the Company be and is here by accorded to the Board of Directors of the Company (herein after referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loans/ debentures/ bonds etc. to entities which are a subsidiary or associate or joint venture of the Company, in whom any of the Director of the Company is interested up to an aggregate amount not exceeding INR 500 crores (Rupees Five Hundred Crore Only) or in other currency for an equivalent amount.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.

**RESOLVED FURTHER THAT** all such transaction(s) entered by the Company with its subsidiaries be and is hereby approved and ratified."

**By Order of the Board  
For Vivo Bio Tech Limited**

**Place: Hyderabad  
Date: August 26, 2024**

**A V Kiran  
Company Secretary**

Corporate Identification Number (CIN)  
L65993TG1987PLC007163

#### Registered Office:

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.

E-mail Id: [investors@vivobio.com](mailto:investors@vivobio.com)

Website: [www.vivobio.com](http://www.vivobio.com)

## Notes:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
5. Corporate Members entitled to appoint authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013 ("the Act").
6. An Explanatory Statement under Section 102(1) of the Act is annexed hereto.
7. As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Directors seeking appointment or re-appointment at this AGM is annexed hereto.
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in notice will be available electronically for inspection by members during the Annual General Meeting (AGM). Members seeking to inspect such documents can send an email to [investors@vivobio.com](mailto:investors@vivobio.com).
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Statutory Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 37<sup>th</sup> AGM has been uploaded on the website of the Company at [www.vivobio.com](http://www.vivobio.com) and on the RTA website <http://aarthiconsultants.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of Central Depository Services (India) Limited (CDSL) (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
11. In compliance with the MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023, issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for Financial year ended March 31, 2024 and Notice of 37<sup>th</sup> AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
12. **Update of Email-Address:** Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to Aarthi Consultants Private Limited, the Company's Registrar and Share Transfer Agent (RTA) at [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com). Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.

### Process for those Shareholders whose Email/Mobile No. are not registered with the Company/Depositories/RTA.

- **For Physical shareholders** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA at their email id - [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com).

- **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
  - **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
13. **Record Date:**  
The Register of Members and the Share Transfer Books of the Company will remain closed from **Tuesday, September 24, 2024 to Monday, September 30, 2024 (both days inclusive)** for the purpose of 37<sup>th</sup> Annual General Meeting.
  14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to, Aarthi Consultants Private Limited, RTA for consolidation into a single folio.
  15. **Submission of PAN:**  
The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market by March 31, 2023, and linking PAN with Aadhaar by March 31, 2022 vide its circular dated November 3, 2021 and December 15, 2021. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Aarthi Consultants Private Limited (RTA) at [investors@vivobio.com](mailto:investors@vivobio.com) or [info@arthiconsultants.com](mailto:info@arthiconsultants.com) respectively. The forms for updating the same are available at <http://www.vivobio.com/kyc-Documents.php>. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar / the Company shall refer such securities to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.
  16. **Share Transfer permitted only in Demat:**  
As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice.
  17. **Nomination:**  
As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
  18. **E-Voting:**  
Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and vide MCA & SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 37<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with M/s. Aarthi Consultants Private Limited (RTA) and Central Depository Services (India) Limited (CDSL) for facilitating Virtual AGM & voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. **The instructions for remote e-voting are available in serial number 23 of this notice.**
  19. **E-Voting Period:**  
Members holding shares either in physical or dematerialized form, as on **cut-off date, i.e. as on Monday, September 23, 2024** may cast their votes electronically. The e-voting period commences **on Friday, September 27, 2024 (9:00 a.m. IST) and ends on Sunday, September 29, 2024 (5:00 p.m. IST)**. The e-voting module will be disabled by CDSL thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on **Monday, September 23, 2024**. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
  20. **Voting at AGM:**  
The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM. The instructions for remote e-voting are available **in serial number 24 of this notice.**
  21. Any person holding shares in physical form, and non-individual shareholders who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the **cut-off date, i.e. Monday, September 23, 2024** may obtain the login ID and password by sending email to CDSL. However, if he / she is already registered with CDSL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. **Monday, September 23, 2024** may follow steps mentioned in the Notice under '**Instructions for e-voting**'.

**22. Scrutinizers Report:**

Mr. G. Vinay Babu, Practicing Company Secretary, is appointed as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and RTA, and will also be displayed on the Company's website, [www.vivobio.com](http://www.vivobio.com).

**23. Instructions for Remote E-Voting are as under:**

- i. The voting period begins on **Friday, September 27, 2024 (9:00 a.m. IST) and ends on Sunday, September 29, 2024 (5:00 p.m. IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date, i.e. Monday, September 23, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. In terms of the provisions of Section 108 and Section 110 of the Companies Act, 2013 (the Act) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular No. 14/2020 dated April 08, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 08, 2021, the General Circular No. 03/2022 dated May 05, 2022 and General Circular No. 11/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs ("MCA Circulars"), the Company is providing facility to exercise votes on the

item of business given in the Notice through electronic voting system only, to members holding shares as on **Monday, September 23, 2024** (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the E-voting process, through the Evoting platform provided by CDSL.

- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- iv. In terms of SEBI circular no. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- v. **Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.**

**vi. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | <ul style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> </ul> |



| Type of shareholders  | Login Method   |
|---|--|
|   | <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>  |
| Individual Shareholders holding securities in demat mode with <b>NSDL</b>                                     | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.  |

- vii. **Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.
- viii. **Helpdesk for Individual Shareholders holding securities in demat mode** for any technical issues related to login through Depository i.e. CDSL and NSDL.

| Login type  | Helpdesk details  |
|---|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.             |

- ix. Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on "Shareholders" module.
  - Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
  - If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
  - If you are a first-time user follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

|  |   |
|--|---|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>                 |

- After entering these details appropriately, click on "SUBMIT" tab.
  - Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - Click on the EVSN for the relevant <VIVO BIO TECH LIMITED> on which you choose to vote.
  - On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- x. **Additional Facility for Non – Individual Shareholders and Custodians – For Remote E-Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs.gvinay@gmail.com](mailto:cs.gvinay@gmail.com) with a copy marked to [investors@vivobio.com](mailto:investors@vivobio.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

**24. Instructions for Shareholders attending the AGM through VC/OAVM & E-Voting during Meeting are as under:**

- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as per the instructions mentioned above for Remote e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- viii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- ix. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
- x. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**25. Speaker Registration:**

- i. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [investors@vivobio.com](mailto:investors@vivobio.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@vivobio.com](mailto:investors@vivobio.com). These queries will be replied to by the Company suitably by email.
- ii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**26. General Information:**

- i. The Company's equity shares are Listed at - BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India; and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2023-24.
- ii. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at Aarthi Consultants Private Limited (Unit: VIVO BIO TECH LIMITED), 1-2-285, Domalguda, Hyderabad - 500029, Telangana State, India, Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com).

- iii. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2024. Members seeking to inspect such documents can send an email to [investors@vivobio.com](mailto:investors@vivobio.com).
- iv. The Certificate from the Secretarial Auditor of the Company under SEBI (Share Based Employee Benefit) Regulations, 2014 as amended, will be available for inspection by the shareholders and is also available on the website of the Company at [www.vivobio.com](http://www.vivobio.com).
- v. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the Company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail.

**By Order of the Board  
For Vivo Bio Tech Limited**

**Place: Hyderabad  
Date: August 26, 2024**

**A V Kiran  
Company Secretary**

Corporate Identification Number (CIN)  
L65993TG1987PLC007163

**Registered Office:**

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.  
E-mail Id: [investors@vivobio.com](mailto:investors@vivobio.com) Website: [www.vivobio.com](http://www.vivobio.com)

## Annexure – 1 to Notice of AGM

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the SEBI Regulations, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution No. 3.

#### **Item No. 3 - Approval to advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan under Section 185:**

As per the provisions of Section 185 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of:

- i. Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account

Or

- ii. Hundred per cent of its free reserves and securities premium account, whichever is more,

As per the financial structure of the Company, the amount for which the company intend to make loans to any person or other bodies corporate; give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise securities of anybody is exceeds the limits allowed under Board Power. As per the provisions of Companies Act, 2013, where if the Company wants to give any loan or give guarantee or provide security in connection with loan taken by any other body corporate or to acquire by way of subscription, purchase or otherwise, the securities beyond the said limits, special resolution is required to be passed by the members of the Company authorizing Board to make such investments, provide security and give guarantee. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 185 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to companies for an amount not exceeding 500 crore.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/ internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

None of the Directors, Key Managerial Personnel of your Company or relatives of Directors/ Key Managerial Personnel is, in any way, deemed to be concerned or interested financial or otherwise in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of Special Resolution.

#### **Memorandum of Interest:**

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



## Annexure – 2 to Notice of AGM

Statement provided pursuant to the provisions of Regulation 36 of SEBI (LODR) Regulations, 2015 read with Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India.

|  |  |
|--|--|
| Name of the Director   | Mr. Sri Kalyan Kompella  |
| Director Identification Number (DIN)   | 03137506   |
| Date of Birth & Age  | 17/08/1979, 45 Years   |
| Nationality  | Indian   |
| Qualifications   | B.E, MBA   |
| Profile/Expertise in Specific Functional Areas   | More than 22 years diverse experience cutting across Manufacturing, Statistical Quality Control, Project & Operations Management, Bio Tech - Test Facility Management of Health Care   |
| Relationship between other Directors, Manager and Other KMP's of the Company   | He is not related to any Directors, Manager and Other Key Managerial Personnel of the Company.   |
| Nature of appointment (Appointment/ re-appointment)  | Re-appointment in terms of Section 152(6) of the Companies Act, 2013.  |
| Date of Appointment at current designation/ Date of first appointment on the Board   | 03/11/2021   |
| Remuneration proposed to be paid   | consolidated salary of ₹75,000/- (Rupees Seventy Five Thousand only) per month.  |
| Number of Meeting of the Board attended during the financial year (2023-24)  | 9/9  |
| Names of listed entities in which the person also holds the directorship   | Virinchi Limited   |
| Directorships held in other Companies  | 1. Tyohar Foods Private Limited<br>2. V23 Medical Solutions Private Limited<br>3. Pragnapur Developers Private Limited<br>4. Virinchi Health Care Private Limited<br>5. Shri Shri Resorts Private Limited<br>6. Gajwel Developers Private Limited<br>7. Virinchi Learning Private Limited<br>8. Qfund Technologies Private Limited<br>9. Virinchi Combinatorics And Systems Biology Private Limited<br>10. Virinchi Infra And Realty Private Limited |
| Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee) | Member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and CSR Committee of Virinchi Ltd.   |
| Number of shares held in the Company   | NIL  |

**By Order of the Board  
For Vivo Bio Tech Limited**

**Place: Hyderabad  
Date: August 26, 2024**

**A V Kiran  
Company Secretary**

Corporate Identification Number (CIN)  
L65993TG1987PLC007163

**Registered Office:**

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.  
E-mail Id: [investors@vivobio.com](mailto:investors@vivobio.com) Website: [www.vivobio.com](http://www.vivobio.com)

# Board's Report

Your Directors' have great pleasure in presenting the **37<sup>th</sup> Annual Report** and the Audited Financial Statements (Standalone & Consolidated) for the Financial Year ended March 31, 2024.

## 1. FINANCIAL HIGHLIGHTS:

(₹ In Lakhs)

| Particulars   | Consolidated  |               | Standalone    |               |
|---|---------------|---------------|---------------|---------------|
|   | 2023-2024     | 2022-2023     | 2023-2024     | 2022-2023     |
| Total Income  | 4,549.01      | 5,226.61      | 4,491.94      | 5,165.79      |
| Profit before finance cost, Depreciation & Amortization, Taxation | 2,112.92      | 2,153.78      | 2,112.35      | 2,152.25      |
| <b>Less:</b> Finance Cost   | 777.79        | 765.13        | 777.79        | 765.13        |
| Depreciation & Amortization Expenses                              | 929.08        | 926.57        | 929.08        | 926.57        |
| <b>Profit Before Tax</b>  | 406.05        | 462.08        | 405.48        | 460.55        |
| <b>Less:</b> Tax Expenses   | 153.42        | 197.18        | 153.26        | 197.15        |
| <b>Profit After Tax</b>   | <b>252.63</b> | <b>264.90</b> | <b>252.23</b> | <b>263.40</b> |

## 2. STATE OF AFFAIRS/COMPANY'S PERFORMANCE:

### REVENUES:

The total income of the Company for the financial year 2023-2024 comprises operating revenues of ₹4,488.05 Lakhs as against ₹5,162.20 Lakhs in financial year 2022-2023.

### PROFITS:

Profit before Tax (PBT) stood at ₹405.48 Lakhs as against ₹460.55 Lakhs for the previous year. Profit after Tax (PAT) stood at ₹252.23 Lakhs as against ₹263.40 Lakhs for the previous year.

## 3. OUTLOOK:

The financial year 2023-2024 witnessed a decline in revenues. We are planning for the growth momentum across our business segments in financial year 2024-2025. We will continue ramping up our investments in portfolio expansion to secure our future growth.

## 4. RESERVES AND SURPLUS:

During the year the Company has transferred an amount of ₹252.23 Lakhs to Reserves and Surplus.

## 5. DIVIDEND:

Your directors did not recommend any dividend on shares for the financial year 2023-2024.

## 6. CONSOLIDATED FINANCIAL RESULTS:

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, ("the Act"), the consolidated financial statements prepared as per Companies Act, 2013 and applicable Accounting Standards, duly audited forms part of the Annual Report.

As required under the provisions of section 129 of the Act, read with Rule 5 of Companies (Accounts) Rules, 2014, a statement showing the salient features of the financial

statements of the subsidiaries, associates and joint ventures in form AOC - 1 is enclosed as "ANNEXURE - A" to this Report.

The financial statements of the subsidiary companies will be made available to the members of the Company on request and will also be kept for inspection at the Registered Office of the Company.

## 7. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES:

The Company has the following four (4) Wholly Owned Subsidiaries:

- Vivo Bio Labs Private Limited
- Vivo Bio Discovery Services Private Limited
- Surlogic Life Consultancy Private Limited
- Vivo Bio Consulting Services Private Limited (formerly known as Donakanti Consulting Services Private Limited)

No Company ceased to be a Subsidiary of the Company during the year.

The Company does not have any Associates and Joint Ventures companies.

## 8. PERFORMANCE OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES:

As per Rule 8 of Company's (Accounts) Rules, 2014, the brief details on the financial performance of subsidiaries, associates and joint venture companies along with their contribution to the overall performance of the Company are given below:

### i. VIVO BIO LABS PRIVATE LIMITED (VBLPL):

VBLPL, a wholly owned subsidiary of the Company, earned total revenue of ₹14.94 lakhs for the year ended March 31, 2024 and Profit after Tax was ₹0.3 lakhs.

**ii. VIVO BIO DISCOVERY SERVICES PRIVATE LIMITED (VBDSPL):**

VBDSPL, a wholly owned subsidiary of the Company, earned total revenue of ₹14.71 lakhs for the year ended March 31, 2024 and Profit after Tax was ₹0.08 lakhs.

**iii. SURLOGIC LIFE CONSULTANCY PRIVATE LIMITED (SLCPL):**

SLCPL, a wholly owned subsidiary of the Company, earned total revenue of ₹12.20 lakhs for the year ended March 31, 2024 and Loss after Tax was ₹0.08 Lakhs.

**iv. VIVO BIO CONSULTING SERVICES PRIVATE LIMITED (VBCSPL):**

VBCSPL, formerly known as Donakanti Consulting Services Private Limited, a wholly owned subsidiary of the Company, earned total revenue of ₹15.21 lakhs for the year ended March 31, 2024 and Profit after Tax was ₹0.09 lakhs.

**9. MATERIAL SUBSIDIARY:**

The Company does not have any material subsidiary as per the thresholds laid down under the Listing Regulations.

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Regulations. The Policy on Material Subsidiary is available on the website of the Company at <http://www.vivobio.com/policies.php>.

**10. BOARD AND COMMITTEES:**

**i. BOARD OF DIRECTORS:**

Your Company is managed and controlled by a Board comprising an optimum blend of Executive and Non-Executive Directors. As on March 31, 2024, the Board of Directors comprises of Six (6) Directors consisting of a three (3) Whole-time Directors and Three (3) Non-Executive Directors out of which Two (2) are Independent Directors including one (1) Woman Director and one (1) of them is Chairman of the Company. The composition of the Board is in conformity with Regulation 17 of Listing Regulations and the relevant provisions of the Act. The Directors possess requisite qualifications and experience in general corporate management, strategy, finance, engineering, information technology and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

**ii. RETIREMENT BY ROTATION:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Sri Kalyan Kompella (DIN 03137506), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

The brief profile(s) of the director(s) seeking appointment/re-appointment at the ensuing Annual General Meeting are presented in the Annual Report.

**iii. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same were taken on record by the Board.

**iv. REGISTRATION OF INDEPENDENT DIRECTORS IN INDEPENDENT DIRECTORS DATABANK:**

All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by Indian Institute of Corporate Affairs (IICA).

**v. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

On their appointment, Independent directors are familiarized about the Company's operations and business. Interaction with the Business Heads and key executives of the Company is also facilitated. Detailed Presentations on the business of each of the Processes are made to the directors. Direct Meetings with the Chairperson are further facilitated for the new appointee to familiarize about the Company/its businesses and the group practices.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Accordingly, your Company arranged technical sessions to familiarize the Independent Directors, the details of which are disclosed on the website of the Company at <http://www.vivobio.com/policies.php>.

**vi. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out evaluation of its own performance, the performance of Committees of the Board, namely Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee and also the Directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned out in the Corporate Governance Report.

**vii. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required pursuant to the provisions of Section 134(3) (c) and 134(5) of the Act, the Directors' Responsibility Statement is enclosed as "ANNEXURE – B" to this Report and forms part of the Report.

**viii. BOARD MEETINGS:**

During the financial year 2023-2024, Nine (9) Board Meetings were held, the details of which are given in the Corporate Governance Report. The further details on the meetings of Board, Committees, composition and the attendance of directors/members, and Meetings of Independent Directors are detailed in the Corporate Governance Report.

**ix. COMMITTEES OF THE BOARD:**

The details of the constitution of Committees of the board and their meetings thereof are detailed in the Corporate Governance Report.

**x. KEY MANAGERIAL PERSONNEL:**

The Key Managerial Personnel (KMP) of the Company as on March 31, 2024 are –

- a. Mr. M. Kalyan Ram, Whole Time Director,
- b. Dr. Sankaranarayanan Alangudi, Whole Time Director
- c. Mr. Sri Kalyan Kompella, Whole Time Director & CFO
- d. Mr. A.V Kiran, Company Secretary

**11. AUDIT AND AUDITORS:****i. STATUTORY AUDITORS AND THEIR REPORT:**

M/s P. Murali & Co, Chartered Accountants were appointed as Statutory Auditors from the conclusion of 35<sup>th</sup> Annual General Meeting to be held on September 28, 2022 until the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

**ii. SECRETARIAL AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Mr. G. Vinay Babu, Practising Company Secretary, as Secretarial Auditor to undertake the Secretarial Audit of your Company for the financial year 2023-2024. The Report of the Secretarial Audit is annexed as "ANNEXURE – C".

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

In terms of Regulation 24A of the Listing Regulations, there is no material unlisted subsidiary incorporated in India. Hence, there is no requirement of a secretarial audit for any of the Company's subsidiaries in India.

**iii. COST AUDITOR AND MAINTENANCE OF COST RECORDS:**

The maintenance of Cost Records as specified by Central Government under section 148(1) of Companies Act, 2013 is not applicable to the Company and accordingly the Company is not required to appoint a Cost Auditor for the financial year 2023-2024.

**iv. INTERNAL AUDITOR:**

In terms of Section 138 of the Companies Act, 2013 and the relevant Rules, M/s. LVS Prasad Rao & Associates, Chartered Accountants, Rep by CA. K.L.V.S Prasad Rao, Chartered Accountant, Hyderabad, is the Internal Auditor of the Company. The Internal Auditor directly reports to the Audit Committee.

**12. PARTICULARS OF EMPLOYEES:**

A statement comprising the names of top 10 employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. No employee was in receipt of remuneration more than the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid information will be available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

**13. DISCLOSURE OF REMUNERATION:**

The Disclosure required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "ANNEXURE – D" and forms an integral part of this Report.

**14. REMUNERATION POLICY:**

On the recommendation of the Nomination and Remuneration Committee, the Board has, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Salient features of the Remuneration Policy are set out in the Corporate Governance Report. The Remuneration Policy is available on the Company's website at <http://www.vivobio.com/policies.php>.

## 15. DETAILS OF EMPLOYEE STOCK OPTION SCHEME:

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and a certificate issued by the Secretarial Auditor of the Company, pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is available on the website of the Company at [www.vivobio.com](http://www.vivobio.com).

## 16. GOVERNANCE POLICIES:

At Vivo, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- i. Code of Conduct
- ii. Code of Conduct for Prohibition of Insider Trading
- iii. Whistle Blower Policy
- iv. Code of Conduct for Board of Directors and Officers of Senior Management
- v. Policy for determining materiality for disclosure
- vi. Document Retention and Archival Policy
- vii. Sexual Harassment Policy

The link for accessing the above policies is <http://www.vivobio.com/policies.php>

## 17. CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "**Code of Business Conduct**" which forms an Appendix to the Code.

The Code is available on Company's website in the following link: <http://www.vivobio.com/policies.php>.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## 18. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code for the financial year.

Pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which is effective from April 01, 2019, the Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of unpublished price sensitive information.

## 19. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board. Whistle Blower Policy is posted on Company's website in the following link <http://www.vivobio.com/policies.php>.

## 20. SEXUAL HARASSMENT POLICY:

The Company as required under the provisions of "The Sexual Harassment of women at Workplace (Prohibition, prevention and Redressal) Act, 2013 has framed a policy on Prohibition, Prevention and Redressal of Sexual Harassment of women at workplace and matters connected therewith or incidental thereto. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy. During the financial year 2023-2024, no incidents of sexual harassment was reported.

## 21. RISK MANAGEMENT:

Currently, the Company's risk management approach comprises of the following:

- i. Governance of Risk
- ii. Identification of Risk
- iii. Assessment and control of Risk



The risks are being identified by a detailed study. Senior Management are analyzing and working in mitigating them through co-ordination among the various departments.

Your Company puts in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Presentation to the Board of Directors and the Audit Committee is made on risk management. The Board and the Audit Committee provides oversight and review the risk management policy periodically.

## **22. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies. The Company has a well-defined delegation of power and defined limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances.

## **23. RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Promoter Group, Directors, Senior Management Personnel or their relatives, which could have had a potential conflict with the interests of your Company. Please see the details of the same in form AOC-2 which is enclosed as "ANNEXURE – E".

Further all Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval for normal Company transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive in nature as well as for the normal Company transactions which cannot be foreseen and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee.

Your Directors have on the recommendations of the Audit Committee, adopted a policy to regulate transactions between your Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Policy on Related Party Transaction is available on the Company's website at <http://www.vivobio.com/policies.php>

None of the Directors had any pecuniary relationship or transactions with the Company, except the payments made to them in the form of remuneration, sitting fee and commission.

## **24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed under Sub-section (3)(m) of Section 134 of the Act, read with Companies (Accounts) Rules, 2014, are enclosed as "ANNEXURE – F" to this Report and form part thereof.

## **25. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In terms of section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, is not applicable to the Company.

## **26. EXTRACT OF ANNUAL RETURN:**

In accordance with Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2024, is available on the website of the Company at [http://www.vivobio.com/annual\\_returns.php](http://www.vivobio.com/annual_returns.php)

## **27. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming a part of this Annual report.

## **28. BANKS AND FINANCIAL INSTITUTIONS:**

Your Company is prompt in making the payment of interest and repayment of loans to the financial institutions / banks. Banks and Financial Institutions continue their unstinted support in all aspects and the Board records its appreciation for the same.

There was no instance of one time settlement with any Bank/ Financial Institution.

## **29. PUBLIC DEPOSITS:**

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 and no amount of principal or interest was outstanding as on the Balance Sheet date.

## **30. TRANSFER OF UNCLAIMED DIVIDEND AND CORRESPONDING EQUITY SHARES:**

Pursuant to the provisions of Companies Act, 2013, there is no unclaimed dividend amount due and corresponding equity shares for transfer to Investor Education and Protection Fund (IEPF).

### 31. HEALTH, SAFETY AND ENVIRONMENT:

The Company considers it is essential to protect the earth and limited natural resources as well as the health and wellbeing of every person.

The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities. Acting responsibly with a focus on safety, health and the environment is a part of the Company's DNA.

### 32. MANAGEMENT DISCUSSION & ANALYSIS:

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns, etc., is provided separately in the Annual Report and forms part of this Directors' Report.

### 33. BUSINESS RESPONSIBILITY REPORT:

Pursuant to the Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report is not applicable to the Company for the financial year 2023-2024.

### 34. CORPORATE GOVERNANCE REPORT:

A separate report on Corporate Governance is enclosed as "ANNEXURE – G" as a part of the Annual Report along with the certificate from the Statutory Auditor on its compliance.

### 35. CEO AND CFO CERTIFICATION:

The annual certification given by the Whole Time Director and Chief Financial Officer of the Company is published in this Annual Report as "ANNEXURE – H".

### 36. ANNUAL SECRETARIAL COMPLIANCE REPORT:

A Secretarial Compliance Report for the financial year ended March 31, 2024, on compliance of all applicable SEBI Regulations and circulars / guidelines, issued by Mr. G. Vinay Babu, Practicing Company Secretary, was submitted to BSE Limited.

### 37. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of your Company during the year under review.

### 38. LISTING AT STOCK EXCHANGES:

The equity shares of your Company continue to be listed and traded on the BSE Limited (BSE).

## 39. SHARE CAPITAL AND CHANGES IN CAPITAL STRUCTURE:

#### i. AUTHORIZED SHARE CAPITAL:

During the financial year under review, there Authorized Capital of the Company remained ₹20 Crores.

#### ii. PAID-UP SHARE CAPITAL:

The Paid-up Share Capital of the Company as on March 31, 2024 is ₹14,90,35,200 divided into 1,49,03,520 Equity Shares of ₹10 each fully paid up.

| Particulars   | As at March 31, 2024 |              | As at March 31, 2023 |              |
|---|----------------------|--------------|----------------------|--------------|
|   | Number of Shares     | Amount in ₹. | Number of Shares     | Amount in ₹. |
| <b>(a) Authorized Share Capital:</b>                          |                      |              |                      |              |
| Equity Shares of ₹10/-each                                    | 2,00,00,000          | 20,00,00,000 | 2,00,00,000          | 20,00,00,000 |
| <b>b) Issued, Subscribed and Fully Paid Up Share Capital:</b> |                      |              |                      |              |
| Equity Shares of ₹10/- each                                   | 1,49,03,520          | 14,90,35,200 | 1,49,03,520          | 14,90,35,200 |

#### iii. RECONCILIATION OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD:

| Particulars   | As at March 31, 2024 |                     | As at March 31, 2023 |                     |
|---|----------------------|---------------------|----------------------|---------------------|
|   | Number of Shares     | Amount in ₹         | Number of Shares     | Amount in ₹         |
| Equity Shares   |                      |                     |                      |                     |
| <b>Shares outstanding at the beginning of the year</b>                      | 1,49,03,520          | 14,90,35,200        | 1,42,63,520          | 14,26,35,200        |
| <b>Add: Issued and Allotted during the year</b>                             |                      |                     |                      |                     |
| a. Shares allotted under ESOP Scheme 2016                                   | Nil                  | Nil                 | 27,000               | 2,70,000            |
| b. Shares allotted to promoter and promoter group on conversion of warrants | Nil                  | Nil                 | 6,13,000             | 61,30,000           |
| <b>Total (a+b)</b>  | <b>Nil</b>           | <b>Nil</b>          | <b>6,40,000</b>      | <b>64,00,000</b>    |
| <b>Less: Shares bought back during the year</b>                             | <b>Nil</b>           | <b>Nil</b>          | <b>Nil</b>           | <b>Nil</b>          |
| <b>Shares outstanding at the end of the year</b>                            | <b>1,49,03,520</b>   | <b>14,90,35,200</b> | <b>1,49,03,520</b>   | <b>14,90,35,200</b> |

**iv. TERMS/RIGHTS AND RESTRICTIONS ATTACHED TO THE EQUITY SHARES:**

The Company has only one class of Equity Shares having a face value of ₹10/-. Each Shareholder is eligible for one vote per every share held.

**40. SIGNIFICANT AND MATERIAL ORDERS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

**41. REPORTING OF FRAUDS:**

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made there under.

**42. COMPLIANCE OF SECRETARIAL STANDARDS:**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

**43. INSOLVENCY AND BANKRUPTCY CODE:**

There are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

**44. OTHER DISCLOSURES:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of your Company under any scheme save and except ESOS referred to in this Report.
- iii. There were no material changes commitments affecting the financial position of your Company between the end of financial year and the date of this report.

**45. CAUTIONARY STATEMENT:**

Statements in this Board's Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include Human Resources availability, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

**46. ACKNOWLEDGMENTS:**

Your directors would like to place on record their appreciation of support, co-operation and assistance received from the Company's clients, Central Government and State Government authorities, bankers, shareholders and suppliers. The board wishes to convey its appreciation for hard work, solidarity, cooperation and support put in by the Company's employees at all levels in enabling such growth.

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Dated: August 26, 2024

**M Kalyan Ram**  
Whole Time Director  
DIN: 02012580

**Sri Kalyan Kompella**  
Wholetime Director &  
Chief Financial Officer  
DIN: 03137506

# Management Discussion and Analysis

## Overview

Global economic growth declined from 3.5% in 2022 to an estimated 3.0% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6% in 2022 to 1.5% in 2023 and 1.4% in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a modest growth decline from 4.1% in 2022 to 4.0% in 2023 and 2024. Global inflation is expected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

[Jamila] Global trade in goods was expected to have declined nearly USD 2 Trillion in 2023; trade in services was expected to have expanded to USD 500 Billion. The cost of Brent crude oil averaged \$83 per barrel in 2023, down from \$101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

| Regional growth (%)               | 2023 | 2022 |
|-----------------------------------|------|------|
| World output                      | 3.0  | 3.5  |
| Advanced economies                | 1.5  | 2.6  |
| Emerging and developing economies | 4.0  | 4.1  |

(Source: UNCTAD, IMF)

## Performance of major economies, 2023

United States: Reported GDP growth of 2.1% in 2023 compared to 2.1% in 2022

China: GDP growth was 5.0% in 2023 compared to 3.0% in 2022

United Kingdom: GDP grew by 0.5% in 2023 compared to 4.1% in 2022

Japan: GDP grew 2.0% in 2023 unchanged from a preliminary 1.0% in 2022

Germany: GDP contracted by 0.5% in 2023 compared to a growth of 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

## Outlook

Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years. (Source: World Bank)

## Indian economy

**Overview:** The Indian economy grew 8.2% in 2023-24 fiscal against 7.0% in 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.75 against the US dollar on the first trading day of 2023 and on 29 December was ₹83.15 versus the greenback.

In FY 2023-24, the CPI inflation averaged 5.4% with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5%, a sharp decline from 6.2% in FY 23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching \$670 Billion. The credit ratio (the ratio of entities upgraded to those downgraded) moderated in the second half of fiscal 2024 but remained elevated at 1.79 times, compared to 1.91 times in the first half. Overall, there were 409 upgrades and 228 downgrades. India recorded about 131 Billion Unified Payments Interface (UPI) transactions with a total value of ₹200 Trillion in FY24.

## Growth of the Indian economy

|                     | FY 21 | FY 22 | FY23 | FY24 |
|---------------------|-------|-------|------|------|
| Real GDP growth (%) | (7.3) | 8.7   | 7.2  | 8.2  |

(Source: Budget FY 2023-24; Economy Projections, RBI projections, Deccan Herald)

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94% of its long-term average rainfall. Total rice production is estimated at 1367.00 LMT in 2023-24, against 1357.55 LMT in 2022-23, marking an increase of 9.45 LMT. Wheat production is estimated at 1129.25 LMT, higher by 23.71 LMT over last year's production. Total Kharif pulses production for 2023-24 was 71.18 LMT, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output grew 9.9% in FY2023-24 compared to 4.7% in FY2022-23. The Indian mining sector grew 7.5% in FY2023-24 over 4.1% in FY2022-23.

Real GDP or GDP at constant prices increased from ₹160.71 lakh crore in 2022-23 (provisional GDP estimate released on 31<sup>st</sup> May, 2023) to an ₹173.82 lakh crore in 2023-24. Nominal GDP or GDP at current prices was at ₹295.36 lakh crore in 2023-24 as compared to the provisional 2022-23 GDP estimate of ₹269.50 lakh crore. The gross non-performing asset ratio for scheduled commercial banks improved from 4.1% as of March 2023 to 2.8% as of March 2024.

India's exports of goods and services touched USD 778 Billion in 2023 compared to \$770 Billion in the previous year. Merchandise exports marginally declined from USD 451.1 Billion to USD 437.1 Billion, while services exports increased from USD 325.3 Billion to USD 341.1 Billion. India's net direct tax collections surged by 17.7% year-on-year to ₹19.58 crore in fiscal year 2023-24. Gross GST collection of ₹20.2 lakh crore represented an 11.7% increase; average monthly collection was ₹1,68,000 crore, surpassing the previous year's average of ₹1,50,000 crore.

During FY 2023-24, the construction grew by 9.9% each, while agriculture recorded growth of 1.4%. Financial, real estate and professional services grew by 8.4% in FY 2023-24.

India reached a pivotal phase in its S-curve, characterized by acceleration in urbanization, industrialization, household incomes and energy consumption. India's Nifty 50 index grew 30% in FY2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of USD4 Trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

**Outlook:** India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. Growth in India is projected to remain strong at 7.0% in 2024 and 6.5% in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

The Indian economy is anticipated to surpass USD 4 Trillion in 2024-25. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY 2023-24

**Union Budget FY 2024-25:** The Union Budget FY 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In FY 2024-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,941 crore, accounting for 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

## Global pharmaceutical industry overview

In 2024, the global pharmaceuticals market is anticipated to reach a revenue of USD 1,155 Billion. The market is growing at a rate of 4.71% CAGR from 2024 to 2029. The market is expected to reach USD 1,454 Billion by 2029, highlighting the sector's robust expansion. A key player in this global market is the United States, which is expected to generate the highest revenue, amounting to USD 630 Billion in 2024. The U.S. maintains its leading position due to its advanced healthcare infrastructure and strong research and development (R&D) capabilities, which drive pharmaceutical innovation and development.

The Pharmaceuticals market spans various countries worldwide, the United States stands out for its contributions to pharmaceutical advancements and its capacity to spearhead growth in the industry. This dynamic environment underscores the pivotal role of the U.S. in shaping the future of global healthcare through continued innovation and investment in the pharmaceutical sector.

Pharmaceutical firms are increasingly offering customized drugs tailored to individual patients through personalized medicine, addressing unique traits and genetics for more effective disease treatment. This shift from a one-size-fits-all approach is driving the development of precision therapies for common conditions. However, the expansion of the biologics market faces constraints due to a shortage of skilled professionals proficient in developing these specialized drugs. Such expertise is primarily concentrated in select research organizations and medical equipment companies in the United States and Europe.

The global clinical trials market valued USD 48.2 Billion in 2023 and it is expected to grow to USD 73.2 Billion by 2028, reflects significant advancements driven by increasing investments in pharmaceutical research and development (R&D) and a burgeoning pipeline of drug candidates. Key trends shaping this growth include the outsourcing of R&D functions to Contract Research Organizations (CROs), especially for biologics and biosimilars, which demand specialized testing services. This strategic shift towards CROs enables pharmaceutical companies to leverage specialized expertise and advanced technologies, thereby accelerating the development of innovative therapies and maintaining a competitive edge in the market.

(Source: Statista, Markets and Markets)

## Indian pharmaceutical industry overview

India has emerged as the medical tourism hub of the world providing cost-effective treatments with the latest technology enabled by several pathbreaking reforms and provisions. The pharmaceutical industry in India is expected to reach USD 65 Billion by 2024 and, it is estimated to reach USD 130 Billion by 2030. The pharmaceutical industry in India valued USD 50 Billion in 2023. India is a major exporter of pharmaceuticals, with over 200 countries served by Indian pharma exports. India plays a crucial role in the global pharmaceuticals market by supplying over 50% of Africa's generic drug requirements, 40% of the generic drug demand in the U.S. and 25% of all medicines in the UK. India is a significant contributor to the global vaccine supply, accounting for 60% of all vaccines worldwide. Notably, 70% of the World Health Organization's (WHO) essential immunization vaccines are sourced from India.



India is the largest supplier of generic medicines, manufacturing approximately 60,000 different generic brands across 60 therapeutic categories. The country accounts for 20% of the global supply of generics. Additionally, with 500 API (Active Pharmaceutical Ingredient) manufacturers, India contributes about 8% to the global API industry. India has traditionally been a strong player in the pharmaceutical sector, boasting manufacturing costs that are 30% to 35% lower than the US and Europe. The country also benefits from cost-efficient R&D, which is approximately 87% less expensive than in developed markets and an abundance of affordable skilled labour.

(Sources: Invest India, IBEF)

## Sectoral growth drivers

**Rising incidence of non-communicable & infectious diseases:** Non-communicable diseases (NCDs) claim the lives of 41 Million people annually, accounting for 74% of all global deaths. This staggering prevalence drives significant growth in the pharmaceutical industry as the demand for treatments, therapies and preventive measures increases.

**Growing population:** In FY 2023-24, India surpassed China as the world's most populous country, with a current population of 1.44 Billion. This number is expected to rise to 1.51 Billion by 2030, creating substantial opportunities for growth in the pharmaceutical industry. As the population expands, the demand for healthcare services, medicines and medical innovations, driving the need for increased production and distribution of pharmaceutical products.

**Improved access to healthcare:** India ranks as the fifth-largest life insurance market among the world's emerging economies, experiencing annual growth of 32% to 34%. This robust expansion in the insurance sector supports the growth of the pharmaceutical industry by increasing access to healthcare services and medications.

**Higher affordability:** India's per capita disposable income is projected to reach ₹2.14 lakh in FY 2023-24. This increase in disposable income is a significant driver of growth for the pharmaceutical industry. As individuals have more financial resources, they are more likely to invest in healthcare, leading to higher demand for medications, preventive care and wellness products.

**Government support:** In 2024-25 Union Budget, The Department of Health and Family Welfare's allocation of ₹87,656.90 crores represents a 12.93% increase from the revised allocation of ₹77,624.79 crores in the previous year. This significant boost in funding aims to enhance health services and infrastructure, which in turn benefits the pharmaceutical industry.

(Sources: World Health Organization, Countrymeters.info, IBEF, The Economic Times, Business Today)

## Global CRO segment overview

The global contract research organization (CRO) services market reached USD 79.54 Billion in 2023. The market is expected to grow from USD 86.33 Billion in 2024 to USD 175.46 Billion by 2032, with a growing CAGR of 9.3%, from 2019 to 2032. Contract research organizations (CROs) offer a range of services, including preclinical research, data collection and clinical trial management, biotechnology, pharmaceutical and medical device companies.

By partnering with CROs, life science companies can significantly cut down on the costs, required time to develop and launch new therapeutics and medical devices.

The growing number of patients with chronic medical conditions and the increasing geriatric population are expected to enhance growth opportunities for the contract research organization (CRO) industry. The rise in clinical trials is likely to drive more companies to outsource services to CRO providers. North America dominates the overall CRO market, accounting for an estimated 43% to 52% of the market share. Meanwhile, regions such as Europe and Asia-Pacific are experiencing rapid growth, fuelled by an increase in clinical research activities, favourable government initiatives and the availability of skilled professionals.

The global was valued at USD 461.74 Billion in 2022 and it is expected to grow at a rate of 10.3% CAGR from 2023 to 2030. The increasing prevalence of cancer, genetic diseases and autoimmune disorders, along with the approval of several disease-modifying therapies are driving market growth. The advancement of personalized medicine and companion diagnostics is further propelling the market expansion. The incidence of cancer is expected to increase from 19.3 Million in 2020 to 24.6 Million by 2030. Autoimmune diseases are seeing an annual prevalence increase of 3% to 9%. Neurological conditions, including Alzheimer's and Parkinson's diseases, are also on the rise. The prevalence of Alzheimer's disease is anticipated to reach 78 Million by 2030 and 139 Million by 2050. The development of disease-modifying therapies, such as monoclonal antibodies, is driving growth in the biologics industry.

(Sources: Fortune Business Insights, Alimientiv, Grandview Research)

## Indian CRO segment overview

India contract research organization (CRO) services market reached USD 0.69 Billion in 2023. The CRO market industry is expected to grow from USD 0.73 Billion in 2024 to USD 1.32 Billion by 2032, with a growth rate of 7.23% CAGR during the forecast period from 2024 to 2032.

The market is propelled by several key drivers such as the globalization of clinical trials, the adoption of new technologies in clinical research, the increasing diversity and prevalence of illnesses and the rise in research and development outsourcing. The Indian government is actively working to enhance R&D efforts, which is anticipated to foster market growth. To further boost R&D operations, the Department of Pharmaceuticals in India proposed a new strategy in October 2021 aimed at reducing the approval time for innovative products by at least 50% over the next two years. Such initiatives are expected to support continued market expansion. The India CRO sector is impacted by diverse climate conditions for testing, global standards and intellectual property rights. Factors such as a large patient base, numerous hospitals, accessible skilled workforce and cost advantages due to affordable labour contribute to market growth.

(Sources: Market Research Future)

## Sectoral growth drivers

**Cost efficiency:** India provides a cost-effective environment for conducting clinical trials and research, making it an attractive destination for global pharmaceutical and biotechnology

companies. Clinical trials in India can be conducted at 40% to 70% lower costs compared to similar trials in Europe or the U.S, enhancing its demand as a research hub for global firms.

**Skilled workforce:** India has a large pool of highly skilled scientists, researchers and healthcare professionals. The availability of expertise in various fields, including pharmacology, biotechnology, and clinical research, enhances the capabilities of CROs in India.

**Favourable regulatory environment:** The Indian government has been actively streamlining and enhancing regulatory frameworks to boost clinical research and trials. These efforts include faster approval processes and policies that attract foreign investment in the CRO sector. From 2017 to 2023, phase II and phase III clinical trials in India grew by approximately 15% to 18%, largely due to the 10 key modifications made to the Drugs and Cosmetics Act of 1940.

**Growing pharmaceutical industry:** India's pharmaceutical industry is witnessing rapid expansion, Contract Research Organizations (CROs) are crucial in advancing the drug development pipeline, resulting in increased demand for their services. The industry is set to achieve ambitious growth targets, aiming for a market of USD 130 Billion by 2030 and USD 450 Billion by 2047.

**Technological advancements:** The adoption of advanced technologies such as artificial intelligence (AI), big data analytics, and digital health tools is enhancing the efficiency and accuracy of clinical trials and research conducted by CROs.

**Rising outsourcing:** Many global pharmaceutical and biotechnology companies are outsourcing their research and clinical trial activities to Indian CROs to take advantage of cost efficiencies, specialized expertise and quicker time-to-market. With over 3,000 drug companies and 10,500 manufacturing units, India has established itself as a major drug production and export hub.

(Sources: BioVoice News, The Economic Times, Livemint, Centurion Health Care)

## Company overview

Vivo Bio Tech stands as the leading provider of SPF lab animals in India, recognized as the largest breeder and distributor of rodent models. Partnering with Cyagen Biosciences, Vivo Bio Tech offers custom rodent models and stem cell products. Additionally, the company is an authorized distributor of lab animal diets from Special Diets Services (UK) in India. Vivo Bio Tech is a pioneer in the commercial distribution of SPF guinea pigs, sourcing breeders from Elm Hill Labs (USA). Utilizing top-quality SPF breeds in their in-house lab animals, the company ensures excellence in all preclinical studies. Their comprehensive services cover a wide array of preclinical toxicology disciplines, including In-vitro and In-vivo studies, analytical chemistry studies, bioanalytical studies and physico-chemical studies, all conducted in strict accordance with international agency guidelines. The Company's advanced preclinical research facility ranks among the largest in India. Vivo Bio Tech has its main facility located in Pragnapur Village, Siddipet District, Hyderabad, Telangana.

## Financial overview

### Analysis of profit and loss statement

**Revenues:** Revenue from operations reported a 13.1% decrease from ₹51.62 Crore in FY 2022-23 to ₹44.88 Crore in FY 2023-24. Other income of the Company remained at the same level as the previous year and accounted for a 0.1% share of the Company's total revenues, reflecting the Company's dependence on its core business operations.

**Expenses:** Total expenses decreased by 21% from ₹30.13 Crore in FY 2022-23 to ₹23.80 Crore in FY 2023-24. Employee cost decreased by ₹3.01 Crore, material cost and administrative expenditure also decreased by ₹2.92 Crore and ₹0.40 Crore respectively, resulting in a net decrease in total expenditure of ₹6.34 Crore. Raw material costs, accounting for a 8.6% share of the Company's revenues decreased by 43.1% from ₹6.77 Crore in FY 2022-23 to ₹3.85 Crore in FY 2023-24 due to reduction in scale of operations. Employees' expenses accounting for a 22.6% share of the Company's revenues decreased by 22.9% from ₹13.15 Crore in FY 2022-23 to ₹10.13 Crore in FY 2023-24.

### Balance Sheet analysis

#### Sources of funds

The capital employed by the Company increased 8.8% from ₹114.27 Crore as on March 31, 2023 to ₹125.23 Lakh on March 31, 2024 owing to an increase in borrowings to setup the large animal facility. Return on capital employed, a measurement of returns derived from every rupee invested in the business decreased by 89 basis points from 10.8% in FY 2022-23 to 9.9% in FY 2023-24 as the returns on the investment being made in the large animal facility will accrue in FY 26 while the debt increased by ₹8.44 Crore as at the end of the year.

### Net worth and details of any change in return on net worth compared to the immediately preceding financial year

The net worth of the Company increased by 4.9% from ₹51.87 Crore as on March 31, 2023 to ₹54.40 Crore as on March 31, 2024 due to increase in accruals during the year. The Company's equity share capital, comprising 1,49,03,520 equity shares of ₹10 each, during the year under review remained the same as in the previous year. The total debt of the Company increased by 13.5 % to ₹70.84 Crore as on March 31, 2024 due to [increase in borrowings to setup the large animal facility during the year. The debt-equity ratio of the Company stood at 1.30 in FY 2023-24 compared to 1.20 in FY 2022-23. Finance costs of the Company increased by 1.7% from ₹7.65 Crore in FY 2022-23 to ₹7.7 Crore in FY 2023-24 due to increase in borrowings for setting up the large animal facility.

### Investments

The Company had not made any Non-current investments on March 31, 2024.

### Working capital management

Current assets of the Company increased by 48.6% from ₹31.79 Crore as on March 31, 2023 to ₹47.23 Crore as on March 31, 2024.

The current and quick ratios of the Company stood at 3.62 and 3.39, respectively at the close of FY 2023-24 compared to 1.27 and 0.95, respectively at the close of FY 2022-23. Inventories including raw materials, work-in-progress and finished goods among others increased by 10.1% from ₹7.97 Crore as on March 31, 2023 to ₹8.77 Crore as on March 31, 2024. Trade receivables decreased from ₹12.38 Crore as on March 31, 2023 to ₹11.80 Crore as on March 31, 2024, an decrease of 4.7%. The debtors' turnover cycle increased to 96 days of turnover equivalent in FY 2023-24 compared to 86 days in FY 2022-23. Cash and bank balances of the Company increased by 1.1% from ₹1.37 Crore as on March 31, 2023 to ₹1.39 Crore as on March 31, 2024. Short-term loans and advances made by the Company increased by 254.2% from ₹6.84 Crore as on March 31, 2023 to ₹24.22 Crore as on March 31, 2024.

### Margins

The EBIDTA margin of the Company improved by 536 basis points from 41.7% in FY 2022-23 to 47% in FY 2023-24 while the net profit margin of the Company increased 51 basis points from 5.1% in FY 2022-23 to 5.6% in FY 2023-24.

### Key ratios

| Particulars                 | F.Y. 2023-24 | F.Y. 2022-23 |
|-----------------------------|--------------|--------------|
| EBIDTA/Turnover (%)         | 47.03        | 41.21        |
| EBIDTA/Net interest ratio   | 2.72         | 2.81         |
| Debt-equity ratio           | 1.30         | 1.20         |
| Return on equity (%)        | 4.75         | 5.35         |
| Book value per share (₹)    | 36.50        | 34.81        |
| Earnings per share (₹)      | 1.69         | 1.78         |
| Debtors turnover (days)     | 96           | 86           |
| Interest coverage ratio (x) | 2.72         | 1.60         |
| Current ratio (x)           | 3.62         | 1.27         |
| Operating profit margin (%) | 26.34        | 23.73        |
| Net profit margin (%)       | 5.62         | 5.11         |

### Opportunities and threats

The Company is strategically positioned to seize market opportunities, driven by its unwavering commitment to integrated Preclinical CRO solutions and substantial investments in advanced technologies and platforms. The development of an advanced GLP certified laboratory has significantly bolstered its growth trajectory. The Company's primary focus is on addressing the needs of its long-term strategic partners through investments in novel capabilities and continuous enhancements in services within these partnerships. Regarding risk management, the Company's leadership team regularly evaluates critical risk areas. They define the nature and scope of notable risks and outline corresponding plans to mitigate and address them. The identified risks are as follows:

- Maintaining business resilience
- Health and safety of the workforce

- Product effectiveness and quality
- Increased input costs and supply chain disruptions
- Competition and price erosion in regulated markets
- Data privacy and cyber security laws
- Environment, Health and Safety (EHS) risks
- Management of regulations and compliance

### Risks and concerns

The Preclinical CRO sector inherently carries high-risk elements due to the substantial element of accuracy and quality of services. Despite significant investment, there is no guarantee of sharp increase in revenues as building brand and trust is a long drawn process in the sector. Factors such as competition, regulatory dynamics and the position in the value chain in which the company operates can impact potential profitability.

### Internal control systems and their adequacy

The Company's internal audit system is continually assessed and updated to ensure asset protection, compliance with established regulations and prompt resolution of pending issues. The Audit Committee regularly reviews reports from internal auditors, noting observations and taking corrective actions when necessary. It maintains ongoing dialogue with statutory and internal auditors to ensure the effective operation of internal control systems.

### Human resources

As of March 31, 2024, the Company had a workforce of 150 employees, including officers and workmen. The Company focuses on advancing individual and collective skills has significantly contributed to the growth of its human capital, ensuring alignment with market dynamics and demands. The Company has implemented initiatives for skill enhancement and employee capability upgrades. Knowledge-sharing programs have been organized and employees have participated in external programs to broaden their understanding of emerging standards. Several innovative employee ideas have been put into action, leading to improved quality, cost efficiency and productivity.

### Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectations and estimations which may be 'forward-looking statements' within the meaning of applicable Securities Laws and Regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statements or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

## Annexure – A"

## Form No. Aoc – I

STATEMENT SHOWING SALIENT FEATURES OF THE FINANCIAL STATEMENTS  
OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## PART A – SUBSIDIARIES

(Amount in ₹)

| S. No | Particulars   | Name of the Subsidiary        |   |   |   |
|-------|---|-------------------------------|---|---|---|
|       |   | Vivo Bio Labs Private Limited | Vivo Bio Discovery Services Private Limited | Surlogig Life Consultancy Private Limited | Vivo Bio Consulting Services Private Limited (Formerly Donakanti Consulting Services Private Limited) |
| a     | The date since when subsidiary was acquired   | 23-10-2009                    | 23-10-2009                                  | 12-02-2016                                | 17-04-2019  |
| b     | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | NA                            | NA  | NA  | NA  |
| c     | Reporting Currency  | INR                           | INR   | INR                                       | INR   |
| d     | <b>Financial Information</b>  |                               |   |   |   |
| 1.    | Share Capital   | 1,00,000                      | 1,00,000                                    | 1,00,000                                  | 1,00,000  |
| 2.    | Reserves & Surplus  | 23,170                        | -780  | -14,665                                   | 18,235  |
| 3.    | Total Assets  | 22,74,604                     | 10,43,852                                   | 37,55,535                                 | 3,27,18,073   |
| 4.    | Total Liabilities   | 21,51,434                     | 9,44,632                                    | 36,70,200                                 | 3,25,99,838   |
| 5.    | Investments   | 0                             | 0   | 0   | 0   |
| 6.    | Turnover  | 14,94,402                     | 14,70,690                                   | 12,20,643                                 | 15,21,493   |
| 7.    | Profit/Loss before Taxation   | 41,109                        | 10,927                                      | -7,634                                    | 12,571  |
| 8.    | Tax Expense/ (Benefit)  | 10,277                        | 2,732                                       | 0   | 3,143   |
| 9.    | Profit/Loss after Taxation  | 30,832                        | 8,195                                       | -7,634                                    | 9,428   |
| 10.   | Other Comprehensive Income  | 0                             | 0   | 0   | 0   |
| 11.   | Total Comprehensive Income  | 0                             | 0   | 0   | 0   |
| 12.   | Proposed Dividend   | 0                             | 0   | 0   | 0   |
| 13.   | % of Shareholding   | 100%                          | 100%  | 100%                                      | 100%  |
| 14.   | Contribution to the overall performance of the Company  | -                             | -   | -   | -   |

## Notes:

- Names of Subsidiaries which are yet to commence operations – Nil
- Names of Subsidiaries which have been liquidated or sold during the financial year - Nil

## PART B – ASSOCIATES AND JOINT VENTURES

There are no Associates and Joint Ventures to report.

As per our report of even date

For P. Murali &amp; Co

For and on behalf of Board of Directors

Chartered Accountants

Firm Regs. No. 007257S

UDIN: 24024784BKAUD05053

M V Joshi  
Partner  
M.No: 024784

M. Kalyan Ram  
Whole Time Director  
DIN:02012580

Sri Kalyan Kompella  
Whole Time Director & CFO  
DIN:03137506

A V Kiran  
Company Secretary  
M.No: A60906

Place: Hyderabad  
Date: May 20, 2024

## Annexure – B"

# Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors based on the representations received from the Operating Management, and after due enquiry, confirm that;

- a) In the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed and there have been no material departures therefrom;
- b) The accounting policies mentioned in the Notes to the Standalone Financials Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profits of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f) Proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**For and on behalf of the Board of Directors**

**Place: Hyderabad**  
**Dated: August 26, 2024**

**M Kalyan Ram**  
**Whole Time Director**  
**DIN: 02012580**

**Sri Kalyan Kompella**  
**Whole Time Director & CFO**  
**DIN: 03137506**

"Annexure – C"

## Secretarial Audit Report For the Financial Year ended March 31, 2024

### Form No. MR - 3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**VIVO BIO TECH LIMITED**

CIN: L65993TG1987PLC007163

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate,

#8-2-672/5 & 6, Road No.1, Banjara Hills,

Hyderabad, Telangana – 500034.

**I, G. Vinay Babu**, Company Secretary in Practice, have conducted the Secretarial Audit pursuant to section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **VIVO BIO TECH LIMITED** having **CIN: L65993TG1987PLC007163** and Registered Office at 03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034 (hereinafter referred to as "The Company") for the financial year ended **March 31, 2024**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024 (i.e April 01, 2023 to March 31, 2024)**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent

of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowings;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not



- applicable to the Company during the Audit Period):
- vi. Other laws applicable specifically to the Company namely:
    - a. Drugs and Cosmetics Act, 1940
    - b. Prevention of Cruelty to Animals Act, 1960
    - c. The Environment (Protection) Act, 1986
  2. During the year under review the Company has conducted 9 Board Meetings, 5 Audit Committee Meetings, 4 Nomination and Remuneration Committee Meetings, 4 Stakeholders Relationship Committee Meetings, 1 Independent Director's Meeting and 1 General Meeting. I have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors and General Meetings
  3. I further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
  4. The Company has framed various policies and displayed the same on the Company's website i.e., [www.vivobio.com](http://www.vivobio.com).
    - Policy on Preservation of Document
    - Whistle Blower Policy
    - Related Party Transaction Policy
    - Familiarization Programme for Independent Directors
    - Nomination and remuneration Policy
  5. I further report that:-
    - a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Independent Directors and Woman Director.
    - b. Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
    - c. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
    - d. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
    - e. As per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (1) (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.
    - f. During the year under report, the Company has not undertaken any event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except for the following-

Place : Hyderabad  
Date : August 26, 2024

**G. Vinay Babu**  
Company Secretary in Practice  
M.No. 20592, CP. No. 20707  
UDIN: A020592F001043790

**Note:** This report is to be read with my letter of even date which is annexed as 'ANNEXURE' and forms an integral part of this report.

## 'Annexure to Secretarial Audit Report'

To,

The Members,

**VIVO BIO TECH LIMITED**

CIN: L65993TG1987PLC007163

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate,

#8-2-672/5 & 6, Road No.1, Banjara Hills,

Hyderabad, Telangana – 500034.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Place : Hyderabad**

**Date : August 26, 2024**

**G. Vinay Babu**

**Company Secretary in Practice**

**M.No. 20592, CP. No. 20707**

**UDIN: A020592F001043790**

"Annexure – D"

## Statement of Disclosure of Remuneration

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| S. No | Requirements  | Disclosure  |                                   |
|-------|---|---|-----------------------------------|
| 1     | The ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year.   | <b>Name of the Director</b>   | <b>Ratio( In X Times)</b>         |
|       |   | Mr. M. Kalyan Ram<br>Wholetime Director   | 3.87                              |
|       |   | Dr. Alangudi Sankaranarayanan<br>Wholetime Director   | 3.37                              |
|       |   | Mr. Sri Kalyan Kompella<br>Wholetime Director & CFO   | 6.26                              |
|       | a. The Median Remuneration of all the employees of the Company was ₹2,22,296/-.   |   |                                   |
|       | b. For this purpose sitting fees paid to the Directors has not been considered as remuneration.   |   |                                   |
| 2     | The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year   | <b>Name of the Director</b>   | <b>% increase in Remuneration</b> |
|       |   | Mr. M. Kalyan Ram<br>Wholetime Director   | Nil                               |
|       |   | Dr. Alangudi Sankaranarayanan<br>Wholetime Director   | Nil                               |
|       |   | Mr. Sri Kalyan Kompella<br>Wholetime Director & CFO   | 56.18%.                           |
|       |   | Mrs. Kunda Kalpana<br>Independent Director  | NA                                |
|       |   | Mr. Hariharan Ravindran<br>Independent Director   | NA                                |
|       |   | Mr. Sunder Kanaparth<br>Independent Director  | NA                                |
|       |   | Dr. Shivanand Nayak Karopadi<br>Non-Executive Director  | NA                                |
|       |   | Ms. Jyotika Aasat<br>Company Secretary<br>(Upto January 02, 2024)   | Nil                               |
|       |   | Mr. A V Kiran<br>Company Secretary<br>(From January 23, 2024)   | NA                                |
| 3     | The percentage increase/decrease in the median remuneration of employees in the financial year.   | During the financial year 2023-2024, the percentage decrease in the median remuneration of employees as compared to previous year was approximately 18.31%. |                                   |
| 4     | The number of permanent employees on the rolls of Company.  | There were 161 employees as on March 31, 2024.  |                                   |
| 5     | The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Average decrease in remuneration is 3.81% for Employees other than Managerial Personnel. There is 15.49% decrease in remuneration of managerial personnel.  |                                   |
| 6     | Affirmation that the remuneration is as per the remuneration policy of the Company.   | Yes, the remuneration is as per the remuneration policy of the Company.   |                                   |

**Note:** The Non-Executive Director & Independent Directors in the Company does not receive any remuneration from the Company apart from the sitting fees for attending Board and Committee meetings.

For and on behalf of the Board of Directors

Place: Hyderabad  
Dated: August 26, 2024

M Kalyan Ram  
Whole Time Director  
DIN: 02012580

Sri Kalyan Kompella  
Whole Time Director & CFO  
DIN: 03137506

## "Annexure – E"

## Form No. Aoc – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:**

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2023-2024.

2. Details of material contracts or arrangement or transactions at arm's length basis:

**(a) Name(s) of the related party and nature of relationship:**

| S. No | Name of the Company/Party Name  | Relationship                  |
|-------|---|-------------------------------|
| 1     | VivoBio Discovery Services Private Limited  | Wholly owned Subsidiary       |
| 2     | VivoBio Labs Private Limited  | Wholly owned Subsidiary       |
| 3     | Surlogic Life Consultancy Private Limited   | Wholly owned Subsidiary       |
| 4     | Vivobio Consulting Services Private Limited<br>(Formerly Donakanti Consulting Services Private Limited) | Wholly owned Subsidiary       |
| 5     | Virinchi Limited  | Common Promoters and Director |
| 6     | Mr. Viswanath Kompella  | Promoter Cum Advisor          |
| 7     | Mrs. Madhavi Latha Kompella   | Promoter Cum Advisor          |

**(b) Nature of contracts/arrangements/transactions:**

- 1) The Company took leased premises from Virinchi Limited and also entered into a software development and consulting services contract with Virinchi Limited for the operations of the Company.
- 2) Contract with Mr. Viswanath Kompella, promoter and a shareholder holding more than 10% shareholding in the Company along with Person Acting in Concert.

The scope of the advisory services to be provided by Mr. Viswanath Kompella shall include advising the Board and the Management with broad strategic aspects of the business, supporting in establishing and enabling relationships with external forums like industry chambers, institutions, government and other agencies on policy matters and in brand and image building of the Company apart from advising the Company's Board on any other areas that the Board/Management may seek his advice.

- 3) Contract with Mrs. Madhavi Latha Kompella, promoter and a shareholder holding more than 10% shareholding in the Company along with Person Acting in Concert.

**(c) Duration of the contracts/arrangements/transactions:**

- i. Inter-company agreements entered into with subsidiary companies, as amended and ongoing.

- ii. The lease agreement extended for another 11 months. The duration of the contract for the software development and services is for 5 years.
- iii. The appointment of Mr. Viswanath Kompella as "Advisor" is from April 01, 2019 initially for a period of 5 years, renewable by the Board from time to time.
- iv. The appointment of Mrs. Madhavi Latha Kompella, as an "Advisor for Strategy & Business Development" is for a term of five years commencing from October 01, 2021 to September 30, 2026.

**(d) Salient terms of the contracts or arrangements or transactions including the value, if any:**

- i. To provide IT Services to the client/customers as per agreement.
- ii. The payment terms of each project as per the intercompany agreements entered with the respective subsidiaries.
- iii. Company has not paid any rent during the year.

**iv. Monetary Terms with Mr. Viswanath Kompella –**

1. **Payment of Fee/ Remuneration:** Not Exceeding ₹1,20,00,000/- (Rupees One Crore Twenty lakhs Only) per annum (subject to statutory deductions and exclusive of applicable taxes) which is payable as follows:

Fixed monthly Fee/Remuneration of ₹10,00,000/- (Rupees Ten Lacs Only) from 1<sup>st</sup> September, 2020 for the remaining tenure of 3 years and 7 months.

2. **Reimbursements:** All the expenses incurred on travelling, boarding, lodging etc. while performing advisory services for and on behalf of the Company shall be reimbursed on actual basis.
3. **Facilities:** Mr. Viswanath Kompella shall be provided requisite office facilities, chauffeur driven car and communication facilities to effectively discharge his duties.

During the year under review the Company has not paid any remuneration to Mr. Viswanath Kompella.

**v. Monetary Terms with Mrs. Madhavi Latha Kompella –**

1. Payment of Fee/ Remuneration: Not Exceeding ₹1,80,00,000/- (Rupees One Crore Eighty lakhs Only) per annum (subject to statutory deductions and exclusive of applicable taxes) which is payable as follows:

Fixed monthly Fee/Remuneration of ₹15,00,000/- (Rupees Fifteen Lacs Only).

2. Reimbursements: All the expenses incurred on travelling, boarding, lodging etc. while performing advisory services for and on behalf of the Company shall be reimbursed on actual basis.

During the year under review the Company has paid remuneration of ₹0.90 Crores to Mrs. Madhavi Latha Kompella.

**Date(s) of approval by the Board, if any:** Not applicable as these are at arms' length basis and in the ordinary course of the business.

- i. **Lease Agreement:** The date of Board Meeting in which the transaction of lease agreement with

Virinchi Limited was approved was August 30, 2014.

- ii. **Appointment of Mr. Vishwanath Kompella:** The Audit Committee in its meeting held on February 12, 2019, had approved the proposal for appointment of Mr. Viswanath Kompella, as an Advisor of the Board/Company and the same has also been discussed and approved by the Board in its meeting held on February 12, 2019 for a period of five years with effect from April 01, 2019.

Further during the year 2020-2021 the Nomination & Remuneration Committee and Audit Committee has recommended and approved the proposal for revision in fee/remuneration paid to Mr. Viswanath Kompella, Promoter, as an Advisor to the Board of the Directors of the Company in terms of section 188 (1) (f) of the Companies Act, 2013 appointment to any office or place of profit in the Company. The Board of Directors in its meetings held on August 28, 2020 discussed and approved the Increase of fees/remuneration from ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month to ₹10,00,000/- (Rupees Ten Lakhs Only) per month with effect from September 01, 2020 for the remaining tenure of 3 years and 7 months and the same was approved by the members of the Company by passing special resolution in the 33<sup>rd</sup> AGM held on September 28, 2020.

- iii. **Appointment of Mrs. Madhavi Latha Kompella:** The Board of Directors on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee in their meeting held on August 28, 2021 had approved the proposal for appointment of Mrs. Madhavi Latha Kompella, as an Advisor for Strategy & Business Development of the Company and the same was approved by the members of the Company by passing special resolution in the 34<sup>th</sup> AGM held on September 28, 2021.

**(e) Amount paid as advances, if any:** Nil

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Dated: August 26, 2024

M Kalyan Ram  
Whole Time Director  
DIN: 02012580

Sri Kalyan Kompella  
Whole Time Director & CFO  
DIN: 03137506

## "Annexure – F"

## Particulars of Energy Conservation, Technology Absorption, Foreign Exchange Earnings & Outflow

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

### A) Conservation of Energy:

Company's operations require electrical energy for its use in air conditioning the premises, for power supply to computer systems and lighting which are not energy intensive. However, adequate measures have been taken to reduce energy consumption, wherever possible.

To decrease the carbon footprint, Company transportation is extended to associates from different parts of the city; the occupation is 100% in all the buses on all the working days. Also, to conserve the natural resources, STP plan is installed and the waste water and solid material emitted out, after processing is being used for landscaping. The Company has adopted laudable practices like reducing the carbon foot prints, maximizing the utilization of natural light and reducing the electric light fittings, reduction of size of work station partitions, use of recycled material for the work stations' wood boards, provision of task lights for every work station to minimize the power consumption, central control switch for entire work station and automated water control taps in the rest rooms. As part of energy conservation, LED lighting is being use for the new areas, which are undergoing interior renovation works.

### B) Technology Absorption:

- i. Efforts made towards technology absorption;
- ii. Benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

|    |   |     |
|----|---|-----|
| a) | Technology imported   | NIL |
| b) | Year of import  | NA  |
| c) | Whether the technology been fully absorbed  | NA  |
| d) | If not fully absorbed, areas where absorption has not taken place, and the reasons thereof. | NA  |

- iv. Technology Absorption, Adaptation and Innovation:
  - Your Company continues to use state-of-the-art technology for improving the productivity and quality of its products and services.
  - To create adequate infrastructure, your Company continues to invest in the latest processes.

- To support its growth plans, the Company continues to invest in processes that are configured consistently for its core business processes.

- v. The expenditure incurred on Research and Development: Nil

### C) Research and Development:

#### i. Specific Areas in which R&D work has been carried out by the Company:

- Molecular Biology: Cloning of desired gene in the appropriate vector and also optimization of the expression of desired protein in appropriate host.
- Fermentation: Optimizing the fermentation process of E.Coli harboring the plasmid containing the gene of interest.
- Protein Purification: Development of purification techniques for various proteins. This include wide range of chromatographic techniques like ion exchange, reverse phase, hydrophobic interaction column, gel filtration, affinity chromatography etc.
- Bioassay: in vivo and in vitro activity assay standardization of various proteins.
- Quality Control: We do the physio-chemical and biochemical/immunological characterization of various proteins.

#### ii. Benefits derived as a result of R&D (Wet Lab) Activities:

- Cloning of gene of interest for getting maximum expression of the desired protein from desired host such as E.Coli or yeast.
- Solving complicated projects such as purification of untagged and low-expressing proteins.
- Purification of enzymes.
- Purification of antibody required in R&D and Quality control lab.
- Bioassay development of different proteins.

#### iii. Future Plan of Action:

- Research and Development activity for further improvement of quality and yield of desired protein to get cost effective technology, that can minimize the cost incurred to customers.



- Establishment of radioactive lab for providing services in the area of bioassay development, and also for different laboratory experiment.
- Establishment of Mammalian and Pichia cell culture lab for providing specific services associated.

**D) Foreign Exchange Earnings and Outgo:**

Most of your Company's earnings are from the sale of animals, feed and research services etc. In order to promote product sales and services, your Company

participated in various exhibitions and carried product promotion activities.

Details of foreign exchange earnings and outgo during the year as follows:

(₹ in Lakhs)

| Particulars               | Financial Year<br>- 2023-2024 | Financial Year<br>- 2022-2023 |
|---------------------------|-------------------------------|-------------------------------|
| Foreign Exchange Earnings | 496.07                        | 536                           |
| Foreign Exchange Outgo    | 102.83                        | 40                            |

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Dated: August 26, 2024

**M Kalyan Ram**  
Whole Time Director  
DIN: 02012580

**Sri Kalyan Kompella**  
Whole Time Director & CFO  
DIN: 03137506

## "Annexure – G"

# Report on Corporate Governance

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

### 1. COMPANY'S PHILOSOPHY:

Vivo Bio Tech Limited ("Vivo"/ "the Company") believes that corporate governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for the effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders. Through its processes and independence of functioning, the Board of Directors of the Company provides effective leadership to the Company and its management for achieving sustained prosperity for all the stakeholders.

The Company is in compliance with the requirements of revised guidelines on Corporate Governance stipulated under SEBI (LODR) Regulations, 2015.

Key elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product & service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/mechanisms to serve this purpose.

The following is a report on the Corporate Governance.

### 2. BOARD OF DIRECTORS:

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As at March 31, 2024, the Board of Directors ("Board") and the Committees of the Board ("Committees") are detailed under.

#### 2.1 Composition and Size of the Board:

The Company endeavors to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As on March 31, 2024, your Company had a total strength of six (6) Directors on the Board, comprising of three (3) Executive Directors and three (3) Non-Executive Directors. Among the three (3) Non-Executive Directors, two (2) are Independent Directors including one (1) Woman Director and one (1) is a Non-Independent Director. The Chairman of the Board is an Independent Director.

The Independent Directors have been issued formal letter of appointment, and the terms and conditions of their appointment have also been disclosed on the website of the Company. The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149 of the Companies Act, 2013 read with the Rules made thereunder.

| S. No | Name of the Director          | Designation                        | Category               |
|-------|-------------------------------|------------------------------------|------------------------|
| 1     | Mrs. Kunda Kalpana            | Chairperson – Independent Director | Non-Executive Director |
| 2     | Mr. M. Kalyan Ram             | Whole Time Director                | Executive Director     |
| 3     | Mr. Sri Kalyan Kompella       | Whole Time Director & CFO          | Executive Director     |
| 4     | Dr. Sankaranarayanan Alangudi | Whole Time Director                | Executive Director     |
| 5     | Mr. Shyam Sunder Tipparaju    | Independent Director               | Non-Executive Director |
| 6     | Dr. Shivanand Nayak Karopadi  | Director                           | Non-Executive Director |

**Note:** All the Directors associated with the Company as on the date of the AGM held in 2023 i.e. September 30, 2023, have attended the AGM!

The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. All material information is circulated to the Directors, including the information that is required to be made available to the Directors under Part A of Schedule II of the Listing Regulations.

**2.2. Board Meetings and Attendance:**

Nine (9) Board Meetings were held during the year. The dates on which the meetings were held are as follows:

| S. No | Date of Meeting    | Board Strength | No. of Directors present |
|-------|--------------------|----------------|--------------------------|
| 1.    | May 30, 2023       | 6              | 6                        |
| 2.    | June 14, 2023      | 6              | 6                        |
| 3.    | August 07, 2023    | 6              | 6                        |
| 4.    | August 31, 2023    | 6              | 6                        |
| 5.    | September 21, 2023 | 6              | 6                        |
| 6.    | October 16, 2023   | 6              | 6                        |
| 7.    | November 14, 2023  | 6              | 6                        |
| 8.    | January 23, 2024   | 6              | 6                        |
| 9.    | February 12, 2024  | 6              | 6                        |

**2.3. Details of Directorship in other Companies and Membership and Chairmanship in Committees as on March 31, 2024:**

The details of number of Directorship, Membership and Chairmanship in Committees of other companies are given below:

| S. No | Name of the Director          | Directorships in Other Companies | Committee Membership | Committee Chairmanship |
|-------|-------------------------------|----------------------------------|----------------------|------------------------|
| 1     | Mrs. Kunda Kalpana            | 2                                | 4                    | 4                      |
| 2     | Mr. M. Kalyan Ram             | 9                                | 2                    | -                      |
| 3     | Mr. Sri Kalyan Kompella       | 12                               | 3                    | -                      |
| 4     | Dr. Sankaranarayanan Alangudi | 6                                | -                    | -                      |
| 5     | Mr. Shyam Sunder Tipparaju    | 7                                | 1                    | -                      |
| 6     | Dr. Shivanand Nayak Karopadi  | 4                                | -                    | -                      |

**Note:**

- The Directorships in other companies includes both private and public companies.
- The Directorships do not include alternate directorships and directorships of foreign companies, and section 8 companies.
- In accordance with SEBI (LODR) Regulations, 2015, memberships/chairmanships of only the Audit Committee and shareholders/ investors grievance committees of all Public Limited Companies (Including Vivo Bio Tech Limited) have been considered.

The number of total directorships (other directorships) is in accordance with Section 165 of the Companies Act, 2013.

**2.4. Details of Directorship in other Listed entities as on March 31, 2024:**

| S. No | Name of the Director          | No. of Directorships | Name of Listed Entity & Category of Directorship |
|-------|-------------------------------|----------------------|--|
| 1     | Mrs. Kunda Kalpana            | 1                    | Virinchi Limited - Independent Director          |
| 2     | Mr. M. Kalyan Ram             | -                    | -  |
| 3     | Mr. Sri Kalyan Kompella       | 1                    | Virinchi Limited - Non-Executive Director        |
| 4     | Dr. Sankaranarayanan Alangudi | -                    | -  |
| 5     | Mr. Shyam Sunder Tipparaju    | 1                    | Virinchi Limited - Independent Director          |
| 6     | Dr. Shivanand Nayak Karopadi  | -                    | -  |

**2.5. Disclosure of relationship between Directors inter-se:**

None of the other Directors of the Company are, inter-se, related to each other.

**2.6. Separate Meeting of Independent Directors:**

A Meeting of the Independent Directors chaired by Mrs. Kunda Kalpana was held on February 15, 2024 which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of

the Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Board was briefed on the deliberations made at the Independent Directors Meeting.

There was no resignation of any Independent Director during the financial year.

**2.7. Board Familiarization:**

Non-Executive Directors who are inducted on the Board are given an orientation about the Company, its operations, services and details of subsidiaries, board procedures and

processes and major risks and risk management strategies. The Company ensures that directors are inducted through a familiarization process comprising, inter alia, their roles and responsibilities.

Newly inducted directors spend approximately a week at the time of their induction and interact with the Chairman, Whole Time Directors & CFO, CEO, and other members of the senior management. They interact with the heads of all business units and other functional heads. They are provided a walk through among some of the centres of excellence and given a detailed understanding of the business and its operations. Directors are regularly updated on changes in policies and programmes, laws and the general business environment. Details of the familiarization programme for Non-Executive Directors and their letter of appointment are published on the website of the Company.

The details of the Familiarization Program imparted to Independent Directors of the Company are available on website of the Company at <http://vivobio.com/pdf/familiarisation-programme.pdf>.

## 2.8. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgments safeguarding the interest of the Company and other stakeholders, etc. The performance evaluation of the Independent Directors

was carried out by the entire Board. During such evaluation, the Director whose performance was evaluated was not present at the meeting. The performance evaluation of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors.

The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the Management.

The necessary disclosures regarding committee positions have been made by the directors. All Independent Directors have provided an affirmation of their independence as required under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

## 2.9. List of core skills/ expertise/ competencies identified by the Board as required in the context of its business(es) and sector(s) for an efficient functioning and those actually available with the Board:

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the board and its committees.

The following skills/expertise /competencies have been identified for the effective functioning of the Company and are currently available with the Board.

- Industry Knowledge & experience
- Corporate Finance, Taxation
- Strategic Planning
- Legal & Risk Management
- Corporate Restructuring & Corporate Governance
- Global Business
- Leadership/operational experience.

| Board of Directors             | Industry Knowledge & Experience | Corporate Finance, Taxation | Strategic Planning | Legal & Risk Management | Corporate Re-structuring & Corporate Governance | Global Business | Leadership/Operational Experience |
|--------------------------------|---------------------------------|-----------------------------|--------------------|-------------------------|---|-----------------|-----------------------------------|
| Mr. M. Kalyan Ram              | √                               | √                           | √                  | √                       | √   | √               | √                                 |
| Mr. Sri Kalyan Kompella        | √                               | √                           | √                  | √                       | √   | √               | √                                 |
| Dr. Sankara Narayanan Alangudi | √                               | √                           | √                  | -                       | √   | √               | √                                 |
| Mrs. Kunda Kalpana             | √                               | √                           | √                  | -                       | √   | -               | √                                 |
| Dr. Shivanand Nayak Karopadi   | √                               | -                           | √                  | √                       | -   | √               | √                                 |
| Mr. Shyam Sunder Tipparaju     | √                               | -                           | √                  | -                       | -   | √               | √                                 |

## 2.10. Number of Shares and Convertible Instruments held by Non-Executive Directors:

The number of equity shares and convertible instruments of the Company held by Non-Executive Directors as on March 31, 2024 are as follows:

| S. No | Name of the Director         | No of Equity Shares |
|-------|------------------------------|---------------------|
| 1     | Mrs. Kunda Kalpana           | Nil                 |
| 2     | Dr. Shivanand Nayak Karopadi | Nil                 |
| 3     | Mr. Shyam Sunder Tipparaju   | Nil                 |

### 2.11. Particulars of senior management of the Company:

| Name of the Senior Management | Category   |
|-------------------------------|--|
| Mr. Sri Kalyan Kompella       | Chief Financial Officer  |
| Mr. A V Kiran                 | Company Secretary and Compliance Officer (appointment w.e.f. January 23, 2024) |

Ms. Jyotika Aasat, was appointed as Company Secretary on April 11, 2022 and ceased on January 02, 2024.

## 3. AUDIT COMMITTEE:

### 3.1. Brief description of Terms of Reference:

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.

The primary responsibilities of the Audit Committee are-

- Financial reporting process
- Draft financial statements and auditor's report (before submission to the Board) Accounting policies and practices
- Internal controls and internal audit systems
- Risk management policies and practices
- Internal audit reports and adequacy of internal audit function.
- Oversee the Vigil Mechanism

- Oversee the implementation of Prohibition of insider trading Regulations

The role of the Audit Committee includes recommending the appointment and removal of the auditors, discussion of the audit, plan and fixation of audit fee and also approval of payment of fees for any other services.

In addition to the above, the role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors of the Company.

### 3.2. Composition, Meetings and Attendance:

The Audit Committee as at the end of the year March 31, 2024 consisted of 3 (three) Directors of which 2 (two) are Non-Executive Directors being Independent Directors and one Whole Time Director. The Chairperson of the Audit Committee is an Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

During the year, the Committee had 5 (Five) meetings on May 30, 2023, August 07, 2023, August 31, 2023, November 14, 2023 and February 12, 2024.

Details of attendance of the Members at such meetings are given as follows:

| Name                       | Designation             | Category of Directorship             | Attendance |
|----------------------------|-------------------------|--------------------------------------|------------|
| Mrs. Kunda Kalpana         | Chairperson             | Non-Executive & Independent Director | 5          |
| Mr. Hariharan Ravindran    | Member(upto 31/08/2023) | Non-Executive & Independent Director | 3          |
| Mr. M. Kalyan Ram          | Member                  | Executive Director                   | 5          |
| Mr. Shyam Sunder Tipparaju | Member(from 31/08/2023) | Non-Executive & Independent Director | 2          |

The Company Secretary is the Secretary of the Committee. The Meetings of Audit Committee were also attended by the representatives of Statutory Auditor as Invitees. The Un-audited financial results for each quarter are recommended by the Audit Committee before passed on to the Board of Directors for approval and adoption.

The Chairperson of the Audit Committee, Mrs. Kunda Kalpana, was present at the Annual General Meeting of the Company held on September 30, 2023.

## 4. NOMINATION AND REMUNERATION COMMITTEE:

### 4.1. Brief description of Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are as follows:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOPs, Pension Rights and any Compensation Payment.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.

- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.
- Recommend to the board, all remuneration, in whatever form, payable to senior management

In addition to the above, the detailed role of the Nomination and Remuneration Committee and review of information by the Committee is mentioned in the Section A, Part D of Schedule II of SEBI (LODR) Regulations, 2015.

### 4.2. Composition, Meetings and Attendance:

The Nomination and Remuneration Committee comprises of three (3) Non-Executive Directors with two (2) Independent Directors and one (1) Non-Executive Director. The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations:

During the year, the Committee had 4 (four) meetings on May 30, 2023, August 31, 2023, December 22, 2023 and January 23, 2024.

Details of attendance of the Members at such meetings are given as follows:

| Name                         | Designation                | Category of Directorship             | Attendance |
|------------------------------|----------------------------|--------------------------------------|------------|
| Mr. Hariharan Ravindran      | Chairman (upto 31/08/2023) | Non-Executive & Independent Director | 2          |
| Mr. Shyam Sunder Tipparaju   | Chairman(from 31/08/2023)  | Non-Executive & Independent Director | 2          |
| Mrs. Kunda Kalpana           | Member                     | Non-Executive & Independent Director | 4          |
| Dr. Shivanand Nayak Karopadi | Member                     | Non-Executive & Independent Director | 4          |

The Company Secretary is the Secretary of the Committee.

### 4.3. Remuneration Policy:

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of Selection of Board of Directors and CEO & Managing Director and their remuneration.

This Policy is accordingly derived from the said Charter.

The Nomination & Remuneration Policy of the Company is available on the Company's website <http://www.vivobio.com/policies.php>. Salient features of the policy are given below-

#### a. Criteria of Selection of Non-Executive Directors:

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Bio-Technology, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the

criteria of Independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
  - a) Qualification, expertise and experience of the Directors in their respective fields;
  - b) Personal, Professional or business standing;
  - c) Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.



## b. Remuneration:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings detailed hereunder:

- A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

The criteria of making payments to Non-Executive Directors is available on the Company's website <http://www.vivobio.com/policies.php>.

## 4.4. Board member Evaluation:

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the

Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees and Executive / Non-Executive / Independent Directors through a peer evaluation, excluding the director being evaluated.

Independent Directors have three key roles - Governance, Control and Guidance. Some of the performance indicators based on which the independent directors are evaluated include:

- The ability to contribute to and monitor our corporate governance practice.
- The ability to contribute by introducing international best practices to address business challenges and risks
- Active participation in long term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities, these include participation in Board and Committee meetings.
- To improve the effectiveness of the Board and its Committees, as well as that of each individual director, a formal and rigorous Board review is internally undertaken on an annual basis.

## 5. REMUNERATION OF DIRECTORS:

Details of remuneration paid to the Directors during the financial year 2023-2024 are as follows:

### a. Executive Directors:

| Name                          | Salary    | Benefits (perquisites) | Bonus | Pension | Commission | Total            |
|-------------------------------|-----------|------------------------|-------|---------|------------|------------------|
| Mr. M. Kalyan Ram             | 861,204   | -                      | -     | -       | -          | 861,204          |
| Mr. Sri Kalyan Kompella       | 1,390,004 | -                      | -     | -       | -          | 1,390,004        |
| Dr. Sankaranarayanan Alangudi | 750,000   | -                      | -     | -       | -          | 750,000          |
| <b>TOTAL</b>                  |           |                        |       |         |            | <b>3,001,208</b> |

No directors were granted options under ESOP.

### b. Non-Executive Directors:

There were no pecuniary transactions with any Non-Executive Directors of the Company.

Non-Executive Directors are paid sitting fee for attending the Board and Committee meetings. Sitting fee of ₹10,000/- is being paid to Non-Executive Directors for attending each meeting of the Board of Directors and ₹5,000/- for each meeting of the Committees of Board of Directors.

During the year, the sitting fees paid was as follows-

| S. No | Name of the Director         | Sitting Fees | Shares held as on March 31,2024 |
|-------|------------------------------|--------------|---------------------------------|
| 1     | Mr. Shyam Sunder Tipparaju   | -            | Nil                             |
| 2     | Mrs. Kunda Kalpana           | -            | Nil                             |
| 3     | Dr. Shivanand Nayak Karopadi | -            | Nil                             |

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

### 6.1. Brief description of Terms of Reference:

The Board constituted a Stakeholders Relationship Committee which looks into shareholders and investors grievances under the Chairmanship of Mrs. Kunda Kalpana who is an Independent and Non- Executive Director.

The terms of reference of the Committee are as follows:

- The Committee inter alia approves issue of duplicate certificates and oversees and reviews all matters connected with the transfer of securities.
- The Committee looks into shareholders complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
- The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

- The Board of Directors has delegated the power of approving transfer of securities to M/s. Aarthi Consultants Private Limited, Registrar and Share Transfer Agent.

In addition to the above, the detailed role of the Stakeholders Relationship Committee and review of information by Committee is mentioned in the Section B, Part D of Schedule II of SEBI (LODR) Regulations, 2015.

### 6.2. Composition, Meetings and Attendance:

The Stakeholders Relationship Committee comprises of 3 (three) Directors of which 2 (two) are Executive Directors being Whole Time Directors and one Independent Director. The Chairperson of the Stakeholders Relationship Committee is an Independent Director. The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

During the year, the Committee had 4 (four) meetings on May 30, 2023, August 31, 2023, February 15, 2024 and March 26, 2024.

Details of attendance of the Members at such meetings are given as follows:

| Name                    | Designation | Category of Directorship             | Attendance |
|-------------------------|-------------|--------------------------------------|------------|
| Mrs. Kunda Kalpana      | Chairperson | Non-Executive & Independent Director | 4          |
| Mr. Sri Kalyan Kompella | Member      | Executive Director                   | 4          |
| Mr. M. Kalyan Ram       | Member      | Executive Director                   | 4          |

The Company Secretary is the Secretary of the Committee.

### 6.3. Name & Designation of the Compliance Officer:

Mr. A V Kiran  
Company Secretary,  
03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6,  
Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.  
Email: [investors@vivobio.com](mailto:investors@vivobio.com)  
Website: [www.vivobio.com](http://www.vivobio.com)

### 6.4. Number of Shareholders Complaints received:

During the financial year ended March 31, 2024, the Company has received no complaints from the shareholders.

### 6.5. Number of Complaints not resolved to the Satisfaction of Shareholders:

There are no complaints that have not been resolved to the satisfaction of the shareholders.

In order to facilitate faster redressal of investors grievances the Company has created an exclusive email ID "[investors@vivobio.com](mailto:investors@vivobio.com)". Investors and shareholders may lodge their query/complaints addressed to this email ID which would be attended immediately.

## 7. RISK MANAGEMENT COMMITTEE:

The Company is not required to constitute a Risk Management Committee.

## 8. SUBSIDIARY COMPANIES:

The Company does not have any material unlisted Indian subsidiary in terms of Regulation 24 of the Listing Regulations. The Minutes of the Meetings of Board of Directors of all the subsidiary companies are periodically placed before the Board of Directors of the Company. The Policy on Material Subsidiary is available on the website of the Company at [http://vivobio.com/pdf/policy\\_for\\_determining\\_material\\_subsidiaries.pdf](http://vivobio.com/pdf/policy_for_determining_material_subsidiaries.pdf).

Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries – The Company does not have any material subsidiary.

During the financial year 2023-24, the Company did not have any material subsidiary companies, hence the provisions of SEBI LODR with respect to appointment of atleast one Independent Director of the Company on the Board of unlisted material subsidiaries, are not applicable to the Company.

The Company is compliant with other requirements under Regulation 24 of the SEBI LODR with regard to its subsidiary companies.

## 9. GENERAL BODY MEETINGS:

### 9.1. Details of Annual General Meetings (AGM) - Location and Time of the last 3 (three) AGM's:

| Financial Year | Date & Time         | Venue  | No. of Special Resolutions Passed |
|----------------|---------------------|--|-----------------------------------|
| 2022-2023      | 30/09/2023 3.00 P.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company. | 1                                 |
| 2021-2022      | 28/09/2022 3.00 P.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company. | 1                                 |
| 2020-2021      | 28/09/2021 3.30 P.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company. | 1                                 |

### 9.2. Special Resolutions passed in the previous 3 (three) Annual General Meetings (AGM):

| AGM       | Special Resolution   |
|-----------|--|
| 2022-2023 | Appointment of Mr. Shyam Sunder Tipparaju, DIN: 07167885, as an Independent Director of the Company. |
| 2021-2022 | Shifting of Registered Office of the Company   |
| 2020-2021 | Appointment of Mrs. Madhavi Latha Kompella as an Advisor for Strategy & Business Development.        |

### 9.3. Extraordinary General Meeting (EGM):

During the year the Company has not conducted any EGM's.

### 9.4. Special Resolution passed through Postal Ballot – Details of voting pattern and person who conducted the postal ballot exercise:

During the year, the Company had not approached the shareholders to pass any resolutions through Postal Ballot.

### 9.5. Procedure for Postal Ballot:

The Postal Ballot will be conducted in accordance with the provisions of Sec 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

## 10. MEANS OF COMMUNICATION:

We regularly interact with the shareholders through multiple channels of communication - through print media and website of the Company.

- Financials are furnished to BSE within the time specified under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and simultaneously, they are also displayed on the Company's website [http://www.vivobio.com/quarterly\\_result.php](http://www.vivobio.com/quarterly_result.php).
- All the communication, may it be results or notices etc, by way of News Papers is published in Financial Express (English) and Nava Telangana (Telugu) dailies.
- Event based news releases are posted on our website [http://www.vivobio.com/financial\\_information.php](http://www.vivobio.com/financial_information.php) and also furnished to the Stock Exchange.

- No presentations were made to institutional investors or to the analysts during the financial year under review.
- The Company promptly informs Stock Exchange about all the price sensitive information and all such other matters which in our opinion are material and relevant for the shareholders.
- The Company's website: [www.vivobio.com](http://www.vivobio.com) contains separate section for investors where shareholders information is made available.
- Also, the following information is available on the website of the Company i.e. [www.vivobio.com](http://www.vivobio.com);
  - i. Details of business of the Company;
  - ii. Terms and conditions of appointment of Independent Directors;
  - iii. Composition of various Committees of Board of Directors;
  - iv. Code of Conduct for Board of Directors and Senior Management Personnel;
  - v. Details of establishment of vigil mechanism/ Whistle Blower policy;
  - vi. Criteria of making payments to Non-Executive Directors;
  - vii. Policy on dealing with Related Party Transactions;
  - viii. Details of familiarization programs imparted to Independent Directors;
  - ix. Policy for determination of materiality of events.

## 11. GENERAL SHAREHOLDER INFORMATION:

### 11.1. Annual General Meeting:

The 37<sup>th</sup> Annual General Meeting of the Company will be held through Video Conferencing at 03.00 p.m. on Monday, September 30, 2024.

**11.2. Date of Book Closure:** September 24, 2024 to September 30, 2024 (Both days inclusive).

### 11.3. Financial Year: (2024-2025)

The tentative schedule for considering Financial Results for the financial year 2024-2025 [April 01, 2024 to March 31, 2025] is.

| Quarter Ending     | Release of Results          |
|--------------------|-----------------------------|
| June 30, 2024      | latest by August 14, 2024   |
| September 30, 2024 | latest by November 14, 2024 |
| December 31, 2024  | latest by February 14, 2025 |
| March 31, 2025     | latest by May 30, 2025      |

### 11.4. Dividend Payment Date:

Not Applicable

### 11.5. Listing on Stock Exchange:

At present, the Equity Shares of the Company are listed on:

#### BSE Limited (BSE),

Phiroze Jeejebhoy Towers, Dalal Street, Mumbai – 400 001

The Annual Listing fee for the financial year 2024-2025 on equity share capital has been paid to BSE.

The Company has paid custodial fees for the year 2024-2025 to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] on the basis of number of beneficial accounts maintained by them as on March 31, 2024.

### 11.6. Stock Code & ISIN:

**Stock/Script Code:** BSE Scrip Code: 511509

Security Id: VIVOBLOT

Series: EQ

#### International Securities Identification Number (ISIN):

ISIN is a unique identification number of traded scrip. The Company's ISIN for equity shares is INE380K01017

### 11.7. Market Price Data:

The Monthly high and low prices of your Company's share at BSE for the year ended March 31, 2024 are as under:

| Month           | Highest (₹.) | Lowest (₹.) | Volume of Shares traded |
|-----------------|--------------|-------------|-------------------------|
| April, 2023     | 26.95        | 19.06       | 164775                  |
| May, 2023       | 27.57        | 21.05       | 314970                  |
| June, 2023      | 32.46        | 27.60       | 513212                  |
| July, 2023      | 30.36        | 24.40       | 207126                  |
| August, 2023    | 31.50        | 27.00       | 259686                  |
| September, 2023 | 37.10        | 27.50       | 513954                  |
| October, 2023   | 38.50        | 29.50       | 316132                  |
| November, 2023  | 36.50        | 32.00       | 291465                  |
| December, 2023  | 36.00        | 30.75       | 348510                  |
| January, 2024   | 52.90        | 32.00       | 2272409                 |
| February, 2024  | 49.90        | 37.50       | 1064002                 |
| March, 2024     | 56.00        | 35.25       | 1326925                 |

### 11.8. Share Price Performance in comparison to Broad Based Indices – BSE:

| Vivo Share Price Vs BSE |                       |                     |
|-------------------------|-----------------------|---------------------|
| Particulars             | Share Price (Closing) | BSE Sensex(Closing) |
| As on April 03, 2023    | 19.89                 | 59,106.44           |
| As on March 28, 2024    | 42.87                 | 73,651.35           |
| Change (%)              | 115.53                | 24.61               |

**11.9.** The trading of our securities was never suspended at any point of time during the financial year 2023-2024.

### 11.10. Registrar and Share Transfer Agents:

M/s. Aarathi Consultants Private Limited

(Unit: Vivo Bio Tech Limited)

1-2-285, Domalguda, Hyderabad, Telangana - 500029.

Phone# 040-2763 4445, 2763 8111

Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

**11.11. Share Transfer System:**

Transfers / transmission are carried out in accordance with the provisions of Section 56 of the Companies Act, 2013 and Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Stakeholders' Relationship Committee takes note of the transfers / transmission affected by our Share Transfer Agent and the same is in turn reported to the Board of Directors.

The Company duly submits annual compliance certificate issued by practicing Company Secretary to the Stock Exchange.

Further, as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transfer of securities is being made only in dematerialized form.

**11.12. Distribution of Shareholding as on March 31, 2024:**

| S. No        | Category       | Holders      | Holders Percentage (%) | Shares          | Amount           | Amount Percentage (%) |
|--------------|----------------|--------------|------------------------|-----------------|------------------|-----------------------|
| 1            | 1 - 5000       | 17846        | 94.07                  | 917021          | 9170210          | 6.15                  |
| 2            | 5001 - 10000   | 517          | 2.73                   | 412493          | 4124930          | 2.77                  |
| 3            | 10001 - 20000  | 285          | 1.5                    | 429141          | 4291410          | 2.88                  |
| 4            | 20001 - 30000  | 117          | 0.62                   | 303230          | 3032300          | 2.03                  |
| 5            | 30001 - 40000  | 40           | 0.21                   | 139081          | 1390810          | 0.93                  |
| 6            | 40001 - 50000  | 37           | 0.2                    | 175424          | 1754240          | 1.18                  |
| 7            | 50001 - 100000 | 68           | 0.36                   | 499320          | 4993200          | 3.35                  |
| 8            | 100001 & Above | 61           | 0.32                   | 12027810        | 120278100        | 80.7                  |
| <b>Total</b> |                | <b>18971</b> | <b>100</b>             | <b>14903520</b> | <b>149035200</b> | <b>100</b>            |

**11.13. Distribution of Shareholding on the basis of Ownership as on March 31, 2024:**

| S. No | Description                         | No of Shares       | % of Total Capital |
|-------|-------------------------------------|--------------------|--------------------|
| 1     | Promoter/Promoter Group             | 62,71,500          | 42.08              |
| 2     | Central Government/State Government | 0                  | 0.00               |
| 3     | Banks/ Financial Institutions       | 0                  | 0.00               |
| 4     | Resident Individuals                | 37,78,124          | 25.35              |
| 5     | HUF                                 | 0                  | 0.00               |
| 6     | Non-Resident Indians                | 4,55,595           | 3.06               |
| 7     | Mutual Funds                        | 0                  | 0.00               |
| 8     | Venture Capital Funds               | 0                  | 0.00               |
| 9     | Alternate Investment Funds          | 0                  | 0.00               |
| 10    | Foreign Institutional Investors     | 0                  | 0.00               |
| 11    | Foreign Portfolio Investors         | 0                  | 0.00               |
| 12    | Foreign Companies                   | 18,61,909          | 12.49              |
| 13    | Insurance Companies                 | 0                  | 0.00               |
| 14    | Provident Fund/Pension Funds        | 0                  | 0.00               |
| 15    | NBFC                                | 0                  | 0.00               |
| 16    | Employees Trust                     | 0                  | 0.00               |
| 17    | Bodies Corporate                    | 25,35,992          | 17.02              |
| 18    | Clearing Members                    | 400                | 0.00               |
|       | <b>TOTAL</b>                        | <b>1,49,03,520</b> | <b>100.00</b>      |

**11.14. Dematerialization of Shares and Liquidity:**

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2024, 1,32,87,573 equity shares forming part of 89.15 % of the share capital are in demat form and 16,15,947 equity shares forming 10.85 % of the share capital are in physical form.

| Particulars  | No. of Shares      | % of Total    |
|--------------|--------------------|---------------|
| NSDL         | 1,06,93,914        | 71.75         |
| CDSL         | 25,93,659          | 17.40         |
| Physical     | 16,15,947          | 10.85         |
| <b>TOTAL</b> | <b>1,49,03,520</b> | <b>100.00</b> |

### 11.15. Outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any Convertible Instruments as on March 31, 2024:

There are no Outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any Convertible Instruments as on March 31, 2024.

### 11.16. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company has not raised any funds through preferential allotment or qualified institutions placement, hence, this requirement is not applicable on the Company.

### 11.17. Disclosure requirements for certain types of agreements binding listed entities:

In terms of Regulation 30A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there are no such agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III of SEBI Listing Regulations; and no such agreements were entered after the date of aforementioned notification.

## 12. LIST OF ALL CREDIT RATINGS:

The Acuité Ratings & Research Limited has reaffirmed its long-term rating of 'ACUITE BBB-' (read as ACUITE triple B'Minus') and the short-term rating of 'ACUITE A3' (read as ACUITE A three) on the bank facilities of VIVO BIO TECH LIMITED (VBTL).

## 13. PLANT LOCATIONS:

The Company has R&D Facility at Pragnapur Village and Registered Office at Banjara Hills, Hyderabad. The following are the addresses.

#### Facilities:

Survey # 349/A, Pragnapur Village, Gajwel, Siddipet District, Hyderabad, Telangana - 502311.

#### Registered Office:

03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.

## 14. ADDRESS FOR CORRESPONDENCE:

| For queries relating to shares   | For queries relating to Financial Statements and other contents of Annual Report   |
|--|--|
| M/s. Aarthi Consultants Private Limited (Unit-Vivo Bio Tech Ltd)                                     | Company Secretary M/s. Vivo Bio Tech Limited   |
| 1-2-285, Domalguda, Hyderabad, Telangana - 500029.   | 03 <sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034. |
| Phone # 040-27634445 / 27638111<br>Email: info@aarthiconsultants.com,<br>aarthiconsultants@gmail.com | Phone # 040-23313288<br>Email: investors@vivobio.com   |

## 15. OTHER DISCLOSURES:

### 15.1 Related Party Transactions:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.vivobio.com/policies.php>.

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.



### 15.2. Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

| S. No | Compliance Requirement  | Deviations   | Observation/Remarks of the Practicing Company Secretary   |
|-------|---|--|---|
| 1     | <b>Regulation 23 (9) of LODR Regulations:</b><br>Submission of report on related party transactions within a period of 15 days from date of declaration of financial results. | Delay of 1 day in sub-mission of report of Related Party Transaction for half year period March 31, 2022.  | The company has paid the amount of ₹5,900/- to BSE Ltd for delay in submission.   |
| 2     | <b>Regulation 34 of LODR Regulations:</b><br>Non-submission of the Annual Report within the period prescribed under this regulation for the financial year 2017-18.           | The Company has not submitted the Annual Report for the financial year 2017-18 to the exchange within the prescribed time and delayed there by 2 days. | As discussed and informed by the management the Company Secretary out of his busy schedule of works missed this inadvertently. The company has paid the amount of ₹4,000+Taxes to BSE Ltd for this violation. |

### 15.3. Details of Establishment of Vigil Mechanism (Whistle Blower Policy):

The Vigil Mechanism / Whistle Blower Policy provides a platform to the Directors /employees to report, without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the code of conduct etc., which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice. The Company affirms that no personnel has been denied access to the Audit Committee.

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. The Vigil Mechanism Policy is available on the website of the Company i.e. <http://www.vivobio.com/policies.php>.

### 15.4. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

### 15.5. Disclosure of commodity price risks and commodity hedging activities:

Not applicable

### 15.6. Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A):

During the financial year the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A)

### 15.7. Details of recommendations of any Committee that were not accepted by the Board:

There were no instances during the financial year 2023-2024 wherein the Board had not accepted the recommendations made by any Committees of the Board.

### 15.8. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:

During the year ended March 31, 2024, fees paid to the Statutory Auditors (M/s P.Murali & Co) and its network firms are as follows:

| Fees(Including Taxes)                        | Vivo Bio Tech Limited to Statutory Auditors | Vivo Bio Tech Limited to network firms of Statutory Auditors | Subsidiaries of Vivo Bio Tech Limited to Statutory Auditors and its network firms |
|--|---|--|---|
| Statutory Audit                              | 2,13,330                                    | -  | -   |
| Certification and other attestation services | -   | -  | -   |
| Non Audit Services                           | -   | -  | -   |
| Outlays and Taxes                            | -   | -  | -   |

### 15.9 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013:

- Number of complaints filed during the financial year: Nil
- Number of complaints disposed of during the financial year: Nil
- Number of complaints pending as on end of the financial year: Nil

**15.10.** The Company Complied with the requirements of the Schedule V - Corporate Governance report subparas (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 15.11. The status of compliance with discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- **Modified Opinion in Audit Report:** Our Financial Statements are free from any Audit qualifications.
- **Reporting of Internal Auditor:** Internal Auditors report directly to the Audit Committee.

### 15.12. The Disclosures of the Compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

| Regulation | Particulars of Regulation   | Compliance Status ( Yes/No) |
|------------|---|-----------------------------|
| 17         | Board of Directors  | Yes                         |
| 18         | Audit Committee   | Yes                         |
| 19         | Nomination and Remuneration Committee   | Yes                         |
| 20         | Stakeholders Relationship Committee   | Yes                         |
| 21         | Risk Management Committee   | NA                          |
| 22         | Vigil Mechanism   | Yes                         |
| 23         | Related Party Transactions  | Yes                         |
| 24         | Corporate Governance requirements with respect to subsidiary of listed entity | Yes                         |
| 25         | Obligations with respect to Independent Directors                             | Yes                         |
| 26         | Obligation with respect to Directors and senior management                    | Yes                         |
| 27         | Other Corporate Governance requirements                                       | Yes                         |
| 46         | Website   | Yes                         |

### 15.13. Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account:

Not Applicable

### 15.14. Prevention of Insider Trading:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

### 15.15. Code of Conduct:

In compliance with the provisions of the Listing Regulations, the Board has laid down a code of conduct for all Board members and Senior Management of the Company and it is posted on the website of the Company at <http://www.vivobio.com/policies.php>.

All the members of the Board and the Senior Management Personnel and Designated Employees of the Company have affirmed compliance to the code of conduct, as at March 31, 2024.

The declaration from our Whole Time Director with regard to compliance of code of conduct by the Board of Directors and Senior Management is enclosed as **Annexure – G (a)** and forms part of this report.

**15.16.A Certificate from a Company Secretary in practice that None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority:**

The certificate issued by **Mr. G. Vinay Babu, Practicing Company Secretary** is attached to this report as **Annexure – G (b)**.

**15.17.Auditors Certificate on Corporate Governance:**

The Company has obtained a certificate from its Statutory Auditor regarding compliance with the provisions relating to corporate governance laid down in Part E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is attached to this report as **Annexure – G (c)**.

**15.18.CEO and CFO Certification:**

The Whole Time Director and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part-B of schedule II to the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 which annexed as **Annexure – H**.

**15.19.Compliance with Secretarial Standards:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.vivobio.com/policies.php>.

**15.20.Annual Report:**

The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Boards Report, Auditors' Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto.

**15.21.E-Voting:**

Pursuant to the requirements of the Companies Act, 2013, and the SEBI Listing Regulations, Company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

**15.22.BSE Corporate Compliance & Listing Centre (The 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**15.23.SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Dedicated e-mail ID: [Investors@vivobio.com](mailto:Investors@vivobio.com)

**15.24.Disclosures to Stock Exchanges:**

The Company informs BSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

For and on behalf of the Board of Directors

Place: Hyderabad  
Dated: August 26, 2024

M Kalyan Ram  
Whole Time Director  
DIN: 02012580

Sri Kalyan Kompella  
Whole Time Director & CFO  
DIN: 03137506

"Annexure – G (A)"

## Declaration on Code of Conduct

To,  
The Members,  
**Vivo Bio Tech Limited**

**Subject: Declaration under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We, hereby declare that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended on March 31, 2024 as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For and on behalf of the Board of Directors**

**Place: Hyderabad**  
**Dated: August 26, 2024**

**M Kalyan Ram**  
**Whole Time Director**  
**DIN: 02012580**

**Sri Kalyan Kompella**  
**Whole Time Director & CFO**  
**DIN: 03137506**

## "Annexure – G (B)"

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**VIVO BIO TECH LIMITED**  
CIN: L65993TG1987PLC007163  
03<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6,  
Road No.1, Banjara Hills, Hyderabad, Telangana - 500034.

**I, G. Vinay Babu**, Company Secretary in Practice, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VIVO BIO TECH LIMITED** having **CIN: L65993TG1987PLC007163** and Registered Office at 3<sup>rd</sup> Floor, Ilyas Mohammed Khan Estate, #8-2-672/5 & 6, Road No.1, Banjara Hills, Hyderabad, Telangana - 500034, (hereinafter referred to as "The Company") produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) Status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| S. No | Name of Director              | DIN      | Date of Appointment |
|-------|-------------------------------|----------|---------------------|
| 1     | Mr. Shyam Sunder Tipparaju    | 07167885 | 31.08.2023          |
| 2     | Mr. Kalyan Ram Mangipudi      | 02012580 | 26.11.2009          |
| 3     | Dr. Sankaranarayanan Alangudi | 02703392 | 31.07.2009          |
| 4     | Mr. Sri Kalyan Kompella       | 03137506 | 03.11.2021          |
| 5     | Dr. Shivanand Nayak Karopadi  | 03523002 | 01.04.2021          |
| 6     | Mrs. Kunda Kalpana            | 07328517 | 30.06.2020          |

\*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Hyderabad  
Date : August 26, 2024

G. Vinay Babu  
Company Secretary in Practice  
M.No. 20592, CP. No. 20707  
UDIN: A020592F001046122

"Annexure – G (C)"

## Independent Auditor's Certificate on Corporate Governance

To,  
The Members of  
**Vivo Bio Tech Limited**

1. We, P. Murali & Co, Chartered Accountants, the Statutory Auditors of Vivo Bio Tech Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2024 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations").

### Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

### Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2024.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### Restrictions on Use

9. This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For P. Murali & Co**  
**Chartered Accountants**  
**(FRN. 007257S)**

**M V Joshi**  
**Partner**

**Place: Hyderabad**  
**Date: August 26, 2024**

**M.No. 024784**  
**UDIN: 24024784BKAUHY2978**



"Annexure – H"  
CEO And CFO Certification

To  
The Board of Directors  
**Vivo Bio Tech Limited**

We, the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of M/s. Vivo Bio Tech Limited ("the Company"), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

**Place: Hyderabad**  
**Dated: August 26, 2024**

**M Kalyan Ram**  
**Whole Time Director**  
**DIN: 02012580**

**Sri Kalyan Kompella**  
**Whole Time Director & CFO**  
**DIN: 03137506**



**Financial Section**

# Independent Auditor's Report

To the Members of  
**Vivo Bio Tech Limited**

## Report on the Audit of Standalone IND AS Financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of VIVO BIO TECH Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, changes in equity and its cash flows for the year then ended March 31<sup>st</sup> 2024.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For Each Matter below, our

description of how our audit addressed the matter is provided in that Context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

### Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit Procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have pending litigations, which would impact its financial position in its standalone Ind AS Financial statements;
    - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or Otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  - vii. The company has not declared or paid any dividend during the year.
  - viii. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For P. Murali & Co.,**  
Chartered Accountants  
FRN: 0072575

**M V Joshi**  
Partner  
M.No:024784  
UDIN: 24024784BKAUDO5053

Place: Hyderabad  
Date: 20.05.2024.

## “Annexure-A” Annexure to Independent Auditors' Report of Even Date on the Standalone Ind as Financial Statements of Vivo Bio Tech Limited

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VIVO BIO TECH LIMITED of even date)**

In terms of the information and explanations sought by us and given by the company and on the basis of the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's Property, Plant & Equipment and Intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) All Property, Plant and Equipment have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties included in the PPE are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment (Including Right of Use Assets) or intangible assets during the period under review.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

ii. (a) The Physical verification of the inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limits in excess of Rupees five crores, in aggregate, from its banker on the basis of security of Current assets. The quarterly returns/statement filed by the Company with the bank is in agreement with the books of account of the Company.

iii. (a) According to the information and explanations given to us and on the basis of our examination of the records the company, during the year the company has not made, except as stated below, any investments in, provided

any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties The Details of loans granted during the year and balance outstanding as at the balance sheet date of such loans is as under

(₹ in lakhs)

| Particulars  | Loans  |
|--|--------|
| Aggregate amount granted/ provided during the year (Net)- subsidiaries               | 0.07   |
| Balance outstanding as at the Balance sheet date in respect of the above cases (Net) | 160.64 |

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company, are not prejudicial to the interest of the Company

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) There are no Loans or advance in the nature of loan granted which has fallen due during the year which has been renewed or extended or fresh loans are granted to settle the overdue of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities.



- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under to the extent applicable. Accordingly, the Requirement to report on Clause 3(v) of the order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the Requirement to report on Clause 3(vi) of the order is not applicable to the Company.

- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company had delay in depositing the undisputed statutory dues, including Provident Fund, Income-tax (TDS), and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There were undisputed amounts payable in respect of Provident Fund, Income-tax (TDS), and other material statutory dues in arrears as at 31<sup>st</sup> March 2024 for a period of more than 6 months from the date they became payable.

| Statute  | Nature of Due                    | (₹ in lakhs) |
|--|----------------------------------|--------------|
| Employees Provident Fund & Misc Provisions Act, 1952 | Provident Fund                   | 31.13        |
| Telangana Professional tax Act, 1987                 | Professional Tax                 | 2.87         |
| Income Tax Act, 1961                                 | Tax Deducted at Source           | 42.74        |
| Income Tax Act, 1961                                 | Self-Assessment Tax (Income Tax) | 11.38        |

- (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues as on March 31<sup>st</sup> 2024 of Goods and Service Tax, customs duty, Excise duty which have not been deposited with appropriate authorities on account any dispute.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account have been surrendered or disclosed during the year in the tax assessments under the Income Tax Act.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. The Company has not issued any debentures.

- (b) The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- (c) According to the information and explanations given to us, the Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence the requirement to report on clause (ix)(f) of the order is not applicable to the company.
- x. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).
- (b) During the year the company not made any preferential allotment or private placement of shares or convertible debentures (Fully or partly or optionally) and hence reporting under clause 3(x)(b) of the order is not applicable.
- xi. (a) According to the information and explanations given to us, No fraud by the company or on the company has been noticed or reported during the year.
- (b) During the year, no Report has been filed in form ADT-4 with the Central Government as prescribed under Sub section (12) of Section 143 of the companies Act, 2013
- (c) According to the information and explanations given to us, The Company has not received any Whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiv. (a) In our opinion the company has an adequate internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were duly considered by us in determining the nature, timing and extent of our audit procedures.

- xv. The Company has not entered into non-cash transactions with its directors or persons connected its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions,

nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts to be transferred to a fund specified under sec 135 of Companies Act 2013.
- xxi. In our opinion and according to the information and explanations given to us, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements.

**For P. Murali & Co.,**

Chartered Accountants  
FRN: 007257S

**MV Joshi**

Partner  
M.No:024784  
UDIN: 24024784BKAUDO5053

Place: Hyderabad

Date: 20.05.2024.

## “Annexure-B” Annexure to Independent Auditors' Report of Even Date on the Standalone Ind AS Financial Statements of Vivo Bio Tech Limited

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VIVO BIO TECH LIMITED of even date)**

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of VIVO BIO TECH LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and

maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the Ind AS Financial Statements.

### **Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For P. Murali & Co.,**

Chartered Accountants  
FRN: 007257S

#### **M V Joshi**

Partner  
M.No:024784  
UDIN: 24024784BKAUDO5053

Place: Hyderabad

Date: 20.05.2024.

## Standalone Balance Sheet as at March 31

(₹ in lakhs)

| Particulars                          | Note No | 2024             | 2023             |
|--------------------------------------|---------|------------------|------------------|
| <b>ASSETS</b>                        |         |                  |                  |
| <b>1) Non Current Assets</b>         |         |                  |                  |
| Property, Plant and Equipment        | 1       | 6,889.19         | 7,470.54         |
| Capital Work-In-Progress             | 1       | 921.24           | 189.68           |
| Other Intangible Assets              | 1       | 812.10           | 1,080.61         |
| <b>Financial Assets</b>              |         |                  |                  |
| Investments                          | 2       | 4.00             | 4.00             |
| Other Non-Current assets             | 3       | 31.56            | 47.34            |
| <b>Total Non Current Assets</b>      |         | <b>8,658.10</b>  | <b>8,792.17</b>  |
| <b>2) Current Assets</b>             |         |                  |                  |
| Inventories                          | 4       | 877.40           | 797.27           |
| <b>Financial assets</b>              |         |                  |                  |
| Trade Receivables                    | 5       | 1,136.96         | 1,238.02         |
| Cash and Cash Equivalents            | 6       | 131.60           | 99.37            |
| Loans and Advances                   | 7       | 2,570.22         | 832.19           |
| Other Current Assets                 | 8       | 105.79           | 321.55           |
| <b>Total Current Assets</b>          |         | <b>4,821.96</b>  | <b>3,288.40</b>  |
| <b>Total Assets</b>                  |         | <b>13,480.06</b> | <b>12,080.57</b> |
| <b>EQUITY AND LIABILITIES</b>        |         |                  |                  |
| <b>1) Equity</b>                     |         |                  |                  |
| Equity Share Capital                 | 9       | 1,490.35         | 1,490.35         |
| Other Equity                         | 10      | 3,949.34         | 3,697.12         |
| <b>Total Equity</b>                  |         | <b>5,439.69</b>  | <b>5,187.47</b>  |
| <b>Liabilities</b>                   |         |                  |                  |
| <b>2) Non-Current Liabilities</b>    |         |                  |                  |
| <b>Financial Liabilities</b>         |         |                  |                  |
| Borrowings                           | 11      | 3,956.07         | 4,086.52         |
| Other Non Current Liabilities        | 12      | 68.99            | 61.45            |
| Deferred Tax Liabilities (Net)       | 13      | 234.20           | 248.49           |
| <b>Total Non Current Liabilities</b> |         | <b>4,259.26</b>  | <b>4,396.45</b>  |
| <b>3) Current Liabilities</b>        |         |                  |                  |
| <b>Financial Liabilities</b>         |         |                  |                  |
| Borrowings                           | 14      | 3,127.67         | 1,930.42         |
| Trade Payables                       | 15      | 106.04           | 94.22            |
| Provisions                           | 16      | 547.40           | 472.01           |
| <b>Total Current Liabilities</b>     |         | <b>3,781.10</b>  | <b>2,496.65</b>  |
| <b>Total Equity and Liabilities</b>  |         | <b>13,480.06</b> | <b>12,080.57</b> |

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our Report of Even Date  
**FOR P.Murali & Co.**  
Chartered Accountants  
Firm Registration No.0072575

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.V. Joshi**  
Partner  
M. No. 024784

**M.Kalyan Ram**  
Whole Time Director  
DIN: 02012580

**K.Sri Kalyan**  
Whole Time Director & CFO  
DIN: 03137506

Place : Hyderabad  
Date: 20/05/2024

**Vaishnvi Kiran Ayinampudi**  
Company Secretary  
M.No.A60906

## Standalone Statement of Profit and Loss for the Year ended March 31

(₹ in Lakhs)

| Particulars                                      | Note No | 2024            | 2023            |
|--|---------|-----------------|-----------------|
| Revenue from Operations                          | 17      | 4,488.05        | 5,162.20        |
| Other Income                                     | 18      | 3.88            | 3.59            |
| <b>Total Income</b>                              |         | <b>4,491.94</b> | <b>5,165.79</b> |
| Expenses:  |         |                 |                 |
| Purchases  |         | 465.10          | 493.05          |
| Changes (Increase)/ decrease in Inventories      | 19      | -80.13          | 183.94          |
| Employee Benefit Expense                         | 20      | 1,013.42        | 1,315.01        |
| Depreciation and Amortization Expense            | 1       | 929.08          | 926.57          |
| Finance Cost                                     | 21      | 777.79          | 765.13          |
| Administrative and Other Operating Expenses      | 22      | 981.20          | 1,021.54        |
| <b>Total Expenses</b>                            |         | <b>4,086.45</b> | <b>4,705.24</b> |
| Profit Before Tax                                |         | 405.48          | 460.54          |
| Tax expense:                                     |         |                 |                 |
| (a) Current tax                                  |         | 167.54          | 103.02          |
| (b) Deferred tax                                 |         | -14.29          | 94.13           |
| <b>Profit for the period</b>                     |         | <b>252.23</b>   | <b>263.40</b>   |
| Other Comprehensive Income (Net of Tax)          |         | -               | -               |
| <b>Total Comprehensive Income</b>                |         | <b>252.23</b>   | <b>263.40</b>   |
| Earning Per Equity Share (Par value of ₹10 Each) |         |                 |                 |
| (1) Basic  |         | 1.69            | 1.77            |
| (2) Diluted                                      |         | 1.51            | 1.77            |

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.0072575

**M.V. Joshi**

Partner

M. No. 024784

Place : Hyderabad

Date: 20/05/2024

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506



## Standalone Cash Flow Statement for the Year ended March 31

(₹ in lakhs)

| Particulars   | 2024            | 2023              |
|---|-----------------|-------------------|
| <b>A. Cash Flow from Operating Activities:</b>                  |                 |                   |
| Net Profit before taxation and extraordinary items              | 405.48          | 460.54            |
| <b>Adjustments for:</b>   |                 |                   |
| Depreciation and Amortization                                   | 929.08          | 926.57            |
| Finance Cost  | 777.79          | 765.13            |
| <b>Operating Profit before Working Capital Changes</b>          | <b>2,112.35</b> | <b>2,152.24</b>   |
| <b>Changes in Assets and Liabilities</b>                        |                 |                   |
| Trade and other Financial Assets Including Inventory            | (1,501.34)      | (625.00)          |
| Trade and Other Financial Liabilities                           | 1,277.71        | 279.15            |
| <b>Cash Generated from Operations</b>                           | <b>1,888.72</b> | <b>1,806.38</b>   |
| Interest on Working Capital Loans                               | (152.49)        | (136.71)          |
| Taxation for the year   | (153.26)        | (197.14)          |
| <b>Net Cash Generated from Operating Activities</b>             | <b>1,582.97</b> | <b>1,472.54</b>   |
| <b>B. Cash Flow from Investing Activities:</b>                  |                 |                   |
| Purchase of Fixed Assets  | (795.00)        | (399.75)          |
| <b>Net Cash used in Investing Activities</b>                    | <b>(795.00)</b> | <b>(399.75)</b>   |
| <b>C. Cash Flow From Financial Activities:</b>                  |                 |                   |
| Proceeds from Equity Shares                                     | -               | 209.59            |
| Interest & Finance Cost   | (625.30)        | (628.43)          |
| Net Proceeds from Long Term Borrowings                          | (130.44)        | (701.19)          |
| <b>Net Cash Generated from / (used in) Financing Activities</b> | <b>(755.74)</b> | <b>(1,120.03)</b> |
| <b>Net increase/(decrease) in Cash and Cash equivalents</b>     | <b>32.23</b>    | <b>(47.25)</b>    |
| <b>Cash and Cash equivalents as at Beginning of the Year</b>    | <b>99.37</b>    | <b>146.63</b>     |
| <b>Cash and Cash equivalents as at End of the Year</b>          | <b>131.60</b>   | <b>99.37</b>      |

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

**M.V. Joshi**

Partner

M. No. 024784

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

Place : Hyderabad

Date: 20/05/2024

## Statement of Changes in Equity for the Year ended March 31

(₹ In Lakhs , except Share data and where otherwise stated)

### a. Equity Share Capital

|                             | No. of Shares | Amount   |
|-----------------------------|---------------|----------|
| Balance as at 31 March 2023 | 1,49,03,520   | 1,490.35 |
| Balance as at 31 March 2024 | 1,49,03,520   | 1,490.35 |

### b. Other Equity

| Particulars            | Reserves and Surplus |                  |                 |                                       |                   | Total    |
|------------------------|----------------------|------------------|-----------------|---------------------------------------|-------------------|----------|
|                        | Securities Premium   | General Reserves | Capital Reserve | Money Received Against Share Warrants | Retained Earnings |          |
| As At March 31 ,2022   | 1,281.25             | 10.00            | 292.89          | 68.96                                 | 1,635.03          | 3,288.13 |
| Additions for the Year | 214.55               | -                | -               | -68.96                                | 263.40            | 408.99   |
| As At March 31 ,2023   | 1,495.80             | 10.00            | 292.89          | -                                     | 1,898.42          | 3,697.12 |
| Additions for the Year |                      |                  |                 |                                       | 252.23            | 252.23   |
| As At March 31 ,2024   | 1,495.80             | 10.00            | 292.89          | -                                     | 2,150.65          | 3,949.34 |

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

**M.V. Joshi**

Partner

M. No. 024784

Place : Hyderabad

Date: 20/05/2024

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

# Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

## 1. Corporate Information

Vivo Bio Tech is engaged in service of CRO offering Drug Development & Discovery Services to Pharmaceutical & Biotech Companies world-wide in accordance with OECD - GLP, AAALAC & IND guidelines. The company offers services in the areas of In vivo & In vitro toxicity studies, Pharmacological investigations, Pharmacokinetic & toxic kinetic studies, Genotoxicity screening, Analytical services etc. Our experienced & talented scientists offer advice on defining drug development paths tailored to specific molecules.

Our Scientific team provides both regulatory and non-regulatory IND enabling preclinical development services. Vivo Bio is capable of screening & evaluating molecules for various pharmacological & therapeutic properties. Specifically for oncology, our scientists can provide design & development of syngeneic / xenograft models for evaluation of anti-cancer agents. Further, our scientists can customize In vivo DMPK studies to help profile your drug candidate in both rodent and non-rodent animal models.

Vivo Bio has partnered with Taconic Biosciences for sourcing foundation and expansion colonies of the SPF rodent models and have started in-house Breeding & Trading. Vivo Bio has also partnered with Cyagen Biosciences to provide easy access to Genomic Technologies to Indian Biomedical R&D.

## 2. Material Accounting Policies

### (a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

### (b) Basis of Preparation

These Financial statements have been prepared in Indian Rupee (₹) which is the Functional Currency of the Company.

These financial statements have been prepared on a historical cost basis, except for certain Financial Instruments which are measured at Fair Value or amortised cost at the end of each reporting Period, as explained in the Accounting Policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

The statement of cash flows has been prepared under indirect method.

### (c) Use of Estimates and Judgements:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

- i) Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
- ii) Current income taxes: The Company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.
- iii) Deferred Income taxes: Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

- iv) Useful Life of property, plant and equipment The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### (d) Revenue Recognition

Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

#### ▪ Sale of Goods:

Revenue from the sale of goods are recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is considered fixed and generally title has passed.

#### ▪ Interest Income:

Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (e) Cost Recognition:

Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation expense, Finance Cost and Administrative and other Operating expenses. Employee benefit expenses include Salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Administrative and Other Operating expenses include Power & Fuel, Fees to external consultants, facility expenses, travel expenses, etc.

### (f) Foreign Currency:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

- (g) Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand. Deposits with banks subsequently measured at amortized cost.

### Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Standalone Notes and Other Explanatory Information to Financial Statements for the year ended March 31, 2024

### Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

### Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

### Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

### Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

### (h) Provisions and Contingent Liabilities :

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

There is an ongoing reconciliation with EESL (Energy Efficiency Services Limited) for the services rendered in the years 2016-17 and 2017-18. The company has written off all the pending receivables based on uncertainty of realisation. However, there are some pending items with EESL, which are still under reconciliation and amount is not quantifiable which has to be mutually agreed between the Company and EESL.

There are no other Contingent liabilities as at balance sheet date hence disclosure except this in Financial statements are not arise.

### (i) Investment in subsidiaries are measured at cost.

### (j) Property, plant and equipment :

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives (years) are as mentioned below:

|   |    |
|---|----|
| Buildings   | 30 |
| Plant and Machinery                                       | 15 |
| Furniture & fixtures, Electrical Equipment, Lab Equipment | 10 |
| Vehicles  | 8  |
| Office equipment  | 5  |
| Computers   | 3  |
| Biological Assets   | 3  |

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

### (K) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

**Technical Knowhow:** Salaries and other cost paid to resources working on new products are capitalized as intangible asset under the head "Technical Knowhow". Management has estimated life of this product is about 10 years subject to certain improvements to the same product/source code.

**Computer Software:** The Company amortizes Computer software using the straight-line method over a period of 6 years.

### (l) Impairment

#### i) Financial assets (other than at fair value) :

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

#### ii) Non-financial assets

##### Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### (m) Employee benefits

#### i) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

#### ii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, Bonus, Earned Leave etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (n) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



# Standalone Notes and Other Explanatory Information to Financial Statements for the year ended March 31, 2024

## Note No.1 (1)

The changes in the carrying value of property, plant and equipment are as follows

| Property, Plant and Equipment | Land     | Building | Plant & Machinery | Electrical Equipment | Laboratory Equipment | Office Equipment | Computers | Furniture & Interior | Vehicles | Biological Assets | Total        |
|-------------------------------|----------|----------|-------------------|----------------------|----------------------|------------------|-----------|----------------------|----------|-------------------|--------------|
| <b>Cost</b>                   |          |          |                   |                      |                      |                  |           |                      |          |                   | (₹ in lakhs) |
| <b>As at March 31, 2022</b>   | 2,268.61 | 1,432.26 | 165.27            | 404.62               | 5,374.80             | 53.98            | 95.63     | 824.06               | 256.74   | -                 | 10,875.97    |
| Additions                     | -        | -        | 1.65              | 10.59                | 215.15               | -                | 6.15      | 9.33                 | 53.84    | -                 | 296.71       |
| Disposals                     | -        | -        | -                 | -                    | -                    | -                | -         | -                    | -        | -                 | -            |
| <b>As at March 31, 2023</b>   | 2,268.61 | 1,432.26 | 166.92            | 415.21               | 5,589.94             | 53.98            | 101.79    | 833.39               | 310.58   | -                 | 11,172.68    |
| Additions                     | -        | -        | -                 | 3.73                 | 35.95                | 15.86            | 0.56      | -                    | -        | 11.05             | 67.15        |
| Disposals                     | -        | -        | -                 | -                    | -                    | -                | -         | -                    | 9.20     | -                 | 9.20         |
| <b>As at March 31, 2024</b>   | 2,268.61 | 1,432.26 | 166.92            | 418.94               | 5,625.89             | 69.85            | 102.34    | 833.39               | 301.38   | 11.05             | 11,230.63    |
| <b>Depreciation</b>           |          |          |                   |                      |                      |                  |           |                      |          |                   |              |
| <b>As at March 31, 2022</b>   | -        | 6.15     | 101.35            | 91.47                | 2,348.98             | 50.41            | 62.13     | 208.31               | 188.54   | -                 | 3,057.33     |
| Charge for the period         | -        | 67.99    | 12.07             | 34.52                | 420.87               | 0.59             | 14.38     | 74.67                | 19.72    | -                 | 644.81       |
| Disposals                     | -        | -        | -                 | -                    | -                    | -                | -         | -                    | -        | -                 | -            |
| <b>As at March 31, 2023</b>   | -        | 74.13    | 113.42            | 125.98               | 2,769.85             | 51.00            | 76.51     | 282.98               | 208.26   | -                 | 3702.14      |
| Charge for the period         | -        | 68.17    | 12.12             | 35.44                | 421.16               | 1.27             | 13.68     | 74.75                | 17.43    | 0.77              | 644.79       |
| Disposals                     | -        | -        | -                 | -                    | -                    | -                | -         | -                    | 5.49     | -                 | 5.49         |
| <b>As at March 31, 2024</b>   | -        | 142.30   | 125.53            | 161.43               | 3,191.02             | 52.28            | 90.19     | 357.72               | 220.21   | 0.77              | 4,341.44     |
| <b>Net Block</b>              |          |          |                   |                      |                      |                  |           |                      |          |                   |              |
| <b>As at March 31, 2024</b>   | 2,268.61 | 1,289.96 | 41.39             | 257.51               | 2,434.88             | 17.57            | 12.16     | 475.67               | 81.17    | 10.28             | 6,889.19     |
| <b>As at March 31, 2023</b>   | 2,268.61 | 1,358.13 | 53.50             | 289.23               | 2,820.09             | 2.98             | 25.28     | 550.41               | 102.31   | -                 | 7,470.54     |

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### Note No 1 (2): CAPITAL WORK IN PROGRESS

(₹ In Lakhs)

| Particulars                 | Capital Work in progress |
|-----------------------------|--------------------------|
| <b>As at March 31, 2022</b> | <b>86.64</b>             |
| Additions                   | 103.04                   |
| Disposals                   | -                        |
| <b>As at March 31, 2023</b> | <b>189.68</b>            |
| Additions                   | 731.56                   |
| Disposals                   | -                        |
| <b>As at March 31, 2024</b> | <b>921.24</b>            |
| Net Block                   |                          |
| <b>As at March 31, 2024</b> | <b>921.24</b>            |
| <b>As at March 31, 2023</b> | <b>189.68</b>            |

### Note No 1 (3): INTANGIBLE ASSETS

(₹ In Lakhs)

| Intangible Assets           | Technical Know How | Computer Software | Total           |
|-----------------------------|--------------------|-------------------|-----------------|
| <b>Cost</b>                 |                    |                   |                 |
| <b>As at March 31, 2022</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| Additions                   | -                  | -                 | -               |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2023</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| Additions                   | -                  | -                 | -               |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2024</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| <b>Depreciation</b>         |                    |                   |                 |
| <b>As at March 31, 2022</b> | <b>940.38</b>      | <b>336.95</b>     | <b>1,277.32</b> |
| Charge for the period       | 72.02              | 209.73            | 281.75          |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2023</b> | <b>1,012.40</b>    | <b>546.68</b>     | <b>1,559.08</b> |
| Charge for the period       | 59.24              | 209.26            | 268.50          |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2024</b> | <b>1,071.64</b>    | <b>755.94</b>     | <b>1,827.58</b> |
| <b>Net Block</b>            |                    |                   |                 |
| <b>As at March 31, 2024</b> | <b>249.86</b>      | <b>562.24</b>     | <b>812.10</b>   |
| <b>As at March 31, 2023</b> | <b>309.10</b>      | <b>771.50</b>     | <b>1,080.61</b> |

### NOTE NO. 2 : INVESTMENTS

(₹ In Lakhs)

| Particulars                           | March 31,2024 | March 31,2023 |
|---------------------------------------|---------------|---------------|
| Investment in Subsidiaries            |               |               |
| a) Equity Shares - 100% Holding in :  |               |               |
| Vivo Bio Discovery Services Pvt. Ltd. | 1.00          | 1.00          |
| Vivo Biolabs Pvt. Ltd.                | 1.00          | 1.00          |
| Surlogic Life Consultancy Pvt. Ltd.   | 1.00          | 1.00          |
| Vivobio Consulting Services Pvt. Ltd. | 1.00          | 1.00          |
| <b>Total</b>                          | <b>4.00</b>   | <b>4.00</b>   |

## Standalone Notes and Other Explanatory Information to Financial Statements for the year ended March 31, 2024

### NOTE NO.3 : OTHER NON - CURRENT ASSETS

(₹ In Lakhs)

| Particulars          | March 31,2024 | March 31,2023 |
|----------------------|---------------|---------------|
| Unamortised Expenses | 31.56         | 47.34         |
| <b>Total</b>         | <b>31.56</b>  | <b>47.34</b>  |

### NOTE NO. 4 : INVENTORIES

(₹ In Lakhs)

| Particulars                              | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| Live Stock, Animal Feed, Stores & Spares | 877.40        | 797.27        |
| <b>Total</b>                             | <b>877.40</b> | <b>797.27</b> |

### NOTE NO. 5 : TRADE RECEIVABLES

(₹ In Lakhs)

| Particulars                | March 31,2024   | March 31,2023   |
|----------------------------|-----------------|-----------------|
| UnSecured, Considered Good |                 |                 |
| Below 6 months             | 993.88          | 1,116.95        |
| Above 6 months             | 143.08          | 121.07          |
| <b>Total</b>               | <b>1,136.96</b> | <b>1,238.02</b> |

#### Trade Receivables ageing schedule as on March 31, 2024 :

(₹ In Lakhs)

| Particulars  | < 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | > 3 years | Total    |
|--|------------|-------------------|-----------|-----------|-----------|----------|
| (i) Undisputed Trade receivables – considered good                                 | 993.88     | 143.08            | -         | -         | -         | 1,136.96 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -          | -                 | -         | -         | -         | -        |
| (iii) Undisputed Trade Receivables – credit impaired                               | -          | -                 | -         | -         | -         | -        |
| (iv) Disputed Trade Receivables–considered good                                    | -          | -                 | -         | -         | -         | -        |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -          | -                 | -         | -         | -         | -        |
| (vi) Disputed Trade Receivables – credit impaired                                  | -          | -                 | -         | -         | -         | -        |

#### Trade Receivables ageing schedule as on March 31, 2023 :

(₹ In Lakhs)

| Particulars  | < 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | > 3 years | Total    |
|--|------------|-------------------|-----------|-----------|-----------|----------|
| (i) Undisputed Trade receivables – considered good                                 | 1,116.95   | 121.07            | -         | -         | -         | 1,238.02 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -          | -                 | -         | -         | -         | -        |
| (iii) Undisputed Trade Receivables – credit impaired                               | -          | -                 | -         | -         | -         | -        |
| (iv) Disputed Trade Receivables–considered good                                    | -          | -                 | -         | -         | -         | -        |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -          | -                 | -         | -         | -         | -        |
| (vi) Disputed Trade Receivables – credit impaired                                  | -          | -                 | -         | -         | -         | -        |

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### NOTE NO. 6 : CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

| Particulars                     | March 31,2024 | March 31,2023 |
|---------------------------------|---------------|---------------|
| <b>a) Balances with Banks :</b> |               |               |
| On Current Accounts             | 6.94          | 8.40          |
| <b>b) Cash on hand</b>          | 19.35         | 29.25         |
| <b>Sub Total</b>                | <b>26.29</b>  | <b>37.66</b>  |
| <b>Other Bank Balances</b>      |               |               |
| On Deposit Accounts             | 105.31        | 61.72         |
| <b>Sub Total</b>                | <b>105.31</b> | <b>61.72</b>  |
| <b>Total</b>                    | <b>131.60</b> | <b>99.37</b>  |

### NOTE NO. 7 : LOANS AND ADVANCES

(₹ In Lakhs)

| Particulars              | March 31,2024   | March 31,2023 |
|--------------------------|-----------------|---------------|
| <b>Unsecured</b>         |                 |               |
| Advances to Subsidiaries | 160.64          | 160.58        |
| Others                   | 2,346.78        | 604.22        |
| <b>Secured</b>           |                 |               |
| Refundable Deposits      | 62.80           | 67.40         |
| <b>Total</b>             | <b>2,570.22</b> | <b>832.19</b> |

### NOTE NO.8 : OTHER CURRENT ASSETS

(₹ In Lakhs)

| Particulars                           | March 31,2024 | March 31,2023 |
|---------------------------------------|---------------|---------------|
| GST Credit, TDS Receivable and Others | 105.79        | 321.55        |
| <b>Total</b>                          | <b>105.79</b> | <b>321.55</b> |

### NOTE NO. 9 SHARE CAPITAL

(₹ In Lakhs)

| Particulars                                 | Nos.               | Amount          |
|---|--------------------|-----------------|
| <b>Authorised:</b>                          | 2,00,00,000        | 2,000.00        |
| (2,00,00,000 Equity Shares of ₹10/- each. ) |                    |                 |
| Issued, Subscribed & Paid Up Share Capital: |                    |                 |
| <b>Subscribed &amp; Fully Paid Up:</b>      |                    |                 |
| <b>As At March 31 , 2022</b>                | <b>1,42,63,520</b> | <b>1,426.35</b> |
| Add: Issued During the Year                 |                    |                 |
| Warrants Converted in to Equity Shares      | 6,13,000           | 61.30           |
| ESOP's Alloted during the year              | 27,000             | 2.70            |
| <b>As At March 31 , 2023</b>                | <b>1,49,03,520</b> | <b>1,490.35</b> |
| Add: Issued During the Year                 | -                  | -               |
| <b>As At March 31 , 2024</b>                | <b>1,49,03,520</b> | <b>1,490.35</b> |

## Standalone Notes and Other Explanatory Information to Financial Statements for the year ended March 31, 2024

### Reconciliation of Shares Outstanding at Beginning and End of the Reporting Year

(₹ In Lakhs)

| Equity Shares                       | March 31, 2024 |          | March 31, 2023 |          |
|-------------------------------------|----------------|----------|----------------|----------|
|                                     | No's           | Amount   | No's           | Amount   |
| As at Beginning of the Year         | 1,49,03,520    | 1,490.35 | 1,42,63,520    | 1,426.35 |
| Add: Issued During the Year         |                |          |                |          |
| Warrants Converted to Equity Shares | -              | -        | 6,13,000       | 61.30    |
| ESOPs Allotment During the Year     | -              | -        | 27,000         | 2.70     |
| As at End of the Year               | 1,49,03,520    | 1,490.35 | 1,49,03,520    | 1,490.35 |

### Details of Share Holders Holding More than 5% Shares in the Company

(₹ In Lakhs)

| Name of the Share Holder                    | March 31, 2024 |                    | March 31, 2023 |                    |
|---|----------------|--------------------|----------------|--------------------|
|   | Nos            | % of Share Holding | Nos            | % of Share Holding |
| Elite Class Asset Holdings Ltd              | 13,00,000      | 8.72               | 13,00,000      | 8.72               |
| Mallemkonda Realities Pvt Ltd               | 8,77,615       | 5.89               | 8,77,615       | 5.89               |
| Iragavarapu Constructions Private Limited   | 10,00,000      | 6.71               | 10,00,000      | 6.71               |
| Cryptologic Systems Private Limited         | 13,45,000      | 9.02               | 13,45,000      | 9.02               |
| Shri Shri Resorts Private Limited           | 10,67,000      | 7.16               | 10,67,000      | 7.16               |
| Max Cell Phone Communications India Pvt Ltd | 12,00,000      | 8.05               | 12,00,000      | 8.05               |

### Note No. 10 Other Equity

(₹ In Lakhs)

| Particulars            | Securities Premium | General Reserves | Capital Reserve | Money Received Against Share Warrants | Retained earnings | Total    |
|------------------------|--------------------|------------------|-----------------|---------------------------------------|-------------------|----------|
| As At March 31 ,2022   | 1,281.25           | 10.00            | 292.89          | 68.96                                 | 1,635.03          | 3,288.13 |
| Additions for the Year | 214.55             | -                | -               | -68.96                                | 263.40            | 408.99   |
| As At March 31 ,2023   | 1,495.80           | 10.00            | 292.89          | -                                     | 1,898.42          | 3,697.12 |
| Additions for the Year | -                  | -                | -               | -                                     | 252.23            | 252.23   |
| As At March 31 ,2024   | 1,495.80           | 10.00            | 292.89          | -                                     | 2,150.65          | 3,949.34 |

### NOTE NO. 11 : BORROWINGS

(₹ In Lakhs)

| Particulars                                   | March 31, 2024  | March 31, 2023  |
|---|-----------------|-----------------|
| <b>Secured</b>                                |                 |                 |
| Vehicle Loans                                 | 37.63           | 52.89           |
| Term Loans from banks                         | 4,724.79        | 4,237.81        |
| Term Loans from Institutions Other than Banks | 53.40           | 514.01          |
| Less : Current Maturities                     | 859.75          | 771.72          |
| <b>Unsecured</b>                              |                 |                 |
| Other Borrowings                              | -               | 53.54           |
| <b>Total</b>                                  | <b>3,956.07</b> | <b>4,086.52</b> |

### NOTE NO. 12 : OTHER NON CURRENT LIABILITIES

(₹ In Lakhs)

| Particulars  | March 31, 2024 | March 31, 2023 |
|--------------|----------------|----------------|
| Gratuity     | 68.99          | 61.45          |
| <b>Total</b> | <b>68.99</b>   | <b>61.45</b>   |

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### NOTE NO. 13 : DEFERRED TAX LIABILITY

(₹ In Lakhs)

| Particulars                    | March 31,2024 | March 31,2023 |
|--------------------------------|---------------|---------------|
| Opening Deferred Tax Liability | 248.49        | 154.36        |
| Add: Deferred Tax for the year | -14.29        | 94.13         |
| <b>Total</b>                   | <b>234.20</b> | <b>248.49</b> |

### NOTE NO. 14 : BORROWINGS

(₹ In Lakhs)

| Particulars   | March 31,2024   | March 31,2023   |
|---|-----------------|-----------------|
| <b>Secured Loans :</b>                              |                 |                 |
| From Banks  | 1,088.72        | 1,158.70        |
| Other Than Banks                                    | 1,179.20        | -               |
| <b>Current maturities of Non Current Borrowings</b> |                 |                 |
| i) From Banks                                       | 809.36          | 643.95          |
| ii) From Institutions Other then Banks              | 50.39           | 127.78          |
| <b>Total</b>  | <b>3,127.67</b> | <b>1,930.42</b> |

### NOTE NO. 15 : TRADE PAYABLES

(₹ In Lakhs)

| Particulars  | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| <b>Unsecured</b>   |               |               |
| Trade Payables   |               |               |
| Outstanding dues of Micro, Small & Medium Enterprises                      | -             | -             |
| Outstanding dues of Creditors other than Micro, Small & Medium Enterprises | 106.04        | 94.22         |
| <b>Total</b>   | <b>106.04</b> | <b>94.22</b>  |

#### Trade payables ageing schedule for the year ended as on March 31, 2024 :

(₹ In Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| i) Others                   | 106.04   | -         | -         | -                 | 106.04 |
| ii) Disputed dues — MSME    | -  | -         | -         | -                 | -      |
| iii) Disputed dues - Others | -  | -         | -         | -                 | -      |

#### Trade payables ageing schedule for the year ended as on March 31, 2023 :

(₹ In Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |       |
|-----------------------------|--|-----------|-----------|-------------------|-------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total |
| i) Others                   | 94.22  | -         | -         | -                 | 94.22 |
| ii) Disputed dues — MSME    | -  | -         | -         | -                 | -     |
| iii) Disputed dues - Others | -  | -         | -         | -                 | -     |



## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### NOTE NO. 16 : PROVISIONS

(₹ In Lakhs)

| Particulars               | March 31,2024 | March 31,2023 |
|---------------------------|---------------|---------------|
| a) Employee Benefits      | 79.33         | 77.08         |
| b) Income Taxes           | 178.92        | 103.02        |
| c) Provision for expenses | 0.81          | -             |
| d) Other Statutory Dues   | 288.34        | 291.91        |
| <b>Total</b>              | <b>547.40</b> | <b>472.01</b> |

### NOTE NO. 17 : REVENUE FROM OPERATIONS

(₹ In Lakhs)

| Particulars             | March 31,2024   | March 31,2023   |
|-------------------------|-----------------|-----------------|
| Revenue from Operations | 4,488.05        | 5,162.20        |
| <b>Total</b>            | <b>4,488.05</b> | <b>5,162.20</b> |

### NOTE NO. 18 : OTHER INCOME

(₹ In Lakhs)

| PARTICULARS     | March 31,2024 | March 31,2023 |
|-----------------|---------------|---------------|
| Interest Income | 3.88          | 3.59          |
| <b>Total</b>    | <b>3.88</b>   | <b>3.59</b>   |

### NOTE NO. 19 : CHANGE IN INVENTORIES & W.I.P.

(₹ In Lakhs)

| Particulars                                  | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| Finished Goods                               |               |               |
| Finished goods at the beginning of the year  | 797.27        | 981.20        |
| Less : Finished goods at the end of the year | 877.40        | 797.27        |
| <b>Total</b>                                 | <b>-80.13</b> | <b>183.94</b> |

### NOTE NO. 20 : EMPLOYEE BENEFIT EXPENSES

(₹ In Lakhs)

| Particulars                                 | March 31,2024   | March 31,2023   |
|---|-----------------|-----------------|
| (a) Salaries & Wages                        | 949.37          | 1,222.61        |
| (b) Contribution to Provident & Other Funds | 46.27           | 49.20           |
| (c) Staff Welfare Expenses                  | 17.78           | 43.20           |
| <b>Total</b>                                | <b>1,013.42</b> | <b>1,315.01</b> |

### NOTE NO. 21 : FINANCE COST

(₹ In Lakhs)

| Particulars                              | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| Interest on Working Capital & Term Loans | 777.79        | 765.13        |
| <b>Total</b>                             | <b>777.79</b> | <b>765.13</b> |

### NOTE NO. 22 : ADMINSTRATIVE AND OTHER OPERATING EXPENSES

(₹ In Lakhs)

| Particulars                        | Mar 31,2024 | Mar 31,2023 |
|------------------------------------|-------------|-------------|
| (a) Power & Fuel                   | 393.34      | 426.91      |
| (b) Rent                           | 43.26       | 89.98       |
| (c) Telephone, Postage and Others  | 4.55        | 9.33        |
| (d) Business Promotion Expenses    | 27.90       | 27.98       |
| (e) Travelling Expenses            | 53.90       | 49.28       |
| (f) Repairs & Maintenance          | 30.22       | 29.19       |
| (g) Office Maintenance             | 37.44       | 67.71       |
| (h) Printing & Stationery Expenses | 22.37       | 18.06       |

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### NOTE NO. 22 : ADMINSTRATIVE AND OTHER OPERATING EXPENSES (contd.)

(₹ In Lakhs)

| Particulars                                  | Mar 31,2024   | Mar 31,2023     |
|--|---------------|-----------------|
| (i) Rates & Taxes                            | 236.16        | 91.00           |
| (j) Consultancy Charges                      | 100.24        | 159.51          |
| (k) Net loss on foreign currency transaction | 2.03          | 0.01            |
| (l) Insurance                                | 3.94          | 5.82            |
| (m) Renewals, Subscriptions, Seminar Fee     | 6.80          | 11.51           |
| (n) Bank Charges                             | 16.93         | 33.44           |
| (o) Payment to Auditors:                     |               |                 |
| (i) As Audit Fee                             | 2.13          | 1.83            |
| <b>Total</b>                                 | <b>981.20</b> | <b>1,021.54</b> |

### Note No.23:

#### Details of Primary and Collateral Securities (For Liabilities referred in Note No.11 & 14)

Hypothecation of Plant and Machinery, Equipment (Movable Assets), Commercial Property and Personal guarantee of the Promoter of the Company.

#### Hypothecation of Movable Assets:

1. M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad, having Hypothecation of Fixed Assets financed by them through Term Loan.
2. Charge on stock (including live stock) & Receivables (excl. foreign receivables) and Current Assets except Cash and Bank balances of the company by M/s Canara Bank, Spl Mid Corporate Branch for working capital limits.
3. M/s. Department of Bio Technology, New Delhi having Hypothecation of Laboratory Equipment funded by them.

#### Collateral Securities :

1. EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd situated at Sy No. 91,101 &102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telangana for Term Loan and Working Capital loans given by M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad.
2. EMT on Land Acres 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 92, Lakshmapalli Village, Gajwel Mandal, Medak District, Telangana for Term Loan and Working Capital given by M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad.
3. EMT on land admeasuring 595 Sy Yards in the name of M/s. Vivo Bio Tech Limited situated at Plot No 87, Balamrai Co operative society, Mahendrahills, East Marredpally, Secunderabad for Loan against property given by The South Indian Bank Limited.
4. EMT on Land Square Yards 1,12,832.5 & Building Sq 1,17,197 Yards in the name of M/s. Vivo Bio Tech Limited at Sy No. 350/A, 350/C, 350/A, 351, 351/B, 349/A Pregnapur Village, Gajwel Mandal, Siddipet District, Telangana for Term Loan given by M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad for purchase of Land and Building.

#### Personal Guarantee

1. Mr. Viswanath Kompella has given personal guarantee for all loans
2. Smt K Madhavi Latha has given personal guarantee for all loans taken from M/s. Canara Bank

#### Corporate Guarantee, to M/s. Canara Bank, IF Branch, from following companies:

1. M/s Maxcell Phones Communications India Pvt Ltd
2. M/s Vira Systems Pvt Ltd
3. M/s Iron Age India Pvt Ltd
4. M/s Iragavarapu Constructions Pvt Ltd
5. M/s P K I Solutions Pvt Ltd

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

6. M/s Every wear Imports & Exports Pvt Ltd
7. M/s Vivo Bio Labs Pvt Ltd
8. M/s Surlogic Life Consultancy Pvt Ltd

### Note No.24:

Consumables and other than Live Stock are valued at cost or realizable value whichever is less. Since company is engaged in breeding and trading activity of Rodents and cost of rodent stock is difficult to ascertain hence rodents in stock valued at realizable Value. With regards to other stock like rodent Feed, bedding material, Transit cages, Stores and Spares are valued at cost or realizable value whichever is lower.

### Note No.25: Investments

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable. Provision for diminution in the value of investments is not created as it is not a permanent decline.

#### Details of Investment in Subsidiaries:

| S No. | Name of the Subsidiary                     | No. of Shares | Face value | Share capital (₹ In Lakhs) | Total Amount (₹ In Lakhs) |
|-------|--|---------------|------------|----------------------------|---------------------------|
| 1     | Vivo bio Labs Pvt Ltd                      | 10,000        | 10         | 1.00                       | 1.00                      |
| 2     | Vivo bio Discovery services Pvt Ltd        | 10,000        | 10         | 1.00                       | 1.00                      |
| 3     | Surlogic Life Consultancy Services Pvt Ltd | 10,000        | 10         | 1.00                       | 1.00                      |
| 4     | Vivo Bio Consulting Services Pvt Ltd       | 10,000        | 10         | 1.00                       | 1.00                      |

Wholly Owned Subsidiaries.

### Note No.26: Earning per Share

The earnings considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

| Particulars   | March 31,2024 | March 31,2023 |
|---|---------------|---------------|
| Profit available for the equity shareholders (₹ In Lakhs) | 252.23        | 263.39        |
| Weighted average number of shares for Basic EPS           | 1,49,03,520   | 1,48,23,957   |
| Weighted average number of shares for Diluted EPS         | 1,66,81,034   | 1,48,23,957   |
| Basic   | 1.69          | 1.77          |
| Diluted   | 1.51          | 1.77          |

### Note No.27:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project – "Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes" given specifically for the R&D work being carried out by company's biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010

A separate mortgage is created for the whole of movable and immovable properties acquired from the loan sanctioned by the DBT under the SBIRI scheme including its movable plant and machinery, machinery spares, tools and accessories and other movables both present and future (except book debts).

### Note No.28: Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large.

# Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

## Related Party Disclosures

### a) Subsidiary Companies:

1. Vivo Bio Labs Private Limited
2. Vivo Bio Discovery Services Private Limited
3. Surlogic Life Consultancy Services Private Limited
4. Vivo bio Consulting Services Private Limited

### b) Directors:

1. Sunder Kanaparthi
2. M. Kalyan Ram
3. Alangudi Sankaranarayanan
4. Sri Kalyan Kompella
5. Shivanand Nayak Karopadi
6. Hariharan Ravindran
7. Kunda Kalpana
8. Shyam Sunder Tipparaju

### c) Key Management Personnel:

| S. No. | Name                       | Designation                                   |
|--------|----------------------------|---|
| 1      | M. Kalyan Ram              | Whole Time Director                           |
| 2      | Alangudi Sankaranarayanan  | Whole Time Director                           |
| 3.     | Sri Kalyan Kompella        | Whole Time Director & Chief Financial Officer |
| 4.     | Vaishnavi Kiran Ayinampudi | Company Secretary                             |

### d) Other Related Party:

- 1) Virinchi Limited
- 2) Virinchi Health Care Pvt Ltd
- 3) Iron Age India Pvt Ltd
- 4) Shri Shri Resorts Pvt Ltd

## The followings are the related party transactions:

(₹ In Lakhs)

| Name of the related Party  | Nature of transaction | 2023-24 | 2022-23 |
|----------------------------|-----------------------|---------|---------|
| M. Kalyan Ram              | Remuneration          | 8.61    | 8.61    |
| Jyotika Aasat              | Remuneration          | 7.19    | 7.88    |
| Sankarnarayanan Alangudi   | Remuneration          | 7.50    | 18.00   |
| Sri Kalyan Kompella        | Remuneration          | 13.90   | 8.90    |
| Vaishnavi Kiran Ayinampudi | Remuneration          | 1.78    | -       |
| Madhavi Latha Kompella     | Remuneration          | 90.00   | 180.00  |
| Viswanath Kompella         | Remuneration          | -       | 120.00  |

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### Details of Loans and Advances given to Related Parties:

(₹ In Lakhs)

| S. No. | Name of the Related Party            | Relationship            | Outstanding as on 31-03-2024 |
|--------|--------------------------------------|-------------------------|------------------------------|
| 1.     | Vivo Bio Labs Pvt Ltd                | Wholly Owned Subsidiary | 19.15                        |
| 2.     | Vivo bio Consulting Services Pvt Ltd | Wholly Owned Subsidiary | 101.29                       |
| 3.     | Vivo Bio Discovery Services Pvt Ltd  | Wholly Owned Subsidiary | 6.08                         |
| 4.     | Surlogic Life Consultancy Pvt Ltd    | Wholly Owned Subsidiary | 34.12                        |
| 5.     | Viswanath Kompella                   | Promoter                | 97.44                        |
| 6.     | Shri Shri Resorts Pvt Ltd            | Promoter Group          | 209.68                       |
| 7.     | Bharat Megawatts Gen Pvt. Ltd.       | Promoter Group          | 74.55                        |
| 8.     | Gajwel Developers Pvt. Ltd.          | Promoter Group          | 1,156.44                     |

### Note No.29:

Reconciliation Statement of ESOP Shares, VBESOS, 2016

| Sl. | Particulars  | No of shares |
|-----|--|--------------|
| 1   | No of shares approved as per Shareholders Resolution and in principle approval received from BSE Limited | 30,00,000    |
| 2   | No of Shares exercised and allotted till 31 <sup>st</sup> March, 2024 under the scheme                   | 4,53,000     |
| 3   | No of shares available   | 25,47,000    |

### Note No.30:

Foreign Currency Outflow during the year of ₹102.83 Lakhs (Previous Year – ₹40 Lakhs).

### Note No.31:

Foreign Currency Inflow during the year is ₹496.07 Lakhs (Previous Year – ₹536 Lakhs.)

### Note No.32:

There are no dues to MSME Units outstanding for more than 45 days.

### NOTE 33: Additional Regulatory information

- The Company is in possession of immovable property and title deeds are held in the Name of the company.
- The Company has not revalued any of its Property, Plant and Equipment during the year.
- The Company has not granted any loans or advances in the nature of loans to directors, KMPs
- There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- The Company has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.
- The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

### NOTE: 34

The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

### NOTE: 35:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## Standalone Notes and Other Explanatory Information to Financial Statements

for the year ended March 31, 2024

### NOTE: 36:

There are no significant events that occurred after the balance sheet date.

### NOTE: 37:

The Company has not declared any dividend during the year.

### NOTE: 38:

In the opinion of the management, the assets as shown in the financial Statements have a value on realization in the ordinary course of business of at least equal to the amount at which they are stated in the balance sheet.

### NOTE: 39: Ratios

| Ratios                                      | Numerator   | Denominator  | Current year | Previous year | Variance(in %) |
|---|---|--|--------------|---------------|----------------|
| Current ratio (in times)                    | Total current assets  | Total current liabilities  | 1.28         | 1.32          | 3.18           |
| Debt-Equity ratio (in times)                | Debt consists of borrowings and lease liabilities*  | Total Equity   | 1.31         | 1.17          | 12.22          |
| Debt service coverage ratio (in times)      | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments*                 | 1.17         | 0.89          | 31.56          |
| Return on equity ratio (in %)               | Profit for the year less Preference dividend (if any)   | Average total equity   | 4.75         | 5.32          | 10.78          |
| Inventory Turnover Ratio(in times)          | Cost of goods sold OR sales   | Average Inventory  | 5.36         | 5.81          | 7.67           |
| Trade receivables turnover ratio (in times) | Revenue from operations   | Average trade receivables  | 3.78         | 4.23          | 10.66          |
| Trade payables turnover ratio (in times)    | Purchase of Services and other expenses   | Average trade payables   | 10.69        | 9.37          | 14.05          |
| Net capital turnover ratio (in times)       | Revenue from operations   | Average working capital (i.e. Total current assets less Total current liabilities) | 4.90         | 8.66          | 43.46          |
| Net profit ratio (in %)                     | Profit for the year   | Revenue from operations  | 5.62         | 5.10          | 10.14          |
| Return on capital employed (in %)           | Profit before tax and finance costs   | Capital employed = Net worth + Net Working Capita                                  | 18.26        | 20.50         | 10.93          |
| Return on investment (in %) –Unquoted       | Income generated from invested funds  | Average invested funds in treasury investments                                     | N/A          | N/A           | N/A            |

### Note No.40:

Previous year's numbers have been regrouped, rearranged, re casted, wherever necessary to conform to Current Year Classification

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

**M.V. Joshi**

Partner

M. No. 024784

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

Place : Hyderabad

Date: 20/05/2024

# Independent Auditor's Report

To the Members of  
**Vivo Bio Tech Limited**

## Report on the Audit of the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of VIVO BIO TECH LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated Profit including consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

## Information Other than the Consolidated Ind AS financial statements and Auditor's Report Thereon:

- The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.
- Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Consolidated Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter Paragraph:

The Consolidated Ind AS Financial Statements include the audited financial statements of the following subsidiaries which are audited by us.

- I. Vivo Bio Labs Private Limited
- II. Vivo Bio Discovery Services Private Limited
- III. Surlogic Life Consultancy Private Limited
- IV. Vivo Bio Consulting Services Private Limited

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the Auditor's reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal

financial controls over financial reporting of those companies, for reasons stated therein.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have pending litigations as at March 31<sup>st</sup>, 2024 which would have impact on its consolidated financial position of the group.
  - ii. The group does not have any long term contracts, including derivate contracts and did not have any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.
  - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or group companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company or group companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or group companies shall directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- vii. The company or group companies has not declared or paid any dividend during the year.
- viii. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software

and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For P. Murali & Co.,**

Chartered Accountants

FRN: 007257S

**M V Joshi**

Partner

M.No:024784

UDIN: 24024784BKAUDP6314

Place: Hyderabad

Date: 20.05.2024.

## “Annexure-A” Annexure to Independent Auditors' Report of Even Date on the Consolidated Ind as Financial Statements of Vivo Bio Tech Limited

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VIVO BIO TECH LIMITED of even date)

### Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of VIVO BIO TECH LIMITED (herein after referred to as “Company”) and its subsidiary companies, which are incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Subsidiary Companies.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective

companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P. Murali & Co.,**

Chartered Accountants

FRN: 007257S

**M V Joshi**

Partner

M.No:024784

UDIN: 24024784BKAUDP6314

Place: Hyderabad

Date: 20.05.2024.

## Consolidated Balance Sheet as at March 31

(₹ in lakhs)

| Particulars                          | Note No | 2024             | 2023             |
|--------------------------------------|---------|------------------|------------------|
| <b>ASSETS</b>                        |         |                  |                  |
| <b>1) Non Current Assets</b>         |         |                  |                  |
| Property, Plant and Equipment        | 1       | 7,225.21         | 7,806.56         |
| Capital Work-In-Progress             | 1       | 921.24           | 189.68           |
| Other Intangible Assets              | 1       | 812.10           | 1,080.61         |
| Other Non-Current assets             |         | 31.56            | 47.34            |
| <b>Total Non Current Assets</b>      |         | <b>8,990.12</b>  | <b>9,124.20</b>  |
| <b>2) CURRENT ASSETS</b>             |         |                  |                  |
| Inventories                          | 3       | 877.40           | 797.27           |
| <b>Financial assets</b>              |         |                  |                  |
| Trade Receivables                    | 4       | 1,179.50         | 1,238.02         |
| Cash and Cash Equivalents            | 5       | 138.96           | 137.47           |
| Loans and Advances                   | 6       | 2,421.57         | 683.62           |
| Other Current Assets                 | 7       | 105.79           | 322.76           |
| <b>Total Current Assets</b>          |         | <b>4,723.22</b>  | <b>3,179.13</b>  |
| <b>Total Assets</b>                  |         | <b>13,713.34</b> | <b>12,303.33</b> |
| <b>EQUITY AND LIABILITIES</b>        |         |                  |                  |
| <b>Equity</b>                        |         |                  |                  |
| Equity Share Capital                 | 8       | 1,490.35         | 1,490.35         |
| Other Equity                         | 9       | 3,949.60         | 3,696.97         |
| <b>Total Equity</b>                  |         | <b>5,439.95</b>  | <b>5,187.32</b>  |
| <b>Liabilities</b>                   |         |                  |                  |
| <b>(1) Non-Current Liabilities</b>   |         |                  |                  |
| <b>Financial Liabilities</b>         |         |                  |                  |
| Borrowings                           | 10      | 4,178.71         | 4,309.16         |
| Other Non Current Liabilities        | 11      | 68.99            | 61.45            |
| Deferred Tax Liabilities (Net)       | 12      | 234.20           | 248.49           |
| <b>Total Non Current Liabilities</b> |         | <b>4,481.90</b>  | <b>4,619.09</b>  |
| <b>(2) Current Liabilities</b>       |         |                  |                  |
| <b>Financial Liabilities</b>         |         |                  |                  |
| Borrowings                           | 13      | 3,127.67         | 1,930.42         |
| Trade Payables                       | 14      | 106.04           | 94.22            |
| Provisions                           | 15      | 557.78           | 472.27           |
| <b>Total Current Liabilities</b>     |         | <b>3,791.48</b>  | <b>2,496.92</b>  |
| <b>Total Equity and Liabilities</b>  |         | <b>13,713.34</b> | <b>12,303.33</b> |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.V. Joshi**

Partner

M. No. 024784

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

Place : Hyderabad

Date: 20/05/2024

## Consolidated Statement of Profit and Loss for the Year ended March 31

(₹ in Lakhs)

| Particulars   | Note No | 2024            | 2023            |
|---|---------|-----------------|-----------------|
| Revenue from Operations                             | 16      | 4,545.12        | 5,223.02        |
| Other Income  | 17      | 3.88            | 3.59            |
| <b>Total Income</b>                                 |         | <b>4,549.01</b> | <b>5,226.61</b> |
| <b>Expenses:</b>                                    |         |                 |                 |
| Purchases   |         | 465.10          | 493.05          |
| Changes (Increase)/ decrease in Inventories         | 18      | -80.13          | 183.94          |
| Employee Benefit Expenses                           | 19      | 1,068.31        | 1,352.35        |
| Depreciation and Amortization Expense               | 1       | 929.08          | 926.57          |
| Finance Cost  | 20      | 777.79          | 765.13          |
| Administrative and Other Operating Expenses         | 21      | 982.81          | 1,043.49        |
| <b>Total Expenses</b>                               |         | <b>4,142.96</b> | <b>4,764.52</b> |
| <b>Profit Before Tax</b>                            |         | <b>406.05</b>   | <b>462.08</b>   |
| <b>Tax expense:</b>                                 |         |                 |                 |
| (a) Current tax                                     |         | 167.71          | 103.05          |
| (b) Deferred tax                                    |         | -14.29          | 94.13           |
| <b>Profit for the period</b>                        |         | <b>252.63</b>   | <b>264.91</b>   |
| Other Comprehensive Income (Net of Tax)             |         | -               | -               |
| <b>Total Comprehensive Income</b>                   |         | <b>252.63</b>   | <b>264.91</b>   |
| Earning Per Equity Share (Par Value of ₹10 /- each) |         |                 |                 |
| (1) Basic   |         | 1.70            | 1.78            |
| (2) Diluted   |         | 1.51            | 1.78            |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

**M.V. Joshi**

Partner

M. No. 024784

Place : Hyderabad

Date: 20/05/2024

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506



## Consolidated Cash Flow Statement for the Year ended F 31

(₹ in lakhs)

| Particulars  | 2024            | 2023             |
|--|-----------------|------------------|
| <b>A. Cash Flow from Operating Activities:</b>                 |                 |                  |
| Net Profit before taxation and extraordinary items             | 406.05          | 462.08           |
| <b>Adjustments for:</b>  |                 |                  |
| Depreciation and amortization                                  | 929.08          | 926.57           |
| Finance Cost   | 777.79          | 765.13           |
| <b>Operating Profit before Working Capital Changes</b>         | <b>2,112.92</b> | <b>2,153.78</b>  |
| <b>Changes in Assets &amp; Liabilities</b>                     |                 |                  |
| Trade and other Financial Assets Including Inventory           | -1,542.59       | -615.49          |
| Trade and other Financial Liabilities                          | 1,287.82        | 278.97           |
| <b>Cash Generated from Operations</b>                          | <b>1,858.15</b> | <b>1,817.26</b>  |
| Interest on Working Capital Loans                              | 152.49          | 136.71           |
| Taxation for the year  | 153.42          | 197.17           |
| <b>Net Cash Generated from Operating Activities</b>            | <b>1,552.23</b> | <b>1,483.38</b>  |
| <b>B. Cash Flow from Investing Activities:</b>                 |                 |                  |
| Purchase of Fixed Assets                                       | -795.00         | -399.75          |
| <b>Net Cash used in Investing Activities</b>                   | <b>-795.00</b>  | <b>-399.75</b>   |
| <b>C. Cash Flow From Financial Activities:</b>                 |                 |                  |
| Proceeds from Equity Shares                                    | -               | 209.59           |
| Interest & Finance Cost  | -625.30         | -628.43          |
| Net Proceeds from Long Term Borrowings                         | -130.44         | -698.67          |
| <b>Net Cash Generated from/ (used in) Financing Activities</b> | <b>-755.74</b>  | <b>-1,117.51</b> |
| <b>Net increase/ (decrease) in Cash and Cash equivalents</b>   | <b>1.49</b>     | <b>-33.88</b>    |
| <b>Cash and Cash equivalents as at Beginning of the Year</b>   | <b>137.47</b>   | <b>171.35</b>    |
| <b>Cash and Cash equivalents as at End of the Year</b>         | <b>138.96</b>   | <b>137.47</b>    |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

**M.V. Joshi**

Partner

M. No. 024784

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

Place : Hyderabad

Date: 20/05/2024

## Consolidated Statement of Changes in Equity for the Year ended March 31

(₹ In Lakhs , except Share data and where otherwise stated)

### a. Equity Share Capital

|                             | No. of Shares | Amount   |
|-----------------------------|---------------|----------|
| Balance as at 31 March 2023 | 1,49,03,520   | 1,490.35 |
| Balance as at 31 March 2024 | 1,49,03,520   | 1,490.35 |

### b. Other Equity

| Particulars            | Reserves and Surplus |                  |                 |                                       |                   | Total    |
|------------------------|----------------------|------------------|-----------------|---------------------------------------|-------------------|----------|
|                        | Securities Premium   | General Reserves | Capital Reserve | Money Received against Share Warrants | Retained Earnings |          |
| As At March 31 ,2022   | 1,281.25             | 10.00            | 292.49          | 68.96                                 | 1,633.77          | 3,286.47 |
| Additions for the Year | 214.55               | -                | -               | -68.96                                | 264.91            | 410.50   |
| As At March 31 ,2023   | 1,495.80             | 10.00            | 292.49          | -                                     | 1,898.68          | 3,696.97 |
| Additions for the Year | -                    | -                | -               | -                                     | 252.63            | 252.63   |
| As At March 31 ,2024   | 1,495.80             | 10.00            | 292.49          | -                                     | 2,151.31          | 3,949.60 |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.0072575

**M.V. Joshi**

Partner

M. No. 024784

Place : Hyderabad

Date: 20/05/2024

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506

# Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

## 1. Corporate Information

Vivo Bio Tech is engaged in service of CRO offering Drug Development & Discovery Services to Pharmaceutical & Biotech Companies world-wide in accordance with OECD - GLP, AAALAC & IND guidelines. The company offers services in the areas of In vivo & In vitro toxicity studies, Pharmacological investigations, Pharmacokinetic & toxic kinetic studies, Genotoxicity screening, Analytical services etc. Our experienced & talented scientists offer advice on defining drug development paths tailored to specific molecules.

Our Scientific team provides both regulatory and non-regulatory IND enabling preclinical development services. We are capable of screening & evaluating molecules for various pharmacological & therapeutic properties. Specifically for oncology, our scientists can provide design & development of syngeneic / xenograft models for evaluation of anti-cancer agents. Further, our scientists can customize In vivo DMPK studies to help profile your drug candidate in both rodent and non-rodent animal models.

Vivo Bio has partnered with Taconic Biosciences for sourcing foundation and expansion colonies of the SPF rodent models and have started in-house Breeding & Trading. Vivo Bio has also partnered with Cyagen Biosciences to provide easy access to Genomic Technologies to Indian Biomedical R&D.

Vivo together with subsidiary companies is hereinafter referred to as "The Group".

Separate companies setting up as subsidiary companies for In-vivo and In-vitro services

## 2. Material Accounting Policies

### (a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

### (b) Company information

The consolidated financial statements of the Company include subsidiaries listed in the table below:

| Name of Investee                    | Principal activities | Country of incorporation | Percentage of ownership/ voting rights |              |
|-------------------------------------|----------------------|--------------------------|--|--------------|
|                                     |                      |                          | Mar 31, 2024                           | Mar 31, 2023 |
| Vivo Bio Discovery Services Pvt Ltd | R&D activities       | India                    | 100                                    | 100          |
| Vivo Bio Labs Pvt Ltd               | R&D activities       | India                    | 100                                    | 100          |
| Surlogic Life Consultancy Pvt Ltd   | R&D activities       | India                    | 100                                    | 100          |
| Vivobio Consulting Services Pvt Ltd | Consulting Services  | India                    | 100                                    | 100          |

### (c) Basis of consolidation

- The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Company. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- The consolidated financial statements of the Company combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-Company assets, liabilities, income, expenses and unrealised profits/losses on intra Company transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements

### (d) Basis of Preparation

These Financial statements have been prepared in Indian Rupee which is the Functional Currency of the Company.

These financial statements have been prepared on a historical cost basis, except for certain Financial Instruments which are measured at Fair Value or amortised cost at the end of each reporting Period, as explained in the Accounting Policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

The statement of cash flows has been prepared under indirect method.

### (e) Use of Estimates and Judgements:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

- i) Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
- ii) Current income taxes: The Company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.
- iii) Deferred Income taxes: Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.
- iv) Useful Life of property, plant and equipment The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### (f) Revenue Recognition

Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

# Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

## ▪ Sale of Goods:

Revenue from the sale of goods are recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is considered fixed and generally title has passed.

## ▪ Interest Income:

Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

## (g) Cost Recognition

Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation expense, Finance Cost and Administrative and other Operating expenses. Employee benefit expenses include Salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Administrative and Other Operating expenses include Power & Fuel, Fees to external consultants, facility expenses, travel expenses, etc.

## (h) Foreign Currency

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

- (i) Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

## Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand. Deposits with banks subsequently measured at amortized cost.

## Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

## Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

## Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

## Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### (j) Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

There are no Contingent liabilities as at balance sheet date hence disclosure requirements in financial statements are not arise.

### (k) Property, plant and equipment :

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives (years) are as mentioned below:

|   |    |
|---|----|
| Buildings   | 30 |
| Plant and Machinery                                       | 15 |
| Furniture & fixtures, Electrical Equipment, Lab Equipment | 10 |
| Vehicles  | 8  |
| Office equipment  | 5  |
| Computers   | 3  |
| Biological Assets   | 3  |

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

### (l) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

**Technical Knowhow:** Salaries and other cost paid to resources working on new products are capitalized as intangible asset under the head "Technical Knowhow". Management has estimated life of this product is about 10 years subject to certain improvements to the same product/source code.

**Computer Software:** The Company amortizes Computer software using the straight-line method over a period of 6 years.

#### i) Impairment

##### Financial assets (other than at fair value) :

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition

#### (ii) Non-financial assets

##### Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### (m) Employee benefits

#### (i) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

#### (ii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, Bonus, Earned Leave etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (n) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



## Consolidated Notes And Other Explanatory Information To Financial for the year ended March 31, 2024

### Note No.1 (1)

The changes in the carrying value of property, plant and equipment are as follows

(₹ in lakhs)

| Property, Plant and Equipment | Land            | Building        | Plant & Machinery | Electrical Equipment | Laboratory Equipment | Office Equipment | Computers     | Furniture & Interior | Vehicles      | Biological Assets | Total            |
|-------------------------------|-----------------|-----------------|-------------------|----------------------|----------------------|------------------|---------------|----------------------|---------------|-------------------|------------------|
| <b>Cost</b>                   |                 |                 |                   |                      |                      |                  |               |                      |               |                   |                  |
| <b>As at March 31, 2022</b>   | <b>2,288.01</b> | <b>1,748.88</b> | <b>165.27</b>     | <b>404.62</b>        | <b>5,374.80</b>      | <b>53.98</b>     | <b>95.63</b>  | <b>824.06</b>        | <b>256.74</b> | <b>-</b>          | <b>11,211.99</b> |
| Additions                     | -               | -               | 1.65              | 10.59                | 215.15               | -                | 6.15          | 9.33                 | 53.84         | -                 | 296.71           |
| Disposals                     | -               | -               | -                 | -                    | -                    | -                | -             | -                    | -             | -                 | -                |
| <b>As at March 31, 2023</b>   | <b>2,288.01</b> | <b>1,748.88</b> | <b>166.92</b>     | <b>415.21</b>        | <b>5,589.94</b>      | <b>53.98</b>     | <b>101.79</b> | <b>833.39</b>        | <b>310.58</b> | <b>-</b>          | <b>11,508.71</b> |
| Additions                     | -               | -               | -                 | 3.73                 | 35.95                | 15.86            | 0.56          | -                    | -             | 11.05             | 67.15            |
| Disposals                     | -               | -               | -                 | -                    | -                    | -                | -             | -                    | 9.20          | -                 | 9.20             |
| <b>As at March 31, 2024</b>   | <b>2,288.01</b> | <b>1,748.88</b> | <b>166.92</b>     | <b>418.94</b>        | <b>5,625.89</b>      | <b>69.85</b>     | <b>102.34</b> | <b>833.39</b>        | <b>301.38</b> | <b>11.05</b>      | <b>11,555.60</b> |
| <b>Depreciation</b>           |                 |                 |                   |                      |                      |                  |               |                      |               |                   |                  |
| <b>As at March 31, 2022</b>   | <b>-</b>        | <b>6.15</b>     | <b>101.35</b>     | <b>91.47</b>         | <b>2,348.98</b>      | <b>50.41</b>     | <b>62.13</b>  | <b>208.31</b>        | <b>188.54</b> | <b>-</b>          | <b>3,057.33</b>  |
| Charge for the period         | -               | 67.99           | 12.07             | 34.52                | 420.87               | 0.59             | 14.38         | 74.67                | 19.72         | -                 | 644.81           |
| Disposals                     | -               | -               | -                 | -                    | -                    | -                | -             | -                    | -             | -                 | -                |
| <b>As at March 31, 2023</b>   | <b>-</b>        | <b>74.13</b>    | <b>113.42</b>     | <b>125.98</b>        | <b>2,769.85</b>      | <b>51.00</b>     | <b>76.51</b>  | <b>282.98</b>        | <b>208.26</b> | <b>-</b>          | <b>3,702.14</b>  |
| Charge for the period         | -               | 68.17           | 12.12             | 35.44                | 421.16               | 1.27             | 13.68         | 74.75                | 17.43         | 0.77              | 644.79           |
| Disposals                     | -               | -               | -                 | -                    | -                    | -                | -             | -                    | 5.49          | -                 | 5.49             |
| <b>As at March 31, 2024</b>   | <b>-</b>        | <b>142.30</b>   | <b>125.53</b>     | <b>161.43</b>        | <b>3,191.02</b>      | <b>52.28</b>     | <b>90.19</b>  | <b>357.72</b>        | <b>220.21</b> | <b>0.77</b>       | <b>4,341.44</b>  |
| <b>Net Block</b>              |                 |                 |                   |                      |                      |                  |               |                      |               |                   |                  |
| <b>As at March 31, 2024</b>   | <b>2,288.01</b> | <b>1,606.58</b> | <b>41.39</b>      | <b>257.51</b>        | <b>2,434.88</b>      | <b>17.57</b>     | <b>12.16</b>  | <b>475.67</b>        | <b>81.17</b>  | <b>10.28</b>      | <b>7,225.21</b>  |
| <b>As at March 31, 2023</b>   | <b>2,288.01</b> | <b>1,674.75</b> | <b>53.50</b>      | <b>289.23</b>        | <b>2,820.09</b>      | <b>2.98</b>      | <b>25.28</b>  | <b>550.41</b>        | <b>102.31</b> | <b>-</b>          | <b>7,806.56</b>  |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### Note No 1 (2): CAPITAL WORK IN PROGRESS

(₹ In Lakhs)

| Particulars                 | Capital Work in progress |
|-----------------------------|--------------------------|
| <b>As at March 31, 2022</b> | <b>86.64</b>             |
| Additions                   | 103.04                   |
| Disposals                   | -                        |
| <b>As at March 31, 2023</b> | <b>189.68</b>            |
| Additions                   | 731.56                   |
| Disposals                   | -                        |
| <b>As at March 31, 2024</b> | <b>921.24</b>            |
| Net Block                   |                          |
| <b>As at March 31, 2024</b> | <b>921.24</b>            |
| <b>As at March 31, 2023</b> | <b>189.68</b>            |

### Note No 1 (3): INTANGIBLE ASSETS

(₹ In Lakhs)

| Intangible Assets           | Technical Know How | Computer Software | Total           |
|-----------------------------|--------------------|-------------------|-----------------|
| <b>Cost</b>                 |                    |                   |                 |
| <b>As at March 31, 2022</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| Additions                   | -                  | -                 | -               |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2023</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| Additions                   | -                  | -                 | -               |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2024</b> | <b>1,321.50</b>    | <b>1,318.18</b>   | <b>2,639.69</b> |
| <b>Depreciation</b>         |                    |                   |                 |
| <b>As at March 31, 2022</b> | <b>940.38</b>      | <b>336.95</b>     | <b>1,277.32</b> |
| Charge for the period       | 72.02              | 209.73            | 281.75          |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2023</b> | <b>1,012.40</b>    | <b>546.68</b>     | <b>1,559.08</b> |
| Charge for the period       | 59.24              | 209.26            | 268.50          |
| Disposals                   | -                  | -                 | -               |
| <b>As at March 31, 2024</b> | <b>1,071.64</b>    | <b>755.94</b>     | <b>1,827.58</b> |
| <b>Net Block</b>            |                    |                   |                 |
| <b>As at March 31, 2024</b> | <b>249.86</b>      | <b>562.24</b>     | <b>812.10</b>   |
| <b>As at March 31, 2023</b> | <b>309.10</b>      | <b>771.50</b>     | <b>1,080.61</b> |

### NOTE NO. 2 : OTHER NON - CURRENT ASSETS

(₹ In Lakhs)

| Particulars          | March 31, 2024 | March 31, 2023 |
|----------------------|----------------|----------------|
| Unamortised Expenses | 31.56          | 47.34          |
| <b>Total</b>         | <b>31.56</b>   | <b>47.34</b>   |

### NOTE NO.3 : INVENTORIES

(₹ In Lakhs)

| Particulars                              | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Live Stock, Animal Feed, Stores & Spares | 877.40         | 797.27         |
| <b>Total</b>                             | <b>877.40</b>  | <b>797.27</b>  |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### NOTE NO. 4 : TRADE AND OTHER RECEIVABLES

(₹ In Lakhs)

| Particulars                | March 31,2024   | March 31,2023   |
|----------------------------|-----------------|-----------------|
| Unsecured, Considered Good |                 |                 |
| Below 6 months             | 1,036.42        | 1,116.95        |
| Above 6 months             | 143.08          | 121.07          |
| <b>Total</b>               | <b>1,179.50</b> | <b>1,238.02</b> |

### Trade Receivables ageing schedule as on March 31, 2024 :

(₹ In Lakhs)

| Particulars  | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total    |
|--|--------------------|------------------|-----------|-----------|-------------------|----------|
| (i) Undisputed Trade receivables – considered good                                 | 1,036.42           | 143.08           | -         | -         | -                 | 1,179.50 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                  | -                | -         | -         | -                 | -        |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                  | -                | -         | -         | -                 | -        |
| (iv) Disputed Trade Receivables– considered good                                   | -                  | -                | -         | -         | -                 | -        |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                  | -                | -         | -         | -                 | -        |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                  | -                | -         | -         | -                 | -        |

### Trade Receivables ageing schedule as on March 31, 2023 :

(₹ In Lakhs)

| Particulars  | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total    |
|--|--------------------|------------------|-----------|-----------|-------------------|----------|
| (i) Undisputed Trade receivables – considered good                                 | 1,116.95           | 121.07           | -         | -         | -                 | 1,238.02 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                  | -                | -         | -         | -                 | -        |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                  | -                | -         | -         | -                 | -        |
| (iv) Disputed Trade Receivables– considered good                                   | -                  | -                | -         | -         | -                 | -        |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                  | -                | -         | -         | -                 | -        |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                  | -                | -         | -         | -                 | -        |

### NOTE NO. 5 : CASH AND BANK BALANCES

(₹ In Lakhs)

| Particulars                        | March 31,2024 | March 31,2023 |
|------------------------------------|---------------|---------------|
| <b>Cash and Cash Equivalents :</b> |               |               |
| a) Balances with Banks :           |               |               |
| On Current Accounts                | 8.86          | 13.83         |
| b) Cash on hand                    | 24.79         | 61.92         |
| <b>Sub Total</b>                   | <b>33.65</b>  | <b>75.75</b>  |
| <b>Other Bank Balances</b>         |               |               |
| On Deposit Accounts                | 105.31        | 61.72         |
| <b>Sub Total</b>                   | <b>105.31</b> | <b>61.72</b>  |
| <b>Total</b>                       | <b>138.96</b> | <b>137.47</b> |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### NOTE NO. 6 : LOANS AND ADVANCES

(₹ In Lakhs)

| Particulars              | March 31,2024   | March 31,2023 |
|--------------------------|-----------------|---------------|
| <b>Unsecured</b>         |                 |               |
| Other Loans and Advances | 2,346.78        | 604.22        |
| <b>Secured</b>           |                 |               |
| Refundable Deposits      | 74.80           | 79.40         |
| <b>Total</b>             | <b>2,421.57</b> | <b>683.62</b> |

### NOTE NO. 7 : OTHER CURRENT ASSETS

(₹ In Lakhs)

| Particulars                           | March 31,2024 | March 31,2023 |
|---------------------------------------|---------------|---------------|
| GST Credit, TDS Receivable and Others | 105.79        | 322.76        |
| <b>Total</b>                          | <b>105.79</b> | <b>322.76</b> |

### NOTE NO.8 : SHARE CAPITAL

(₹ In Lakhs)

| Particulars   | March 31,2024      | March 31,2023   |
|---|--------------------|-----------------|
| <b>Authorised:</b>                                    |                    |                 |
| (2,00,00,000 Equity Shares of ₹10/- each.)            | 2,00,00,000        | 2,000.00        |
| <b>Issued Subscribed &amp; Paid Up Share Capital:</b> | <b>No.</b>         | <b>Amount</b>   |
| <b>Subscribed &amp; Fully Paid Up:</b>                |                    |                 |
| <b>As At March 31 , 2022</b>                          | <b>1,42,63,520</b> | <b>1,426.35</b> |
| Add: Issued During the Year                           | -                  | -               |
| Warrants Converted in to Equity Shares                | 6,13,000           | 61.30           |
| ESOP's Alloted during the year                        | 27,000             | 2.70            |
| <b>As At March 31 , 2023</b>                          | <b>1,49,03,520</b> | <b>1,490.35</b> |
| Add: Issued During the Year                           | -                  | -               |
| <b>As At March 31 , 2024</b>                          | <b>1,49,03,520</b> | <b>1,490.35</b> |

### Reconciliation of Shares Outstanding at Beginning and End of the Reporting Year

(₹ In Lakhs)

| Equity Shares                       | March 31,2024      |                 | March 31, 2023     |                 |
|-------------------------------------|--------------------|-----------------|--------------------|-----------------|
|                                     | No's               | Amount          | No's               | Amount          |
| As at Beginning of the Year         | 1,49,03,520        | 1,490.35        | 1,42,63,520        | 1,426.35        |
| Add: Issued During the Year         |                    |                 |                    |                 |
| Warrants Converted to Equity Shares | -                  | -               | 6,13,000           | 61.30           |
| ESOPs Allotment During the Year     | -                  | -               | 27,000             | 2.70            |
| <b>As at End of the Year</b>        | <b>1,49,03,520</b> | <b>1,490.35</b> | <b>1,49,03,520</b> | <b>1,490.35</b> |

### Details of Share Holders Holding More than 5% Shares in the Company

(₹ In Lakhs)

| Name of the Share Holder                    | March 31,2024 |                    | March 31, 2023 |                    |
|---|---------------|--------------------|----------------|--------------------|
|   | Nos           | % of Share Holding | Nos            | % of Share Holding |
| Elite Class Asset Holdings Ltd              | 13,00,000     | 8.72               | 13,00,000      | 8.72               |
| Mallemkonda Realities Pvt Ltd               | 8,77,615      | 5.89               | 8,77,615       | 5.89               |
| Iragavarapu Constructions Private Limited   | 10,00,000     | 6.71               | 10,00,000      | 6.71               |
| Cryptologic Systems Private Limited         | 13,45,000     | 9.02               | 13,45,000      | 9.02               |
| Shri Shri Resorts Private Limited           | 10,67,000     | 7.16               | 10,67,000      | 7.16               |
| Max Cell Phone Communications India Pvt Ltd | 12,00,000     | 8.05               | 12,00,000      | 8.05               |

# Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

## Shares held by promoters & Group at the end of the year March 2024

(₹ In Lakhs)

| Promoter Name                                 | No. of shares | % of Total Shares | %Change during the year |
|---|---------------|-------------------|-------------------------|
| Mr. Viswanath Kompella                        | 1,50,100      | 1.01              | -                       |
| Mrs. Madhavi Latha Kompella                   | 2,50,000      | 1.68              | -                       |
| Iron Age India Pvt Ltd                        | 6,00,000      | 4.03              | -                       |
| Vira Systems Private limited                  | 13,45,000     | 9.02              | -                       |
| Maxcell Phones Communications India pvt. Ltd. | 12,00,000     | 8.05              | -                       |
| Iragavarapu Constructions Pvt. Ltd.           | 10,00,000     | 6.71              | -                       |
| PKI Solutions Private Limited                 | 6,00,000      | 4.03              | -                       |
| Shri Shri Resorts Pvt. Ltd.                   | 10,67,000     | 7.16              | -                       |

## Note No. 9 OTHER EQUITY

(₹ In Lakhs)

| Particulars                 | Securities Premium | General Reserves | Capital Reserve | Money Received against Share Warrants | Retained Earnings | Total           |
|-----------------------------|--------------------|------------------|-----------------|---------------------------------------|-------------------|-----------------|
| <b>As At March 31 ,2022</b> | 1,281.25           | 10.00            | 292.49          | 68.96                                 | 1,633.77          | 3,286.47        |
| Additions for the Year      | 214.55             | -                | -               | -68.96                                | 264.91            | 410.50          |
| As At March 31 ,2023        | 1,495.80           | 10.00            | 292.49          | -                                     | 1,898.68          | 3,696.97        |
| Additions for the Year      | -                  | -                | -               | -                                     | 252.63            | 252.63          |
| <b>As At March 31 ,2024</b> | <b>1,495.80</b>    | <b>10.00</b>     | <b>292.49</b>   | <b>-</b>                              | <b>2,151.31</b>   | <b>3,949.60</b> |

## NOTE NO. 10 : LONG TERM BORROWING

(₹ In Lakhs)

| Particulars                                   | March 31,2024   | March 31,2023   |
|---|-----------------|-----------------|
| <b>Secured</b>                                |                 |                 |
| Vehicle Loans                                 | 37.63           | 52.89           |
| Term Loans from banks                         | 4,724.79        | 4,237.81        |
| Term Loans from Institutions Other than Banks | 53.40           | 514.01          |
| Less: Current Maturities                      | 859.75          | 771.72          |
| <b>Unsecured</b>                              |                 |                 |
| Other Borrowings                              | 222.64          | 276.18          |
| <b>Total</b>                                  | <b>4,178.71</b> | <b>4,309.16</b> |

## NOTE NO. 11 : OTHER NON CURRENT LIABILITIES

(₹ In Lakhs)

| Particulars  | March 31,2024 | March 31,2023 |
|--------------|---------------|---------------|
| Gratuity     | 68.99         | 61.45         |
| <b>Total</b> | <b>68.99</b>  | <b>61.45</b>  |

## NOTE NO. 12 : DEFERRED TAX LIABILITY

(₹ In Lakhs)

| Particulars                    | March 31,2024 | March 31,2023 |
|--------------------------------|---------------|---------------|
| Opening Deferred Tax Liability | 248.49        | 154.36        |
| Add: Deferred Tax for the year | -14.29        | 94.13         |
| <b>Total</b>                   | <b>234.20</b> | <b>248.49</b> |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### NOTE NO. 13 : SHORT TERM BORROWINGS

(₹ In Lakhs)

| Particulars                                       | March 31,2024   | March 31,2023   |
|---|-----------------|-----------------|
| <b>Secured Loans:</b>                             |                 |                 |
| From Banks  | 1,088.72        | 1,158.70        |
| <b>Current Maturities of Long Term Borrowings</b> |                 |                 |
| i) From Banks                                     | 806.35          | 643.95          |
| ii) From Institutions Other than Banks            | 53.40           | 127.78          |
| Other Unsecured Borrowings                        | 1,179.20        | -               |
| <b>Total</b>                                      | <b>3,127.67</b> | <b>1,930.42</b> |

### NOTE NO. 14 : TRADE PAYABLES & OTHER CURRENT LIABILITIES

(₹ In Lakhs)

| Particulars  | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| <b>Unsecured</b>   |               |               |
| Trade Payables   |               |               |
| Outstanding dues of Micro, Small & Medium Enterprises                      | -             | -             |
| Outstanding dues of Creditors other than Micro, Small & Medium Enterprises | 106.04        | 94.22         |
| <b>Total</b>   | <b>106.04</b> | <b>94.22</b>  |

#### Trade payables ageing schedule for the year ended as on March 31, 2024 :

(₹ In Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| i) Others                   | 106.04   | -         | -         | -                 | 106.04 |
| ii) Disputed dues — MSME    | -  | -         | -         | -                 | -      |
| iii) Disputed dues - Others | -  | -         | -         | -                 | -      |

#### Trade payables ageing schedule for the year ended as on March 31, 2023 :

(₹ In Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |       |
|-----------------------------|--|-----------|-----------|-------------------|-------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total |
| i) Others                   | 94.22  | -         | -         | -                 | 94.22 |
| ii) Disputed dues — MSME    | -  | -         | -         | -                 | -     |
| iii) Disputed dues - Others | -  | -         | -         | -                 | -     |

### NOTE NO. 15 : PROVISIONS

(₹ In Lakhs)

| Particulars             | March 31,2024 | March 31,2023 |
|-------------------------|---------------|---------------|
| a) Employee Benefits    | 89.45         | 77.08         |
| b) Income Taxes         | 179.06        | 103.05        |
| c) Expenses             | 0.93          | 0.24          |
| d) Other Statutory Dues | 288.34        | 291.91        |
| <b>Total</b>            | <b>557.78</b> | <b>472.27</b> |

### NOTE NO. 16 : REVENUE FROM OPERATIONS

(₹ In Lakhs)

| Particulars             | March 31,2024   | March 31,2023   |
|-------------------------|-----------------|-----------------|
| Revenue from Operations | 4,545.12        | 5,223.02        |
| <b>Total</b>            | <b>4,545.12</b> | <b>5,223.02</b> |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### NOTE NO. 17 : OTHER INCOME

(₹ In Lakhs)

| Particulars     | March 31,2024 | March 31,2023 |
|-----------------|---------------|---------------|
| Interest Income | 3.88          | 3.59          |
| <b>Total</b>    | <b>3.88</b>   | <b>3.59</b>   |

### NOTE NO. 18 : CHANGE IN INVENTORIES & WIP.

(₹ In Lakhs)

| Particulars                                  | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| <b>Finished Goods</b>                        |               |               |
| Finished goods at the beginning of the year  | 797.27        | 981.20        |
| Less : Finished goods at the end of the year | 877.40        | 797.27        |
| <b>Total</b>                                 | <b>-80.13</b> | <b>183.94</b> |

### NOTE NO. 19 : EMPLOYEE BENEFIT EXPENSES

(₹ In Lakhs)

| Particulars                                 | March 31,2024   | March 31,2023   |
|---|-----------------|-----------------|
| (a) Salaries & Wages                        | 1,004.25        | 1,259.94        |
| (b) Contribution to Provident & Other Funds | 46.27           | 49.20           |
| (c) Staff Welfare Expenses                  | 17.78           | 43.20           |
| <b>Total</b>                                | <b>1,068.31</b> | <b>1,352.35</b> |

### NOTE NO. 20 : FINANCE COST

(₹ In Lakhs)

| Particulars                              | March 31,2024 | March 31,2023 |
|--|---------------|---------------|
| Interest on Working Capital & Term Loans | 777.79        | 765.13        |
| <b>Total</b>                             | <b>777.79</b> | <b>765.13</b> |

### NOTE NO. 21 : ADMINSTRATIVE AND OTHER OPERATING EXPENSES

(₹ In Lakhs)

| Particulars                                  | Mar 31,2024   | Mar 31,2023     |
|--|---------------|-----------------|
| (a) Power & Fuel                             | 393.34        | 426.91          |
| (b) Rent                                     | 43.26         | 96.46           |
| (c) Telephone, Postage and Others            | 4.55          | 14.01           |
| (d) Business Promotion Expenses              | 27.90         | 27.98           |
| (e) Travelling Expenses                      | 53.90         | 51.85           |
| (f) Repairs & Maintenance                    | 30.22         | 29.67           |
| (g) Office Maintenance                       | 37.44         | 74.41           |
| (h) Printing & Stationary Expenses           | 22.37         | 18.83           |
| (i) Rates & Taxes                            | 237.39        | 91.00           |
| (j) Consultancy Charges                      | 100.24        | 159.51          |
| (k) Net loss on foreign currency transaction | 2.03          | 0.01            |
| (l) Insurance                                | 3.94          | 5.82            |
| (m) Renewals, Subscriptions, Seminar Fee     | 6.80          | 11.51           |
| (n) Bank Charges                             | 17.07         | 33.47           |
| (o) Payment to Auditors:                     |               |                 |
| (i) As Auditor                               | 2.37          | 2.07            |
| <b>Total</b>                                 | <b>982.81</b> | <b>1,043.49</b> |



# Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

## Note No.22:

### Details of Primary and Collateral Securities (For Liabilities referred in Note No.10 & 13)

Hypothecation of Plant and Machinery, Equipment (Movable Assets), Commercial Property and Personal guarantee of the Promoter of the Company.

#### Hypothecation of Movable Assets:

1. M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad, having Hypothecation of Fixed Assets financed by them through Term Loan.
2. Charge on stock (including live stock) & Receivables and Current Assets except Cash and Bank balances of the company by M/s Canara Bank, Spl Mid Corporate Branch for working capital limits.
3. M/s. Department of Bio Technology, New Delhi having Hypothecation of Laboratory Equipment.

#### Collateral Securities :

1. EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd situated at Sy No. 91,101&102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telangana for Term Loan and Working Capital given by M/s. Canara Bank, Spl Mid Corporate Branch, Hyderabad.
2. EMT on Land Acrs 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 92, Lakshmapalli Village, Gajwel Mandal, Medak District, Telangana for Term Loan and Working Capital loans given by M/s.Canara Bank, Mid Corporate Branch, Hyderabad.
3. EMT on land admeasuring 595 Sy Yards in the name of M/s. Vivo Bio Tech Limited situated at Plot No 87, Balamrai Co operative society, Mahendrahills, East Marredpally, Secunderabad for Loan against property given by The South Indian Bank Limited.
4. EMT on Land Square Yards 1,12,832.5 & Building Sq 117197 Yards in the name of M/s. Vivo Bio Tech Limited at Sy No. 350/A, 350/C, 350/A, 351, 351/B, 349/A Pregnapur Village, Gajwel Mandal, Siddipet District, Telangana for Term Loan given by M/s. Canara Bank, spl Mid Corporate Branch, Hyderabad for purchase of Land and Building

#### Personal Guarantee

1. Mr. Viswanath Kompella has given personal guarantee for all loans
2. Smt K Madhavi Latha has given personal guarantee for all loans taken from M/s. Canara Bank

#### Corporate Guarantee, to M/s. Canara Bank, IF Branch, from following companies:

1. M/s Maxcell Phones Communications India Pvt Ltd
2. M/s Vira Systems Pvt Ltd
3. M/s Iron Age India Pvt Ltd
4. M/s Iragavarapu Constructions Pvt Ltd
5. M/s P K I Solutions Pvt Ltd
6. M/s Every wear Imports & Exports Pvt Ltd
7. M/s Vivo Bio Labs Pvt Ltd
8. M/s Surlogic Life Consultancy Pvt Ltd

## Note No.23:

Consumables and other then Live Stock are valued at cost or realizable value whichever is less. Since company is engaged in breeding and trading activity of Rodents and cost of rodent stock can't be ascertained hence rodents in stock valued at realizable Value. With regards to other stock like rodent Feed, bedding material, Transit cages, Stores and Spares are valued at cost or realizable value whichever is lower.

## Note No.24: Earning per Share

The earnings considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

(₹ In Lakhs)

| Particulars                                       | 2023-24     | 2022-23     |
|---|-------------|-------------|
| Profit available for the equity share holders     | 252.63      | 264.91      |
| Weighted average number of shares for Basic EPS   | 1,49,03,520 | 1,48,23,957 |
| Weighted average number of shares for Diluted EPS | 1,66,81,034 | 1,48,23,957 |
| Basic   | 1.70        | 1.78        |
| Diluted   | 1.51        | 1.78        |

### Note No.25:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project – “Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes” given specifically for the R&D work being carried out by company's biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010.

A separate mortgage is created for the whole of movable and immovable properties acquired from the loan sanctioned by the DBT under the SBIRI scheme including its movable plant and machinery, machinery spares, tools and accessories and other movables both present and future (except book debts).

### Note No.26: Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large.

### Related Party Disclosures

#### a) Subsidiary Companies:

1. Vivobio Labs Private Limited
2. Vivo Bio Discovery Services Private Limited
3. Surlogic Life Consultancy Services Private Limited
4. Vivo Bio Consulting Services Private Limited

#### b) Directors:

1. Sunder Kanaparthi
2. M Kalyan Ram
3. Alangudi Sankaranarayanan
4. Sri Kalyan Kompella
5. Shivanand Nayak Karopadi
6. Hariharan Ravindran
7. Kunda Kalpana
8. Shyam Sunder Tipparaju

#### c) Key Management Personnel:

| S. No. | Name                       | Designation                                   |
|--------|----------------------------|---|
| 1      | M. Kalyan Ram              | Whole Time Director                           |
| 2      | Alangudi Sankaranarayanan  | Whole Time Director                           |
| 3.     | Sri Kalyan Kompella        | Whole Time Director & Chief Financial Officer |
| 4.     | Vaishnavi Kiran Ayinampudi | Company secretary ( w.e.f 23/01/2024)         |

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

### d) Other Related Party:

- 1) Virinchi Limited
- 2) Virinchi Health Care Pvt Ltd
- 3) Iron Age India Pvt Ltd
- 4) Shri Shri Resorts Pvt Ltd

### The followings are the related party transactions:

(₹ In Lakhs)

| Name of the related Party  | Nature of transaction | 2023-24 | 2022-23 |
|----------------------------|-----------------------|---------|---------|
| M. Kalyan Ram              | Remuneration          | 8.61    | 8.61    |
| Jyotika Aasat              | Remuneration          | 7.19    | 7.88    |
| Sankarnarayanan Alangudi   | Remuneration          | 7.50    | 18.00   |
| Sri Kalyan Kompella        | Remuneration          | 13.90   | 8.90    |
| Vaishnavi Kiran Ayinampudi | Remuneration          | 1.78    | -       |
| Madhavi Latha Kompella     | Remuneration          | 90.00   | 180.00  |
| Viswanath Kompella         | Remuneration          | -       | 120.00  |

### Details of Loans and Advances given to Related Parties:

(₹ In Lakhs)

| S. No. | Name of the Related Party            | Relationship            | Amount O/s as on 31-03-2024 |
|--------|--------------------------------------|-------------------------|-----------------------------|
| 1.     | Vivo Bio Labs Pvt Ltd                | Wholly Owned Subsidiary | 19.15                       |
| 2.     | Vivo Bio Consulting Services Pvt Ltd | Wholly Owned Subsidiary | 101.29                      |
| 3.     | Vivo Bio Discovery Services Pvt Ltd  | Wholly Owned Subsidiary | 6.08                        |
| 4.     | Surlogic Life Consultancy Pvt Ltd    | Wholly Owned Subsidiary | 34.12                       |
| 5.     | Viswanath Kompella                   | Promoter                | 97.44                       |
| 6.     | Shri Shri Resorts Pvt Ltd            | Promoter Group          | 209.68                      |
| 7.     | Bharat Megawatts Gen Pvt. Ltd        | Promoter Group          | 74.55                       |
| 8.     | Gajwel Developers Pvt. Ltd.          | Promoter Group          | 1,156.44                    |

### Note No.27:

Reconciliation Statement of ESOP Shares, VBESOS, 2016

| Sl. | Particulars  | No of shares |
|-----|--|--------------|
| 1   | No of shares approved as per Shareholders Resolution and in principle approval received from BSE Limited | 30,00,000    |
| 2   | No of Shares exercised and allotted till 31 <sup>st</sup> March, 2024 under the scheme                   | 4,53,000     |
| 3   | No of shares available   | 25,47,000    |

### Note No.28:

Foreign Currency Outflow during the year of ₹102.83 Lakhs (Previous Year – ₹40 Lakhs).

### Note No.29:

Foreign Currency Inflow during the year is ₹496.07 Lakhs (Previous Year – ₹536 Lakhs ).

### Note No.30:

There are no dues to MSME Units outstanding for more than 45 days.

### NOTE 31: Additional Regulatory information

- i. The Company is in possession of immovable property and title deeds are held in the Name of the company.
- ii. The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii. The Company has not granted any loans or advances in the nature of loans to directors, KMPs

## Consolidated Notes and Other Explanatory Information to Financial

for the year ended March 31, 2024

- iv. There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- v. The Company has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- vi. The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.
- vii. The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

### NOTE: 32:

The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

### NOTE: 33:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### NOTE: 34:

There are no significant events that occurred after the balance sheet date.

### NOTE: 35:

The Company has not declared any dividend during the year.

### NOTE: 36:

In the opinion of the management, the assets as shown in the financial Statements have a value on realization in the ordinary course of business of at least equal to the amount at which they are stated in the balance sheet.

### Note No.37:

Previous year's numbers have been regrouped, rearranged, re casted, wherever necessary to conform to Current Year Classification.

As per our Report of Even Date

**FOR P.Murali & Co.**

Chartered Accountants

Firm Registration No.0072575

**M.V. Joshi**

Partner

M. No. 024784

Place : Hyderabad

Date: 20/05/2024

For and on behalf of the Board of Directors of **M/s.Vivo Bio Tech Limited**

**M.Kalyan Ram**

Whole Time Director

DIN: 02012580

**Vaishnvi Kiran Ayinampudi**

Company Secretary

M.No.A60906

**K.Sri Kalyan**

Whole Time Director & CFO

DIN: 03137506





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Your Trusted Preclinical CRO

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