



Rising to the challenge



Vivimed

Vivimed Labs Limited

Annual Report 2022-23

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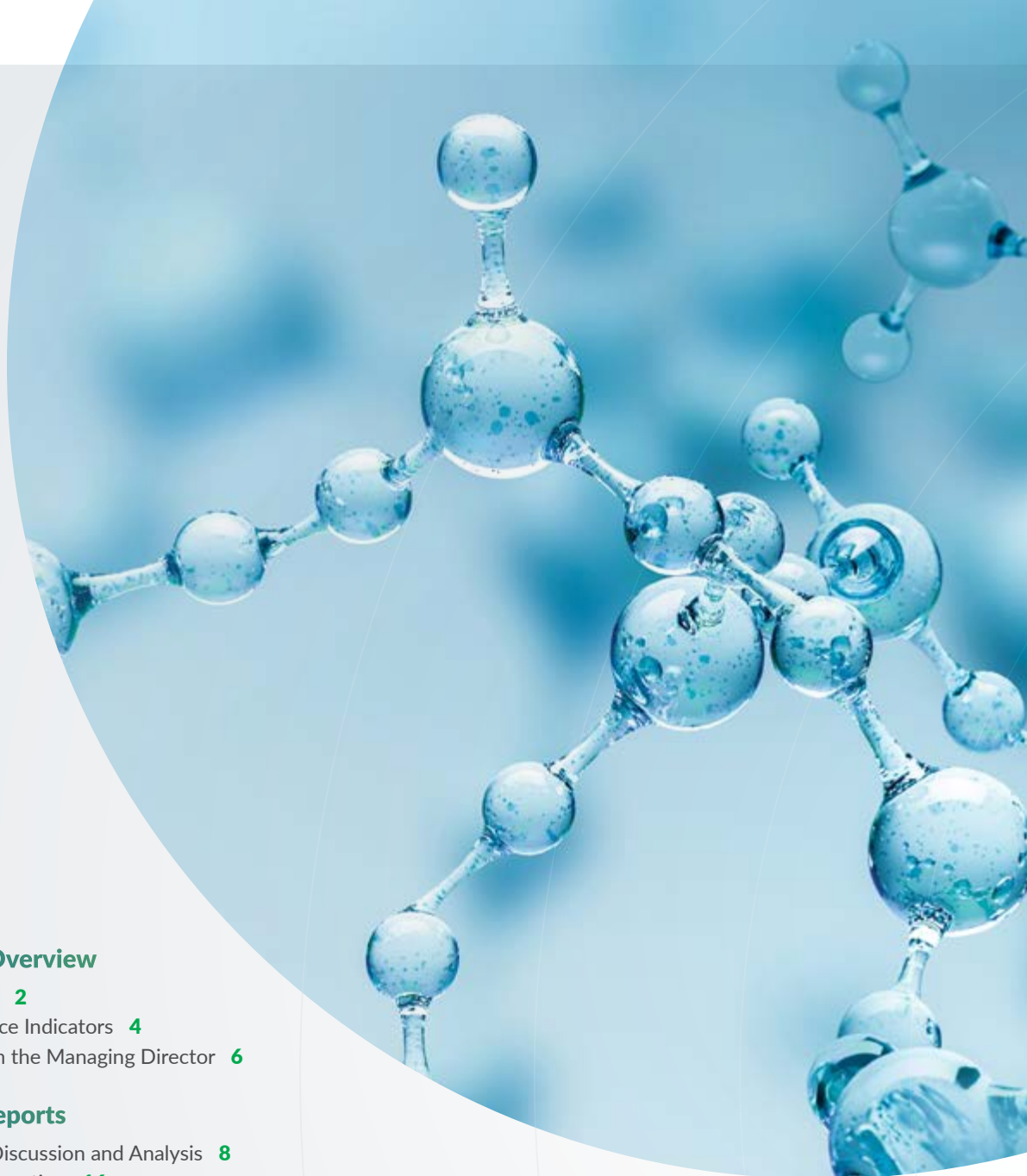
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Vivimed

Business, in today's world gets stormy and dark most of the times as sectoral dynamics change rapidly. The challenges of such change are intense and complicated.

At Vivimed, we were consumed by overwhelming challenges in recent years. We made mistakes. Our performance dropped sharply. All was not okay.

But we realise that it's okay not to be okay. It's okay to commit mistakes and mess up. Because there is always another chance to make things right. Because bygones are bygones and what remains with us is still worth fighting for.

At Vivimed, we are rising to the challenge of rebuilding ourselves.

Rising, just like the day. Rising unafraid. Rising to become better.

Rising up
and do it a thousand times again.

About us

Vivimed Labs

Vivimed Labs was started by Mr. Santosh Varalwar, Chairman, in 1989 as a contract manufacturer of bulk drugs.

In the last three decades, Vivimed Labs expanded its business to manufacture formulations and undertake contract manufacturing projects from global and domestic pharmaceutical players.

It has six manufacturing facilities which are certified by global regulatory authorities. Its R&D center builds its innovation pipeline for its pharmaceutical vertical.

It has its headquarters in Hyderabad, India. Its equity is listed on the BSE and the National Stock Exchange of India.

Quality Certification

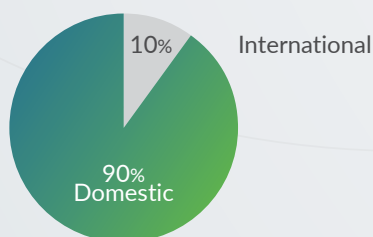
US Food and Drug Administration (FDA)

European Medicines Agency (EMA)

Health Canada

PICS/GMP

The revenue mix





A quantitative glance

6

Manufacturing facilities

2

R&D facilities

188

Revenue
(₹ crore)

(186)

EBITDA
(₹ crore)

(329)

Net profit/(Loss)
(₹ crore)

Our Values and Principles

WE FOCUS ON OPPORTUNITIES

At Vivimed, we believe that there is no room for a second chance. An opportunity presents itself only once, and we usually make it ours.

WE BUILD ON OUR CAPABILITIES

Capability building is the key to our Company's performance and growth. At both individual and organisational level, there is a consistent effort to build up on our competencies.

WE EMBRACE CHANGE

At Vivimed, we consider the only constant to be, is change itself.

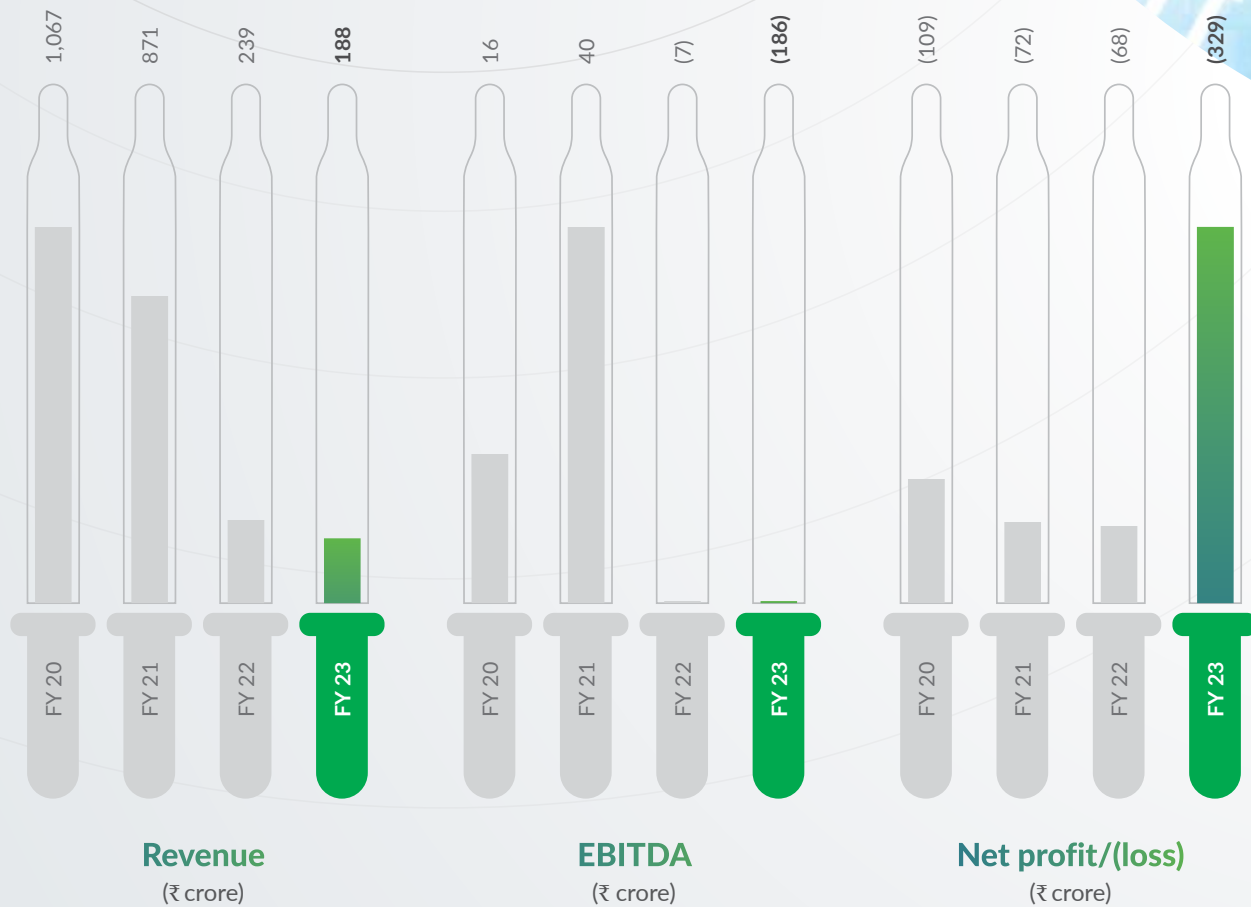
WE STRIVE FOR CONTINUOUS IMPROVEMENT

There are others; and there is Vivimed. We strive for continuous improvement in our quality standards, operational efficiency and customer service.

WE ENDEAVOUR TO RISE AND SHINE

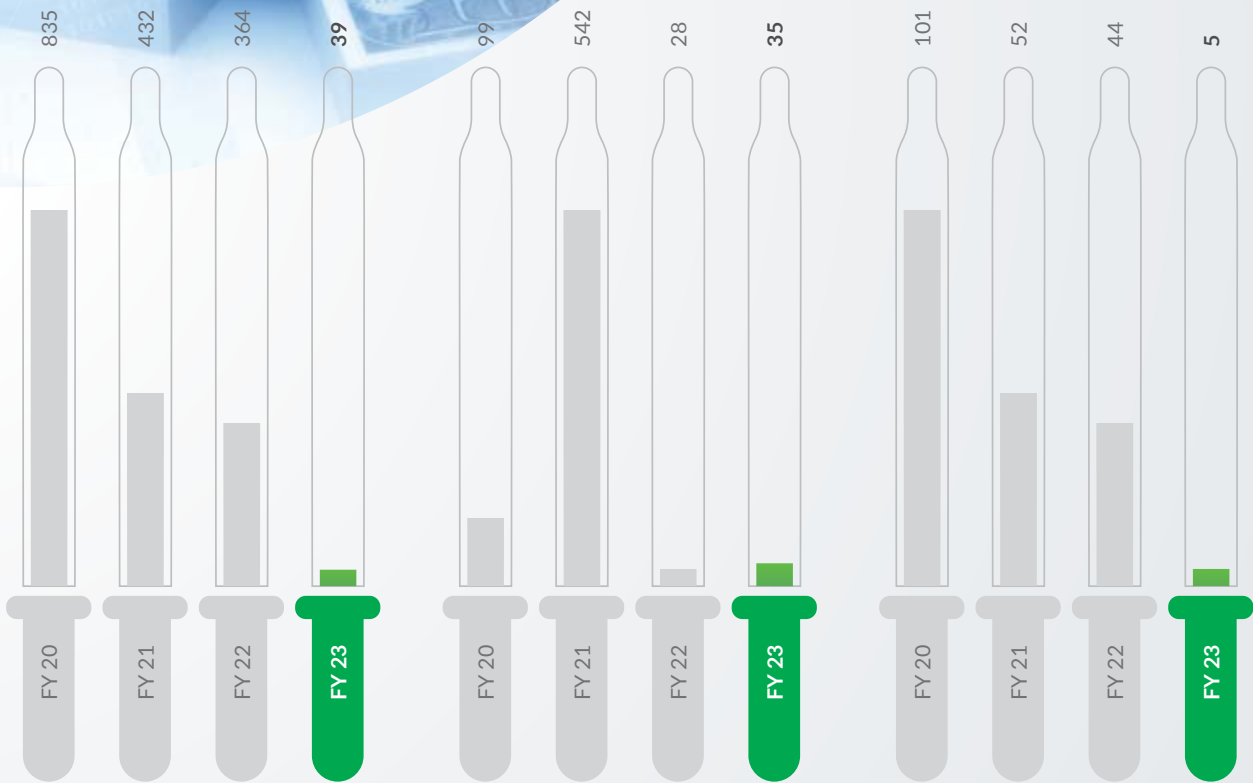
We work towards efficient and smart execution of our plans in a methodical way with intense focus on precision and teamwork.

Key performance indicators





Vivimed



Networth
(₹ crore)

Cash flow from operations
(₹ crore)

Book value per share
(₹)

Statement from the Managing Director

“These are tough times for us. We have risen to the challenge. We are persevering patiently to ensure we leave no stone unturned to return to profitable days.”





Dear friends.

The war on the global platform intensified our internal battle. Elevated inflation resulted in escalated costs. Muted economic conditions impacted demand. To add to the dull external ecosystem, we had our internal issues, too, which challenged our progress. The combination of these factors dented our performance significantly. Our topline dropped while our losses at the net level deepened.

Despite the prevailing trials, we had our moments, too. Our team on the field and floor kept our plants in operation throughout the year, ensuring that we absorb fixed costs well. Our Unit 1 (at Jeeditmetla) received the PICS approval. We signed encouraging CDMO projects with global customers, expected to translate into supplies in the current year. We made healthy progress in select global markets like Canada and Ukraine. In the domestic market, we sustained our volumes with institutional customers. On the domestic retail front, we encountered some issues which I am confident will be resolved in the current year.

Diving into the current year, I am optimistic about our prospects. The positivity is owing to important realities.

We have made considerable progress in niche products, namely nasal sprays and ophthalmic products. We commercialized 11 Ophthalmic products to the African market in FY23. Also, we delivered our nasal products to Cambodia, Uzbekistan and Kyrgyzstan. We plan to leverage our initial success to expand our presence into new markets with these products.

We have filled dossiers for some ophthalmic products in the Philippines, which should open a new market for the Company.

An important positive is that we received the received the PICS approval for Unit 2 from Health Canada for ophthalmic and nasal products in the first quarter of the current year (FY24).

Our Bilastine tablets have received approvals from regulatory authorities of numerous geographies, which will open new opportunity windows in the current year.

Our R&D team is passionately developing our anti-diabetic portfolio, which should soon hit the shelves. They are also discussing with domestic and international pharma companies to work with them on CDMO projects, which should open exciting growth opportunities for Vivimed. Case in point: the R&D team concluded an agreement with Duo Pharma for Brimonidine eye drops; discussions are also in progress for new products.

We signed five CDMO projects with a new client in Canada for ophthalmic and oral solid dosage products. Additionally, we signed 18 CDMO projects for ophthalmic and nasal products with a large and reputed Russian pharma company. Our Unit 2, which will manufacture these products, has cleared the Russian regulatory inspection and we have received the Quality Certificate in the first quarter of FY24.

Further, I hope to secure larger volumes from our domestic institutional clients based on our position in the tenders. As these prospects play out in the current year, I am hopeful of an improved performance.

These are challenging times for us. We have risen to the challenge. We are persevering patiently to ensure we leave no stone unturned to return to profitable days.


It's not that we have not fallen. Yes, we have. But we have also risen after every fall. Stronger and more focused and capable of driving forward.

While I realize that we have quite some distance to go to deliver value to all our stakeholders, especially our shareholders, I am also confident that we, as a team, will transform business operations to change the color of the Company bottomline from red to black in a couple of years from now.

In closing, I would like to express my sincere appreciation to all our stakeholders for their confidence and support. I am optimistic that as our renewed business strategies and initiatives take deeper root within, our business's quality will evolve, translating into better financial outcomes and stakeholder value.

Warm regards

Santosh Varalwar
Managing Director



Management discussion and analysis



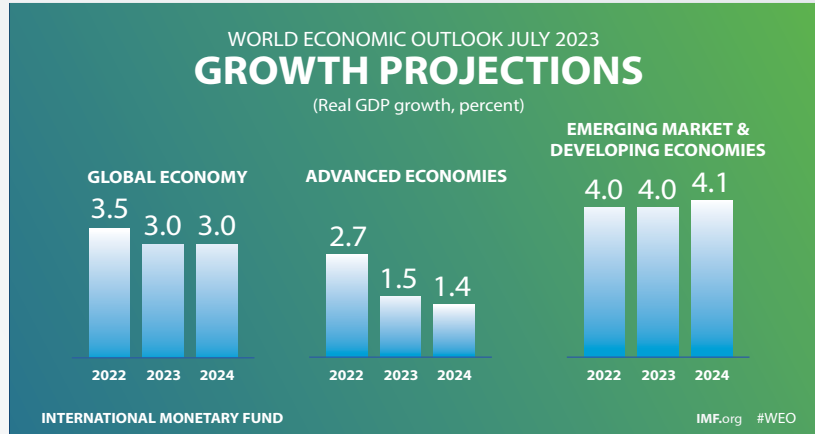
Global economic review

After witnessing a resurgence in 2021 from a pandemic-ridden state, the global economy experienced a slowdown in 2022 owing primarily to global geo-political turbulence and subsequent effects on the world supply chain ecosystem. Inflation soared triggering a cost-of-living crisis which necessitated monetary tightening by the central banks all over the world.

Generally, a tighter monetary policy typically dampens spending, but in 2022 consumption consistently remained high owing pent-up demand. Aggressive monetary tightening resulted in the collapse of several global banks which brought on the tightening of lending standards and dipping consumer confidence.

However, synchronised with high consumption, manufacturing thrived in 2022 as business conditions improved at a rapid pace. Growth in new orders and output accelerated while global trade hit record highs, reaching over US\$ 32 trillion. But data suggests, the growth turned negative by the end of the year.

Outlook: In 2023, the rise in the policy rate is likely to continue to weigh on economic activity. However, global headline inflation is expected to fall from 8.7% in 2022 to 6.8% and 5.2% in 2023 and 2024 respectively. But prolonged war efforts in Ukraine and extreme weather conditions can cause further tightening of financing costs amid already existing debt crises around the world.



Indian economic review

The Indian economy sustained its growth momentum in FY23 amid severe headwinds in the global economy with the GDP registering a growth of 7.2% in the financial year where the upward movement in the final quarter played a major role in the overall performance.

This formidable growth was underpinned by the Indian Government's capex push to modernise infrastructure, reflecting an overall increase in growth potential, job creation and private investments and providing a major cushion against global uncertainties.

However, inflation remained elevated in the fiscal year where energy prices remained the most important cause of India's CPI inflation pressure. Despite this area of concern, the domestic demand recovered well in 2022-23 and almost crossed the pre-Covid levels.

The agriculture sector registered a record-high growth rate in the last quarter over the last twelve quarters. The industrial sector also

rebounded in the final quarter driven by manufacturing. Also, the contact-intensive services sector fully recovered to its pre-pandemic expanse and depth.

Total gross GST collection for 2022-23 stood at ₹18.10 lakh crore which was 22% higher than the previous fiscal reflecting resilience in the economy and improved business sentiment in the country.

Merchandise exports were at their peak at US\$ 447.46 billion in FY23 – a growth of 6.03% over the previous year (FY 2021-22) amid a high degree of recessionary environment in advanced economies.

Outlook: Recent indicators suggest that India will be firmly on the path of sustained growth momentum even in the 2023-24 financial year. However, a spike in headline inflation, sustained adverse global environment and reduced rainfall owing to El-Nino may constrain growth temporarily. But with cooling inflation and energy prices, overall conditions will remain conducive to investment and prosperity.



Global pharma industry

The global pharmaceutical industry has experienced significant growth during the past two decades. The recent pandemic only reinforced the criticality of the pharmaceutical and healthcare sector has been reinforced.

By the end of 2029, the global pharmaceutical industry is projected to grow by over US\$ 2.4 trillion. Spending on Covid-19 vaccinations is still likely to remain the largest driver of the medicine market through the next five years and is estimated to expand the net cumulative pharmaceutical market by US\$500 billion from 2020 through 2027.

Apart from this, the spending on medicine will be driven primarily by innovations in the pharma sector. Oncology spending will be driven to approximately US\$370 billion by 2027, by demand for innovative drugs. Biotech will contribute to 35% of global spending in 2027 and will

include breakthrough cell and gene therapies and an evolving, maturing biosimilar segment.

Globally, the USA is the leading market for pharmaceuticals. But emerging markets are gaining the spotlight. According to projections by global market research firm, IMARC, the global “pharmerging” markets will experience a compound annual growth rate of 10.4% from 2021 to 2026.

Asia Pacific region is expected to be the fastest-growing market. This is due to its large consumer base, rising healthcare costs, rising disease incidence, and supporting regulatory frameworks.

Emerging trends

- Emerging markets are driving innovation as the emergence of mRNA technology has revitalised the product portfolios of large companies.

- Due to inflation, labour costs, the price of raw materials, transportation and all other costs have been increased. It is putting pressure on the pricing of the products and impacting revenue, especially in generics.

- Higher borrowing costs and commodity prices are forcing companies towards consolidations.

- Growing use of cutting-edge technologies like AI and blockchain are impacting nearly all aspects of the industry ranging from manufacturing to customer experience and everything in between.



Indian pharma industry

The Indian pharmaceutical industry has grown from US\$ 35.41 billion in FY18 to US\$49.78 billion in FY23. In fiscal year 2023 (FY23), the Indian pharmaceutical industry grew by nearly 5%. The domestic market increased by 7% year-on-year, while exports grew by 3%. Export in developed markets recorded an 8% growth in FY23 while emerging markets remained relatively flat. The Indian pharmaceutical industry is expected to reach US\$ 57 billion by FY25.

In FY23, the operating margin of the industry moderated owing to elevated input prices, rising freight expenses, lingering delivery deadlines, and competitive challenges in the US generics market. However, according to the experts, there are positive signs for the business as inflation rates have normalised and the pricing pressure in the US generics market has easing.

Furthermore, due to structural factors like the ageing population, an increase in lifestyle-related or chronic diseases, healthcare awareness and insurance coverage, as well as rising government spending on various programmes, it is anticipated that the Indian pharmaceutical industry will expand steadily over the next few years.

Additionally, shifting global demographics and complicated and speciality generic goods are anticipated to fuel expansion in

the export business. Some experts believe that patent expiry in highly regulated markets would also assist the development.

Government initiatives

- The Strengthening of Pharmaceutical Industry (SPI) scheme, which has a budget of ₹ 500 crores for FY 2021-22 to FY 2025-26. The SPI scheme focuses on MSMEs and pharma clusters to help them increase their productivity, capacity, and quality.
- A new program to promote research and innovation in the pharmaceutical sector through Centres of Excellence (CoE). The Government is encouraging businesses to spend money on R&D in a few chosen priority fields.
- A PLI (Production Linked Incentive) scheme has been launched to promote domestic manufacturing of essential bulk drugs to reduce the country's dependence on imports. The total outlay for the scheme is 6,940 crores and is likely to be implemented between FY21 and FY30.
- Pradhan Mantri Bhartiya Janaushadhi Pariyojana was launched with the objective of making quality generic medicines available at affordable prices to common people.

Emerging trends

- Companies are increasingly under pressure for getting it 'First time Right' – a trend which is being supported by tightening regulations and quicker regulatory approvals. Hence, there is considerable focus on quality assurance and control.
- The pharmaceutical industry is shifting focus from 'Make in India' to 'Develop in India' – driving innovation and research.
- Companies are increasingly focusing on value addition while getting into a collaborative mode rather than in a competitive mindset.
- Digitisation is reshaping the sector and integrating the entire ecosystem. At this juncture, all companies irrespective of their sizes need to respond quickly and adapt to the changing dynamics triggered by new digital players and invest in data and analytics capabilities.



Our business

Vivimed manufactures formulations for domestic and international customers. Having started as an integrated pharmaceutical player with API and Formulations manufacturing facilities, the Company recently divested control of the API business.

In the formulations space, the Company develops and delivers quality generic and branded generic formulations across diverse delivery platforms. It also develops formulations under contract manufacturing agreements with large

and reputed pharmaceutical players.

The Company reported a revenue of ₹188 crore in FY23 against ₹239 crore in the previous year.



Export segment

- Received approval for several products from Canada and initiated commercial supplies for some of the approved products.
- Received orders for Nasal sprays from Cambodia, Uzbekistan and Kyrgyzstan and executed commercial supply; commercialised 11 Ophthalmic products to Africa.
- Signed CDMO projects with Lab Riva for three products; discussion is at advanced stages for other products too.
- Concluded product supply contract with a large Russian pharmaceutical company to develop and supply 13 Ophthalmic products and 5 Otic products. This contract opens a significant opportunity over the coming years.

Domestic - institutional segment

The institutional business contributed about ₹40 crore to the Company's topline; majority of the business came from TSMIDC Telangana. In FY23, the Company could not participate actively in tenders due to banking issues. These issues should get evened out during the current year – enabling the institutional segment to make a more significant contribution to the Company's growth.

Domestic – retail segment

The business did not experience significant growth owing to certain field force related issues. Despite this, the Company was able to maintain a

steady revenue run rate throughout the year. The integration of Vilberry brands brought in marginal additional revenue during the year. The full benefit of the additional brands is likely to accrue in the current year.

Finoso Pharma Pvt. Ltd.

It is the R&D unit of the Company which creates the innovation pipeline which promise to emerge as the future growth levers. During the year under review, the team made considerable progress in developing new products and scaling approved products (from the lab to the manufacturing unit).

- Successfully completed and delivered complex category project with positive pivotal Bio outcome.
- Technically supported clients for approvals of products in Regulatory countries.
- Developed an Antidiabetic product basket for Canadian and EU clients.
- Developed complex products like Sitagliptin + Metformin IR Tablets/ ER Tablets, Empagliflozin Tablets.
- Started commercial supplies of products like Rivaroxaban Tablets and Dalfampiridine Tablets
- Filed documents for Molnupiravir Capsules and Favipiravir Tablets in ROW countries.
- Completed and started New parenteral R&D Analytical Section.
- Signed 18 CDMO projects with a leading Russian pharmaceutical company.

- Created a specialised team for developing complex formulations..

Plant operations

Jeedimetla – 1

This unit is focused for India institution business and exports. The unit received Ukraine PICS approval which promises to improve capacity utilisation.

Jeedimetla – 2

The unit operated at optimum utilisation as business volumes from some large domestic clients were consistently high. Some ophthalmic products were scaled up from R&D to the site. Also, some institutional tender business is serviced from this unit. The unit also received the regulatory approval from Health Canada which was triggered by customers.

Haridwar

Operations at the unit utilised capacities optimally supported by growing volumes from GSK and P&G. The unit commercialised exports to Cambodia, Tajikistan and Moldova. The unit cleared the GSK GMP global audit. It has been assigned A+ category which suggest that the next GMP audit will be in 2026.

Kashipur

Operations at the unit utilised capacities optimally supported by growing volumes from GSK and P&G. The unit commercialised exports to Cambodia, Tajikistan and Moldova. The unit cleared the GSK GMP global audit with an A+ rating which suggest that the next GMP audit will be in 2026.



Human resource

Progress with people is at the heart of the Company's corporate ethos and human resource policies. Over the years, the Company has been fostering a meritocratic, empowering and caring culture that encourages excellence.

The Company nurtures talents by providing its people with opportunities to sharpen their

capabilities. It encourages innovation, lateral thinking, and multi-skilling, preparing its people for future leadership roles. In addition, the Company endeavours to provide a safe, conducive, and secure work environment that facilitates efficient performance from its human capital.

The Company remains committed to ensuring zero harm to its employees,

contractors, and the communities in which it operates. This is integral to the Company's business process and is laid down in the Company's safety policies, standards and working procedures. At the same time, the Company expects its employees to honour and uphold its values while serving the organisation with sincerity, integrity and commitment.



Internal Control Systems and their Adequacy

Vivimed maintains a system of well-established policies and procedures for internal control of operations and activities. It continuously strives to integrate the entire organisation – from strategic support functions like finance, human resource and regulatory affairs to core operations like research, manufacturing and supply chain management.

The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues. The Company has appointed

independent agencies as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for a periodical review.

Risk management

In today's rapidly changing business environment with dynamic customer requirements, business risks are constantly evolving.

The Management team at the Company continuously monitors the internal and external environment to identify potential, emerging risks and their impact on the business. The team evaluates risks that can impact the strategic, operational, compliance and reporting objectives.

The Company's risk management framework ensures the identification of emerging risks and is flexible enough to accommodate decentralised risk management practices. The framework adopts appropriate risk mitigation measures for identified risks across functions. A report on risk management is periodically presented to the Board committee responsible for risk governance.

Cautionary statement

This document contains statements about expected events and financial and operational results which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant chance that the assumptions, predictions and other forward-looking statements may not be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, and actual results and events to differ materially from those expressed here.



Vivimed

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Jamalapuram Harigopal – *Chairman (Independent Director)*
Mr. Santosh Varalwar – *Managing Director*
Dr. Manohar Rao Varalwar – *Whole Time Director*
Mr. Subhash Varalwar – *Non Executive Director (Non Independent)*
Mr. Sandeep Varalwar – *Whole Time Director*
Ms. Aparna Bidarkar – *Independent Director*

CHIEF FINANCIAL OFFICER

Mr. Ramakanta Tripathy

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Yugandhar Kopparthi

STATUTORY AUDITORS

M/s PCN & Associates, Chartered Accountants
Plot No.12, N Heights Ground Floor, Software Layout Unit, Cyberabad,
Hyderabad – 500081

SECRETARIAL AUDITORS

Mr. N.V.S.S. Suryanarayana Rao
Practicing Company Secretary
Plot No 232B, Road No. 6,
Samathapuri Colony, New Nagole,
Hyderabad – 500035

COST AUDITORS

M/s. A.S. Rao & Co, Cost Accountants
3-5-1091/8, S V Colony,
Narayanaguda, Hyderabad – 500029

AUDIT COMMITTEE

Dr. Jamalapuram Harigopal – *Chairman*
Mr. Sandeep Varalwar – *Member*
Ms. Aparna Bidarkar – *Member*

MANAGEMENT COMMITTEE

Dr. Manohar Rao Varalwar – *Chairman*
Mr. Santosh Varalwar – *Member*
Mr. Sandeep Varalwar – *Member*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. Harigopal Jamalapuram – *Member*
Mr. Santosh Varalwar – *Member*
Dr. Manohar Rao Varalwar – *Member*
Ms. Aparna Bidarkar – *Member*

NOMINATION AND REMUNERATION COMMITTEE

Ms. Aparna Bidarkar – *Chairperson*
Dr. Jamalapuram Harigopal – *Member*
Mr. Subhash Varalwar – *Member*

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Subhash Varalwar – *Chairman*
Mr. Santosh Varalwar – *Member*
Dr. Manohar Rao Varalwar – *Member*
Dr. Jamalapuram Harigopal – *Member*

REGISTERED OFFICE

Plot No. 78/A, Kolhar Industrial Area,
Bidar – 585403, Karnataka
Tel: 08482 232045, Fax: 08482 232436

CORPORATE OFFICE

NCC House, 4th Floor (West Wing)
Madhapur, Hyderabad 500 081
Telangana, India
Tel: 91 40 6608 6608, Fax: 91 40 6608 6699

REGISTRAR & TRANSFER AGENTS

Aarathi Consultants Private Limited
1-2-285, Domalguda, Hyderabad – 500029
Phone : 040 27638111/27634445,
Fax : 040 27632184
Email : info@aarthiconsultants.com

LISTING

BSE Limited
National Stock Exchange of India Limited

BANKERS / INSTITUTIONS

STATE BANK OF INDIA
INDIAN BANK (e-ALLAHABAD BANK)
BANK OF BAHRAIN & KUWAIT B.S.C
INTERNATIONAL FINANCE CORPORATION

Note:

1. Mr. Ramakanta Tripathy, (*Chief Financial Officer*)
appointed on 12.04.2022

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 35th Annual Report of your Company for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

The financial performance of your Company for the year ended 31st March, 2023 is summarized below:

(₹ in million)

	Standalone		Consolidated	
	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022
Gross Income	1770.65	2196.26	1880.68	2385.57
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	(1879.36)	(79.59)	(1863.40)	(67.91)
Finance Charges	352.80	395.27	359.03	397.60
Depreciation/Amortization	1069.10	174.49	1084.07	182.82
Net Profit Before Tax	(3301.26)	(649.35)	(3306.51)	(648.33)
Provision for Tax	(21.17)	(28.17)	(21.17)	(28.17)
Net Profit After Tax carried to Balance Sheet	(3280.09)	(677.52)	(3285.33)	(676.50)

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On a consolidated basis, your Company reported for the current year total revenue of ₹1880.68 million as against ₹2385.57 million. In the previous year EBITDA for FY2023 was ₹(1863.40) million compared to ₹(67.91) million in the previous year. Net profit after tax for the group for the current year is ₹(3285.33) million as against ₹(676.50) million in the previous year.

Total revenue from operations on standalone basis decreased to ₹1770.65 million in the current year as against ₹2196.26 million in the previous year. FY2023 EBITDA was ₹(1879.36) million compared to ₹(79.59) million in the previous year. The Profit after Tax for the current year is ₹(3280.09) million as against ₹(677.52) million in the previous year.

COVID-19:

Pharmaceutical industry being part of the essential commodities was given special permission by Indian government to operate with minimal manpower and maintaining social distancing. The Company has followed the guidelines issued by the Government to run the operations with complete cautious approach about the health and safety of the

employees. There is no material impact on the business of the Company during the year under review due to Covid-19 pandemic.

OUTLOOK:

Business prospects may remain positive because of the growing global demand for generics and opportunities provided by the expiry of patents in developed markets. Post Covid-19, there may be new business opportunities for the pharmaceutical industry, in particular, our company.

MANAGEMENT DISCUSSION & ANALYSIS:

Various business aspects including market conditions, business opportunities, challenges etc. have been discussed at length in the Management Discussion and Analysis (MD&A), which forms part of this Annual Report.

DIVIDEND

Due to losses, the board of directors of the company have not recommend any dividend for the year FY2023.

TRANSFER TO RESERVES:

Due to losses your Company propose to transfer losses to Reserves.



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MATERIAL CHANGES AFFECTING THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company. The lead banker of the Company (SBI) has filed petition against the Company for recovery of their dues in DRT & NCLT.

SHARE CAPITAL

The Authorised Share Capital of the Company is ₹111,00,00,000/- (Rupees One Hundred Eleven Crores only) comprising 20,00,00,000 (Twenty crores) Equity Shares of ₹2/- (Rupees Two Only) each, and 71,00,00 (Seven Lakh Ten Thousand only) Preference Shares of the Company with a par value of ₹1,000/- (Rupees One Thousand only) each. The paid-up share capital of the Company is ₹16,58,27,830/- (Rupees Sixteen Crores Fifty Eight lakhs Twenty seven thousand Eight hundred and thirty only) comprising 8,29,13,915 (Eight crores Twenty nine lakhs thirteen thousand nine hundred and fifteen only) Equity Shares of ₹2/- (Rupees Two Only) each..

TRANSFER TO THE INVESTOR EDUCATION & PROTECTION FUND (IEPF):

During the year there are no transfer required to the IEPF.

SUBSIDIARIES / ASSOCIATE COMPANIES

The statement containing the salient features of the Financial Statements of the Company's subsidiaries/ associate companies is given in Form AOC-1, provided in Notes to the Consolidated Financial Statements, forming part of the Annual Report.

The highlights of performance of subsidiaries and associate companies and their contribution to the overall performance of the Company during the financial year is given under 'Annexure 1' to the Consolidated Financial Statements forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr.Manohar Rao Varalwar (Whole Time Director) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, has decided to re-appoint Mr.Manohar Rao Varalwar, Director of the Company.

Mr.Subhash Varalwar (Non-executive non independent Director) of the Company. Re-appointed as per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018.

Ms.Aparna Bidarkar and Dr.Jamalapuram Harigopal, are the Independent Directors of your Company in accordance with the provisions of the

Companies Act, 2013 and SEBI (LODR) 2015 (including any statutory modification(s) or reenactment(s) for the time being in force).

Mr.Santosh Varalwar, Managing Director, Dr.Manohar rao Varalwar, Whole Time Director, Mr.Sandeep Varalwar, Whole Time Director, Mr.Ramakanta Tripathy (Chief Financial Officer) and Mr.K.Yugandhar, Company Secretary, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) for the time being in force).

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1) (b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Act and Listing Regulations and are independent of the management.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when CXOs are asked to make presentations about performance of the Company to the Board. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

BOARD EVALUATION:

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors. Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for annual evaluation of the performance of the Board, its Committees and individual Directors was carried out in accordance with the policies in force.

DECLARATION FROM INDEPENDENT DIRECTORS:

The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIVIDEND DISTRIBUTION POLICY:

The web link of the Dividend Distribution Policy has been provided below for the perusal of the shareholders www.vivimedlabs.com/office_data/

RISK MANAGEMENT:

Your Company had formulated a risk management policy for dealing with different kinds of risks that it faces in the day-to-day operations of the Company. Risk Management Policy of the company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal financial control systems and procedures to mitigate the risk. The risk management procedure is reviewed by the Risk Management Committee and Board of Directors on a regular basis at the time of review of quarterly financial results of the Company. Further, your Company had constituted a Risk Management Committee which lays down various risk mitigating practices that your Company is required to implement in the Company.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of your Company for the financial year FY2023 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The consolidated financial statements have been prepared on the basis of audited/ unaudited financial statements of your Company, its subsidiaries and associate companies, as approved by the respective Board of Directors.

COMPLIANCE WITH SECRETARIAL STANDARDS:

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, with respect to the Director's Responsibility Statement, the Board of Directors of the Company hereby confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates 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, 2023 and of the profit / loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis for the financial year ended March 31, 2023;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters are adopted as per the provisions of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

The Managing Director/ other whole time Directors of your Company does not receive remuneration from any of the subsidiaries of your Company.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in Annexure-2 to this report and is also available on the website of your Company (www.vivimedlabs.com).



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FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarisation Programme conducted are available on the website of the Company www.vivimedlabs.com.

HUMAN RESOURCES:

The management believes that the competent and committed human resources are vitally important to attain success in the organization. In line with this philosophy, utmost care is being exercised to attract quality resources and suitable training is imparted on various skill-sets and behavior. Annual sports and games were conducted across the organization to enhance the competitive spirit and encourage bonding teamwork among the employees.

LOANS, GUARANTEES & INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2023, are set out in the Standalone Financial Statements forming part of this report.

INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below.

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Statutory Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Statutory Auditors for consolidation.

Your Company operates in SAP, an ERP system, and has many of its accounting records stored in an electronic form and backed up periodically. The ERP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account. Your Company has automated processes to ensure accurate and timely updation of various master data in the underlying ERP system.

Your Company has a robust financial closure self-certification mechanism wherein the line managers certify adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

Your Company operates a shared service center which handles all payments made by your Company. This center ensures adherence to all policies laid down by the management.

Your Company in preparing its financial statements makes judgments and estimates based on sound policies and uses external agencies to verify/ validate them as and when appropriate. The basis of such judgments and estimates are also approved by the Statutory Auditors and Audit Committee.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

Your Company has a code of conduct applicable to all its employees along with a Whistle Blower Policy which requires employees to update accounting information accurately and in a timely manner. Any non-compliance noticed is to be reported and actioned upon in line with the Whistle Blower Policy.

Your Company gets its Standalone accounts limited review every quarter by its Statutory Auditors.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

EMPLOYEES' STOCK OPTION SCHEMES

The Company has granted 25,00,000 options to eligible employees under the Vivimed Labs ESOP 2017 at ₹35/- per option (exercise price) in FY2019. The shares covered by such options are 25,00,000 equity shares of ₹2/- each (face value).

Pursuant to regulation 13 of Securities and Exchange Board of India

(Share Based Employee Benefits) Regulations, 2014, certificate from M/s.PCN & Associates, Statutory Auditors is given as Annexure-3 to the Board's report.

Disclosure with respect to the Employees' Stock Option Scheme in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

INSURANCE:

All properties and insurable interests of the Company including buildings, plant and machinery and stocks have been fully insured.

AUDITORS AND AUDITORS' REPORT

(i) Statutory Auditors:

M/s.PCN & Associates, Chartered Accountants, (Firm Registration No.016016S), is required to be appointed as the Statutory Auditors of the Company for a term of 4 (four) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 39th Annual General Meeting.

The Auditor's Report for the financial year ended March 31, 2023, has been issued with an unmodified opinion, by the Statutory Auditors.

During the year under review, there were audit qualifications on your Company's financial statements. Annexure-A

(ii) Cost Auditors:

In accordance with Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors') Rules, 2014 and the Companies (Cost Records and Audit) Amendments Rules, 2014, the Company maintains the cost records in respect of its business.

Your Board has appointed M/s.A.S.Rao & Co, Cost Accountants, (Firm Registration No.000326), as the Cost Auditors of the Company for the Financial Year 2023-24. As required by the Act, the remuneration of the Cost Auditors has to be ratified by the Members and accordingly the resolution relating to the Cost Auditors is being placed before the Members for their ratification.

(iii) Secretarial Auditors & Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.N.V.S.S.Suryanarayana Rao, Practicing Company Secretary (Certificate of Practice No.2886), to undertake the Secretarial Audit

of the Company for the financial year 2022-23. The Secretarial Audit Report issued in Form MR-3 is in **Annexure -4** to this Report. There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report, except as mentions in Secretarial Audit Report.

DISCLOSURES:

Meetings of the Board

Six meetings of the Board of Directors were held during the year. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Report.

Audit Committee

The Audit Committee comprises majority of Independent Directors namely Ms.Aparna Bidarkar, Mr.Sandeep varalwar and Dr.Harigopal Jamalapuram as members. During the year all the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has a Vigil mechanism and a Whistle - blower policy in accordance with provisions of the Act and Listing Regulations, under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Protected disclosures can be made by a whistle blower through a dedicated e-mail, or a letter to the Chairman of the Audit Committee.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at: www.vivimedlabs.com

Code of Conduct

A declaration regarding compliance with the code of conduct signed by the Company's Managing Director is published in the Corporate Governance Report which forms part of the annual report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure -5** to the Board's Report.

Extract of Annual Return

The Extract of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 is annexed as **Annexure -6** to this report.

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended thereof, a statement



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showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this Report.

Maintenance of Cost Records specified by the Central Government under Section 148 of the Companies Act, 2013

The Company has complied with the provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 during the year under review.

Policy on Sexual Harassment and Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a Policy on "Prevention of Sexual Harassment of Women at Workplace" for the matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" and constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has not received any complaints pertaining to Sexual Harassment.

The Company regularly conducts awareness programs for its employees.

Declaration from Independent Directors:

The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

General

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employee Stock Option Scheme referred to in this Report.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

RELATED PARTY TRANSACTIONS:

In accordance with Sec 134(h) of the Companies Act, 2013 and Rule 8(2) of Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with the Related Parties referred to in Sec.188(1) of the Act, have been provided in **Form AOC-2** and attached the same as **Annexure-7**. The details of related party disclosures as stated in the notes to the financial statements forms part of this annual report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors had framed the policy on Corporate Social Responsibility and the Projects and Programs undertaken by the Company during the year under review have been provided in **Annexure - 8** and forms part of this Report.

ACKNOWLEDGEMENTS

Your Directors wish to thank all stakeholders, employees and business partners, Company's bankers, medical professionals and business associates for their continued support and valuable cooperation.

The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

Place: Hyderabad
Date: 18th October, 2023

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Manohar Rao Varalwar
Whole time Director
DIN : 00059815

Sd/
Santosh Varalwar
Managing Director
DIN : 00054763

ANNEXURE -1 TO BOARD'S REPORT

FORM AOC-1

Performance and financial position of each of the subsidiaries, associates (Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

Part-A- Subsidiaries

(₹ in Millions)

Sl.No.	Name of the Subsidiary Company & Address	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Refer Note 4 below)	Turnover	Profit/(Loss) before Taxation	Tax Expense/ (Benefit)	Profit/(Loss) after Taxation	Proposed Dividend
1	Finoso Pharma Pvt ltd SP Biotech Park - Phase-I, Block-I Turkapally, Shameerpet Mandal Hyderabad TG 500078 IN	-	30.15	26.37	254.74	254.74	-	203.87	(11.1)	2.02	(9.8)	-
2	Vivimed Holdings Limited Rooms 2702-03, 27/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong	-	0.07	(298.37)	2,345.40	2,345.40	-	-	-	-	-	-
3	Vivimed Labs USA INC. 1100 Cornwall Road, Suite 160, Monmouth Junction, NJ 08852	-	0.001	375.42	951.68	951.68	-	-	-	-	-	-
4	Vivimed Labs Mauritius Limited C/o First Island Trust Company Ltd, ST. James Court, Suite 308, ST. Denis Street, Port Louis, Mauritius	-	460.41	689.81	3,330.06	3,330.06	-	-	-	-	-	-



Part-B- Associates

(₹ in Millions)

Sl.No.	Name of the Subsidiary Company & Address	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Refer Note 4 below)	Turnover	Profit/(Loss) before Taxation	Tax Expense/(Benefit)	Profit/(Loss) after Taxation	Proposed Dividend
1	Yantra Green Power Pvt. Ltd., Plot No.1303&1304, 2 nd Floor, Khanamet, Ayyappa Society, Madhapur, Hyderabad – 500081	-	150 (136.86)	32.86	32.86	32.86	-	0.20	0.11	-	0.11	-

Part-C- Particulars of Loans, Guarantees or Investments made/ given during the year under Section 186

Nature of transaction (whether loan/ guarantee/ security/ acquisition)	Date of making loan/ acquisition / giving guarantee/ security providing security	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/Unlisted entities)	Amount of loan/ security/ acquisition / guarantee	Time period for which it is made/given	For loans	
					Rate of interest	Date of maturity
(1) Nil	(2) Nil	(3) Nil	(4) Nil	(5) Nil	(6) Nil	(7) Nil

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-

Santosh Varalwar
Managing Director
DIN : 00054763

Sd/

Manohar Rao Varalwar
Whole time Director
DIN : 00059815

Place: Hyderabad
Date: 18th October, 2023

ANNEXURE -2 TO BOARD'S REPORT

PARTICULARS OF REMUNERATION AS PER SECTION 197[12] OF THE COMPANIES ACT, 2013 READ WITH RULE 5[1] OF THE COMPANIES [APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL] RULES, 2014.

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your company for the Financial year 2022-23 is as follows:

Name of Director(s)	Total Remuneration (₹)	Ratio of remuneration of director to the Median remuneration
Santosh Varalwar	1,20,00,000	58.30
Manohar Rao Varalwar	30,00,000	14.57
Sandeep Varalwar	1,00,00,000	48.59
Subhash Varalwar	1,75,000	0.85
Aparna Bidarkar	3,75,000	1.83
Hari Gopal Jamalapuram	3,75,000	1.83

Notes:

- The information provided above is on standalone basis.
- The remuneration of Non-Executive Directors is sitting fees paid to them for the financial year 2022-23
- Median remuneration of the Company for all its employees is ₹2,05,800/- for the financial year 2022-23
- The remuneration to Directors is within the overall limits approved by the shareholders of your Company.

B. Details of percentage increase in the remuneration of each Director and CEO, CFO & Company Secretary in the financial year 2022-23 are as follows:

Name(s)	Designation	Remuneration (in ₹)		Increase/ (decrease) (in %)
		2022-23	2021-22	
Santosh Varalwar	Managing director	1,20,00,000	1,20,00,000	0
Manohar Rao Varalwar	Whole-time director	30,00,000	60,00,000	(50)
Sandeep Varalwar	Whole-time director	1,00,00,000	1,00,00,000	0
Subhash Varalwar	Non Executive Director	1,75,000	1,50,000	16.7
Umanath Varahabhotla*	Independent Director	-----	4,00,000	-
Aparna Bidarkar*	Independent Director	3,75,000	75,000	400
Hari Gopal Jamalapuram	Independent Director	3,75,000	5,00,000	(25)
Ramakanta Tripathy	Chief Financial Officer	60,00,000	-----	----
Ramesh Krishnamurthy*	CEO cum CFO	-----	81,25,000	----
Yugandhar Kopparthi	Company Secretary	30,56,300	30,56,300	----

*Note:

- Mr.Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022
- Mrs.Umanath Varahabhotla, (Independent Director) resigned on 10.01.2022
- Ms.Aparna Bidarkar, (Independent Director) appointed on 14.02.2022
- Mr.Ramesh Krishnamurthy, (CEO cum CFO) resigned on 15.10.2021



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C. Percentage increase/decrease in the median remuneration of all employees in the financial year 2022-23:

	2022-23	2021-22	Increased (in %)
Median remuneration of all employees per annum	2,05,800/-	1,60,872	27.92

(Amount in ₹)

D. Number of permanent employees on the rolls of your Company as on 31st March, 2022:

Executive/Manager cadre	95
Staff	340
Operators/Workmen	172
Total	607

E. Explanation on the relationship between average increase/decrease in remuneration and Company Performance:

The increase in average remuneration of all employees in the financial year 2022-23 as compared to the financial year 2021-22 was 27.92%.

The key indices of Company's performance are:

	2022-23	2021-22	Growth (%)
Net Revenue from operations	1,770.64	2196.26	(19.38)
Profit Before Tax and Exceptional Items	(3,301.27)	(649.34)	(508.40)
Profit After Tax	(3,280.10)	(677.51)	(484.14)

(₹ in millions)

Your Company is committed in ensuring fair pay and a healthy work environment for all its employees. Your Company offers competitive compensation to its employees. The pay also incorporates external factors like cost of living to maintain concurrence with the environment. Your Company maintains a simple compensation structure which allows the employees to have flexibility in the way in which they realize their salaries. Internal equity is ensured by appropriate fitment at the time of the employee joining a particular cadre and grade. The fixed pay for an employee depends on his/her performance against the objectives set for the year. The variable pay is paid out to the employee on the basis of the performance of your Company and the corresponding business unit or function he/ she forms a part of. Thus, there will be a positive correlation in the increase in remuneration of employees and your Company's performance; however, a perfect correlation will not be visible given the dependency on the other factors stated above.

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:

The Profit Before Tax and Exceptional Items decreased by (408.80)% in 2022-23, compared to 2021-22.

The details of remuneration of Key Managerial Personnel are given in point 'H' below.

G. Details of Share price and market capitalization:

The details of variation in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years are as follows:

	As on 31 st March, 2023	As on 31 st March, 2022	Increase/ (decrease) (%)
Price Earnings Ratio	(0.16)	(1.77)	(92.66)
Market Capitalization (₹ In millions)	553.04	1198.10	46.16

Comparison of share price at the time of first public offer and market price of the share of 31st March, 2023:

Market Price as on 31 st March, 2023	6.67
Price at the time of initial public offer in 2005 (converted to price of each share for face value of ₹2/- each) ₹2/- each	14.00
% decrease of market price over the price at the time of initial public offer	(52.36)%

Note: Closing share price on the BSE Limited (BSE) has been used for the above tables.

H. Comparison of average percentage increase in salary of employees other than key managerial personnel and the percentage increase in the key managerial remuneration:

		2022-23 (₹)	2021-22 (₹)	Increase/ (decrease) (%)
Average salary of all employees (other than Key Managerial Personnel)		3,06,924	2,43,781	25.90%
Key Managerial Personnel				
Santosh Varalwar	Managing director	1,20,00,000	1,20,00,000	0
Manohar Rao Varalwar	Whole-time director	30,00,000	60,00,000	(50)
Sandeep Varalwar	Whole-time director	1,00,00,000	1,00,00,000	0
Ramakanta Tripathy	Chief Financial Officer	60,00,000	----	-----
Ramesh Krishnamurthy*	CEO cum CFO	-----	81,25,000	-----
Yugandhar Kopparthi	Company Secretary	30,56,300	30,56,300	0

Note: *

1. Mr.Ramesh Krishnamurthy, (CEO cum CFO) resigned on 15.10.2021
2. Mr.Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022

I. Key parameters for the remuneration paid to the Directors:

The key parameters for the remuneration paid to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.

Following are major principles for determining remuneration to the Directors:

- (i) Commission to the Non-Executive Directors:** The Nomination and Remuneration Committee recommends the Commission (variable component) payable to the Non- Executive Directors after considering their contribution to the decision making process at meetings of the Board / Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of Corporate Governance and Board effectiveness. The Committee also reviews the commission and remuneration paid to Non-Executive Directors including Independent Directors of other similar sized companies. It is within the overall limits fixed by the shareholders of your Company.
- (ii) Commission to the Managing Director, and other whole time Directors:** The Nomination and Remuneration Committee evaluate the performance of the Managing Director and other whole time Directors by setting their Key Performance Objectives or Key Performance Parameters at the beginning of each financial year. The Committee approves the compensation package of them and ensures that the compensation package is in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, industry standards and have an adequate balance between fixed and variable components.

J. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of your Company:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination and Remuneration Policy of your Company.

Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

K. List of employees of your Company employed throughout the financial year 2022-23 and were paid remuneration not less than ₹60 lakhs per annum



Name	Designation	Remuneration (₹)	Qualification	Experience (years)	Joining Date	Age (years)	Last employment
Santosh Varalwar	Managing director	1,20,00,000	Management Graduate	37	09/11/89	61	Shipping Corporation of India
Sandeep Varalwar	Whole-time director	1,00,00,000	Graduation in B.Pharmacy	28	23/01/08	54	V V S Pharmaceuticals & Chemicals Pvt Ltd.
Ramakanta Tripathy	Chief Financial Officer	60,00,000	A FCA, AICWA, DISA, CS (E) and LLB	26	04/07/1967	56	MIT Group of Educational Institutions (Pune),

Notes:

1. Shri Santosh Varalwar, Shri. Manohar Rao Varalwar, and Shri. Sandeep Varalwar (Directors) are relatives to each other.
2. The contractual terms of Shri.Santosh Varalwar, Shri.Manohar Rao Varalwar, and Shri.Sandeep Varalwar (Directors) are governed by the resolutions passed by the shareholders in the 32nd AGM of your Company held on 30th December, 2020.
3. The above mentioned Directors are part of the promoter group and holding (Along with other promoters and persons acting in concert with them) 1,73,64,635 shares of ₹2/- each 20.94% to the total paid up capital) of your Company.
4. Remuneration includes salary, bonus, commission, various allowances, performance incentive, contribution to provident fund and superannuation fund and taxable value of perquisites but excludes provision for gratuity and leave encashment.
5. Mr.Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022

- L. Employees employed for the part of the year and were paid remuneration during the financial year 2022-23 at a rate which in aggregate was not less than ₹5 lakhs per month:

Name	Designation	Remuneration paid(₹)	Qualification	Experience (years)	Joining Date	Age (years)	Last employment
Ramakanta Tripathy	Chief Financial Officer	60,00,000	A FCA, AICWA, DISA, CS (E) and LLB	26	12.04.2022	56	MIT Group of Educational Institutions (Pune),

Notes:

Mr.Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763

Sd/
Manohar Rao Varalwar
Whole time Director
DIN : 00059815

Place: Hyderabad
Date: 18th October, 2023

ANNEXURE -3 TO BOARD'S REPORT

Independent Auditors' Certificate on Implementation of Share Based Employee Benefit Scheme

To,
The Board of Directors
Vivimed Labs Limited
Plot No.78/A, Kolhar Industrial Area,
Bidar – 585403, Karnataka 1

Independent Auditors' certificate on implementation of Share Based Employee Benefit Scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms of resolution of the Company passed in the general meeting.

1. This Certificate is issued in accordance with the terms of our engagement letter with Vivimed Labs Limited ('the Company') dated 30.05.2023.

Management's Responsibility

2. The Company's management is solely responsible for ensuring that the Company's Share Based Employee Benefit Scheme ('Scheme') has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time ('SEBI Regulations') and the terms of the resolutions passed by the Company in the general meeting.
3. The Management of the Company is also responsible for the preparation of the financial statements including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors' Responsibility

4. We, P C N & ASSOCIATES, the statutory auditors of the Company have been requested by the Management of the Company to certify that the Company has complied with the SEBI Regulations in relation to the Vivimed Labs Limited Employees Stock Option Plan 2017 at their general meeting held on 29 September 2017.
5. Based on this information and pursuant to the requirements of the SEBI Regulations, it is our responsibility to certify that the Company's Scheme have been implemented in accordance with the SEBI Regulations and are in accordance with the terms of the resolution passed by the Company in the general meeting.
6. For the purpose of this certificate, we have relied on the audited standalone financial statements of the Company for the year ended 31 March 2022 and information and documents as made available to us by the Company.
7. We have verified the books of account and other records maintained in relation to the Scheme by the Company on a test check basis. We have also obtained appropriate representation from the Company's management.
8. The audited standalone financial statements referred to in paragraph 6 above have been audited by us, on which we issued an unmodified audit opinion vide our report dated 03rd June 2022. Our audit of these standalone financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free of material misstatement
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. 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.



Vivimed

Opinion

11. Based on the examination carried out by us and the information and explanation provided to us, we certify, to best of our knowledge and belief, that the Vivimed Labs Limited Employees Stock Option Plan 2017 approved at their general meeting held on 29 September 2017 have been implemented in accordance with the provisions of the SEBI Regulations and relevant amendments from time to time and in accordance with the terms of the aforesaid resolutions passed by the Company.

Restriction on Use

12. This Certificate has been issued to the Company for placing before the Company's shareholders at its annual general meeting and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **P C N & ASSOCIATES.,**

Chartered Accountants

Firm registration Number: 016016S

Place: Hyderabad

Date: 1st August, 2023

Sd/-

K. Gopala Krishna

Partner

Membership Number: 203605

ICAI UDIN: 23203605BGRTXT8798

ANNEXURE -4 TO BOARD'S REPORT

**Form No. MR – 3 Secretarial Audit Report
For the Financial Year Ended 31st March, 2023
[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,
Vivimed Labs Limited
CIN: L02411KA1988PLC009465
78/A, Kolhar Industrial Area,
Bidar – 585403, Karnataka,

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by Vivimed Labs Limited (hereinafter called 'the Company') for the financial year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and 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 authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2023 complied with 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.

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder;
- (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable as there was no reportable event during the financial year under review;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable to the Company as there was no reportable event during the financial year under review;
 - (f) 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 – Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as there was no reportable event during the financial year under review;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable as there was no reportable event during the financial year under review; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Vivimed

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Environment (Protection) Act, 1986 and the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
- b. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
- c. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.
- d. Drugs (Control) Act, 1950
- e. Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945
- f. Narcotic Drugs and Psychotropic Substances Act, 1985
- g. The Food Safety and Standards Act, 2006
- h. The Indian Boilers Act, 1923

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including a Woman Independent Director. Changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;
- (ii) Adequate notice is given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting;
- (iii) All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and

- (i) As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the financial year under review, following events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., have occurred: ---- **NIL**

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Sd/-
NVSS SURYANARAYANA RAO
Company Secretary in Practice
ACS No. 5868
CP No. 2886
UDIN Number: A005868E000714433

Place: Hyderabad,

Date: 1st August, 2023

Annexure A

To
The Members
Vivimed Labs Limited
78/A, Kolhar Industrial Area,
Bidar – 585403, Karnataka

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

1. Maintenance of secretarial record 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 on test basis to ensure that correct facts are reflected in secretarial records. We 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. Wherever 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 management. My examination was limited to the verification of procedures 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: 1st August, 2023

Sd/-
NVSS SURYANARAYANA RAO
Company Secretary in Practice
ACS No. 5868
CP No. 2886
UDIN Number: A005868E000714433



Vivimed

ANNEXURE -5 TO BOARD'S REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

Particulars of conservation of energy

All the manufacturing units continued their efforts to reduce the specific energy consumption. Specific and total energy consumption is tracked on a daily basis at individual factory/ block level and also at consolidated manufacturing level. Energy conservation initiatives are being planned and implemented across manufacturing locations. Energy audits are conducted at all the manufacturing units at regular intervals and the findings of the audits are implemented. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the units by Process optimization and automation, Optimisation of Electrical Equipment, Lighting, Other key initiatives for Energy conservation:

Power and Fuel Consumption

Particulars	FY 2022-23	FY 2021-22
1. Electricity		
Unit (KWH)(in Mn)	3.51	6.49
Total amount (Rs in Mn)	46.91	52.40
Average rate/Unit (₹)	13.36	8.39
2. Own generation from Diesel generator set		
Unit (KWH)(in Mn)	0.54	0.29
Total amount (Rs in Mn)	15.44	10.44
Average rate/Unit (₹)	28.59	36.66
Quantity (MT)	2176.00	2,232.41
Total cost (Rs in Mn)	62.35	62.84
Average rate/MT (₹)	28,653.49	28,148.90

Consumption per unit of production

Particulars	Standards	Current year	Previous year
Products (with details) unit Electricity Furnace oil Coal	Since the Company manufactures a wide range of specialty chemicals and different combinations of finished dosages, it is not practicable to give consumption per unit of production.		

Technology absorption

Particulars of absorption

1. Technology absorption, adaptation and innovation

The Research and Development (R&D) discipline aims to work on products that strengthen the competitive position in the Market primarily on differentiated portfolio. Formulation R&D efforts at Vivimed are directed towards exploring the options of vertical integration. To meet customer demands, our teams focus on innovate techniques in product development. The Company is continuously striving to strengthen its R&D teams and infrastructure.

2. Benefits derived as a result of the above efforts

- Efficient processes.
- Robust Product development engine
- Super value proposition to our customers and key stake holders
- Competitive advantage in the specialty chemicals/pharmaceutical space

3. Imported technology:

→ Research and Development (R&D)

The Vivimed R&D is focused on revitalizing our growth engine to balance short, mid and long-term goals. The company is committed to offer superior and affordable solutions for products with intrinsic challenges at the chemistry, engineering and formulation technology areas.

Our R&D primarily caters to our in-house product development requirements for specialty chemicals, PFI and Finished Dosage products. Our development philosophy aims to collaborate and offer a business model of delivering end-to-end solutions across Over the Counter (OTC) monograph, OTC Abbreviated New Drug Application (ANDA) and prescription drugs.

The Company provides comprehensive drug development resources and solutions for pre-formulation, formulation development, analytical development, CGMP, scale-up, stability and also co-ordinate for conducting bioavailability and bioequivalence studies for regulated and emerging markets. The Company possesses capabilities to develop several IR and MR solid dosage products and filing dossier and ANDA for regulated markets including the U.S., Canada, Europe, Australia and other countries.

R&D currently focuses on developing and filing generic products for regulated markets and also on large volume OTC drugs and the products with intrinsic challenges. In addition, R&D is working to build a healthy products portfolio for enhanced and sustainable growth on extending our product reach line extensions for existing products and also adding value through applications such as extended release.

→ Benefits derived as a result of the above R & D

Vivimed could achieve a long term sustainability to offer superior value to its customers which would enable the Company to achieve Global leadership position.

→ Future plan of action

The Company intends to focus on different classes of projects, in line with our Business strategy; some, which can generate revenue in the short-term and some, more in the future. The pipeline is being designed to cater products of variable complexities in the areas of chemistry, IP, regulatory, engineering and manufacturing.

The Company will offer wider basket of Products to the regulated Markets including CIS countries, North America and Europe.

Expenditure incurred on Research and Development

Particulars	₹ In million	
	FY 2022-23	FY 2021-22
Capital	-	-
Revenue	2.66	3.37
Total	2.66	3.37

Foreign exchange earnings and Outgo

Particulars	₹ In million	
	FY 2022-23	FY 2021-22
Foreign Exchange Earnings	16.55	0.22
Foreign Exchange Outgo	-	0.40

Place: Hyderabad
Date: 18th October, 2023

On behalf of the Board of Directors
for **Vivimed Labs Limited**

Sd/-
Manohara Rao Varalwar
Whole-time Director
DIN : 00059815

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763



Vivimed

ANNEXURE -6 TO BOARD'S REPORT

Extract of Annual Return as on 31st March, 2023 Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration & Other Details:

i.	CIN	L02411KA1988PLC009465
ii.	Registration Date	22-09-1988
iii.	Name of the Company	Vivimed Labs Limited
iv.	Category/Sub-Category of the Company	Limited Company
v.	Address of the Registered office and contact details	Vivimed Labs Limited Plot No.78/A, Kolhar Industrial Area, Bidar, Karnataka – 585403, INDIA Phone No.:+ 91 8482 232045, +91 8482 232436 www.vivimedlabs.com
vi.	Whether shares listed on recognized Stock Exchange(s)	YES
	BSE Limited (BSE)	532660
	The National Stock Exchange of India Limited (NSE)	VIVIMEDLAB
vii.	Name and Address of Registrar & Transfer Agents (RTA)	Aarathi Consultants Private Limited 1-2-285, Domalguda, Hyderabad, Telangana – 500029, INDIA Phone : +91 40 27638111/27634445, Fax : +91 40 27632184 Email : info@aarthiconsultants.com

II. Principal Business Activities of the Company

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Pharmaceutical / chemical Products	21002	100%

III. Particulars of Holding, Subsidiary and Associate Companies

[No. of Companies for which information is being filled] - 5

SN	Name and address of the Company	Company Identification Number	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section of Companies Act, 2013
1	Finoso Pharma Pvt Ltd SP Biotech Park - Phase-I, Block-I Turkapally, Shameerpet Mandal Hyderabad TG 500078 IN	U24231TG2009PTC064774	Subsidiary	a) 30,15,000 equity shares held by Vivimed Labs Limited b) ₹10 each c) 100%	2(87)
2	Vivimed Holdings Limited Rooms 2702-03, 27/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong	Not Applicable	Subsidiary	a) 10,000 equity shares held by Vivimed Labs Limited b) HK \$ 1 each c) 100% held by Vivimed Labs Limited	2(87)
3	Vivimed Labs USA INC. 1100 Cornwall Road, Suite 160, Monmouth Junction, NJ 08852	Not Applicable	Subsidiary	a) 1,000 b) US \$ 0.01 each c) 100% held by Vivimed Labs Limited	2(87)
4	Vivimed Labs Mauritius Limited C/o First Island Trust Company Ltd, ST. James Court, Suite 308, ST. Denis Street, Port Louis, Mauritius	Not Applicable	Subsidiary	a) 90,00,000 equity shares b) US \$ 1 each c) 100% held by Vivimed Labs Limited	2(87)

Associates

1	Yantra Green Power Pvt. Ltd Plot No.1303 and 1304, Sy. No.11/27, Second Floor, Khanamet, Hi-Tech City, Ayyappa Society, Madhapur, Hyderabad, Telangana	U40108TG2013PTC087049	Associate	25,00,000 shares of ₹10 each 35.66% held by Vivimed Labs Ltd	2(6)
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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 st March, 2022]@ ₹2/- each		No. of Shares held at the end of the year [As on 31 st March, 2023]@ ₹2/- each #		% Change during the year		
	Demat	Physical	Demat	Physical			
A. Promoters							
(1) Indian							
a) Individual/ HUF	87,26,527	-	87,26,527	10.52	78,69,131	9.49	(1.04)
b) Central Govt	0	-	0	0	0	0	0
c) State Govt(s)	0	-	0	0	0	0	0
d) Bodies Corp.	94,95,504	-	94,95,504	11.45	94,95,504	11.45	0
e) Banks / FI	0	-	0	0	0	0	0
f) Any other	0	-	0	0	0	0	0
Total shareholding of Promoter (A)	1,82,22,031	-	1,82,22,031	21.98	1,73,64,635	20.94	(1.04)

B. Public Shareholding

1. Institutions							
a) Mutual Funds	0	-	0	0	0	0	0
b) Banks / FI	0	-	0	0	0	0	0
c) Central Govt	96,130	-	96,130	0.12	96,130	0.12	0



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 st March, 2022]@ ₹2/- each			No. of Shares held at the end of the year [As on 31 st March, 2023]@ ₹2/- each #			% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
d) State Govt(s)	0	-	0	0	0	-	0	0	0
e) Venture Capital Funds	0	-	0	0	0	-	0	0	0
f) Insurance Companies	0	-	0	0	0	-	0	0	0
g) FIs	0	-	0	0	0	-	0	0	0
h) Foreign Venture Capital Funds	0	-	0	0	0	-	0	0	0
i) Others (specify) -Foreign Portfolio Investor	13,59,771	-	13,59,771	1.64	13,59,791	-	13,59,791	1.64	0
Sub-total (B)(1):-	14,55,901	-	14,55,901	1.76	14,55,921	-	14,55,921	1.76	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	30,55,470	-	30,55,470	3.69	39,69,492	-	39,69,492	4.79	1.1
ii) Overseas	79,03,014	-	79,03,014	9.53	77,66,387	-	77,66,387	9.37	-0.16
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	4,11,50,028	-	4,11,50,028	49.63	4,40,52,735	27,870	4,40,80,605	53.16	3.53
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	31,75,880	-	31,75,880	3.83	32,52,462	-	32,52,462	3.92	0.09
c) Others (specify)- NBFCs Registered with RBI	0	-	0	0.00	0	-	0	0.00	0
Non Resident Indians	44,39,394	-	44,39,394	5.35	36,44,578	-	36,44,578	4.4	-0.95
Foreign Nationals	-	13,69,840	13,69,840	1.65	-	13,69,840	13,69,840	1.65	0
Clearing Members	21,38,357	-	21,38,357	2.58	5,995	-	5,995	0.01	-2.57
Trusts	4,000	-	4,000	0	4,000	-	4,000	0	0
Foreign Bodies - D R	0	-	0	0	0	-	0	0	0
Sub-total (B)(2):-	6,18,66,143	13,69,840	6,32,35,983	76.27	6,26,95,649	13,97,710	6,40,93,359	77.3	1.03
Total Public Shareholding (B)= (B)(1)+(B)(2)	6,33,22,044	13,69,840	6,46,91,884	78.02	6,41,51,570	13,97,710	6,55,49,280	79.06	1.04
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8,15,44,075	13,69,840	8,29,13,915	100	8,15,16,205	13,97,710	8,29,13,915	100	----

B. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2022) @₹2/- each			Shareholding at the end of the year (As on 31-03-2023) @₹2/- each			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	BBR PROJECTS PRIVATE LIMITED	94,95,504	11.45	3.79	94,95,504	11.45	3.78	-
2	SANTOSH VARALWAR	21,57,650	2.60	1.16	13,00,254	1.57	0.13	-1.03
3	VARALWAR SANDEEP	18,75,647	2.26	0.60	18,75,647	2.26	0.60	-
4	MANOHAR RAO VARALWAR	10,34,225	1.25	1.09	10,34,225	1.25	0.08	-
5	SUJATHA VARALWAR	3,93,995	0.48	0.48	3,93,995	0.48	0.48	-
6	VITHABAI VARALWAR	23,345	0.03	0	23,345	0.03	0	-
7	VARALWAR SUBHASH	16,16,200	1.95	1.50	16,16,200	1.95	1.50	-
8	SHEETAL VARALWAR	5,68,985	0.69	0	5,68,985	0.69	0	-
9	S RAGHUNANDAN	3,17,500	0.38	0	3,17,500	0.38	0	-
10	VIJAYKUMAR VARALWAR	1,50,000	0.18	0	1,50,000	0.18	0	-
11	MADHAVI VARALWAR	2,00,000	0.24	0	2,00,000	0.24	0	-
12	MAMATHA GURNUKAR	1,50,000	0.18	0.18	1,50,000	0.18	0.18	-
13	VARALWAR PADMA	33,250	0.04	0	33,250	0.04	0	-
14	NEELIMA VIJAYA VARALWAR	1,00,000	0.12	0	1,00,000	0.12	0	-
15	SATISH GOOTY AGRAHARAM	55,635	0.07	0	55,635	0.07	0	-
16	CHANDRASHEKHARRAO SUDIGALI	50,095	0.06	0	50,095	0.06	0	-
		1,82,22,031	21.98	8.80	1,73,64,635	20.94	7.76	-1.03

* The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total shares of your Company.

The term "encumbrance" has the same meaning as assigned to it in Regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

C. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2022 to 31-03-2023)	
		No. of Shares at the beginning (01-04-2022) / end of the year (31-03-2023)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	BBR PROJECTS PRIVATE LIMITED	94,95,504	11.45	01-04-2022	-	-	94,95,504	11.45
		94,95,504	11.45	31-03-2023	-	-	94,95,504	11.45
2	NEELIMA VIJAYA VARALWAR	1,00,000	0.12	01-04-2022	-	-	1,00,000	0.12
		1,00,000	0.12	31-03-2023	-	-	1,00,000	0.12
3	VIJAYKUMAR VARALWAR	1,50,000	0.18	01-04-2022	-	-	1,50,000	0.18
		1,50,000	0.18	31-03-2023	-	-	1,50,000	0.18



Sl. No.	Particulars	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2022 to 31-03-2023)	
		No. of Shares at the beginning (01-04-2022) / end of the year (31-03-2023)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
4	VARALWAR SUBHASH	16,16,200	1.95	01-04-2022	-	-	16,16,200	1.95
		16,16,200	1.95	31-03-2023	-	-	16,16,200	1.95
5	MADHAVI VARALWAR	2,00,000	0.24	01-04-2022	-	-	2,00,000	0.24
		2,00,000	0.24	31-03-2023	-	-	2,00,000	0.24
6	VITHABAI VARALWAR	23,345	0.03	01-04-2022	-	-	23,345	0.03
		23,345	0.03	31-03-2023	-	-	23,345	0.03
7	VARALWAR SANDEEP	18,75,647	2.26	01-04-2022	-	-	18,75,647	2.26
		18,75,647	2.26	31-03-2023	-	-	18,75,647	2.26
8	SANTOSH VARALWAR	21,57,650	2.60	01-04-2022	-	-	21,57,650	2.60
		21,57,650	2.60	17.06.2023	(844542)	Sale/Transfer	13,13,100	1.58
		13,13,100	1.58	10-03-2023	(12854)	Sale/Transfer	13,00,254	1.57
		13,00,254	1.57	31-03-2023	-	-	13,00,254	1.57
9	MANOHAR RAO VARALWAR	10,34,225	1.25	01-04-2022	-	-	10,34,225	1.25
		10,34,225	1.25	31-03-2023	-	-	10,34,225	1.25
10	MAMATHA GURNUKAR	1,50,000	0.18	01-04-2022	-	-	1,50,000	0.18
		1,50,000	0.18	31-03-2023	-	-	1,50,000	0.18
11	SATISH GOOTY AGRAHARAM	55,635	0.07	01-04-2022	-	-	55,635	0.07
		55,635	0.07	31-03-2023	-	-	55,635	0.07
12	SUJATHA VARALWAR	3,93,995	0.48	01-04-2022	-	-	3,93,995	0.48
		3,93,995	0.48	31-03-2023	-	-	3,93,995	0.48
13	SHEETAL VARALWAR	5,68,985	0.69	01-04-2022	-	-	5,68,985	0.69
		5,68,985	0.69	31-03-2023	-	-	5,68,985	0.69
14	VARALWAR PADMA	33,250	0.04	01-04-2022	-	-	33,250	0.04
		33,250	0.04	31-03-2023	-	-	33,250	0.04
15	S RAGHUNANDAN	3,17,500	0.38	01-04-2022	-	-	3,17,500	0.38
		3,17,500	0.38	31-03-2023	-	-	3,17,500	0.38
16	CHANDRASHEKHARRAO SUDIGALI	50,095	0.06	01-04-2022	-	-	50,095	0.06
		50,095	0.06	31-03-2023	-	-	50,095	0.06

**D. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	KITARA PIIN 1102				
	At the beginning of the year	7903014	9.53	7903014	9.53
	Bought during the year	-	-	-	-
	Sold during the year	136627	0.16	136627	0.16
	At the end of the year	7766387	9.36	7766387	9.36
2	WILLIAM F HARVEY				
	At the beginning of the year	1369840	1.65	1369840	1.65
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	1369840	1.65	1369840	1.65
3	SAMEER MAHENDRA SAMPAT				
	At the beginning of the year	1359165	1.64	1359165	1.64
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	1359165	1.64	1359165	1.64
4	K INDIA OPPORTUNITIES FUND LIMITED CLASS S				
	At the beginning of the year	1219300	1.47	1219300	1.47
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	1219300	1.47	1219300	1.47
5	BIPIN DHARAMSEY NENSEY				
	At the beginning of the year	703060	0.85	703060	0.85
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	703060	0.85	703060	0.85
6	SAI VEERAN AGENCIES				
	At the beginning of the year	20614	0.02	20614	0.02
	Bought during the year	676663	0.82	676663	0.82
	Sold during the year	-	-	-	-
	At the end of the year	697277	0.84	697277	0.84
7	AAKARSHAN TRACOM PRIVATE LIMITED				
	At the beginning of the year	595000	0.72	595000	0.72
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	595000	0.72	595000	0.72



Sl. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
8	A V REDDY				
	At the beginning of the year	400005	0.48	400005	0.48
	Bought during the year	109995	0.13	109995	0.13
	Sold during the year	-	-	-	-
	At the end of the year	510000	0.62	510000	0.62
9	WINSTAR E-COM PRIVATE LIMITED				
	At the beginning of the year	490000	0.59	490000	0.59
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	490000	0.59	490000	0.59
10	SUMATIPRAKASH MADANLAL JAIN				
	At the beginning of the year	267133	0.32	267133	0.32
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	267133	0.32	267133	0.32

Notes:

- The above information is based on the weekly beneficiary position received from the Depositories.
- Date wise increase or decrease in shareholding of the top ten shareholders is available on the website of your Company (www.vivimedlabs.com)

E. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding		Date	Reason	Cumulative Shareholding during the year (01-04-2022 to 31-03-2023)	
		No. of Shares at the beginning (01-04-2022) / end of the year (31-03-2023)	% of total Shares of the Company			No. of Shares	% of total Shares of the Company
1	MANOHAR RAO VARALWAR	10,34,225	1.25	01-04-2022	-	10,34,225	1.25
		10,34,225	1.25	31-03-2023	-	10,34,225	1.25
		21,57,650	2.60	01-04-2022	-	21,57,650	2.60
2	SANTOSH VARALWAR	21,57,650	2.60	17.06.2023	Sale/Transfer	13,13,100	1.58
		13,13,100	1.58	10-03-2023	Sale/Transfer	13,00,254	1.57
		13,00,254	1.57	31-03-2023	-	13,00,254	1.57
3	VARALWAR SUBHASH	16,16,200	1.95	01-04-2022	-	16,16,200	1.95
		16,16,200	1.95	31-03-2023	-	16,16,200	1.95
4	VARALWAR SANDEEP	18,75,647	2.26	01-04-2022	-	18,75,647	2.26
		18,75,647	2.26	31-03-2023	-	18,75,647	2.26

2. KEY MANAGERIAL PERSONNEL

Sl. No.	Particulars	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2022 to 31-03-2023)	
		No. of Shares at the beginning (01-04-2022) / end of the year (31-03-2023)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	RAMAKANTA TRIPATHY	-	-	-	-	-	-	-
2	YUGANDHAR KOPPARTHI	-	-	-	-	-	-	-

Note: *Mr. Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022

V) INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Millions)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01-04-2022)				
i) Principal Amount	1,328.64	-	-	1,328.64
ii) Interest due but not paid	337.37	-	-	337.37
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,666.01	-	-	1,666.01
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	472.70	-	-	472.70
Net Change	(472.70)	-	-	(472.70)
Indebtedness at the end of the financial year (As on 31-03-2023)				
i) Principal Amount	760.40	-	-	760.40
ii) Interest due but not paid	432.91	-	-	432.91
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1193.31	-	-	1193.31

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		Dr. V. Manohar Rao	Santosh Varalwar	Sandeep Varalwar	
1	Gross salary (excluding Commission)				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	1,20,00,000	1,00,00,000	2,50,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others, please specify	-	-	-	-
	Total (A)	30,00,000	1,20,00,000	1,00,00,000	2,50,00,000
	Ceiling as per the Act	1,20,00,000	1,20,00,000	1,20,00,000	3,60,00,000

*Remuneration paid to the Managing Director & Other Whole time Directors is within the ceiling provided under Resolutions passed in general meeting. (As per schedule V of Companies act 2013).

B. Remuneration to other directors

1. Independent Directors: (Amount in ₹)

Name of Director	Fee for attending board /committee meetings	Commission	Others#	Total
HARI GOPAL JAMALAPURAM	3,75,000	-	-	3,75,000
APARNA BIDARKAR	3,75,000	-	-	3,75,000
Total	7,50,000	-	-	7,50,000
Ceiling as per the Act	28,00,000	-	-	28,00,000

Notes: *Mrs.Umanath Varahabhotla, Non-Executive/ Independent Director of the Company resigned on 10.01.2022 and Ms. Aparna Bidarkar, Non-Executive/ Independent Director of the Company appointed on 14.02.2022,

2. Non-Executive Directors:

Name of Director	Fee for attending board /committee meetings	Commission	Others	Total
SUBASH VARALWAR	1,75,000	-	-	1,75,000
Total	1,75,000	-	-	1,75,000
Ceiling as per the Act	8,00,000	-	-	8,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		Total
		Ramakanta Tripathy (CFO)	K. Yugandhar (Company Secretary)	
1	Gross salary	60,00,000	30,56,300	90,56,300
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total	60,00,000	30,56,300	90,56,300

Note: *Mr.Ramakanta Tripathy (Chief Financial Officer) appointed on 12.04.2022

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/- **Manohar Rao Varalwar**
Whole time Director
DIN : 00059815

Sd/ **Santosh Varalwar**
Managing Director
DIN : 00054763

Place: Hyderabad

Date: 18th October, 2023



Vivimed

ANNEXURE -7 TO BOARD'S REPORT

Disclosure of Particulars of Contracts/Arrangements entered into by the Company 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)

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. There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis
2. Contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis:

(₹ In Millions)

SI No	Party Name	Nature of Transaction	During Apr 2022- March 2023
			Debit /(Credit)
1	Finoso Pharma Private Limited	Loans & Advances	-12.95
		Purchases	-17.64
		Sales/Services	70.76
2	BBR Green Fields Pvt Ltd	Loans & Advances	7.50
		Purchases	28.00
		Sales/Services	106.20
3	Yantra Green Power Pvt Ltd	Purchases	9.20

Place: Hyderabad
Date: 18th October, 2023

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763

Sd/
Manohar Rao Varalwar
Whole time Director
DIN : 00059815

ANNEXURE -8 TO BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline of your Company's CSR policy:

In accordance with the CSR Policy of your Company, the CSR initiatives would be focused around the following identified thrust areas for channelizing the resources on a sustained basis:

Promoting Education: Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

The CSR Policy of your Company is available on its website: (<http://www.vivimedlabs.com/investor-relations>).

2. Composition of the CSR Committee

Name of the Member(s)	Nature of Directorship
Ms. Aparna Bidarkar	Independent, Non- Executive
Dr.Hari Gopal Jamalapuram	Independent, Non- Executive
Dr.V.Manohar Rao	Non Independent, Executive / Promoter
Mr.Santosh Varalwar	Non Independent, Executive / Promoter

3. Average Net Profit of the Company for last 3 financial years: ₹(27.94) Millions

4. Prescribed CSR expenditure (2% of this amount as in Sr. No.3 above): ₹ NIL

5. Details of CSR spent for the financial year:

a. Total amount spent for the financial year: ₹ NIL

b. Amount unspent, if any: ₹ NIL

c. Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR projects / Activities	Sector in which the Project is covered	Location where project is undertaken State (Local Area/ District)	Amount outlay (budget) Project / Programs	Amount Spent on the Projects or Programs		Cumulative Expenditure upto the reporting period	Amount spent: Direct
					1.	2.		
					Direct Expenditure	Overheads		
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
			TOTAL	NIL	NIL	NIL	NIL	NIL

(₹ in Millions)

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report: **NIL**

7. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of your Company.

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763

Sd/
Manohar Rao Varalwar
Whole time Director
DIN : 00059815

Place: Hyderabad
Date: 18th October, 2023

**ANNEXURE –A TO BOARD’S REPORT****MANAGEMENT CLARIFICATIONS FOR AUDIT QUALIFICATIONS – STANDALONE BASIS**

(Rupees in Millions)

I		Audited Figures (as reported before adjustment)	Adjusted Figures
S. No.	Particulars		
1.	Turnover/ Total Income	1,770.65	Nil
2.	Total Expenditure	5,071.91	Nil
3.	Net Profit / (Loss)	(3,301.26)	Nil
4.	Earnings Per Share	(39.56)	Nil
5.	Total Assets	7,922.52	Nil
6.	Total Liabilities	7,922.52	Nil
7.	Net Worth	1,333.17	Nil
8.	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil
II Audit Qualification:			
II (1)	a. Details of Audit Qualification:		
	The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹ 3,762.80 million as on 31.03.2023.		
	b. Type of Audit Qualification : Qualified Opinion		
	c. Frequency of Qualification : 1st Time		
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: Post perilous situation of Covid 19, the company faced numerous impediments those caused critical liquidity issues resulting default in payment to couple of banks, Accordingly the bank accounts of the company were classified as NPA by State Bank of India and EXIM Bank. However, the company had compromised with EXIM and paid the settled amount in the first week May, 2023 and presently the company is negotiating with SBI for the settlement.		
	e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL		
II (2)	a. Details of Audit Qualification:		
	The Company has impaired its Plant & Machinery during the year by an amount of ₹ 892.80 million. We are unable to comment upon the correctness of Closing balances of PPE and methods employed for calculating the impairment on Plant & Machinery.		
	b. Type of Audit Qualification : Qualified Opinion		
	c. Frequency of Qualification : 1st Time		
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: The company was carrying some obsolete machinery and are not in operation for a long time. It carried out an internal verification of the plant and machineries by its Technical Heads and thereafter, it engaged an independent external certified valuer for conducting the plant and machinery valuation. From the above sources of records, the company listed out the obsolete and physically damaged assets. In line with the above, it impaired plant and machinery to the tune of ₹892.80 million.		
	e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL		
II (3)	a. Details of Audit Qualification:		
	The company has written down the Inventories amounting to ₹ 809.3 million during the year. In absence of any competent third-party report and valuation method adopted by the management in respect of written down of inventories, and closing balances, we are unable to comment on the discrepancies.		
	b. Type of Audit Qualification : Qualified Opinion		
	c. Frequency of Qualification : 1st Time		
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: During the Covid and post Covid period, the production in the factory at Bidar, was extremely slow, that led to substantial expiry of inventory not suitable for production. Whereas some of the products have been discontinued and all the inventory pertaining to such products which include enormous quantities at various steps of inventory and various solvents at intermediate level had got expired and could not be put for further process. To identify such inventory, the company formed a team and conducted verification of inventory during various periods. Accordingly, it arrived at the valuations, appropriateness to write down the inventories on the basis of its realizable value and such classification of inventories		
	e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL		

II (4)	<p>a. Details of Audit Qualification: In absence of confirmations from the Related parties, we are unable to comment upon the correctness and validity of Related party transactions disclosed in the notes to financial statements with respect to the Investments, Receivables and Payables.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor:</p> <p>(i) Management's estimation on the impact of Audit Qualification: The company is in the process of reconciling & obtaining confirmations from the related parties, and it will submit the same to the auditors.</p>
II (5)	<p>a. Details of Audit Qualification: The Company has capitalized its Capital Work in Progress amounting to ₹ 206.65 million, we are unable to comment upon the correctness of the same.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: Various CWIP got completed during FY 23 and the company is in process of compiling the information regarding the capitalization of CWIP. It will submit the same to the auditors.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>
II (6)	<p>a. Details of Audit Qualification: In the absence of fair valuation of the investments, we are unable to comment upon the carrying value and whether any provision for impairment in the value of investments is required.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor:</p> <p>(i) Management's estimation on the impact of Audit Qualification: The investments are carrying on book value as on the time of investment. The company have not carried out the Valuation of investments. However, it shall carry out the valuation of investments and submit the report to the auditors,</p>
II (7)	<p>a. Details of Audit Qualification: The company has been defaulted in the payment of various undisputed Statutory Dues amounting to ₹ 135.52 million with appropriate authorities.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: Due to impact of Covid 19, the company faced severe liquidity crunch resulting delay in payment of statutory dues. However, it is in the process of regularizing it.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>
II (8)	<p>a. Details of Audit Qualification: As per our opinion, the compliance of Standards on Internal Audit, internal controls/internal audit system pertains to the operations of the company are not commensurate with the size & diversity of the activities of the company and the apparent weakness has been reported to the management for their appropriate measures to be taken in order to strengthen operations of the company.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p> <p>(i) Management's estimation on the impact of Audit Qualification: The company have adequate internal control systems and internal audit wing, and it is improvising, strengthening and making the process more robust.</p>



II (9)	<p>a. Details of Audit Qualification: The State Bank of India has appointed forensic auditors, the said audit is under progress and the final outcome is yet to come</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p> <p>(i) Management’s estimation on the impact of Audit Qualification: Since the company’s bank account had become NPA, it is in negotiation with its bank, SBI for one time settlement and hence, as a matter of procedure, SBI had engaged forensic auditors.</p>
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MANAGEMENT CLARIFICATIONS FOR AUDIT QUALIFICATIONS – CONSOLIDATED BASIS

(Rupees in Millions)

I	S. No.	Particulars	Audited Figures (as reported before adjustment)	Adjusted Figures
	1.	Turnover/ Total Income	1880.68	Nil
	2.	Total Expenditure	5187.18	Nil
	3.	Net Profit / (Loss)	(3306.51)	Nil
	4.	Earnings Per Share	(39.62)	Nil
	5.	Total Assets	9883.44	Nil
	6.	Total Liabilities	9883.44	Nil
	7.	Net Worth	394.23	Nil
	8.	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil
II	Audit Qualification:			
II (1)	<p>a. Details of Audit Qualification: The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹ 3,762.80 million as on 31.03.2023.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: Post perilous situation of Covid 19, the company faced numerous impediments those caused critical liquidity issues resulting default in payment to couple of banks, Accordingly the bank accounts of the company were classified as NPA by State Bank of India and EXIM Bank. However, the company had compromised with EXIM and paid the settled amount in the first week May, 2023 and presently the company is negotiating with SBI for the settlement.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>			
II (2)	<p>a. Details of Audit Qualification: The Company has impaired its Plant & Machinery during the year by an amount of ₹ 892.80 million. We are unable to comment upon the correctness of Closing balances of PPE and methods employed for calculating the impairment on Plant & Machinery.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management’s Views: The company was carrying some obsolete machinery and are not in operation for a long time. It carried out an internal verification of the plant and machineries by its Technical Heads and thereafter, it engaged an independent external certified valuer for conducting the plant and machinery valuation. From the above sources of records, the company listed out the obsolete and physically damaged assets. In line with the above, it impaired plant and machinery to the tune of ₹892.80 million.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>			

II (3)	<p>a. Details of Audit Qualification: The company has written down the Inventories amounting to ₹ 809.3 million during the year. In absence of any competent third-party report and valuation method adopted by the management in respect of written down of inventories, and closing balances, we are unable to comment on the discrepancies.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: During the Covid and post Covid period, the production in the factory at Bidar, was extremely slow, that led to substantial expiry of inventory not suitable for production. Whereas some of the products have been discontinued and all the inventory pertaining to such products which include enormous quantities at various steps of inventory and various solvents at intermediate level had got expired and could not be put for further process. To identify such inventory, the company formed a team and conducted verification of inventory during various periods. Accordingly, it arrived at the valuations, appropriateness to write down the inventories on the basis of its realizable value and such classification of inventories</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>
II (4)	<p>a. Details of Audit Qualification: In absence of confirmations from the Related parties, we are unable to comment upon the correctness and validity of Related party transactions disclosed in the notes to financial statements with respect to the Investments, Receivables and Payables.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: (i) Management's estimation on the impact of Audit Qualification: The company is in the process of reconciling & obtaining confirmations from the related parties, and it will submit the same to the auditors.</p>
II (5)	<p>a. Details of Audit Qualification: The Company has capitalized its Capital Work in Progress amounting to ₹ 206.65 million, we are unable to comment upon the correctness of the same.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: Various CWIP got completed during FY 23 and the company is in process of compiling the information regarding the capitalization of CWIP. It will submit the same to the auditors.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>
II (6)	<p>a. Details of Audit Qualification: In the absence of fair valuation of the investments, we are unable to comment upon the carrying value and whether any provision for impairment in the value of investments is required.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of Qualification : 1st Time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: (i) Management's estimation on the impact of Audit Qualification: The investments are carrying on book value as on the time of investment. The company have not carried out the Valuation of investments. However, it shall carry out the valuation of investments and submit the report to the auditors,</p>



II (7)	<p>a. Details of Audit Qualification: The company has been defaulted in the payment of various undisputed Statutory Dues amounting to ₹ 135.52 million with appropriate authorities.</p> <hr/> <p>b. Type of Audit Qualification : Qualified Opinion</p> <hr/> <p>c. Frequency of Qualification : 1st Time</p> <hr/> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: Due to impact of Covid 19, the company faced severe liquidity crunch resulting delay in payment of statutory dues. However, it is in the process of regularizing it.</p> <hr/> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p>
II (8)	<p>a. Details of Audit Qualification: As per our opinion, the compliance of Standards on Internal Audit, internal controls/internal audit system pertains to the operations of the company are not commensurate with the size & diversity of the activities of the company and the apparent weakness has been reported to the management for their appropriate measures to be taken in order to strengthen operations of the company.</p> <hr/> <p>b. Type of Audit Qualification : Qualified Opinion</p> <hr/> <p>c. Frequency of Qualification : 1st Time</p> <hr/> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <hr/> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p> <hr/> <p>(i) Management's estimation on the impact of Audit Qualification: The company have adequate internal control systems and internal audit wing, and it is improvising, strengthening and making the process more robust.</p>
II (9)	<p>a. Details of Audit Qualification: The State Bank of India has appointed forensic auditors, the said audit is under progress and the final outcome is yet to come</p> <hr/> <p>b. Type of Audit Qualification : Qualified Opinion</p> <hr/> <p>c. Frequency of Qualification : 1st Time</p> <hr/> <p>d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: NA</p> <hr/> <p>e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL</p> <hr/> <p>(i) Management's estimation on the impact of Audit Qualification: Since the company's bank account had become NPA, it is in negotiation with its bank, SBI for one time settlement and hence, as a matter of procedure, SBI had engaged forensic auditors.</p>

Place: Hyderabad
Date: 18th October, 2023

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763

Sd/
Manohar Rao Varalwar
Whole time Director
DIN : 00059815

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time the Company submits the Corporate Governance Report for the year ended March 31, 2023.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Vivimed Labs Limited (Vivimed/Company) ensures adherence and enforcement of the principles of corporate governance with a focus on transparency, professionalism, fairness and accountability. The Company believes that corporate governance has a role to ensure that the Directors of the Company are subject to their duties, obligations, accountability and responsibilities, to act in the best interest of the Company and to remain accountable to the shareholders and other beneficiaries for their corporate actions. The Company also believes that an active, well informed and independent Board is necessary to ensure the highest standard of corporate governance. At Vivimed, the Board of Directors is at the core of corporate governance and oversees how the management serves and protects the interest of the stakeholders. The Board of Vivimed is responsible for and committed to the sound principles of corporate governance in the Company. Our corporate governance framework ensures that we make timely and transparent disclosures regarding our financials and performance, as well as the leadership and governance of the Company. The Company acknowledges the individual and collective responsibilities to manage the business activities with integrity.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD AS ON 31ST MARCH, 2023:

Category	No. of Directors
Non-Executive /Independent Directors	2
Non-Executive / Promoter Directors	1
Executive/Promoter Directors	3
Total	6

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013. The Board of Directors is chaired by an Independent Chairman and has an optimum combination of Executive, Non- Executive and Independent Directors.

NUMBER OF BOARD MEETINGS:

During the financial year 2022-23, 6 (Six) meetings of the Board of Directors were held and the maximum time gap between two meetings did not exceed one hundred and twenty days (except exemption given by MCA/ SEBI). The Board meets at least once in each quarter to review the quarterly financial results and other items on the Agenda. Additional meetings are held whenever necessary. The dates of the Board meetings are as under:

Date(s) on which meeting(s) were held:

16.04.2022	30.05.2022
12.08.2022	14.11.2022
13.01.2023	13.02.2023

All the Directors have periodically and regularly informed the Company about their Directorship and Membership on the Board/Committees of the Board of other companies. As per the disclosure received, none of the Directors of your Company hold memberships/Chairmanships more than the prescribed limits across all companies in which he/she is a Director.

The details of attendance at Board Meetings held either in person or through video conference during the financial year 2022-23 and at the Annual General Meeting (AGM) are detailed below:

Name of the Director	Designation	Number of Board Meetings		Attendance at AGM
		Held	Attended	
Mr.Santosh Varalwar	Managing Director	6	5	No
Mr.Subhash Varalwar	Non Executive Director	6	4	Yes
Dr.Manohar Rao Varalwar	Whole Time Director	6	6	Yes
Dr.Hari Gopal Jamalapuram	Independent Director	6	6	No
Mr.Sandeep Varalwar	Whole Time Director	6	6	No
Ms.Aparna Bidarkar	Independent Director	6	6	Yes



RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS

The Company Secretary records minutes of proceedings of each Board and Committee meeting. The draft minutes are circulated to Board / Committee members for their comments thereon as prescribed under Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

POST MEETING FOLLOW-UP MECHANISM

The guidelines for Board / Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Action taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board /Committees for noting.

COMPLIANCE

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

NUMBER OF BOARD MEETINGS

Six (6) Board meetings were held during the year, as against the minimum requirement of four meetings. The details of Board meetings held are given below:

Date	Board Strength	No. of Directors Present
16.04.2022	6	5
30.05.2022	6	6
12.08.2022	6	5
14.11.2022	6	5
13.01.2023	6	6
13.02.2023	6	6

EVALUATION OF THE BOARD EFFECTIVENESS:

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed thereunder and Part D of Schedule II of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2022-23.

Structured questionnaires were prepared to evaluate the performance of the Board as a whole, individual performance of each Director and self – assessment carried out by the Directors. These assessment sheets with respect to the evaluation of the performance of the Directors were based on various aspects which, inter alia, included assessment of the level of participation, understanding of the role and responsibilities, understanding of the business and competitive environment, effectiveness of the contributions made during the Board meetings, understanding of the strategic issues and challenges for your Company etc. In assessing the overall performance of the Board, the parameters included the assessment of time devoted by the Board on the Company’s long term goals and strategies, Board effectiveness, quality of discussions at the meetings of the Board, time spent and quality of discussions on key subjects like risk assessment and minimization, succession planning, discharging fiduciary and governance duties and performance of specific duties.

The questionnaires for assessing the performance of the Committees of the Board included aspects like understanding of the terms of reference by the Committee members, adequacy of the composition of the Committees, effectiveness of the discussions at the Committee meetings, information provided to the Committee to discharge its duties, performance of the Committee vis-à-vis its responsibilities, etc.

The Chairman of the Nomination and Remuneration Committee plays a vital role in undertaking the evaluation of performance for the Board and the Directors. The Nomination and Remuneration Committee discussed on the evaluation mechanism, outcome and the feedback received from the Directors. The Independent Directors at their meeting also discussed the performance of the Non-Executive/Promoter Directors including the Chairman of the Board.

The Board of Directors, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees.

The overall outcome of this exercise to evaluate effectiveness of the Board and its Committees was positive and members expressed their satisfaction.

DIRECTORSHIP AND MEMBERSHIP ON COMMITTEES:

The details of nature of Directorships, relationship inter se, number of directorships and committee chairmanships / memberships held by them in other public companies are detailed below:

Name of the Director	Nature of Directorships	Relationship with each other	As on 31 st March, 2023		
			No. of other Directorships*	Membership	Chairmanship
Mr. Santosh Varalwar DIN –00054763	Managing Director	Son of Manohar Rao Varalwar, Brother of Sandeep Varalwar, Nephew of Subhash Varalwar	Nil	Nil	Nil
Mr. Subhash Varalwar DIN –00054789	Non-Executive Director	Brother of Manohar Rao Varalwar, Uncle of Santosh Varalwar & Sandeep Varalwar	Nil	Nil	Nil
Dr. Manohar Rao Varalwar DIN –00059815	Whole-time Director	Brother of Subhash Varalwar, Father of Santosh Varalwar & Sandeep Varalwar	Nil	Nil	Nil
Mr. Sandeep Varalwar DIN –01682951	Whole-time Director	Son of Manohar Rao Varalwar, Brother of Santosh Varalwar, Nephew of Subhash Varalwar	Nil	Nil	Nil
Dr. Hari Gopal Jamalapuram DIN –08687353	Non-Executive/ Independent Director	No inter-se relationship with any of the Directors	Nil	Nil	Nil
Ms. Aparna Bidarkar * DIN –05112945	Non-Executive/ Independent Director	No inter-se relationship with any of the Directors	Nil	Nil	Nil

Note:

- Excludes directorship/ Membership/Chairmanship in Vivimed Labs Limited. Also excludes directorship in Foreign Companies, Private Limited Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.
- For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Also excludes the Memberships & Chairmanships in Vivimed Labs Limited.

The shareholding of the Non-Executive Directors of your Company as on 31st March, 2023 is as follows:

Name of the Director(s)	Nature of Directorship	No. of shares held	Percentage to the paid up share capital
Ms.Aparna Bidarkar *	Non-Executive/ Independent Director	NIL	NIL
Mr.Subhash Varalwar	Non-Executive /Promoter Director	1616200	1.96
Dr.Hari Gopal Jamalapuram	Non-Executive/ Independent Director	NIL	NIL

The shareholding of Executive Directors of your Company as on 31st March, 2023 is as follows:

Name of the Director(s)	Nature of Directorship	No. of shares held	Percentage to the paid up share capital
Mr.Santosh Varalwar	Managing Director	13,00,254	1.57
Dr.Manohar Rao Varalwar	Whole-time Director	10,34,225	1.25
Mr.Sandeep Varalwar	Whole-time Director	18,75,647	2.26



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Given below is the chart setting out the skills/ expertise/ competence of the Board of Directors:

Sl. No.	Name of the Director	Category	Specialisation
1	Mr.Santosh Varalwar	Managing Director	He has around 39 years of experience in General Management, cost efficient, quality complaint pharmaceutical /chemicals products manufacturing and marketing
2	Mr.Subhash Varalwar	Non-Executive Director	He has around 44 years of experience in Production, Quality control and R&D function
3	Dr.Manohar Rao Varalwar	Whole-time Director	He has around 54 years of experience in Administration, Biotechnology, pharmaceutical /chemicals products manufacturing and marketing
4	Mr.Sandeep Varalwar	Whole-time Director	He has more than 31 years of rich experience in manufacturing and marketing divisions of Pharma industry
5	Ms. Aparna Bidarkar	Non-Executive/ Independent Director	She has more than 26 years experience in consulting relating to healthcare, retail, housing, Technology driven infrastructure facilities-with large number of private and government clientele like APSRTC, APTDC, TSMSIDC, ICSI,GHMC etc.,
6	Dr.Hari Gopal Jamalapuram	Non-Executive/ Independent Director	He has more than 29 years experience in General Medical Practice.

COMMITTEES OF THE BOARD:

The Board has constituted various Committees with an optimum representation of its members and has assigned them specific terms of reference in accordance with the Companies Act, 2013 and the Listing Regulations. These Committees hold meetings at such frequency as is deemed necessary by them to effectively undertake and deliver upon the responsibilities and tasks assigned to them. Your Company currently has 5 (five) Committees of the Board viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Management Committee.

MANAGEMENT STRUCTURE

The management structure of your Company comprises of the Executive and Operating teams which have been constituted to drive strategic initiatives of your Company strengthen effectiveness of interface areas, bring in ability, multi-dimensional perspective and responsiveness within the organization and to strengthen the capabilities to enhance value creation.

MANAGING DIRECTOR:

The overall management of the affairs of your Company is entrusted to the Managing Director who functions under the direct supervision of the Board of Directors and also leads the Executive Management. He spearheads the strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board and its various Committees.

EXECUTIVE MANAGEMENT TEAM (EMT):

The EMT comprises of the heads of different functions of the organization. The members of the EMT report to the Managing Director. This EMT is entrusted with the initiatives pertaining to the strategies and vision of your Company, Risk Management, Financial Accounting & Reporting, and Corporate Governance. The EMT meets on a regular basis to discuss on various matters including effectiveness of the businesses / functions which report to them.

OPERATING MANAGEMENT TEAM (OMT):

The OMT consists of heads of functions / businesses within your Company who report to the EMT members. The OMT members lead the identified strategic initiatives, they deliberate on the efficiency and effectiveness of the day-to-day operations, capability building within your Company to service customers and other stakeholders.

The effective functioning of the EMT and OMT has led to increased holistic connection within the organization.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various

committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

LEAD INDEPENDENT DIRECTOR

Mr.Harigopal Jamalapuram, was elected as the Lead Independent Director by the Independent Directors of the Company. The Lead Independent Director's role is as follows:

- To preside over all meetings of Independent Directors
- To ensure there is an adequate and timely flow of information to Independent Directors
- To liaise between the Chairman, Managing Director, the Management and the Independent Directors.
- To perform such other duties as envisaged by the Companies Act, 2013 and the Listing Regulations.

INDEPENDENT DIRECTORS:

Mr.Harigopal Jamalapuram (Independent Director) of your Company have been appointed for a tenure of 5 (five) year by the shareholders of your Company through Postal ballot held on 28th March, 2020 (up to 36th Annual General Meeting to be held in calendar year 2024). Ms.Aparna Bidarkar (Independent Director) of your Company have been appointed for a tenure of 5 (five) year by the shareholders of your Company through Postal ballot held on 13th May, 2022 (up to 39th Annual General Meeting to be held in calendar year 2027). The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. Your Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013. A sample Terms of appointment is available on the website of your Company and can be accessed through the following link: <http://www.vivimedlabs.com>.

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on 13.02.2023, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of your Company, taking

into account views of Executive / Non- Executive Directors; and

- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES

INSTITUTIONALIZED DECISION-MAKING PROCESS

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders long term interests are being served. The Board has constituted five Committees, namely Audit Committee, Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs and framework of the law for the time being in force.

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD AND COMMITTEE MEETINGS

Minimum four pre-scheduled Board meetings are held annually, once in each quarter inter-alia to review the financial results of the Company. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation. The Board / Committee meetings are pre-scheduled and a tentative annual calendar of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and ensure meaningful participation in the meetings.

The meetings are generally held at the corporate office of the Company at NCC House, 4th Floor (West Wing), Madhapur, Hyderabad, Telangana – 500 081.

The Company's functional heads are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion / approval / decision at Board / Committee meetings. Such matters are communicated by them to the Company Secretary in advance so that they are included in the agenda for Board / Committee meetings.

The Board is given presentations covering finance, marketing, operations, overview of business operations of wholly owned subsidiary companies and joint venture companies, global business environment, the Company's business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

The Chairman of the Board and Company Secretary, in consultation



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with other concerned members of the senior management, finalise the agenda for Board / Committee meetings.

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans of businesses and budgets including capital budgets and any updates;
- Quarterly results of the Company;
- Company's annual financial results, financial statements, auditors' report and Board's report;
- Minutes of meetings of the Audit Committee and other Committees of the Board;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements, and shareholder's service, such as dividend non-payment, share transfer delay (if any), among others;
- Appointment, remuneration and resignation of Directors;
- Formation/reconstitution of Board Committees;
- Terms of reference of Board Committees;
- Minutes of Board meetings of unlisted subsidiary companies;
- Declaration of Independent Directors at the time of appointment/ annually;
- Disclosure of Directors' interest and their shareholding;
- Appointment or removal of the Key Managerial Personnel;
- Appointment of Internal Auditors and Secretarial Auditors;
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors;
- Dividend declaration;
- Significant changes in accounting policies and internal controls;
- Takeover of a company or acquisition of a controlling or substantial stake in another company;
- Issue of securities;
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee;
- Internal Audit findings and External Audit Reports (through the Audit Committee);
- Proposals for major investments, mergers and amalgamations;
- Reports on progress made on the ongoing projects;
- Review the functioning of the subsidiary and joint venture companies;
- Related party transactions;
- Status of business risk exposures, its management and related action plans;
- Making of loans and investment of surplus funds;
- Borrowing of monies, giving guarantees or providing security in respect of loan;
- Brief on statutory developments, changes in government policies, among others with impact thereof;
- Details of litigations, prosecutions etc.;
- Compliance Certificate certifying compliance with all laws as applicable to the Company and
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
- Compliance report on Corporate Governance and other Quarterly filings done with Stock exchanges etc.

FAMILIARISATION PROGRAM

Your Company has in place a structured induction and familiarization program for all its Directors including the Independent Directors. Your Company through such programs familiarizes not only the Independent Directors but any new appointees on the Board with a brief background of your Company, their roles, rights, responsibilities, nature of the industry in which it operates, business model operations, on-going events, etc. They are updated on all business related issues and new initiatives. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

Brief details of the familiarization program are uploaded on the website of your Company and can be accessed through the following link: <https://www.vivimedlabs.com/other-data/>.

APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent in the system. The Company's shareholders appoint the Board of Directors, which in

turn governs the Company. The Board has established Five Committees to discharge its responsibilities in an effective and efficient manner. The Company Secretary at Vivimed acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 2013. The Managing Director (MD) provide overall direction and guidance to the Board. Concurrently, the MD is responsible for overall implementation of decisions and policies. In the operations and functioning of the Company, the MD is assisted by the Executive Directors/ CEO/ CFO and a core group of senior level executives.

BOARD LEADERSHIP

The Board contains 2 Independent Directors (Includes chairman of Board), 3 executive Directors and 1 non-executive non Independent Director as on March 31, 2023. At Vivimed, it is believed that an experienced Board consciously creates a culture of leadership which in turn provides a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. Vivimed is committed to the goal of sustainability and elevating the Company's value creation.

The Board critically evaluates the Company's strategic direction, management policies and its effectiveness. The agenda for the Board review included a detailed analysis of annual strategic and operating plans, capital allocation and budgets. Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures, financial reports. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

ETHICS/GOVERNANCE POLICIES

At Vivimed, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards and ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Vivimed has adopted various codes and policies to carry out our duties in an ethical manner. Some of the codes and policies are (detailed policies are available at link <https://www.vivimedlabs.com/other-data/>):

- Criteria for determining materiality of events
- Environment, Health and Safety Policy
- Dividend Policy
- Remuneration Policy
- Archival Policy
- Code for Prohibition of Insider Trading
- Code of Conduct Policy
- Code of Fair Disclosure
- Corporate Social Responsibility Policy
- Familiarization Programmes for Independent Directors
- Policy on Materiality of Subsidiaries

- Related Party Transactions Policy
- Whistle Blower Policy

COMMITTEES OF THE BOARD AUDIT COMMITTEE

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Director, Executive Directors, CEO, CFO, Statutory Auditor, Internal Auditor and other executives to attend the meetings of the Committee.

Shri K.Yugandhar, Company Secretary of the Company acts as Secretary to the Committee.

The Audit Committee, during the financial year 2022-23, has approved related party transactions along with granting omnibus approval in line with the Policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

THE COMPOSITION OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE COMPANY ALONG WITH THE DETAILS OF THE MEETINGS HELD AND ATTENDED DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2023 IS DETAILED BELOW:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
Dr.Hari Gopal Jamalapuram	Chairperson	5	5
Mr.Sandeep Varalwar	Member	5	5
Ms. Aparna Bidarkar	Member	5	5

Date(s) on which meeting(s) were held

16.04.2022	30.05.2022
12.08.2022	14.11.2022
13.02.2023	



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THE AUDIT COMMITTEE IS EMPOWERED, PURSUANT TO ITS TERMS OF REFERENCE AND ITS ROLE, INTER ALIA, INCLUDES THE FOLLOWING:

1. Overseeing your Company's financial reporting process and the disclosure of its information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements, standalone as well as consolidated before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Sec 134(3)(c) of the Companies Act, 2013;
 - (b) Changes in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
 - (c) Compliance with the Listing Regulations and other legal requirements relating to financial statements;
 - (d) Disclosure of any related party transactions; and
 - (e) Qualifications in the draft audit report, if any.
5. Reviewing the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures);
6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
 - (a) qualifications and experience of the individual/ firm proposed to be considered for appointment as auditor;
 - (b) whether such qualifications and experience are commensurate with the size and requirements of the company; and
 - (c) giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
7. Recommending to the Board, the appointment, re- appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
8. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditors;
10. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
14. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
15. Evaluating the internal financial controls and risk management policies system of the Company;
16. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
17. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
18. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the company by its officers/employees;
19. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company, its subsidiary company or associate company;

20. Reviewing the statements of significant related party transactions submitted by the management;
21. Reviewing and Scrutinizing the inter-corporate loans and investments;
22. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
23. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
24. Approving the auditors (appointed under the Companies Act 2013) to render any service other than consulting and specialized services;
25. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
26. Review the cost audit report submitted by the cost auditor on audit of cost records, before submission to the Board for approval;
27. Appointing registered valuers and defining the terms and conditions for conducting the valuation of assets/net-worth/ liabilities of the Company. Reviewing the valuation report and follow-up thereon;
28. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
29. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
30. Review and approve, policy formulated for determination of material subsidiaries;
31. Review and approve, policy on materiality of related party transactions and also dealing with related party transactions; and
32. Any other matter referred to by the Board of Directors.

NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing

Regulations. The Nomination & Remuneration Committee has reviewed and evaluated the performance evaluation criteria for Board and its Committees and Directors including Independent Directors as per SEBI Circular dated January 5, 2017.

The Committee met 3 (Three) times during the financial year 2022-23 on 16.04.2022, 13.01.2023 and 13.02.2023. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
Dr.Hari Gopal Jamalapuram	Member	3	3
Mr.Subhash Varalwar	Member	3	3
Ms. Aparna Bidarkar	Chairperson	3	3

Shri K.Yugandhar, Company Secretary of the Company acts as Secretary to the Committee.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

1. Formulate a criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees, ESOPs administration, implementation;
3. Devise a policy on Board Diversity;
4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/ Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
6. Reviewing and recommending to the Board, the remuneration, payable to Directors of your Company; and
7. Undertake any other matters as the Board may decide from time to time.



STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee’s composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. Share Transfer and Stakeholders Relationship Committee was constituted to specifically look into the matters of investor’s grievances such as transfer, transmission, split and consolidation of investor’s holding, replacement of lost / mutilated / stolen share certificates, dematerialization of shares, non-receipt of dividend / notices / annual reports and change of addresses, among others. The main object of the Committee is to strengthen investor relations. The Committee also evaluates the performance and service standards of the Registrar and Share Transfer Agent of the Company and also provides continuous guidance to improve the service levels for the investors.

The Committee met 2 (Two) time during the financial year 2022-23 on 26.05.2022 & 13.02.2023. The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
Mr.Subhash Varalwar	Chairman	2	2
Mr.Santosh Varalwar	Member	2	2
Dr.Manohar Rao Varalwar	Member	2	2
Dr.Hari Gopal Jamalapuram	Member	2	2

Shri.K.Yugandhar is the compliance officer for complying with the requirements of Securities Law and acts as Secretary to the Committee.

The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve the grievance of the security holders of your Company.

DETAILS PERTAINING TO THE NUMBER OF COMPLAINTS RECEIVED AND RESPONDED AND THE STATUS THEREOF DURING THE FINANCIAL YEAR 2022-23 ARE GIVEN BELOW:

No. of complaints received during the year	0
No. of complaints resolved during the year	0
No. of complaints pending at the end of the year	0

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

The Committee met on 13.02.2023 during the financial year 2022-23. The constitution of the CSR Committee of the Board of Directors of your

Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
Ms. Aparna Bidarkar*	Member	1	1
Dr.Hari Gopal Jamalapuram	Member	1	1
Mr. Santosh Varalwar	Member	1	1
Dr. Manohar Rao Varalwar	Member	1	1

Shri.K.Yugandhar, Company secretary of the Company acts as Secretary to the Committee.

THE CSR COMMITTEE IS EMPOWERED, PURSUANT TO ITS TERMS OF REFERENCE, INTER ALIA, TO:

1. Recommend the amount of expenditure to be incurred on the activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects /programs/ activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

The details of the CSR initiatives of your Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of your Company and can be accessed through the following link: <http://www.vivimedlabs.com/investor-relations>.

DIRECTORS’ REMUNERATION REMUNERATION POLICY

The Company has formulated Remuneration Policy for Directors, Key Managerial Personnel and other employees. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board and other individual Directors.

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

The Company’s remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

REMUNERATION PAID TO THE MANAGING DIRECTOR / WHOLE-TIME DIRECTORS DURING THE FY 2022-23

(Amount in ₹)

Name of the Director	Salary	Perquisites*	Commission#	Amount ₹
Mr.Santosh Varalwar, Managing Director	1,20,00,000	-	-	1,20,00,000
Dr.Manohar Rao Varalwar, Whole time Director	30,00,000	-	-	30,00,000
Mr.Sandeep Varalwar, Whole time Director	1,00,00,000	-	-	1,00,00,000

REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS DURING THE FY 2022-23

- There were no pecuniary transactions with any Non-Executive Director of the Company.
- Non-Executive Directors were paid sitting fees for attending the Board and Committee meetings.

Following are the details of sitting fees paid to the Directors for attending Board and Committee meetings during the FY 2022-23:

(Amount in ₹)

Name of the Director	Sitting fees
Ms.Aparna Bidarkar, *Independent Director	3,75,000
Dr.Hari Gopal Jamalapuram,Independent Director	3,75,000
Mr.Subhash Varalwar,Non Executive Director	1,75,000

GENERAL BODY MEETINGS

Details of last three AGM and the summary of Special Resolutions passed therein are as under:

Year(s)	Location(s)	Meeting(s) Date	Time	No. of special resolution(s) set out at the AGM
2021-22	Plot No.78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka.	March 27, 2023	12:30 PM	1
2020-21	Plot No.78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka.	February 17, 2023	12:30 PM	0
2019-20	Plot No.78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka.	December 30, 2020	11.30 AM	5

All special resolutions set out in the notices for the AGMs were passed by the shareholders at the respective meetings with requisite majority.

MEANS OF COMMUNICATION

Quarterly results: The Company's quarterly results are published in 'Financial Express and Karnataka edition of Samyukta Karnataka newspapers and are displayed on website www.vivimedlabs.com.

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges and are displayed on website www.Vivimedlabs.com.

Website: The Company's website www.vivimedlabs.com contains a separate dedicated section 'Investor Relations' where shareholder's information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The annual report containing, inter alia, audited standalone financial statement, consolidated financial statement, Director's report, auditor's report, corporate governance report and other important information is circulated to members and others entitled thereto.

Management Discussion and Analysis (MDA) Report: The report on MDA forms part of the annual report.

Disclosures to Stock Exchanges: The Company informs BSE Limited (BSE) and National Stock Exchange of India limited (NSE) all price sensitive matters or such other matters which

in its opinion are material and of relevance to the members.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

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.

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: yugandhar.kopparthi@vivimedlabs.com



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GENERAL SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered in the State of Karnataka, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L02411KA1988PLC009465

35th Annual General Meeting

Date : 13.11.2023

Time : 12:30 P.M.

Venue : M/s.Vivimed Labs Limited,
Registered Office, Plot No.78/A,
Kolhar Industrial Area, Bidar – 585403, Karnataka.

Financial year April 1 to March 31

Date of Book Closure

Wednesday, of November 08, 2023 to Monday, of November 13, 2023
(both days inclusive)

Dividend Payment

The Company has not declared any dividend during the year.

Listing on Stock Exchanges

Equity Shares

BSE Limited (Bombay Stock Exchange)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Scrip Code – 532660

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Trading Symbol – VIVIMEDLAB

Payment of Listing Fees

The listing fees for the financial year has been paid to the respective stock exchanges.

Payment of Depository Fees

The Annual Custody fee for the financial year has been paid to the respective Depositories

Tentative calendar for financial year ending 31st March 2024:

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2024 are as follows:

Results	Tentative Dates
First Quarter	Around Second Week of August, 2023
Second Quarter and Half Yearly	Around Second Week of November 2023
Third Quarter and Nine Months	Around Second Week of February, 2024
Fourth Quarter and Annual	Around Last Week of May, 2024

Market Price Data

The monthly high and low prices and volumes of your Company's shares at BSE and NSE for the year ended 31st March, 2023 are as under:

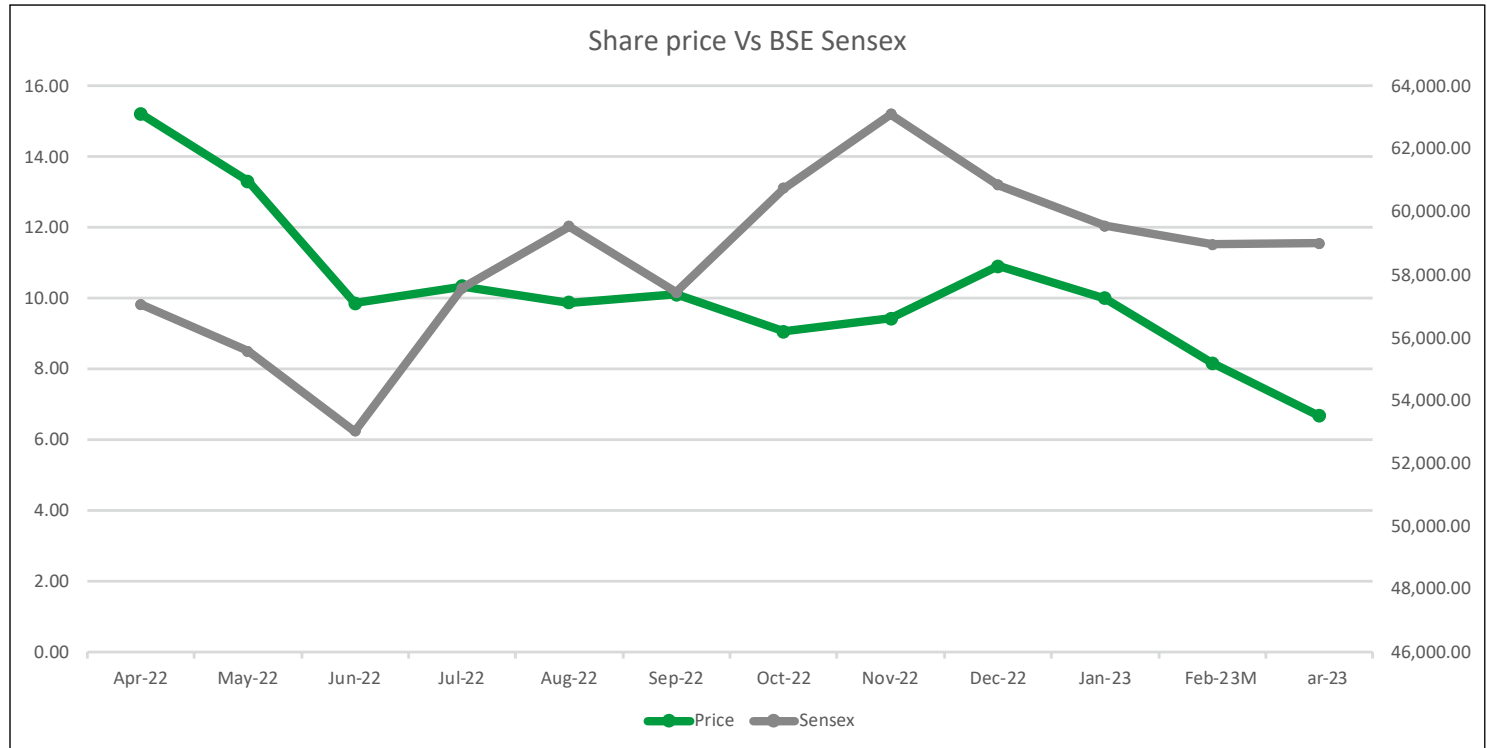
Month	BSE			NSE		
	High (₹)	Low (₹)	Traded Volume (No. of Shares) Lakhs	High (₹)	Low (₹)	Traded Volume (No. of Shares) Lakhs
2022						
Apr-22	17.37	14.58	61.54	17.40	14.50	73.48
May-22	15.45	11.65	69.86	15.45	11.05	28.60
Jun-22	13.8	7.58	67.7	13.90	7.60	82.60
Jul-22	11.5	9.45	67.97	11.05	9.55	30.62
Aug-22	10.77	9.55	73.73	10.80	9.50	30.55
Sep-22	11.7	9.41	77.23	11.55	9.35	48.73
Oct-22	10.27	8.92	75.32	10.35	9.00	18.41
Nov-22	9.92	8.75	84.24	10.00	8.70	21.28
Dec-22	13.76	9.7	99.94	13.95	9.70	34.94
2023						
Jan-23	11.99	9.6	100	11.80	9.45	8.66
Feb-23	9.5	8.16	100	9.35	8.05	0.96
Mar-23	7.76	6.67	100	7.65	6.60	2.17

Source: BSE and NSE website

Note: High and low are in ₹ per traded share. Volume is the total monthly volume of trade (in numbers in Lakhs) in Vivimed Labs Limited's shares on BSE and NSE.

Performance in comparison to broad-based Indices

The Charts below shows the comparison of your Company's share price movement on (i) BSE vis-à-vis the movement of the BSE Sensex (ii) NSE vis-à-vis the movement of the NSE Nifty for the year 2022-23 (based on month end closing):





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Registrar & Share Transfer Agents:

(for Shares held in both Physical and Demat mode)

Aarthi Consultants Private Limited

1-2-285, Domalguda, Hyderabad, India – 500029

Phone : 040-27638111/27634445

Fax : 040-27632184

Email : info@aarthiconsultants.com; website: www.aarthonconsultants.com

Share Transfer System

Your Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

Reconciliation of Share Capital

A qualified practicing Company Secretary carried out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total paid-up capital was in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The reports are uploaded in the NSE and BSE websites for public view.

Distribution of shareholding of shares of your Company as on 31st March, 2023 is as follows:

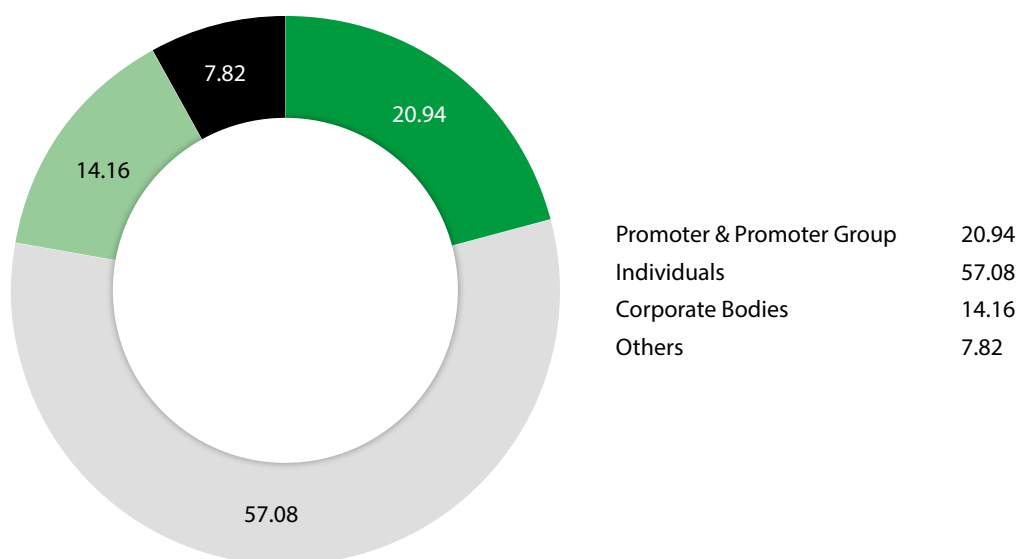
Sl No	Category	Holders	Holders Percentage	Shares	Amount	Amount Percentage
1	1 - 5000	46945	92.62	18921830	37843660	22.82
2	5001 - 10000	1990	3.93	7404739	14809478	8.93
3	10001 - 20000	969	1.91	7255451	14510902	8.75
4	20001 - 30000	286	0.56	3577351	7154702	4.31
5	30001 - 40000	156	0.31	2833484	5666968	3.42
6	40001 - 50000	88	0.17	1999543	3999086	2.41
7	50001 - 100000	136	0.27	5003383	10006766	6.03
8	100001 & Above	113	0.22	35918134	71836268	43.32
	Total:	50683	100.00	82913915	165827830	100

Shareholding Pattern as on 31st March, 2023:

Sl	Category of Shareholder	No of Shareholders	Total Number of shares	shareholding as a percentage of total number of shares
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian			
a.	Individuals/Hindu Undivided Family	15	78,69,131	9.46
b.	Central Government/State Government(s)	-	-	-
c.	Bodies Corporate	1	94,95,504	11.45
d.	Financial Institutions/Banks	-	-	-
	Sub Total (A)(1)	16	1,73,64,635	20.94
(2)	Foreign	-	-	-
	Sub Total (A)(2)	-	-	-
	Total Shareholding of Promoter and Promoter Group	16	1,73,64,635	20.94
	(A)=(A)(1)+(A)(2)	16	1,73,64,635	20.94

SI	Category of Shareholder	No of Shareholders	Total Number of shares	shareholding as a percentage of total number of shares
(B)	Public Shareholding			
1	Institutions			
a.	Mutual Funds	-	-	-
b.	Foreign Portfolio Investor	5	13,59,791	1.64
c.	Financial Institutions/Banks	-	-	-
d.	Foreign Institutional Investors	-	-	-
2	Sub Total (B)(1)	5	13,59,791	1.64
	Central Government/State Government(s)/President of India	1	96,130	0.12
a.	Central Government/State Government(s)/ President of India	-	-	-
	Sub Total (B)(2)	1	96,130	0.12
3	Non-Institutions			
(a-i)	Individual shareholders holding nominal share capital up to ₹2 lakhs	50010	4,40,80,605	53.16
(a-ii)	Individual shareholders holding nominal share capital excess ₹2 lakhs	19	32,52,462	3.92
(b)	NBFCs Registered with RBI	-	-	-
(e-i)	Non-Resident Indian (NRI) - Non Repatriable	418	36,44,578	4.40
(e-ii)	Non-Resident Indian (NRI) - Repatriable	-	-	-
(e-iii)	Corporate Bodies	207	39,69,492	4.79
(e-iv)	Corporate Bodies - Foreign Bodies	1	77,66,387	9.37
(e-ix)	Clearing Member	4	5,995	0.01
(e-vii)	Foreign National - FN	1	13,69,840	1.65
(e-viii)	Trust	1	4,000	0.00
	Sub Total (B)(3)	50661	6,40,93,359	77.30
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	50667	6,55,49,280	79.06
	Total (A)+(B)	50,683	8,29,13,915	100.00

Category-wise shareholding:





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DETAILS OF YOUR COMPANY'S DEMATERIALIZED SHARES AS ON 31ST MARCH, 2023:

Number of shares	% of total shares
8,15,16,205	98.32

BREAK UP OF SHARES IN PHYSICAL AND DEMAT FORM AS ON 31ST MARCH, 2023:

Particulars	No. of Shares @ ₹2/- each	% of Shares
Physical segment	1397710	1.68574
Demat segment		
NSDL	48652517	58.67835
CDSL	32863688	39.63591
TOTAL	82913915	100.00000

Dematerialization of shares

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail of the various benefits of dealing in securities in electronic/ dematerialized form. For any clarification, assistance or information, please contact M/s.Aarthi Consultants Private Limited.

The Company's shares are regularly traded on the National Stock Exchange of India Limited and the BSE Limited in electronic form. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE526G01021.

Outstanding GDRs /ADRs/ Warrants /Convertible Instruments and their impact on equity:

Your Company has 25,00,000 (Twenty five lakhs) outstanding employee stock options convertible into equity shares of ₹2/- each as on 31st March, 2023.

PLANT LOCATIONS AS ON 31.03.2023:

SPECIALTY CHEMICALS DIVISION

- Plot No. 78/A, Kolhar Industrial Area, Bidar – 585403, State - Karnataka

PLANT LOCATIONS

PHARMA DIVISION

- D-125&128,PhaseIII,JeedimetlaIndustrialEstate,Hyderabad–500055, State – Telangana
- Plot No. 25, Kundeshwari Village, Kashipur, Udham Singh Nagar – 244713,State – Uttarakhand,
- D-9, Industrial Area, Haridwar – 249401, State – Uttarakhand,

- Plot No: 8, Phase V,IDA Jeedimetla , Hydearabad, 500055, State – Telangana
- Kishlay , Kashipur, Uttarkhand – 110001, State – Uttarakhand,
- 130, Shanta Indl. Estate, 1st Floor, IB Patel Road,, Goregaon Mumbai East - 63, State – Maharashtra

R&D CENTERS

- H.No:A-1/ABC, Main Road, Opp: Surana Wires Pvt. Ltd. IDA, Nacharam, Hyderabad – 500076 State – Telangana

Address for Correspondence:

For any queries relating to the shares of your Company, correspondence may please be addressed at:

M/s.Aarthi Consultants Private Limited

1-2-285, Domalguda

Hyderabad, India – 500029

Phone : 040-27638111/27634445

Fax : 040-27632184, Email : info@aarthiconsultants.com

For the benefit of shareholders, documents will continue to be accepted at the following Corporate Office of the Company:

Yugandhar Kopparthi

Company Secretary & Compliance Officer

Vivimed Labs Limited

(CIN: L02411KA1988PLC009465)

Corporate Off: North End, Road No.2,

Banjara Hills, Hyderabad, India – 500034

Tel: 91-40-6608 6608; Fax: 91-40-6608 6699

E-mail: yugandhar.kopparthi@vivimedlabs.com

Website: www.vivimedlabs.com

Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.

Addresses of Regulatory Authority/ Stock Exchanges:

Securities and Exchange Board of India

Plot No. C4-A, G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051, Maharashtra, India
Tel.: +91 22 2644 9000; Fax: +91 22 2644 9019-22

National Stock Exchange of India

Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051, Maharashtra, India
Tel.: +91 22 2659 8100; Fax: +91 22 2659 8120

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001, Maharashtra, India
Tel.: +91 22 2272 1233; Fax: +91 22 2272 1919

DISCLOSURES

i) Related Party Transactions

During the year ended March 31, 2023, there were no materially significant related party transactions, which could have potential conflict with the Company's interests at large. Statement in summary form of transactions with related parties is placed before the audit committee for review. All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests. In compliance with regulation 53(f) of the Listing Regulations and the accounting standard 18, transactions with related parties are disclosed in the notes to accounts.

The Company has not entered into any transaction with any person or entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company.

Related Party Transaction policy is placed on the Company's website <https://www.vivimedlabs.com/other-data/>

ii) Details of non-Compliance etc.

The Company complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI except penalty (SOP) details mentioned in Annual Secretarial Compliance Report forming part of this report.

iii) Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standard) Rules, 2015 notified under Sec 133 of Companies Act, 2013 and other relevant provisions of the Act.

iv) Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the head of the Department by the employees. Employees may also report to the member of the Audit Committee / the Chairman and in exceptional cases to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Whistle Blower Policy of the Company is placed on the Company website <https://www.vivimedlabs.com/other-data/>.

v) Board Disclosures -Risk Management

The Company has a Risk Management Procedure in place which is reviewed periodically. Risk management is carried out to ensure the Company is not overly dependent on a particular product, customer or geography. In addition, the above facilitates not only in risk assessment and timely rectification but also helps in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations.

vi) Subsidiary Companies

The Company does not have any material un-listed Indian subsidiary company. However, the Company has 3 foreign subsidiaries namely, (i) Vivimed Labs USA, Inc.,(ii)Vivimed Labs Mauritius Limited (iii) Vivimed Holdings Limited.

Subsidiary Companies Monitoring Framework

All subsidiary companies are Board managed with their respective Boards having the rights and to manage such companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies periodically.

vii) Code of Conduct

The Company has laid down a "Code of Conduct" for the Directors and the Senior Management Personnel. The code has been posted on the website of the Company. The members of the Board including Independent Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as at March 31, 2023. A declaration to this effect signed by Mr.Santosh Varalwar, Managing Director is given in Annexure to this report.

viii) MD and CFO certification

The Managing Director and the Chief Financial Officer have certified to the Board regarding compliance of matters specified in regulation 17(8) read with Part B of Schedule II of the Listing Regulations and the same forms part of this Corporate Governance Report. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on 30.05.2023.

ix) Compliance Certificate of the PCS

Certificate from Practicing Company Secretary, NVSS Suryanarayana Rao, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

x) Certificate from a Company Secretary in Practice



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A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

xi) Proceeds from public issues, rights issues and preferential issues etc.

The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year ended March 31, 2023.

xii) Recommendations of the Committees of the Company

There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

xiii) Details of fees paid to the statutory auditors

Given below are the details of fees paid to M/s.PCN & Associates, Chartered Accountant, Statutory Auditors of the Company on a consolidated basis during the Financial Year ended March 31, 2023:

Sl. No	Payments to the Statutory Auditors (excluding taxes)	Fees paid in ₹ in Lakhs
1	Statutory Audit fees paid for Audit of the Company	
2	Fees paid for Limited review of the Company	18.00
3	Fees paid for other services	
4	Reimbursement of expenses	
	Total	18.00

xiv) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The below are the details of complaints received/resolved during the year under review.

Sl. No	Particulars	No.
1	Number of complaints on Sexual harassment received during the year	NIL
2	Number of Complaints disposed off during the year	
3	Number of cases pending as on March 31, 2023	

xv) Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per SEBI Listing Regulations. Reporting of Internal Auditors to the Audit Committee has been adopted from discretionary requirements

xvi) Familiarisation programmes for Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Details of the familiarization programmes imparted to Independent Directors are placed on the website of the Company, <https://www.vivimedlabs.com/other-data/>.

xvii) Policy on Material Subsidiaries

In terms of regulation 16 of the Listing Regulations, the Board of Directors has adopted a policy with regard to determination of Material Subsidiaries. The policy is placed on the website of the Company, <https://www.vivimedlabs.com/other-data/>.

xviii) Related Party Transactions Policy

In terms of regulation 23 of the Listing Regulations, the Board of Directors has adopted a policy to determine Related Party Transactions. The policy is placed on the website of the Company <https://www.vivimedlabs.com/other-data/>.

xix) Prevention of Insider Trading

In accordance with the requirements of SEBI(Insider Trading) Regulations, 2015, Company has formulated the code of conduct for prohibition of Insider Trading in the Company's Shares.

xx) Commodity Price Risks and Commodity Hedging activities

The Company is not undertaken any commodity hedging activities.

xxi) 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:

Regulations	Particular of Regulations	Compliance Status Yes/No/N.A
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	N.A
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	Obligations with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

Green Initiative in the Corporate Governance

As part of the Green Initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Auditors Report, Audited Financial Statements, dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the depositories / Registrar and Transfer Agent and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Transfer Agent / concerned Depository to enable the Company to send the documents in electronic form or inform the Company in case they wish to receive the above documents in paper mode.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

In terms of Section 123 of the Companies Act, 2013 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Members are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF. As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has placed on its website (www.vivimedlabs.com), the information on dividend which remains unclaimed with the Company.

We have no equity shares Unclaimed Suspense Account'

Annexure to Report on Corporate Governance for the financial year ended 31st March, 2023

Declaration of Compliance with the Code of Conduct

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2023.

Sd/-

Santosh Varalwar
Managing Director
DIN : 00054763

Place: Hyderabad

Date: 18.10.2023



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PART B: COMPLIANCE CERTIFICATE

[See Regulation 17(8)]

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors
Vivimed Labs Limited

- A. We have reviewed financial statements for the quarter and Year ended 31.03.2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing 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 quarter and Year ended 31.03.2023 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
- D. we have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the quarter and Year ended 31.03.2023 -NIL
 - (2) Significant changes in accounting policies during the quarter and Year ended 31.03.2023 –NIL
 - (3) 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 – NIL

Place: Hyderabad
Date: 18th May, 2023

On behalf of the Board of Directors
For **Vivimed Labs Limited**

Sd/-
Santosh Varalwar
Managing Director
DIN : 00054763

Sd/
Ramakanta Tripathy
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To
The Members,
Vivimed Labs Limited
Plot No.78-A, Kolhar Industrial Area,
Bidar – 585403, Karnataka.

I, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Vivimed Labs Limited having CIN: L02411KA1988PLC009465 and having its Registered Office at Plot No.78-A, Kolhar Industrial Area, Bidar–585403, Karnataka State, India (the Company), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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 the Director	Designation	DIN No.
1	Santosh Varalwar	Managing director	00054763
2	Manohar Rao Varalwar	Whole-time director	00059815
3	Sandeep Varalwar	Whole-time director	01682951
4	Subhash Varalwar	Non-Executive Director	00054789
5	Hari Gopal Jamalapuram	Independent Director	08687353
6	Aparna Bidarkar	Independent Director	05112945

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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: 1th August, 2023

Sd/-
NVSS Suryanarayana Rao
Company Secretary in Practice
ACS No. 5868, CP No. 2886
UDIN Number: A005868E000714499



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CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of **Vivimed Labs Limited**

- 1 This certificate is issued in accordance with the terms of our engagement letter dated: 30.05.2023.
- 2 Vivimed Labs Limited ('the Company') requires practicing Company Secretary (PCS) certificate on corporate governance as per Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April 2022 to 31st March 2023.

Management responsibility

- 3 The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is also responsible for compliance with conditions of corporate governance as stipulated in regulation 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1st April 2022 to 31st March 2023. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance report and applying an appropriate basis of preparation.

PCS Responsibility

- 4 Pursuant to the requirements of the Listing Regulations, our responsibility is to certify whether the Company has complied with the above said compliances of the conditions of the Corporate Governance for the period 1st April 2022 to 31st March 2023.
- 5 We have examined the compliance of the conditions of Corporate Governance by the Company for the period 1st April 2022 to 31st March 2023 as per Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.
- 6 We conducted our examination in accordance with the Guidance Note on Certificates issued by the Institute of Company secretaries of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Company secretaries of India.
- 7 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

- 8 In our opinion and to the best of our information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of the Schedule V of the Listing Regulations, as applicable.
- 9 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

- 10 This certificate is issued solely for the purpose of complying with regulation 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1st April 2022 to 31st March 2023 and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Sd/-

NVSS Suryanarayana Rao
Company Secretary in Practice

ACS No. 5868, CP No. 2886

UDIN Number: A005868E000714466

Place: Hyderabad,
Date: 1th August, 2023

Annual Secretarial Compliance Report of M/s.Vivimed Labs Limited
for the financial year ended 31st March, 2023
(CIN: L02411KA1988PLC009465)
Registered Office: Plot No. 78-A, Kolhar Industrial Area, Bidar, Karnataka. India – 585403

I, N.V.S.S.Suryanarayana Rao, Practicing Company Secretary (ACS No.5868 & CP No.2886) have examined:

- (a) all the documents and records made available to us and explanation provided by M/s.Vivimed Labs Limited
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the Company,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2023 in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 : Not Applicable during the year under review
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; : Not Applicable during the year under review
- (e) Securities and Exchange Board of India (Share based employee benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable during the year under review
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and based on the above examination, I/We hereby report that, during the Review Period:

Sr. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
1	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	
2	Adoption and timely updation of the Policies: • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/ guidelines issued by SEBI	Yes Yes	



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Sr. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
3	Maintenance and disclosures on Website: • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the Website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes Yes Yes	
4	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	
5	To examine details related to Subsidiaries of listed entities: a. Identification of material subsidiary companies b. Requirements with respect to disclosure of material as well as other subsidiaries	Yes Yes	
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	
8	Related Party Transactions: a. The listed entity has obtained prior approval of Audit Committee for all Related party transactions b. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved /ratified /rejected by the Audit committee	Yes NA	All RPT Taken Prior Approval
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11	Actions taken by SEBI or Stock Exchange(s), if any: Actions taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	No	Details provided in Point No 12(a) below:
12	Additional Non-compliances, if any: additional non-compliance observed for all SEBI regulation/ circular/ guidance note etc.	No	Please refer 12(a) below:

The Additional disclosures of Annual Secretarial Compliance Report as below:-

(a) The listed entity has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. no	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response
1	SEBI (LODR) 2015	33	Delay in filing financial results for the FY 2022 Quarter/ Year	BSE & NSE	SOP penalty	Non-submission financial results within the period prescribed under this regulation for the FY 2022 Quarter/ Year	₹5000/-	Fine paid	Due to technical issues
2	SEBI (LODR) 2015	34	Non-submission Annual Report for FY 2021 & FY22 with in prescribed time	BSE & NSE	SOP penalty & Freezing of promoters shares	Non-submission Annual Report for FY 2021 & FY22 with in prescribed time	₹16,87,022/-	Part payment paid	The company submitted Annual Reports in FY2022-2023
3	SEBI (LODR) 2015	14	The company has not paid Annual listing fee to the stock Exchanges for the FY 2022 -2023	BSE & NSE	It may lead to suspension of trading in shares	Not paid Annual listing fee with in time	Annual listing fee for BSE amount ₹3,06,800/- & NSE amount ₹3,54,000/-	Not paid	The company will pay the listing fee
4	Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/12 dated January 22, 2020	Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/12	Non-submission Annual Report for FY 2021 & FY22 with in prescribed time	BSE & NSE	suspension of trading in shares	Non-submission Annual Report for FY 2021 & FY22 with in prescribed	₹16,87,022/-	Part payment paid	The company submitted Annual Reports in FY2022-2023
5	SEBI (LODR) 2015 and listing Agreement	regulations 4(1) (d) and 4(1) (e) read with regulations 30(6) and 30(9) of sebi (lodr) regulations, 2015 read with clause 2 of listing agreement and read with sebi circular no.cir/cfd/ cmd/4/2015 dated 09/09/2015	not making disclosure and/or making inadequate disclosure to stock exchanges with regard to fund raising activities in stepdown subsidiaries	SEBI	Penalty	not making disclosure and/or making inadequate disclosure to stock exchanges with regard to fund raising activities in stepdown subsidiaries	₹5,00,000/-	Paid	-



Vivimed

The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. no	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	SEBI (LODR) 2015	34	Non-submission Annual Report for FY 2021 with in prescribed time	BSE & NSE	SOP penalty	Non-submission Annual Report for FY 2021 with in prescribed	₹2,21,000 /-	paid	The company submitted Annual Report for FY 2021 in FY2022-2023	-

Place: Hyderabad
Date: 20.05.2023

Sd/-
(NVSS SURYANARAYANA RAO)
PRACTICING COMPANY SECRETARY
C,P.NO.2886, ACS NO. 5868
UDIN Number: A005868E000341874

STANDALONE FINANCIAL STATEMENT



Vivimed

INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s VIVIMED LABS LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone financial statements of **M/s VIVIMED LABS LIMITED** ("the Company") which comprise the standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including other comprehensive income) the Standalone Statement of changes in equity and Standalone Statement of cash flows for the year ended and Notes to Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid standalone 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 the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of "the Company" as at March 31, 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹3,762.80 million as on 31.03.2023. (Refer to Note No. 10(a) of Financial Statements)
2. The Company has impaired its Plant & Machinery during the year by an amount of ₹892.80 million. we are unable to comment upon the correctness of Closing balances of PPE and methods employed for calculating the impairment on Plant & Machinery. (Refer to Note No. 3(c) of Financial Statements)
3. The company has written down the Inventories amounting to ₹809.3 million during the year. In absence of any competent third-party report and valuation method adopted by the management in respect of written down of inventories, and closing balances, we are unable to comment on the discrepancies. (Refer to Note No. 7(b) of Financial Statements)
4. In absence of confirmations from the Related parties, we are unable to comment upon the correctness and validity of Related party transactions disclosed in the notes to financial statements with respect to the Investments, Receivables and Payables.
5. The Company has capitalized its Capital Work in Progress amounting to ₹207.14 million, we are unable to comment upon the correctness of the same. (Refer to Note No. 4(b) of Financial Statements)
6. In the absence of fair valuation of the investments, we are unable to comment upon the carrying value and whether any provision for impairment in the value of investments is required. (Refer to Note No. 6(a) of Financial Statements)
7. The company has been defaulted in the payment of various undisputed Statutory Dues amounting to ₹135.52 million with appropriate authorities.
8. As per our opinion, the compliance of Standards on Internal Audit, internal controls/internal audit system pertains to the operations of the company are not commensurate with the size & diversity of the activities of the company and the apparent weakness has been reported to the management for their appropriate measures to be taken in order to strengthen operations of the company.
9. The State Bank of India has appointed forensic auditors, the said audit is under progress and the final outcome is yet to come.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How the matter was addressed in our audit
<p>Contingent Liabilities and litigation Matters</p> <p>Refer note 2.17 of the basis of preparation of financial statements and note 32 to the standalone financial statements.</p> <p>The Company is subject to number of significant litigations. Major risks identified by the Company in that area related to Income Tax, BGs, LCs and corporate guarantee to its subsidiaries. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgment.</p> <p>These provisions are based on judgements and accounting estimates made by management reflect in determining the likelihood and magnitude of an unfavourable outcome on the claims.</p> <p>Accordingly, unexpected adverse outcomes could significantly impact the Company's reported profit and balance sheet position.</p>	<p>Our audit procedures included the following:</p> <p>We evaluating the design and testing the operating effectiveness of controls in respect of the recognition and measurement of provisions towards litigation and claims;</p> <p>Corroborating management's assessment by:</p> <ul style="list-style-type: none"> making enquiries with the in-house legal counsel of the Company; verifying correspondence, orders and appeals in respect of open litigation; obtaining confirmations from internal legal counsel where relevant and/ or evaluating legal opinions obtained by the management; evaluating significant adjustments to legal provisions recorded during the year to determine if they were indicative of management bias; and evaluating adequacy of disclosures given in Note 32 to standalone financial statements.

Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 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 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 Standalone Financial Statements

The 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 standalone 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, including the accounting Standards specified under section 133 of "the Act". 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 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 financial statements, management is responsible for assessing the Company's ability to continue as a going



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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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements free from material misstatements, 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 it is not guarantee that an audit conducted in accordance with the 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 economic decisions of users taken the basis of these standalone 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 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. Under section 143(3)(i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 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 section 143 (3) of the Act, 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 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 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its notes to standalone financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - 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, other than as disclosed in the notes to accounts, 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 to or on behalf of the Ultimate Beneficiaries.
 - v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, 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 Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - vi. Based on the audit procedures 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), as provided under (a) and (b) above, contain any material misstatement.
 - vii. The company has not declared or paid any dividend during the year.
2. 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

For P C N & Associates,
Chartered Accountants
Firm's Regn. No: 016016S

Sd/-

K Gopala Krishna
Partner

M No: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad
Date: 30-05-2023



“ANNEXURE A” TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in Independent Auditors Report to the Members of M/s VIVIMED LABS LIMITED on the financial statements for the year ended March 31, 2023, we report that:

- i) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the title deeds of immovable properties, they 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 the records of the Company, the Company has impaired its Property, Plant and Equipment during the year by an amount of ₹892.80 million in respect of Plant & Machinery which is included in Depreciation and Amortization Expense. Calculation of impairment of PPE has been done by independent valuer, they have identified the indicators of impairment and designed appropriate methodology and valuation model to estimate the recoverable value of assets. Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc., based on historical results, current developments and future plans of business estimated by management. Accordingly brought the carrying amount of such assets to its estimated value in use.
 - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the Periodicity of such verification is reasonable and procedures and coverage as followed by the management were appropriate. Inventories are stated at the lower of cost or market. The company periodically reviews the value of items in inventory and provides write-downs or write-offs of inventory based on its assessment of market conditions. Write-downs and write-offs are charged to cost of goods sold. In the current quarter, the company experienced total write-downs and write-offs of ₹809.3 million which is inclusive of slow-moving stock and expired stock of no realisable value. This written off inventory is mostly related to the segment Speciality Chemicals. The Written down value of Inventory of ₹809.30 million is included in Changes in Inventories of finished goods work in progress and stock-in-Trade.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹5 crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) (a) The Company has not made any investments and not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year, and hence reporting under clause 3(iii)(a)(b) of the Order is not applicable.
 - (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 generally been regular as per stipulation.
 - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

- iv) According to the information and explanations given to us and on the basis of examination of records of the Company, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi) We have broadly verified the books of accounts and records maintained by the company in respect of products where, pursuant to the rules made by the central government of India, the maintenance of cost records has been specified under the sub-section (1) of section 148 of the Companies Act 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of statutory dues:

- a) The Company is not regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Dividend distribution Tax, Goods and Service Tax, Customs duty, cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were undisputed amounts payable in respect of TDS, Dividend Distribution Tax in arrears as at March 31, 2023 for a period of more than six months from the date they became payable which are given below:

S. No.	Nature	Amount in ₹
1	TDS	62,83,581
2	Professional Tax	6,99,050
3	Provident Fund	3,55,14,575
4	Employee State Insurance	44,89,828
5	Entry tax	7,71,304
6	Service tax	1,92,43,729
7	Income tax	97,50,360
8	IRPF Headcount, Professionals, Non-Residents	5,87,71,545

- c) According to the information and explanation given to us and based on the records of the company examined by us, there are no dues of Goods and Service Tax and Customs Duty which have not been deposited as at March 31, 2023 on account of any dispute except Income Tax which are given below:

S. No.	Nature	Assessment Year	Demand in ₹	Forum where the matter is pending	Section/No.
1	Income Tax, 1961	2006-07	7,06,057	CIT(A)	143(3) rws 254 rws 147
2	Income Tax, 1961	2012-13	31,06,090	CIT(A)	271G
3	Income Tax, 1961	2012-13	7,73,43,853	CIT(A)	271(1)(c)
4	Income Tax, 1961	2013-14	33,57,205	CIT(A)	271G
5	Income Tax, 1961	2013-14	18,79,50,742	CIT(A)	271(1)(c)
6	Income Tax, 1961	2014-15	45,23,886	CIT(A)	271G
7	Income Tax, 1961	2014-15	21,41,96,832	CIT(A)	271(1)(c)
8	Income Tax, 1961	2015-16	23,11,83,295	CIT(A)	271(1)(c)
9	Income Tax, 1961	2015-16	36,32,002	CIT(A)	271G
10	Income Tax, 1961	2017-18	6,68,61,780	CIT(A)	270A
11	Income Tax, 1961	2017-18	17,78,198	CIT(A)	271G
12	Income Tax, 1961	2018-19	1,52,85,893	CIT(A)	143(1)
13	Income Tax, 1961	2020-21	16,83,413	CIT(A)	154
14	Income Tax, 1961	2021-22	4,57,325	CIT(A)	154
15	Income Tax, 1961	2022-23	6,06,132	CIT(A)	154
16	Income Tax, 1961	2014-15	10,35,59,930	ITAT	ITA 49/Hyd/2023
17	Income Tax, 1961	2015-16	10,52,49,641	ITAT	ITA 50/Hyd/2023
18	Income Tax, 1961	2016-17	13,02,47,689	ITAT	ITA 51/Hyd/2023
19	Income Tax, 1961	2017-18	5,80,24,633	ITAT	ITA 52/Hyd/2023



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viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix) (a) Based on our audit procedures and according to the information and explanations given to us, the company has defaulted in repayment of dues to various banks and financial institutions as at 31st March 2023 are as given below:

(Amount in Crores.)

Nature of Borrowing	Name of the Bank/ Institution	Amount not paid on due date	Whether principal or interest or both
Term Loan	SBI (CTL)	377.44	Both
Term Loan	IFC ECB	357.76	Both
Term Loan	Vehicle Loans	0.50	Both
Term Loan	IFC	616.10	Both
Working Capital	SBI	2023.198	Both
Working Capital	SBI -FITL	177.2	Both
Working Capital	BBK	65.556	Both
Working Capital	Allahabad Bank	43.77	Both
Working Capital	EXIM (Mn)	101.2	Both

The above loan accounts with Exim bank, SBI, IFC and Allahabad bank have become NPA.

the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (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 not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been utilized for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has 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) Based on examination of the books and records of the Company and 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 course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) The company has not received any whistle blower complaints during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable, and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) is not applicable.
- xvii) The Company has incurred cash losses during the current year and immediately preceding financial year the details of which are as below:

Cash loss for the FY 2022-23 and FY 2021-22

(₹ In Millions)

Particulars	FY 2022-23	FY 2021-22
Profit After Tax	(3,280.08)	(677.52)
Add/(Less):		
Deferred tax	21.17	28.12
Depreciation	176.31	174.49
Total Cash loss	(3,082.6)	(474.91)

- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and 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 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 the 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, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For P C N & Associates,
Chartered Accountants
Firm's Regn. No: 016016S

Sd/-

K Gopala Krishna

Partner

M No: 203605

UDIN: 23203605BGRYB3187

Place: Hyderabad

Date: 30-05-2023



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“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT

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')

We have audited the internal financial controls over financial reporting of M/s VIVIMED LABS LIMITED ('the company') as of March 31, 2023 in conjunction with our audit of standalone 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 Act, to the extent applicable to an Audit of Internal Financial Controls. Those standards and 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 risk 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 and the company's internal financial control system over financial reporting.

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 these 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 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 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.

Qualified Opinion

In our opinion, as a result of the matters given in the Basis of Qualified opinion paragraph given in the Audit report the company as we have not obtained sufficient appropriate audit evidence in respect of those

matters specifies in the Basis of Qualified opinion paragraph we are unable to determine whether the company has established adequate internal financial controls over Financial Reporting and also whether such internal financial controls were operating effectively as at March

31st, 2023. Based 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 C N & Associates,
Chartered Accountants
Firm's Regn. No: 016016S

Sd/-

K Gopala Krishna
Partner

M No: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023



Vivimed

STANDALONE BALANCE SHEET

as at 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)
(₹ in Million)

Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022
A. ASSETS			
1. Non - Current Assets			
(a) Property, Plant, Equipment	3	2,722.34	3,559.29
(b) Capital Work in Progress	4	206.65	400.31
(c) Investment Property			
(d) Goodwill		169.14	169.14
(e) Other Intangible Assets	5	537.13	559.63
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(i) Investments	6	1,611.36	1,611.36
(ii) Trade Receivables			
(iii) Loans			
(iv) Other Financial Assets			
(i) Deferred Tax Assets(Net)			
(j) Other non current assets			
2. Current Assets			
(a) Inventories	7	783.10	2,390.69
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	8	529.57	633.89
(iii) Cash and cash equivalents	9	33.48	67.77
(iv) Bank Balances Other than(iii) Above			
(v) Loans	10	30.39	42.33
(vi) Others (to be specified)	11	606.16	566.01
(c) Current Tax Assets (Net)	12	97.65	106.71
(d) Other current assets	13	595.55	610.74
TOTAL ASSETS		7,922.53	10,717.88
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	14	165.83	165.83
(b) Other equity	15	1,167.34	4,406.91
2. Non- Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(a)	619.81	606.13
(ii) Trade Payables			
(A) Dues to micro and small enterprises			
(B) Dues to others			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	17(a)	1,621.09	1,628.58
(b) Provisions	18(a)	39.51	80.39
(c) Deferred tax liabilities (Net)	19	90.33	111.51
(d) Other non-current liabilities	20(a)	60.32	60.32
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(b)	3,146.62	2,963.28
(ii) Trade Payables			
(A) Dues to micro and small enterprises			
(B) Dues to others	21	705.69	374.06
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	17(b)	98.90	118.67
(b) Other Current Liabilities	20(b)	13.50	13.50
(c) Provisions	18(b)	10.70	4.26
(d) Current Tax Liabilities (net)	22	182.91	184.44
TOTAL EQUITY AND LIABILITIES		7,922.53	10,717.88

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 0160165

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315

STANDALONE STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2023(All amounts in Indian Rupees Millions, except share data and where otherwise stated)
(₹ in Million)

Particulars	Note	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Income			
Revenue from operations	23	1,768.25	2,183.67
Other Income	24	2.39	12.59
Total income		1,770.65	2,196.26
Expenses			
Cost of Material Consumed	25	1,842.12	1,429.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	844.20	4.85
Employee Benefit Expenses	27	286.97	316.75
Finance costs	28	352.80	395.27
Depreciation and amortisation expense	29	1,069.10	174.49
Other expenses	30	676.72	525.06
Total Expenses		5,071.91	2,845.61
Profit/(loss) before exceptional items and tax		(3,301.26)	(649.35)
Exceptional items			
Profit/(loss) before tax		(3,301.26)	(649.35)
Tax expense:			
Current tax			
Deferred tax	31	(21.17)	28.17
Total tax expense		-21.17	28.17
Profit/(Loss) for the period		(3,280.09)	(677.52)
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan			
Income-tax effect		40.52	5.584551
(B) Items that will be reclassified to profit or loss			
Total other comprehensive income / (loss), net of tax		40.52	5.58
Total comprehensive income for the year		(3,239.57)	(671.94)
Earning per equity share of ₹10/- each:			
(1) Basic		-39.56	-8.17
(2) Diluted		-38.40	-7.93

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

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Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



Vivimed

STANDALONE STATEMENT OF CASH FLOW

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(₹ in Million)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
I. Cash flows from operating activities		
Profit before tax	(3301.26)	(643.76)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	1069.11	174.49
Amortisation of intangible assets	-	-
Finance income (including fair value change in financial instruments)	-	-
Finance costs (including fair value change in financial instruments)	352.80	395.27
Operating profit before working capital changes	(1879.35)	(74.00)
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	104.32	133.12
Inventories	1607.59	146.15
Loans - current	11.94	(23.04)
Other assets - current	(24.96)	(79.28)
Current tax assets(net)	9.06	
Adjustment for (increase)/decrease in operating liabilities		
Trade payables	331.63	45.16
Other liabilities	(19.78)	4.38
Borrowings	183.34	-
Current tax liabilities(net)	(1.53)	-
Provisions	6.44	12.02
Cash generated from operations	328.69	253.05
Income taxes paid	-	-
Net cash generated from/(used in) operating activities	328.69	253.05
II. Cash flows from investing activities		
Proceeds from sale/ (Purchase of) property, plant and equipment and intangibles (including capital work in progress), net	(15.99)	(113.37)
Investments made during the year	-	-
Interest received (finance income)	-	-
Net cash used in investing activities	(15.99)	(113.37)

STANDALONE STATEMENT OF CASH FLOW (CONTD.)

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(₹ in Million)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
III. Cash flows from financing activities		
Share issue proceeds	-	-
Dividend paid	-	-
Proceeds from/(repayment of) long-term borrowings, net	6.19	38.70
Proceeds from/(repayment of) short-term borrowings, net	-	224.49
Interest paid	(352.80)	(395.27)
Provisions	(0.36)	
Net cash provided by financing activities	(346.98)	(132.08)
Net increase in cash and cash equivalents (I+II+III)	(34.28)	7.62
Cash and cash equivalents at the beginning of the year	67.77	60.15
Cash and cash equivalents at the end of the year (refer note below)	33.48	67.77
Note:		
Cash and cash equivalents comprise:		
Cash on hand	1.17	0.03
Balances with banks:		
- in current accounts	32.31	67.74
	33.48	67.77

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 0160165

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



Vivimed

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

A. Equity Share Capital

(1) Current reporting period (31-03-2023)

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Changes in equity share capital during the current year	Changes in equity share capital during the current year	Balance at the end of the current reporting period
165.83	-	-	-	165.83

(2) Previous reporting period (31-03-2022)

Balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Changes in equity share capital during the current year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
165.83	-	-	-	165.83

B. Other Equity

(1) Current reporting period (31-03-2023)

Particulars	Reserves and Surplus					Other Items of Other Comprehensive Income (specify nature)	Total
	Capital Reserve	General Reserve	Securities Premium Reserve	Revaluation Reserves	Retained Earnings		
Balance at the 31st March, 2022	8.57	167.80	1,775.18	380.00	2,122.47	(47.12)	4,406.91
Restated balance at the beginning of the current reporting period	8.57	167.80	1,775.18	380.00	2,122.47	(47.12)	4,406.91
Profit for the year	-	-	-	-	(3,280.08)	-	(3,280.08)
Other comprehensive income	-	-	-	-	-	40.52	40.52
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
IND AS Adjustment	-	-	-	-	-	-	-
Balance at the 31st March, 2023	8.57	167.80	1,775.18	380.00	(1,157.61)	(6.60)	1,167.36

STANDALONE STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended 31st March, 2022

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(2) Previous reporting period (31-03-2022)

Particulars	Reserves and Surplus					Other Items of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Securities Premium Reserve	Revaluation Reserves	Retained Earnings		
Balance at the 31st March, 2021	8.57	167.80	1,775.18	380.00	2,799.99	(52.70)	5,078.84
Restated balance at the beginning of the current reporting period	8.57	167.80	1,775.18	380.00	2,799.99	(52.70)	5,078.85
Profit for the year	-	-	-	-	(677.52)	-	(677.52)
Other comprehensive income	-	-	-	-	-	5.58	5.58
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
IND AS Adjustment	-	-	-	-	-	-	-
Balance at the 31st March, 2022	8.57	167.80	1,775.18	380.00	2,122.47	(47.12)	4,406.91

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

1 General Information

Vivimed Labs Limited is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in the manufacture of Active Pharmaceutical ingredients (API's), Intermediates and Nutraceutical ingredients with predominance in exports. In addition to generic business, the Company, through its custom synthesis business, supports innovator pharma companies for their patented products business right from gram scale requirements for clinical trials to launch as well as late life cycle management. The Company is a public limited company and the Company's equity shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in India.

The Financial statements are approved for issue by the Company's Board of Directors on May 30, 2023.

2 Significant accounting policies

2.1 Basis of preparation:

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and guidelines issued by Securities and Exchange Board of India (SEBI).

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2023.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value; (refer accounting policy regarding financial instruments)
- Defined benefit plans – plan assets measured at fair value

(iii) Current and non-current classification:

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

(iv) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Managing Director of the Company has been identified as being the Chief Operating Decision Maker. Refer Note 44 for the segment information presented.

(v) Functional and presentation currency

The financial statements are presented in Indian rupees millions, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee millions except share data, unless otherwise stated.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(vi) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

2.2 Revenue recognition

Revenue is measured at the transaction price determined under IND AS 115- Revenue from contracts with customers. Amounts disclosed as revenue are net of returns, trade allowances, rebates, Goods & Service Tax (GST) collections and amounts collected on behalf of third parties.

(i) Revenue from Sale of Goods:

Revenue from sale of goods is recognized when the customer obtains control of the Company's product, which occurs at a point in time, usually upon shipment, with payment terms typically in the range of 60 to 180 days after invoicing depending on product and geographic region. Taxes collected from customers relating to product sales and remitted to government authorities are excluded from revenues. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money. For contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation based on the relative standalone selling price. The Standalone selling price of each performance obligation is estimated using expected costs of satisfying such performance obligation and then an appropriate margin is added for such goods or services.

(ii) Revenue from Sale of Services:

Revenue from Sale of services is recognised as per the terms of the contracts with customers when the related services are performed, or the agreed milestones are achieved.

(iii) Interest Income:

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.3 Income Taxes:

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.4 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the

income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.5 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.7 Inventories:

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, fuel, stores & spare parts and packing materials: Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.
- Work-in-progress (WIP), finished goods and stock-in-trade: Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.8 Investments and other financial assets:

(i) Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes

(ii) Recognition:

Purchases and sale of financial assets are recognised on trade date, the date on which company commit to purchase or sale the financial assets.

(iii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

i. Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses).

ii. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue, foreign exchange gains and losses which are recognised in profit and loss. When

the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value are not reported separately from other changes in fair value.

c) Financial liabilities:

Classification, Subsequent measurement and gains and losses financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

d) Derecognition

i. Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

ii. Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

iv. Property, Plant & Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. On transition to Ind AS, the Company had elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2015 measured as per the

previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis to allocate their cost, net of residual value over the estimated useful lives of the assets. The useful lives have been determined in order to reflect the actual usage of the assets.

Following are the estimated useful lives:

Plant & Machinery	20 years
Electrical Equipment	10 years
Furniture and Fixtures	10 years
Vehicles	10 years
Office Equipment	5 years
Building	30 years
Laboratory Equipment	10 years
Computers	3 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

2.9 Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortization methods and periods

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Company amortizes intangible assets over a period of 3 years based on their estimated useful lives.

2.10 Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.11 Borrowings:

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before

the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

2.12 Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

2.13 Provisions

Provision for legal claims is recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense. Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

2.14 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, bonus, ex-gratia etc. that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(ii) Long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following postemployment schemes:

a) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

In respect of funded post-employment defined benefit plans, amounts due for payment within 12 months to the fund may be treated as 'current'. Regarding unfunded post-employment benefit plans, settlement obligations which are due within 12 months in respect of employees who have resigned or expected to resign or are due for retirement within the next 12 months is 'current'. The remaining amount attributable to other employees, who are likely to continue in the services for more than a year, is classified as "non-current".

Normally an actuary should determine the amount of current and non-current liability for unfunded post-employment benefit obligations.

b) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

2.15 Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Proposed dividend is recognised as a liability in the period in which it is declared by the Company, usually when approved by shareholders in a general meeting, or paid.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

2.16 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Contingent liabilities & Commitments

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from past events when no reliable estimate possible.
- a possible obligation arising from past events unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

2.18 Critical estimates and Judgements:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also exercise judgement in applying the Company's accounting policies.

Detailed information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included

In relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- (i) Estimation of current tax expense and current tax payable – refer Note: 31
- (ii) Estimation of defined benefit obligations- refer note: 18
- (iii) Allowance for uncollected accounts receivable and advances. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrevocable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

2.19 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income

Export incentives comprise of Duty draw back and MEIS (Merchandise Exports Incentive scheme) scrips. Export entitlements from government authorities are recognised in the statement of profit and loss as income or as a reduction from "Cost of materials consumed", when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received

2.20 Rounding of Amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

3 Property, plant and equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical equipment	Laboratory equipment	Office equipment	Computers	Furniture	Vehicles	Books and Periodicals	Total
Year ended March 31, 2022											
Gross Carrying amount											
At the beginning of the year	1,099.55	871.20	1,947.09	99.52	126.89	75.35	24.09	45.03	36.66	0.04	4,325.42
Additions	-	0.43	146.00	45.06	68.75	32.64	0.06	4.61	-	-	297.55
Disposals	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	1,099.55	871.63	2,093.09	144.58	195.64	107.99	24.15	49.64	36.66	0.04	4,622.97
Accumulated depreciation											
At the beginning of the year	0.09	220.24	611.90	31.14	27.29	8.87	5.77	(23.54)	29.89	0.03	911.68
Depreciation charged during the year	-	39.65	85.79	5.75	9.20	5.28	0.10	2.62	3.61	-	152.00
Disposals	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	0.09	259.89	697.69	36.89	36.49	14.15	5.87	(20.92)	33.50	0.03	1,063.68
Net carrying amount as at March 31, 2022	1,099.46	611.74	1,395.40	107.69	159.15	93.84	18.28	70.56	3.16	0.01	3,559.29
Year ended March 31, 2023											
Gross carrying amount											
At the beginning of the year	1,099.55	871.63	2,093.09	144.58	195.64	107.99	24.15	49.64	36.66	0.04	4,622.97
Additions	-	207.14	-	-	-	2.50	-	-	-	-	209.65
Disposals	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	1,099.55	1,078.77	2,093.09	144.58	195.64	110.49	24.15	49.64	36.66	0.04	4,832.62
Accumulated depreciation											
At the beginning of the year	0.09	259.89	697.69	36.89	36.49	14.15	5.87	(20.92)	33.50	0.03	1,063.68
Depreciation charged during the year	-	27.63	57.01	13.74	18.59	20.99	7.65	5.22	2.98	-	153.81
Impairment	-	-	892.80	-	-	-	-	-	-	-	892.80
Disposals	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	0.09	287.52	1,647.50	50.63	55.08	35.14	13.52	(15.70)	36.48	0.03	2,110.29
Net Carrying amount	1,099.46	791.25	445.59	93.95	140.56	75.35	10.63	65.34	0.18	0.01	2,722.34

Note

- The Title deeds of the immovable properties included in PPE are held in the name of the company.
- Charge on Property, plant and equipment:
All the property, plant and equipment are subject to a first charge, second charge and pari passu to secure the Company's working capital and Term loan bank loans.
- The Company has impaired its Property, Plant and Equipment during the year by an amount of ₹892.80 million in respect of Plant & Machinery which is included in Depreciation and Amortisation Expense. Calculation of impairment of PPE has been done by internal assessment. We have identified the indicators of impairment and designed appropriate methodology and model to estimate the recoverable value of assets. Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc based on historical results, current developments and future plans of business estimated by management. Accordingly brought the carrying amount of such assets to its estimated value in use.
- The Management has not physically verified the property, Plant & Equipment during the year.
- There are no proceedings initiated or pending against the company for holding any benami property under the benami transaction (prohibition) Act, 1988.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

4 Capital Work in Progress

Particulars	Amount
Year ended March 31, 2022	
At the beginning of the year	584.49
Additions	-
Capitalisations	(184.18)
As at March 31, 2022	400.31
Year ended March 31, 2023	
At the beginning of the year	400.31
Additions	13.48
Capitalisations	(207.14)
As at March 31, 2023	206.65

Note 4(a): Capital work-in-progress ageing schedule

As at March 31, 2023	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	206.65	-	-	206.65
As at March 31, 2022	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	400.31	-	-	400.31

Note 4(b):

- The Company has capitalized the CWIP amounting to ₹207.14 million during the Last Quarter of the FY 2022-23.
- The same amount has been spent on major development of factory units over period of time.
- The CWIP majorly consists of Plant & Machinery, Factory Equipment, and Furniture that has been purchased by the company but not has been installed for use.

5 Intangible assets

Particulars	Brands, Trademarks and Technical know how
Year ended March 31, 2022	
Gross carrying amount	
At the beginning of the year	865.15
Additions	-
Disposals	-
At the end of the year	865.15
Accumulated amortisation	
At the beginning of the year	283.02
Amortisation charge during the year	22.50
Disposals	-
At the end of the year	305.52
Net carrying amount as at March 31, 2022	559.63
Year ended March 31, 2023	



Vivimed

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Brands, Trademarks and Technical know how
Gross carrying amount	
At the beginning of the year	865.15
Additions	-
Disposals	-
At the end of the year	865.15
Accumulated amortisation	
At the beginning of the year	305.52
Amortisation charge during the year	22.50
Disposals	-
At the end of the year	328.02
Net carrying amount as at March 31, 2023	537.13

Note:

- The company has not revalued the Intangible Assets during the year.
- The company has received an advance from BBR Green fields Private Limited against the proposed sale of part of the speciality Chemical Business of the company, pursuant to the shareholders resolution passed through postal ballot notice dated: 23-08-2018. The transaction is subject to other regulatory/Bank/other agencies approval.

6 Investments

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-current investments		
Investments carried at cost		
Unquoted equity shares		
Investments in equity instruments in subsidiary companies		
1,015,000 (March 31, 2021: 1,015,000) equity shares of ₹10 each in Finoso Pharma Private Limited	100.00	100.00
10,000 (March 31, 2021: 10,000) equity shares of HKD 1 each in Vivimed Holdings Limited, Hong Kong	615.20	615.20
1,000 (March 31, 2021: 1,000) equity shares of USD 0.01 each in Vivimed Labs USA Inc, USA	0.0005	0.0005
900,000 (March 31, 2021: 900,000) equity shares of USD 1 each in Vivimed Labs Mauritius Limited, Mauritius	869.68	869.68
10,000 (March 31, 2021: 10,000) equity shares of ₹10 each in Vivimed Speciality Chemicals Private Limited	0.10	0.10
NIL (March 31, 2021: 14,133,440) equity shares of ₹10 each in Vivimed Life Sciences Private Limited		
Less: Provision for Impairment of Investments	(41.07)	(41.07)
Investments carried at fair value through profit and loss		
Investments in equity instruemnts in other companies		
Unquoted equity shares		
2,500,000 (March 31, 2021: 2,500,000) equity shares of ₹10 each in Yantra Green Power Private Limited	25.00	25.00
Others	0.99	0.99
Investments through fair value of corporate guarantees		
Vivimed Labs Mauritius Limited	20.96	20.96

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Vivimed Labs USA Inc.	2.65	2.65
Finoso Pharma Private Limited	2.25	2.25
Yantra Green Power Private Limited	15.60	15.60
Total	1,611.36	1,611.36
Total investments carried at cost	1,544	1,544
Total investments carried at fair value through profit and loss	26	26
Other investments	41	41

Note:

- a) The Investments held in by the company in its foreign subsidiaries, where the business operations are being carried out over past few years but taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books.

7 Inventories

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(Valued at lower of cost and net realisable value)		
Raw Materials	901.90	1,309.50
Packing Materials	19.20	114.48
Semi-finished & Work-in-process	458.60	246.54
Finished Goods (including Goods in transit)	212.70	720.16
Less: Written off during the year	(809.30)	-
Total Inventories	783.10	2,390.69

8 Trade receivables

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables considered Good- Unsecured	563.28	661.34
Total	563.28	661.34
Less: Allowance for doubtful receivables	(33.71)	(27.45)
Total Trade receivables	529.57	633.89

Ageing of trade receivables

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
Undisputed Trade Receivables						
considered good	432.08	32.53	83.45		15.22	563.28
which have significant increase in credit risk						
credit impaired						
Disputed Trade Receivables						
considered good						



Vivimed

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
which have significant increase in credit risk						
credit impaired						
Total	-	-	83.45	-	15.22	563.28
Less: Allowance for credit loss						(33.71)
Total Trade Receivables	-	-	83.45	-	15.22	529.57
March 31, 2022						
Undisputed Trade Receivables						
considered good	507.30	38.19	97.98	-	17.87	661.34
which have significant increase in credit risk						
credit impaired						
Disputed Trade Receivables						
considered good						
which have significant increase in credit risk						
credit impaired						
Total	507.30	38.19	97.98	-	17.87	661.34
Less: Allowance for credit loss						(27.45)
Total Trade Receivables	507.30	38.19	97.98	-	17.87	633.89

9 Cash and cash equivalents

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
i) Balances with banks:		
- On current accounts	32.31	67.74
ii) Cash on hand	1.17	0.03
(A) Total -(i+ii)	33.48	67.77
iii) Bank balances other than cash and cash equivalents stated above		
- Unpaid dividend account	-	-
(B) Total (iii)	-	-
Total (i+ii+iii)	33.48	67.77

10 Loans (Unsecured, considered good unless otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Loans and advances to related parties	30.39	42.33
Total	30.39	42.33

Note:

- a) The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹3,762.80 million as on 31.03.2023 as per books of Account. An amount of ₹352.80 million has been accounted as Provision for interest on the loan amount outstanding as on 31.03.2023. All the loan accounts outstanding as on 31.03.2023 are classified as NPA by the banks.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

11 Others Financial Assets

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Security deposits	606.16	566.01
Total Other financial assets	606.16	566.01

12 Current tax assets (Net)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advance tax and TDS receivable	97.65	106.71
Less: Provision for taxes	-	-
Total Current tax assets	97.65	106.71

13 Other current assets

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Unsecured, considered good		
Advances other than capital advances		
Staff advances	17.13	77.70
Other advances	427.12	380.24
Prepaid expenses	151.29	152.80
Total other current assets	595.54	610.74

14 Equity Share Capital

(i) Authorised equity share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	200,000,000	400.00
Movement during the year	-	-
As at March 31, 2022	200,000,000	400.00
Movement during the year	-	-
As at March 31, 2023	200,000,000	400.00

Authorised preference share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	710,000	710.00
Movement during the year	-	-
As at March 31, 2022	710,000.00	710.00
Movement during the year	-	-
As at March 31, 2023	710,000.00	710.00



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(ii) Issued, subscribed and fully paid-up equity share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	82,913,915	165.83
Movement during the year	-	-
As at March 31, 2022	82,913,915.00	165.83
Movement during the year	-	-
As at March 31, 2023	82,913,915.00	165.83

Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity shares of ₹2/- each fully paid		
BBR Projects Private Limited		
Number of shares held	9,495,504	9,495,504
% of holding	11.45%	11.45%
Kitara PIIN 1102		
Number of shares held	7,766,387	7,903,014
% of holding	9.37%	9.53%

(iv) Disclosure of share holding of promoters

Promoter name	31 st March 2023			31 st March 2022		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Santosh Varalwar	1,300,254	1.57%	0.00%	2,157,650	2.60%	0.00%
Manohar Rao Varalwar	1,034,225	1.25%	0.00%	1,034,225	1.25%	0.00%
Varalwar Subash	1,616,200	1.95%	0.00%	1,616,200	1.95%	0.00%
Varalwar Sandeep	1,875,647	2.26%	0.00%	1,875,647	2.26%	0.00%
Vithabai Varalwar	23,345	0.03%	0.00%	23,345	0.03%	0.00%
Mamatha Gurnukar	150,000	0.18%	0.00%	150,000	0.18%	0.00%
Sujatha Varalwar	393,995	0.48%	0.00%	393,995	0.48%	0.00%
Madhavi Varalwar	200,000	0.24%	0.00%	200,000	0.24%	0.00%
Neelima Vijaya Varalwar	100,000	0.12%	0.00%	100,000	0.12%	0.00%
Vijay Kumar Varalwar	150,000	0.18%	0.00%	150,000	0.18%	0.00%
Satish Gooty Agraharam	55,635	0.07%	0.00%	55,635	0.07%	0.00%
Sheetal Varalwar	568,985	0.69%	0.00%	568,985	0.69%	0.00%
Varalwar Padma	33,250	0.04%	0.00%	33,250	0.04%	0.00%
S Raghunandan	317,500	0.38%	0.00%	317,500	0.38%	0.00%
Chandrashekar Rao Sudigali	50,095	0.06%	0.00%	50,095	0.06%	0.00%
Promoters Group						
BBR Projects Private Limited	9,495,504	11.45%	0.00%	9,495,504	11.45%	0.00%

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

15 Other equity

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Reserves and Surplus		
Securities premium reserve	1,775.18	1,775.18
Capital reserve	8.57	8.57
General reserve	167.8	167.8
Revaluation reserve	380	380
Retained earnings	(1,164.22)	2,075.35
Total Other Equity	1,167.34	4,406.91

- (i) As there was no movement in Securities premium reserve, General Reserve, Capital reserve and revaluation reserve during the reporting year and previous year, reconciliation is not given.
- (ii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- (iii) Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act. The premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At the beginning of the year	2,075.35	2,747.29
Profit/(loss) for the year	(3,280.09)	(677.52)
Additions from amalgamated entities		
Dividend paid during the year (including tax on dividend)		
Ind AS Adjustment		
Other comprehensive income	40.52	5.58
At the end of the year	(1,164.22)	2,075.35

16 Financial Liabilities

16(a) Non-current Borrowings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Secured loans		
Term loans		
- From banks	-	-
- From financial institutions	-	-
Other loans		
- From financial institutions	-	-
Unsecured loans		
Sales tax deferment loan	3.66	3.66
FCCB's From Financial Institutions	616.15	602.47
Total non-current borrowings	619.81	606.13



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NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

16(b) Current Borrowings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(b) Current Borrowings		
Secured loans repayable on demand		
Working capital loans		
- Cash credit and packing credit loans	2,233.72	2,161.43
- Foreign bills discounting	-	-
Current maturities of long term Debt	912.90	801.85
Total current borrowings	3,146.62	2,963.28

A. Term loans:

Term loan from Banks consists of:

- (i) Loan taken from SBI for ₹700 mn (USD 10.1 mn) repayable in 16 instalments from October 2017 to June 2022. This loan carries an interest rate of 16.5%. The same has been defaulted by the Company and So, the company is in negotiation with SBI for one time settlement.

Term loan from Financial Institutions consists of:

- (i) ECB loan taken from IFC for USD 12.5 million repayable in 10 instalments from June 2015 to December 2019 and Company has applied for extension and its underprocess. This loan carries an interest rate of 6.02%.

All the term loans are secured by a charge on the moveable and immovable assets of the Company, present and future, with a paripassu charge.

B. Sales tax deferrment loan:

The Company has been granted an interest free sales tax deferrment loan by the Government of Andhra Pradesh. This loan is unsecured.

C. FCCB's from Financial Institutions:

The Company has obtained an FCCB from IFC in June 2011 for an amount of USD 7.5 million repayable in 5 years with a coupon rate of 0.55% per annum and an interest rate of 4.23% per annum compounded semiannually if the conversion option is not exercised. Subsequently, the due date for payment has been extended upto 30 September 2019. The Company has applied for extension and its underprocess. The entire portion was classified under "Borrowings", and there is no equity portion of the instrument.

D. Cash credits and packaging credit loans:

The Company has working capital facilities in the form of cash credits and packaging credit from State Bank of India, Indian Bank(Erst.Allahabad Bank), Bank of Bahrain and Kuwait and Exim with interest rates varying between 14.5% to 16.5%.

During the previous year, EXIM Bank have not renewed PCFC facility and the loan was called back during the previous year.

E. The company has not been declared as willful defaulter by any bank or financial institution.

17 Other financial liabilities

17(a): Other financial liabilities- Non-current:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(A) Non-Current		
Creditors for capital goods	170.06	170.06
Payable to related parties	1,451.03	1,458.53
	1,621.09	1,628.58

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

17(b): Other financial liabilities- Current:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(B) Current		
Employee salaries payable	39.36	72.06
Employee bonus payable	30.19	17.27
Provision for expenses	29.35	29.35
Total Other financial liabilities	98.90	118.67

18 Provisions

18(a) Provisions- Non-current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	39.51	76.73
- Compensated absences	-	-
Provision for others	-	3.66
Total Provisions-Non-current	39.51	80.39

18(b) Provisions- Current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	10.70	4.26
Total Provisions-Current	10.70	4.26

19 Deferred tax liabilities (net)

Particulars	1 st April, 2022	Changes through Profit and Loss	Changes through OCI	31 st March, 2023
Property, Plant and equipment	111.51	-21.17	-	90.33
Employee benefit expenses	-	-	-	-
Others	-	-	-	-
Total	111.51	-21.17	-	90.33
Deferred tax liability(net)	111.51	(21.17)	-	90.33

20 Other liabilities

20(a) Other liabilities - Non-current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deferred interest	36.80	36.80
Advances received	23.06	23.06
Advances from Sale of Spechem Asset	-	-
Financial guarantee liability	0.45	0.45
Total Non-Current liabilities	60.32	60.32



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NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

20(b) Other liabilities - Current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(B) Current		
Financial guarantee liability	13.50	13.50
Total Current liabilities	13.50	13.50

21 Trade payables

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of others	705.69	374.06
Total Trade payables	705.69	374.06

The Company has not received any intimation from Suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure relating to the outstanding amount due to MSME & other than MSME has not been furnished.

(a) Ageing of trade payables

As at 31st March, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables	-	-	-	-	-	-	-
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	705.69	-	-	-	705.69
Total trade payables	-	-	705.69	-	-	-	705.69

Ageing of trade payables

As at 31st March, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables	-	-	-	-	-	-	-
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	374.06	-	-	-	374.06
Total trade payables	-	-	374.06	-	-	-	374.06

(b) There are no trade payables with no specified due date of payments as at March 31, 2023 and March 31, 2022.

(c) There are no disputed dues as at March 31, 2023 and March 31, 2022.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

21 (A) Provisions

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2022	52.83	2.66	50.17
Current service cost	5.98	-	5.98
Interest expense/(income)	3.25	-	3.25
Amount recognized in Statement of profit and loss	9.23	-	9.23
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)		-	
Actuarial (gain) / loss	6.96	(0.18)	6.78
(Gain)/loss from change in demographic assumptions			
(Gain)/loss from change in financial assumptions			
Experience (gains)/loss			
Amount recognized in other comprehensive income	6.96	(0.18)	6.78
Amount recognized in total comprehensive income	16.19	-	16.19
Employer contributions	-	0.93	-
Benefit payments	-	(0.93)	-
As at March 31, 2023	36.64		33.98

22 Current tax liabilities (net)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for taxes	184.44	186.04
Less: Advance tax and TDS receivable	1.53	1.60
Total current tax liabilities	182.91	184.44

23 Revenue from operations

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Revenue from sale of products		
Domestic	1,742.95	2,083.86
Export	25.30	92.64
	1,768.25	2,176.50
Other operating revenue	-	7.17
Total Revenue from operations	1,768.25	2,183.67

24 Other income

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unwinding of interest on assets discounted		
Grants received		
Guarantee income		
Miscellaneous income	2.39	12.59
Total Other Income	2.39	12.59



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

25 Cost of materials consumed

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials and Consumables at the beginning of the year	1,309.50	1,477.75
Packing Materials at the beginning of thr year	114.48	87.54
Add : Opening Stock of Raw Material on Amalgamated Entities		
Add : Opening Stock of Packing Material on Amalgamated Entities		
Add : Purchases during the year	1,078.73	1,287.88
	2,502.72	2,853.17
Less : Raw Materials and Consumables at the end of the period	516.60	1,309.50
Less : Packing Materials at the end of the period	144.00	114.48
Total cost of raw materials consumed	1,842.12	1,429.19

26 Changes in inventories of finished goods, Work-in-progress and stock- in-trade

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Finished Goods		
Inventories at the beginning of the year	720.16	647.65
Add : Amalgamated Entities Finished Goods		
Less : Inventories at the end of the year	25.50	720.16
Sub Total (A)	694.66	(72.51)
Semi Finished Goods & Work-in-Progress		
Inventories at the beginning of the year	246.54	323.90
Less : Inventories at the end of the year	97.00	246.54
Sub Total (B)	149.54	77.36
Goods in transit		
Total change in inventories of finished goods, work in progress and stock-in-trade	844.20	4.85

27 Employee benefits expense

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Salaries, wages and bonus and other allowances	269.30	295.30
Contribution to provident and other funds	4.29	6.68
Contribution to Esl		
Staff welfare expenses	13.38	14.77
Total Employee benefit expense	286.97	316.75

28 Finance costs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest on term loans, ECB loans and vehicle loans	89.70	92.59
Interest on working capital loan and cash credit	258.05	290.49
Other borrowing cost	5.05	12.18
Total Finance costs	352.80	395.27

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

29 Depreciation and amortisation expense

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Depreciation on property, plant and equipment	153.81	151.99
Impairment on Plant & Machinery	892.80	-
Amortization of intangible assets	22.50	22.50
Total Depreciation and amortisation expense	1,069.10	174.49

30 Other expenses

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Consumption of Stores & Spares	31.49	27.25
Power & Fuel	87.25	75.50
Wages & Allowances	9.77	8.45
Labour Charges	85.67	74.13
Repairs to Building	0.48	0.41
Repairs to Machinery	23.57	20.39
Other Manufacturing Expenses	52.76	45.66
Loss on sale of asset	-	-
Job Work Charges	0.27	0.23
R & D Expenses	2.66	2.31
Business & Marketing Expenses	3.02	2.04
Bank charges	2.69	1.82
Commission & Discounts	75.52	51.10
Travelling Expenses - Foreign	0.47	0.32
Printing & Stationery	1.23	0.83
Telephone & Postage Expenses	2.09	1.41
Travelling Expenses	44.51	30.12
Rates & Taxes	0.55	0.37
Conveyance	26.53	17.95
Professional & Consultancy	36.46	24.67
Directors' Sitting Fee	0.67	0.45
Insurance	1.95	1.32
Rent	23.76	16.07
Other Administrative Expenses including provision impairment of Investment	130.22	88.11
Processing fee on term loans		
Provision against doubtful receivables	6.26	4.24
Fluctuation on Foreign exchange		
Directors' Remuneration - Salary	25.00	28.00
Payment to Auditors (Refer not no. 32(a))	1.89	1.89
Total other expenses	676.72	525.06



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

30(a): Details of payments to auditors

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
-As Statutory Auditor	1.82	1.82
-For Taxation Matters	0.07	0.07
Total payment to auditors	1.89	1.89

31 Tax expenses

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(i) Current tax expense:		
Current tax on profits for the year		-
Current tax charge/(reversals) of earlier years		-
Total current tax expense		-
(ii) Deferred tax expense*		
Decrease/(Increase) in deferred tax assets	(21.17)	28.17
(Decrease)/Increase in deferred tax liabilities		-
Total Deffered tax expense/(benefit)	(21.17)	28.17
(iii) Current Tax expense recognised in statement of profit and loss(i+ii)	(21.17)	28.17
(iv) Current Tax expense recognised in other comprehensive income		-
Tax expense/(benefit)		-
Total tax expense(iii+iv)	(21.17)	28.17

*Entire deferred tax for the year ended March 31, 2023 and March 31, 2022 relates to origination and reversal of temporary differences

Deferred tax related to items considered in OCI during the year

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Re-measurement gains/ (losses) on defined benefit plan	40.52	5.58
Income tax charge to OCI	40.52	5.58

32 Contingent liabilities and commitments

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
i) Contingent liabilities:		
- Corporate guarantees given on behalf of others	15.00	15.00
- Letter of credit outstanding		-
- Bank guarantees	4.59	9.41
- Income tax demand	1,209.75	2,131.30
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances		

33 The company doesn't have any transactions which are not recorded in books of accounts that has been surrender or disclosed for tax assessments under Income Tax Act, 1961 during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

- 34** The Company doesn't have any transactions or relationship with struck off companies.
- 35** The Company has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) 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.
- 36** The company has not received any funds 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
- 37** The company has not traded or invested in crypto currency or virtual currency during the financial year.
- 38** The company has complied with number of layers prescribed under clause (87) of section 2 of the act read with company rules, 2017.
- 39** There are no charges or satisfaction of charges yet to be registered with ROC beyond the statutory period.
- 40** The company has not applied for any scheme of arrangements in terms of section 230 to 237 of the companies act.

41 Related party disclosures

a) Names of related parties and description of relationship

Subsidiary Companies

Finoso Pharma Private Limited
Vivimed Holdings Limited
Vivimed Labs USA INC.
Vivimed Labs Mauritius Limited

Key Management Personnel ("KMP")

Santosh Varalwar (Managing Director)
Manohar Rao Varalwar (Executive Director)
Sandeep Varalwar (Executive Director)
Ramakantha Tripathi (CFO)
Yugandhar Kopparthi (Company Secretary)

b) Transactions with related parties

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Key Management Personnel		
Remuneration Paid*	33.88	38.98
Investments made		
In subsidiaries		
Subsidiaries and step down subsidiaries		
Sale of goods	190.11	-
Purchase of goods	16.7	9.95
Advances given	44.7	15.81
Advances received	-	24.74

*Does not include insurance, which is paid for the Company as a whole and gratuity and compensated absences as this is provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.



Vivimed

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

c) Details of balances receivable from and payable to related parties are as follows:

Name of Related Party	As at 31 st March, 2023	As at 31 st March, 2022
Finoso Pharma Private Limited	113.84	37.88
Vivimed Labs USA Inc.USA	(232.14)	(232.14)
Vivimed Labs Mauritius Limited	(488.14)	(488.14)
Vivimed Labs Spain USL	(259.77)	(259.77)
Union Quimico Farmaceutica SAU, Spain	(4.05)	(4.05)
Yantra Green Power Pvt Limited	3.32	(5.87)
Vivimed Holdings Ltd	523.41	523.41
Uquifa Mexico S.A. DE	0.45	0.45
BBR Green fields Private Limited	(958.53)	(958.53)

d) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

e) Others:

The Company has given Corporate Guarantee for the credit facilities of ₹15 Mn availed by the Subsidiaries.

42 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

The Company has two reportable segments - Speciality Chemicals Business and Pharma Business.

The segment revenue, profitability, assets and liabilities are as under:

Segment Revenue	As at 31 st March, 2023	As at 31 st March, 2022
a) Speciality Chemicals	112.21	412.04
b) Pharma	1658.44	1,771.63
c) Others	-	-
Total Revenue	1,770.65	2,183.67

Segment Results	As at 31 st March, 2023	As at 31 st March, 2022
(Profit before Tax & Interest)		
a) Speciality Chemicals	(1,274.51)	(158.34)
b) Pharma	(1,673.95)	(95.74)
c) Others	-	-
Total:	(2,948.46)	(254.08)
Less: (i) Interest	352.80	395.27
(ii) Other Un-allocable Expenditure	-	-
(iii) Un-allocable Income	-	-
Total Profit before tax	(3,301.26)	(649.34)

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Segment Assets	As at 31st March, 2022	As at 31st March, 2021
a) Speciality Chemicals	1,429.23	1,933.51
b) Pharma	6,493.30	8,784.37
Total	7,922.53	10,717.88
Segment Liabilities		
a) Speciality Chemicals	1,364.00	1,272.02
b) Pharma	5,225.36	4,872.99
Total	6,589.36	6,145.00
Capital Employed		
a) Speciality Chemicals	555.7	1,042.1
b) Pharma	3,208.5	6,017.5
Total	3,764.22	7,059.67

43 Ratios

S. No.	Particulars	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance (%)
1	Current ratio	Current assets	Current liabilities	0.64	1.21	-35.65%
2	Debt-equity Ratio	Total Debt (1)	Share holders funds	2.83	0.78	182.52%
3	Debt-service coverage Ratio	Earnings Available for debt service	Debt Service	(5.27)	(0.20)	-626.70%
4	Return on equity	Net profit after taxes	Average shareholder funds	(1.11)	(0.14)	-211.08%
5	Trade receivables turnover ratio	Sales	Trade receivables	3.34	3.44	234.00%
6	Inventory turnover Ratio	Sales	Average inventory	1.11	0.89	11.43%
7	Trade payables turnover ratio	Purchases	Trade payables	1.53	3.44	52.86%
8	Net capital turnover Ratio	Sales	Working capital	(1.19)	2.87	-219.28%
9	Net profit ratio	Net profit after tax	Sales	(1.85)	(0.31)	-285.50%
10	Return on capital employed	earnings before interest and taxes	Capital employed (2)	(0.78)	(0.03)	-178.33%
11	Return on investment	Income generated from investments	Time weighted average investments	N/A	N/A	N/A

(1) Total debt comprise of long term Borrowings, current maturities of long term debt and short term borrowings

(2) Capital employed comprise of Networth, total debt and Deferred tax liability

44 Auditors' remuneration include:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory audit fee (including limited review)	1.82	1.82
Taxation matters	0.07	0.07
Total	1.89	1.89



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

45 Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹2,000,000.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Opening balance	52.83	50.39
Current service cost	3.75	5.98
Interest cost	3.77	3.43
Benefits paid	(0.94)	-
Actuarial gain	(21.37)	(6.96)
Closing balance	38.04	52.83
Present value of projected benefit obligation at the end of the year	38.04	52.83
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the balance sheet	38.04	52.83
Current provision	8.15	3.09
Non current provision	29.88	49.75
Expenses recognised in statement of profit and loss	As at 31st March, 2023	As at 31st March, 2022
Service cost	3.75	5.98
Interest cost	3.77	3.43
Gratuity cost	7.52	9.41
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to others	(21.37)	(6.96)
Remeasurement because of OB difference	-	-
Return on plan assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(21.37)	(6.96)
Assumptions	As at 31st March, 2023	As at 31st March, 2022
Discount rate (per annum)	7.10%	7.13%
Future salary increases	5.00%	5.00%

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

Expenses recognised in statement of profit and loss	As at 31 st March, 2023	As at 31 st March, 2022
Impact of 1% increase in discount rate	54.17	48.73
Impact of 1% decrease in discount rate	(60.44)	(57.56)
Impact of 1% increase in salary growth rate	63.42	60.40
Impact of 1% decrease in salary growth rate	(48.39)	(46.09)
Impact of 1% increase in attrition rate	59.09	56.28
Impact of 1% decrease in attrition rate	(51.42)	(48.98)
Impact of 1% increase in mortality rate	55.56	52.92
Impact of 1% decrease in mortality rate	(55.38)	(52.75)

These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.

46 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a) the principal amount due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

47 Leases

Where the Company is a lessee:

The Company has taken various office premises under operating leases. The leases typically run for a term ranging from eleven months to five years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.



NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Not later than 1 year	13.02	13.02
Later than 1 year and not later than 5 years	11.30	11.30
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Cancellable lease expense	21.60	13.92
Non - cancellable lease expense	2.15	2.15
Total	23.76	16.07

48 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity Shares.

The following table sets out the computation of basic and diluted earnings per share:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Profit for the year attributable to equity share holders	(3,280.08)	(677.52)
Shares		
Weighted average number of equity shares outstanding during the year – basic	82,913,915	82,913,915
Weighted average number of equity shares outstanding during the year – diluted	85,413,915	85,413,915
Earnings per share		
Earnings per share of par value ₹2 – basic (₹)	(39.56)	(8.17)
Earnings per share of par value ₹2 – diluted (₹)	(38.40)	(7.93)

49 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/Decrease in Interest rate
31st March, 2022	
INR	+1%
INR	-1%
31st March, 2021	
INR	+1%
INR	-1%

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹529.57 mn (March 31,2022: ₹633.89mn). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	As at 31 st March, 2023	As at 31 st March, 2022
Opening balance	27.41	23.21
Credit loss provided/ (reversed)	6.30	4.20
Closing balance	33.71	27.41

No single customer accounts for more than 10% of the revenue as of March 31, 2023, March 31, 2022 and hence there is no significant concentration risk of revenue.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.



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NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand
Year ended 31st March, 2023	
Borrowings	2,234
Trade payables	706
Year ended 31st March, 2022	
Borrowings	2,161
Trade payables	374

50 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of 31st March, 2023, 31st March, 2022 was as follows:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total equity attributable to the equity shareholders of the Company	1,333	4,573
As a percentage of total capital	26.14%	56.17%
Long term borrowings	620	606
Short term borrowings	3,147	2,963
Total borrowings	3,766	3,569
As a percentage of total capital	73.86%	43.83%
Total capital (equity and borrowings)	5,100	8,142

51 Subsequent Events

There are no significant events that occurred after the balance sheet date.

52 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYB3187

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315

INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s VIVIMED LABS LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of **M/s VIVIMED LABS LIMITED** ("the company"), its subsidiaries (the Company, its subsidiaries together referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2023, 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 then ended on that date and notes to consolidated financial statements including a summary of significant accounting policies and other explanatory information. (herein referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, the consolidated loss and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹3,762.80 million as on 31.03.2023. (Refer to Note No. 10(a) of Financial Statements)
2. The Company has impaired its Plant & Machinery during the year by an amount of ₹892.80 million. we are unable to comment upon the correctness of Closing balances of PPE and methods employed for calculating the impairment on Plant & Machinery. (Refer to Note No. 3(c) of Financial Statements)
3. The company has written down the Inventories amounting to ₹809.3 million during the year. In absence of any competent third-party report and valuation method adopted by the management

in respect of written down of inventories, and closing balances, we are unable to comment on the discrepancies. (Refer to Note No. 7(b) of Financial Statements)

4. In absence of confirmations from the Related parties, we are unable to comment upon the correctness and validity of Related party transactions disclosed in the notes to financial statements with respect to the Investments, Receivables and Payables.
5. The Company has capitalized its Capital Work in Progress amounting to ₹207.14 million, we are unable to comment upon the correctness of the same. (Refer to Note No. 4(b) of Financial Statements)
6. In the absence of fair valuation of the investments, we are unable to comment upon the carrying value and whether any provision for impairment in the value of investments is required. (Refer to Note No. 6(a) of Financial Statements)
7. The company has been defaulted in the payment of various undisputed Statutory Dues amounting to ₹135.52 million with appropriate authorities.
8. As per our opinion, the compliance of Standards on Internal Audit, internal controls/internal audit system pertains to the operations of the company are not commensurate with the size & diversity of the activities of the company and the apparent weakness has been reported to the management for their appropriate measures to be taken in order to strengthen operations of the company.
9. The State Bank of India has appointed forensic auditors, the said audit is under progress and the final outcome is yet to come

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How the matter was addressed in our audit
<p data-bbox="142 296 873 329">Contingent Liabilities and litigation Matters</p> <p data-bbox="142 338 873 401">Refer note 2.17 of the basis of preparation of financial statements and note 33 to the consolidated financial statements.</p> <p data-bbox="142 422 873 590">The Company is subject to number of significant litigations. Major risks identified by the Company in that area related to Income Tax, BGs, LCs and corporate guarantee to its subsidiaries. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgment.</p> <p data-bbox="142 611 873 705">These provisions are based on judgements and accounting estimates made by management reflect in determining the likelihood and magnitude of an unfavourable outcome on the claims.</p> <p data-bbox="142 726 873 789">Accordingly, unexpected adverse outcomes could significantly impact the Company's reported profit and balance sheet position</p>	<p data-bbox="873 338 1622 369">Our audit procedures included the following:</p> <p data-bbox="873 380 1622 474">We evaluating the design and testing the operating effectiveness of controls in respect of the recognition and measurement of provisions towards litigation and claims;</p> <p data-bbox="873 485 1622 516">Corroborating management's assessment by:</p> <ul data-bbox="873 527 1622 907" style="list-style-type: none"> <li data-bbox="873 527 1622 558">• making enquiries with the in-house legal counsel of the Company; <li data-bbox="873 569 1622 642">• verifying correspondence, orders and appeals in respect of open litigation; <li data-bbox="873 653 1622 726">• obtaining confirmations from internal legal counsel where relevant and/ or evaluating legal opinions obtained by the management; <li data-bbox="873 737 1622 831">• evaluating significant adjustments to legal provisions recorded during the year to determine if they were indicative of management bias; and <li data-bbox="873 842 1622 907">• evaluating adequacy of disclosures given in Note 33 to consolidated financial statements.

Information Other than the Consolidated 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 Financial Statements

The 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 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, including the accounting Standards specified under section 133 of "the Act". 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 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 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 Financial Statements

Our objective is to obtain reasonable assurance whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 Standards on Auditing 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 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 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 financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated 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 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 Matters:

We did not audit the financial statements/financial information of 4 subsidiaries, whose financial statements/financial information reflect total assets before elimination of ₹1960.91 million as at 31st March, 2023, total revenues of ₹112.42 million for the year ended on that date, as considered in the consolidated financial statements. This financial statements/financial information are prepared and submitted to us by the Management and our opinion on the consolidated financial



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statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports and information provided by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 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 31st March, 2023 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.
- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March, 2023 on its financial position in its notes to consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - 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, other than as disclosed in the notes to accounts, 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 to or on behalf of the Ultimate Beneficiaries.
 - v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, 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 Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - vi. Based on the audit procedures 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), as provided under (a) and (b) above, contain any material misstatement.

- vii. The Holding Company or its Subsidiary Company Incorporated in India has not declared or paid any Dividend during the year.
2. 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

For P C N & Associates,
Chartered Accountants
Firm's Regn. No: 016016S

Sd/-

K Gopala Krishna
Partner

M No: 203605

UDIN: 23203605BGRTYC7344

Place: Hyderabad

Date: 30-05-2023



Vivimed

“ANNEXURE A” TO THE INDEPENDENT AUDITOR'S REPORT

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')

We have audited the internal financial controls over financial reporting of **M/s VIVIMED LABS LIMITED** ('the company') as of March 31, 2023 in conjunction with our audit of consolidated 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 Act, to the extent applicable to an Audit of Internal Financial Controls. Those standards and 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 risk 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 and the company's internal financial control system over financial reporting.

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 these 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 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 financial statements.

Inherent Limitations 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.

Qualified Opinion

In our opinion, as a result of the matters given in the Basis of Qualified opinion paragraph given in the Audit report the company as we have not obtained sufficient appropriate audit evidence in respect of those matters specifies

in the Basis of Qualified opinion paragraph we are unable to determine whether the company has established adequate internal financial controls over Financial Reporting and also whether such internal financial controls were operating effectively as at March 31st, 2023. Based 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.

Place: Hyderabad
Date: 30-05-2023

Other Matters:

Our aforesaid report under section 143(3)(i) of the companies Act, 2013 on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Indian subsidiary Company is based on the audit reports of the other auditors.

For P C N & Associates,
Chartered Accountants
Firm's Regn. No: 016016S

Sd/-

K Gopala Krishna
Partner

M No: 203605

UDIN: 23203605BGRTYC7344



Vivimed

CONSOLIDATED BALANCE SHEET

as at 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022
A. ASSETS			
1. Non - Current Assets			
(a) Property, Plant, Equipment	3	2781.75	3625.66
(b) Capital Work in Progress	4	206.65	400.31
(c) Investment Property			
(d) Goodwill		169.14	169.14
(e) Other Intangible Assets	5	1407.25	1404.15
(f) Intangible assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	6	1,988.21	1,988.21
(ii) Trade Receivables			
(iii) Loans			
(iv) Other Financial Assets			
(i) Deferred Tax Assets(Net)		-	-
(j) Other non current assets	7	7.58	-
2. Current Assets			
(a) Inventories	8	797.60	2407.66
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	9	768.11	873.64
(iii) Cash and cash equivalents	10	37.62	71.84
(iv) Bank Balances Other than(iii) Above			-
(v) Loans	11	397.99	429.49
(vi) Others (to be specified)	12	606.16	566.01
(c) Current Tax Assets (Net)	13	99.19	106.71
(d) Other current assets	14	616.18	617.31
TOTAL ASSETS		9883.44	12660.16
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	15	165.83	165.83
(b) Other equity	16	228.40	3477.03
2. Non- Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(a)	623.19	609.93
(ii) Trade Payables			
(A) Dues to micro and small enterprises			
(B) Dues to others			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	18(a)	4423.76	4412.68
(b) Provisions	19(a)	43.81	83.63
(c) Deferred tax liabilities (Net)	20	95.15	116.81
(d) Other non-current liabilities	21(a)	60.32	60.32
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(b)	3162.47	2978.88
(ii) Trade Payables			
(A) Dues to micro and small enterprises			
(B) Dues to others	22	694.13	418.94
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	18(b)	163.91	119.62
(b) Other Current Liabilities	21(b)	27.11	25.17
(c) Provisions	19(b)	12.48	5.62
(d) Current Tax Liabilities (net)	23	182.91	185.68
TOTAL EQUITY AND LIABILITIES		9883.44	12660.16

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYC7344

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Income			
Revenue from operations	24	1,870.99	2,372.87
Other Income	25	9.68	12.70
Total Income		1,880.68	2,385.57
Expenses			
Cost of Material Consumed	26	1,870.92	1,529.98
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	844.20	4.85
Employee Benefit Expenses	28	326.67	362.22
Finance costs	29	359.03	397.60
Depreciation and amortisation expense	30	1,084.07	182.83
Other expenses	31	702.29	556.42
Total Expenses		5,187.18	3,033.90
Profit/(loss) before exceptional items and tax		(3,306.50)	(648.33)
Exceptional Items		-	-
Profit/(loss) before tax		(3,306.50)	(648.33)
Tax expense:			
Current tax			
Deferred tax	32	(21.17)	(28.17)
Total tax expense		(21.17)	(28.17)
Profit/(Loss) for the year		(3,285.33)	(676.50)
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		40.62	5.58
Income-tax effect		-	-
(B) Items that will be reclassified to profit or loss			
Total other comprehensive income / (loss), net of tax		40.62	5.58
Total comprehensive income for the year		(3,244.71)	(670.91)
Earning per equity share of ₹10/- each:			
(1) Basic		(39.62)	(8.16)
(2) Diluted		(38.46)	(7.92)

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYC7344

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of
Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

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Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



Vivimed

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
I. Cash flows from operating activities		
Profit before tax	(3306.50)	(642.75)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	1084.07	182.82
Amortisation of intangible assets	-	-
Finance income (including fair value change in financial instruments)	-	-
Finance costs (including fair value change in financial instruments)	359.03	397.60
Operating profit before working capital changes	(1863.40)	(62.32)
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	105.54	201.39
Inventories	1610.06	149.17
Loans - current	1.13	(44.15)
Other Financial Assets	31.44	
Other assets - current	(40.15)	(84.46)
Adjustment for (increase)/decrease in operating liabilities		
Trade payables	275.19	76.42
Other financial liabilities	44.28	9.62
Other liabilities	(1.32)	16.65
Borrowings	183.59	
Provisions	6.86	13.09
Cash generated from operations	353.22	275.40
Income taxes paid	-	-
Net cash generated from/(used in) operating activities	353.22	275.40
II. Cash flows from investing activities		
Proceeds from sale/ (Purchase of) property, plant and equipment and intangibles (including capital work in progress), net	(49.68)	(164.10)
Investments made during the year	-	-
Interest received (finance income)	-	-
Net cash used in investing activities	(49.68)	(164.10)

CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
III. Cash flows from financing activities		
Share issue proceeds	-	-
Dividend paid	-	-
Proceeds from/(repayment of) long-term borrowings, net	21.21	69.26
Proceeds from/(repayment of) short-term borrowings, net	-	224.56
Interest paid	(359.03)	(397.60)
Net cash provided by financing activities	(337.82)	(103.79)
Net increase in cash and cash equivalents (I+II+III)	(34.28)	7.53
Cash and cash equivalents at the beginning of the year	71.84	64.31
Cash and cash equivalents at the end of the year (refer note below)	37.62	71.84
Note:		
Cash and cash equivalents comprise:		
Cash on hand	5.31	0.11
Balances with banks:		
- in current accounts	32.31	71.73
	37.62	71.84

Summary of significant accounting policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYC7344

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

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Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

1 Corporate Information

Vivimed Labs Limited is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in the manufacture of Active Pharmaceutical ingredients (API's), Intermediates and Nutraceutical ingredients with predominance in exports. In addition to generic business, the Company, through its custom synthesis business, supports innovator pharma companies for their patented products business right from gram scale requirements for clinical trials to launch as well as late life cycle management. The Company is a public limited company and the Company's equity shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in India.

The Financial statements are approved for issue by the Company's Board of Directors on May 30, 2023.

2 Significant accounting policies

2.1 Basis of preparation:

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and guidelines issued by Securities and Exchange Board of India (SEBI).

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2023.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value; (refer accounting policy regarding financial instruments)
- Defined benefit plans – plan assets measured at fair value

(iii) Current and non-current classification:

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

(iv) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Managing Director of the Company has been identified as being the Chief Operating Decision Maker. Refer Note 44 for the segment information presented.

(v) Functional and presentation currency

The financial statements are presented in Indian rupees millions, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee millions except share data, unless otherwise stated.

(vi) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

2.2 Revenue recognition:

Revenue is measured at the transaction price determined under IND AS 115- Revenue from contracts with customers. Amounts disclosed as revenue are net of returns, trade allowances, rebates, Goods & Service Tax (GST) collections and amounts collected on behalf of third parties.

(i) Revenue from Sale of Goods:

Revenue from sale of goods is recognized when the customer obtains control of the Company's product, which occurs at a point in time, usually upon shipment, with payment terms typically in the range of 60 to 180 days after invoicing depending on product and geographic region. Taxes collected from customers relating to product sales and remitted to government authorities are excluded from revenues. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money. For contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation based on the relative standalone selling price. The Standalone selling price of each performance obligation is estimated using expected costs of satisfying such performance obligation and then an appropriate margin is added for such goods or services.

(ii) Revenue from Sale of Services:

Revenue from Sale of services is recognised as per the terms of the contracts with customers when the related services are performed, or the agreed milestones are achieved.

(iii) Interest Income:

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.3 Income Taxes:

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.4 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.5 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.7 Inventories:

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, fuel, stores & spare parts and packing materials: Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.
- Work-in-progress (WIP), finished goods and stock-in-trade: Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.8 Investments and other financial assets:

(i) Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes

(ii) Recognition:

Purchases and sale of financial assets are recognised on trade date, the date on which company commit to purchase or sale the financial assets.

(iii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

i. Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses).

ii. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value

through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue, foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value are not reported separately from other changes in fair value.

c) Financial liabilities:

Classification, Subsequent measurement and gains and losses financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

d) Derecognition

i. Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

ii. Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

iv. Property, Plant & Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. On transition to Ind AS, the Company had elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis to allocate their cost, net of residual value over the estimated useful lives of the assets. The useful lives have been determined in order to reflect the actual usage of the assets.

Following are the estimated useful lives:

Plant & Machinery	20 years
Electrical Equipment	10 years
Furniture and Fixtures	10 years
Vehicles	10 years
Office Equipment	5 years
Building	30 years
Laboratory Equipment	10 years
Computers	3 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses

2.9 Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortization methods and periods

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Company amortizes intangible assets over a period of 3 years based on their estimated useful lives.

2.10 Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

2.11 Borrowings:

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

2.12 Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

2.13 Provisions

Provision for legal claims is recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense. Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

2.14 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, bonus, ex-gratia etc. that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following postemployment schemes:

a) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the

related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

In respect of funded post-employment defined benefit plans, amounts due for payment within 12 months to the fund may be treated as 'current'. Regarding unfunded post-employment benefit plans, settlement obligations which are due within 12 months in respect of employees who have resigned or expected to resign or are due for retirement within the next 12 months is 'current'. The remaining amount attributable to other employees, who are likely to continue in the services for more than a year, is classified as "non-current".

Normally an actuary should determine the amount of current and non-current liability for unfunded post-employment benefit obligations.

b) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

2.15 Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Proposed dividend is recognised as a liability in the period in which it is declared by the Company, usually when approved by shareholders in a general meeting, or paid

2.16 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Contingent liabilities & Commitments

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from past events when no reliable estimate possible.
- a possible obligation arising from past events unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

2.18 Critical estimates and Judgements:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also exercise judgement in applying the Company's accounting policies.

Detailed information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information

about each of these estimates and judgements is included

In relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and current tax payable – refer Note: 31
- Estimation of defined benefit obligations- refer note: 18
- Allowance for uncollected accounts receivable and advances. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrevocable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

2.19 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Export incentives comprise of Duty draw back and MEIS (Merchandise Exports Incentive scheme) scrips. Export entitlements from government authorities are recognised in the statement of profit and loss as income or as a reduction from "Cost of materials consumed", when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received

2.20 Rounding of Amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

3 Property, plant and equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical equipment	Laboratory equipment	Office equipment	Computers	Furniture	Vehicles	Books and Periodicals	Leasehold improvements	Total
Year ended March 31, 2022												
Gross carrying amount												
At the beginning of the year	1,554.15	1,346.01	2,378.21	97.04	258.70	104.20	84.38	68.15	49.96	0.29	2.03	5,943.12
Additions	-	0.43	147.51	45.06	68.82	32.64	0.06	4.61	-	-	6.77	305.89
Disposals	-	-	-	-	-	-	-	-	1.23	-	-	1.23
At the end of the year	1,554.15	1,346.44	2,525.72	142.10	327.52	136.84	84.44	72.76	48.73	0.29	8.80	6,247.78
Accumulated depreciation												
At the beginning of the year	(25.16)	346.56	2,015.51	23.55	31.81	27.65	34.55	(28.57)	35.35	0.16	0.38	2,461.80
Depreciation charged during the year	-	39.65	91.48	5.84	9.54	5.33	0.30	2.71	5.11	-	0.38	160.34
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	(25.16)	386.21	2,106.99	29.39	41.35	32.97	34.84	(25.86)	40.46	0.16	0.76	2,622.11
Net carrying amount as at March 31, 2022	1,579.31	960.23	418.73	112.70	286.17	103.87	49.60	98.62	8.27	0.13	8.03	3,625.66
Year ended March 31, 2023												
Gross carrying amount												
At the beginning of the year	1,554.15	1,346.44	2,525.72	142.10	327.52	136.84	84.44	72.76	48.73	0.29	8.80	6,247.78
Additions	-	207.14	0.95	0.08	0.06	2.88	-	0.24	-	-	-	211.35
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	1,554.15	1,553.58	2,526.67	142.18	327.58	139.71	84.44	73.00	48.73	0.29	8.80	6,459.13
Accumulated depreciation												
At the beginning of the year	(25.16)	386.21	2,106.99	29.39	41.35	32.97	34.84	(25.86)	40.46	0.16	0.76	2,622.12
Depreciation charged during the year	-	27.63	62.75	13.85	18.78	21.00	7.79	5.32	4.34	-	0.87	162.34
Impairment	-	-	892.80	-	-	-	-	-	-	-	-	892.80
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At the end of the year	(25.16)	413.84	3,062.54	43.24	60.13	53.97	42.63	(20.54)	44.80	0.16	1.63	3,677.25
Net carrying amount as at March 31, 2023	1,579.31	1,139.74	(535.87)	98.94	267.45	85.75	41.81	93.54	3.93	0.13	7.16	2,781.75

Note

- The Title deeds of the immovable properties included in PPE are held in the name of the company.
- Charge on Property, plant and equipment:
All the property, plant and equipment are subject to a first charge, second charge and pari passu to secure the Company's working capital and Term loan bank loans.
- The Company has impaired its Property, Plant and Equipment during the year by an amount of ₹892.80 million in respect of Plant & Machinery which is included in Depreciation and Amortisation Expense. Calculation of impairment of PPE has been done by independent valuer, they have identified the indicators of impairment and designed appropriate methodology and valuation model to estimate the recoverable value of assets. Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc., based on historical results, current developments and future plans of business estimated by management. Accordingly brought the carrying amount of such assets to its estimated value in use.
- The Management has not physically verified the property, Plant & Equipment during the year
- There are no proceedings initiated or pending against the company for holding any benami property under the benami transaction (prohibition) Act, 1988.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

4 Capital Work in Progress

Particulars	Amount
Year ended March 31, 2022	
At the beginning of the year	601.23
Additions	-
Capitalisations	(200.92)
As at March 31, 2022	400.31
Year ended March 31, 2023	
At the beginning of the year	400.31
Additions	13.48
Capitalisations/(Deletions)	(207.14)
As at March 31, 2023	206.65

Note 4(a): Capital work-in-progress ageing schedule

As at March 31, 2023	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	206.65	-	-	206.65
As at March 31, 2022	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	400.31	-	-	400.31

Note 4(b):

- The Company has capitalized the CWIP amounting to ₹207.14 million during the Last Quarter of the FY 2022-23.
- The same amount has been spent on major development of factory units over period of time.
- The CWIP majorly consists of Plant & Machinery, Factory Equipment, and Furniture that has been purchased by the company but not has been installed for use.

5 Intangible assets

Particulars	Brands, Trademarks and Technical know how
Year ended March 31, 2022	
Gross carrying amount	
At the beginning of the year	1,547.07
Additions	60.39
Disposals	-
At the end of the year	1,607.47
Accumulated amortisation	
At the beginning of the year	180.81
Amortisation charge during the year	22.51
Disposals	-
At the end of the year	203.31
Net carrying amount as at March 31, 2022	1,404.15
Year ended March 31, 2023	
Gross carrying amount	
At the beginning of the year	1,607.47



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Brands, Trademarks and Technical know how
Additions	31.99
Disposals	-
At the end of the year	1,639.46
Accumulated amortisation	
At the beginning of the year	203.31
Amortisation charge during the year	28.89
Disposals	-
At the end of the year	232.20
Net carrying amount as at March 31, 2023	1,407.25

Note:

- (a) The company has not revalued the Intangible Assets during the year.
- (b) The company has received an advance from BBR Green fields Private Limited against the proposed sale of part of the speciality Chemical Business of the company, pursuant to the shareholders resolution passed through postal ballot notice dated: 23-08-2018. The transaction is subject to other regulatory/Bank/other agencies approval.

6 Investments

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-current investments		
Investments in others		
Unquoted equity shares		
Investments in equity instruments in subsidiary companies		
2,500,000 (March 31, 2021: 2,500,000) equity shares of ₹10 each in Yantra Green Power Private Limited	25.00	25.00
Others	1,963.21	1,963.21
Total	1,988.21	1,988.21
Total investments carried at fair value through profit and loss	1,988.21	1,988.21

Note:

- a) The Investments held in by the company in its foreign subsidiaries, where the business operations are being carried out over past few years but taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books.

7 Other Non-current assets

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-Current		
Unsecured, considered good	-	-
Security Deposit	3.21	-
Advances other than capital advances	-	-
Fixed Assets with banks	4.4	-
Total other non-current assets	7.58	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

8 Inventories

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(Valued at lower of cost and net realisable value)		
Raw Materials	916.40	1,326.13
Packing Materials	19.20	114.48
Semi-finished & Work-in-process	458.60	246.54
Finished Goods (including Goods in transit)	212.70	720.51
Less: Written off during the year	(809.30)	-
Total Inventories	797.60	2,407.66

Note:

- (a) The company periodically reviews the value of items in inventory and provides write-downs or write-offs of inventory based on its assessment of market conditions.
- (b) Write-downs and write-offs are charged to cost of goods sold. The company experienced total write-downs and write-offs of ₹809.3 million which is inclusive of slow-moving stock and expired stock of no realisable value. This written off inventory is mostly related to the segment Speciality Chemicals. The Written down value of Inventory of ₹809.30 million is included in 'Changes in Inventories of finished goods work in progress' and 'stock-in-Trade'.

9 Trade receivables

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables considered Good- Unsecured	801.82	901.09
Total	801.82	901.09
Less: Allowance for doubtful receivables	(33.71)	(27.45)
Total Trade receivables	768.11	873.64

Ageing of trade receivables

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
Undisputed Trade Receivables						
considered good	615.05	46.31	118.79	-	21.67	801.82
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	-	-	118.79	-	21.67	801.82
Less: Allowance for credit loss	-	-	-	-	-	(33.71)
Total Trade Receivables	-	-	118.79	-	21.67	768.11
March 31, 2022						
Undisputed Trade Receivables						
considered good	691.21	52.04	133.50	-	24.35	901.09
which have significant increase in credit risk	-	-	-	-	-	-



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	691.21	52.04	133.50	-	24.35	901.09
Less: Allowance for credit loss	-	-	-	-	-	(27.45)
Total Trade Receivables	691.21	52.04	133.50	-	24.35	873.64

10 Cash and cash equivalents

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
i) Balances with banks:		
- On current accounts	32.31	71.73
ii) Cash on hand	5.31	0.11
(A) Total -(i+ii)	37.62	71.84
iii) Bank balances other than cash and cash equivalents stated above		
- Unpaid dividend account	-	-
(B) Total (iii)	-	-
Total (i+ii+iii)	37.62	71.84

11 Loans (Unsecured, considered good unless otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Loans and advances to related parties	88.22	119.72
Loans to employees and others	309.77	309.77
Total	397.99	429.49

Note:

- a) The Company has defaulted in repayment of dues to Banks and Financial institution amounting to ₹3,762.80 million as on 31.03.2023 as per books of Account. An amount of ₹352.80 million has been accounted as Provision for interest on the loan amount outstanding as on 31.03.2023. All the loan accounts outstanding as on 31.03.2023 are classified as NPA by the banks.

12 Others Financial Assets

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Security deposits	606.16	566.01
Total Other financial assets	606.16	566.01

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

13 Current tax assets (Net)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advance tax and TDS receivable	99.19	106.71
Less: Provision for taxes	-	-
Total Current tax assets	99.19	106.71

14 Other current assets

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Unsecured, considered good		
Advances other than capital advances		
Other advances	446.27	458.64
Prepaid expenses	152.78	158.67
Staff Advances	17.13	
Total other current assets	616.18	617.31

15 Equity Share Capital

(i) Authorised equity share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	200,000,000	400.00
Movement during the year	-	-
As at March 31, 2022	200,000,000	400.00
Movement during the year	-	-
As at March 31, 2023	200,000,000	400.00

Authorised preference share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	710,000	710.00
Movement during the year	-	-
As at March 31, 2022	710,000.00	710.00
Movement during the year	-	-
As at March 31, 2023	710,000.00	710.00

(ii) Issued, subscribed and fully paid-up equity share capital

Particulars	Number of Shares	Amount
As at April 1, 2021	82,913,915	165.83
Movement during the year	-	-
As at March 31, 2022	82,913,915.00	165.83
Movement during the year	-	-
As at March 31, 2023	82,913,915.00	165.83



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for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity shares of ₹2/- each fully paid		
BBR Projects Private Limited		
Number of shares held	9,495,504	9,495,504
% of holding	11.45%	11.45%
Kitara PIIN 1102		
Number of shares held	7,766,387	7,903,014
% of holding	9.37%	9.53%

(iv) Disclosure of share holding of promoters

Promoter name	31 st March 2023			31 st March 2022		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Santosh Varalwar	1,300,254	1.57%	0.00%	2,157,650	2.60%	0.00%
Manohar Rao Varalwar	1,034,225	1.25%	0.00%	1,034,225	1.25%	0.00%
Varalwar Subash	1,616,200	1.95%	0.00%	1,616,200	1.95%	0.00%
Varalwar Sandeep	1,875,647	2.26%	0.00%	1,875,647	2.26%	0.00%
Vithabai Varalwar	23,345	0.03%	0.00%	23,345	0.03%	0.00%
Mamatha Gurnukar	150,000	0.18%	0.00%	150,000	0.18%	0.00%
Sujatha Varalwar	393,995	0.48%	0.00%	393,995	0.48%	0.00%
Madhavi Varalwar	200,000	0.24%	0.00%	200,000	0.24%	0.00%
Neelima Vijaya Varalwar	100,000	0.12%	0.00%	100,000	0.12%	0.00%
Vijay Kumar Varalwar	150,000	0.18%	0.00%	150,000	0.18%	0.00%
Satish Gooty Agraharam	55,635	0.07%	0.00%	55,635	0.07%	0.00%
Sheetal Varalwar	568,985	0.69%	0.00%	568,985	0.69%	0.00%
Varalwar Padma	33,250	0.04%	0.00%	33,250	0.04%	0.00%
S Raghunandan	317,500	0.38%	0.00%	317,500	0.38%	0.00%
Chandrashekar Rao Sudigali	50,095	0.06%	0.00%	50,095	0.06%	0.00%
Promoters Group						
BBR Projects Private Limited	9,495,504	11.45%	0.00%	9,495,504	11.45%	0.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

16 Other equity

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Reserves and Surplus		
Securities premium reserve	2313.80	2313.80
Capital reserve	8.57	8.57
General reserve	141.16	141.16
Revaluation reserve	380	380
Retained earnings	(2,458.84)	2075.35
Foreign currency adjustment	(156.30)	(156.30)
Total Other Equity	228.40	4918.88

- (i) As there was no movement in Securities premium reserve, General Reserve, Capital reserve and revaluation reserve during the reporting year and previous year, reconciliation is not given.
- (ii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- (iii) Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Foreign currency adjustment

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At the beginning of the year	(156.30)	(156.30)
Add: Additions during the year	-	-
At the end of the year	(156.30)	(156.30)

Retained earnings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At the beginning of the year	789.79	1,462.70
Profit/(loss) for the year	(3,285.33)	(676.50)
Additions from amalgamated entities	-	-
Dividend paid during the year (including tax on dividend)	-	-
Ind AS Adjustment	(3.92)	(1.99)
Other comprehensive income	40.62	5.58
At the end of the year	(2,458.84)	789.79

17 Financial Liabilities

17(a) Non-current Borrowings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Secured loans		
Term loans		
- From banks	-	-
- From financial institutions	-	-



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Other loans		
- From financial institutions	3.38	3.80
Unsecured loans		
Sales tax deferment loan	3.66	3.66
FCCB's From Financial Institutions	616.15	602.47
Total non-current borrowings	623.19	609.93

17(b) Current Borrowings

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(b) Current Borrowings		
Secured loans repayable on demand		
Working capital loans		
- Cash credit and packing credit loans	2,248.75	2,175.89
- Foreign bills discounting	-	-
Current maturities of long term Debt	913.71	802.99
Total current borrowings	3,162.47	2,978.88

A. Term loans:

Term loan from Banks consists of:

- (i) Loan taken from SBI for ₹700 mn (USD 10.1 mn) repayable in 16 instalments from October 2017 to June 2022. This loan carries an interest rate of 16.5%. The same has been defaulted by the Company and So, the company is in negotiation with SBI for one time settlement.

Term loan from Financial Institutions consists of:

- (i) ECB loan taken from IFC for USD 12.5 million repayable in 10 instalments from June 2015 to December 2019 and Company has applied for extension and its underprocess. This loan carries an interest rate of 6.02%.

All the term loans are secured by a charge on the moveable and immovable assets of the Company, present and future, with a paripassu charge.

B. Sales tax deferrment loan:

The Company has been granted an interest free sales tax deferment loan by the Government of Andhra Pradesh. This loan is unsecured.

C. FCCB's from Financial Institutions:

The Company has obtained an FCCB from IFC in June 2011 for an amount of USD 7.5 million repayable in 5 years with a coupon rate of 0.55% per annum and an interest rate of 4.23% per annum compounded semiannually if the conversion option is not exercised. Subsequently, the due date for payment has been extended upto 30 September 2019. The Company has applied for extension and its underprocess. The entire portion was classified under "Borrowings", and there is no equity portion of the instrument.

D. Cash credits and packaging credit loans:

The Company has working capital facilities in the form of cash credits and packaging credit from State Bank of India, Indian Bank(Erst.Allahabad Bank), Bank of Bahrain and Kuwait and Exim with interest rates varying between 14.5% to 16.5%.

During the previous year, EXIM Bank have not renewed PCFC facility and the loan was called back during the previous year.

E. The company has not been declared as willful defaulter by any bank or financial institution.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

18 Other financial liabilities

18(a): Other financial liabilities- Non-current:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(A) Non-Current		
Creditors for capital goods	170.06	170.06
Payable to related parties	4,235.13	4,242.63
Lease Liability	18.58	-
	4,423.76	4,412.68

18(b): Other financial liabilities- Current:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(B) Current		
Employee salaries payable	39.36	72.06
Employee bonus payable	30.19	17.27
Provision for expenses	29.35	30.30
Lease Liability	6.11	-
Creditors for Other Expenses	58.90	-
Total Other financial liabilities	163.91	119.62

19 Provisions

19(a) Provisions- Non-current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	43.81	79.97
- Compensated absences	-	-
Provision for others	-	3.66
Total Provisions-Non-current	43.81	83.63

19(b) Provisions- Current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	12.48	5.62
Total Provisions-Current	12.48	5.62



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

20 Deferred tax liabilities (net)

Particulars	1 st April, 2022	Changes through Profit and Loss	Changes through OCI	31 st March, 2023
Property, Plant and equipment	116.81	-	-	95.15
Employee benefit expenses	-	-	-	-
Others	-	-	-	-
Total	116.81	-	-	95.15
Deferred tax liability(net)	116.81	-	-	95.15

21 Other liabilities

21(a) Other liabilities - Non-current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deferred interest	-	-
Advances received	60.32	60.32
Advances from Sale of Spechem Asset	-	-
Financial guarantee liability	-	-
Total Non-Current liabilities	60.32	60.32

21(b) Other liabilities - Current

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(B) Current		
Financial guarantee liability	27.11	25.17
Total Current liabilities	27.11	25.17

22 Trade payables

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Trade payables	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of others	694.13	418.94
Total Trade payables	694.13	418.94

The Company has not received any intimation from Suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure relating to the outstanding amount due to MSME & other than MSME has not been furnished.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(a) Ageing of trade payables

As at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables	-	-	-	-	-
Micro and small enterprises	-	-	-	-	-
Others	694.13	-	-	-	694.13
Total trade payables	694.13	-	-	-	694.13

Ageing of trade payables

As at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables	-	-	-	-	-
Micro and small enterprises	-	-	-	-	-
Others	418.94	-	-	-	418.94
Total trade payables	418.94	-	-	-	418.94

(b) There are no trade payables with no specified due date of payments as at March 31, 2023 and March 31, 2022.

(c) There are no disputed dues as at March 31, 2023 and March 31, 2022.

23 Current tax liabilities (net)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provision for taxes	182.91	185.68
Less: Advance tax and TDS receivable	-	-
Total current tax liabilities	182.91	185.68

24 Revenue from operations

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Revenue from sale of products		
Domestic	1,679.86	2,307.50
Export	191.13	58.20
	1,870.99	2,365.70
Other operating revenue	-	7.17
Total Revenue from operations	1,870.99	2,372.87



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

25 Other income

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unwinding of interest on assets discounted	-	-
Grants received	-	-
Guarantee income	-	-
Miscellaneous income	9.68	12.70
Total Other Income	9.68	12.70

26 Cost of materials consumed

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials and Consumables at the beginning of the year	1,326.13	1,497.39
Packing Materials at the beginning of thr year	114.48	87.54
Add : Opening Stock of Raw Material on Amalgamated Entities	-	-
Add : Opening Stock of Packing Material on Amalgamated Entities	-	0
Add : Purchases during the year	1,107.42	1,385.66
	2,548.04	2,970.60
Less : Raw Materials and Consumables at the end of the period	533.12	1,326.13
Less : Packing Materials at the end of the period	144.00	114.48
Total cost of raw materials consumed	1,870.92	1,529.98

27 Changes in inventories of finished goods, Work-in-progress and stock- in-trade

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Finished Goods		
Inventories at the beginning of the year	720.16	647.65
Add : Amalgamated Entities Finished Goods	-	-
Less : Inventories at the end of the year	25.50	720.16
Sub Total (A)	694.66	(72.51)
Semi Finished Goods & Work-in-Progress		
Inventories at the beginning of the year	246.54	323.90
Less : Inventories at the end of the year	97.00	246.54
Sub Total (B)	149.54	77.37
Goods in transit		
Total change in inventories of finished goods, work in progress and stock-in-trade	844.20	4.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

28 Employee benefits expense

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Salaries, wages and bonus and other allowances	306.02	349.96
Contribution to provident and other funds	14.76	6.68
Contribution to ESI	-	-
Staff welfare expenses	5.89	5.58
Total Employee benefit expense	326.67	362.22

29 Finance costs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest on term loans, ECB loans and vehicle loans	90.09	93.17
Interest on working capital loan and cash credit	259.95	292.25
Other borrowing cost	8.99	12.18
Total Finance costs	359.03	397.60

30 Depreciation and amortisation expense

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Depreciation on property, plant and equipment	162.36	160.32
Impairment on Plant & Machinery	892.80	-
Amortization of intangible assets	28.91	22.51
Total Depreciation and amortisation expense	1,084.07	182.83

31 Other expenses

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Consumption of Stores & Spares	31.49	47.25
Power & Fuel	91.23	59.05
Wages & Allowances	9.77	8.45
Labour Charges	85.47	74.13
Repairs to Building	2.55	2.21
Repairs to Machinery	27.84	20.39
Other Manufacturing Expenses	52.76	45.93
Loss on sale of asset	4.13	-
Job Work Charges	0.27	19.79
R & D Expenses	2.66	3.37
Business & Marketing Expenses	3.34	2.64
Bank charges	3.24	2.25
Commission & Discounts	75.52	51.10
Travelling Expenses - Foreign	0.47	0.32
Other selling expenses	0.11	-



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Printing & Stationery	1.94	1.57
Telephone & Postage Expenses	2.69	2.59
Travelling Expenses	44.86	32.69
Rates & Taxes	2.34	0.95
Conveyance	26.53	19.92
Consultancy Charges	37.61	31.43
Insurance	2.30	2.02
Rent	23.98	23.99
Other Administrative Expenses including provision impairment of Investment	130.22	71.45
Processing fee on term loans	-	0.08
Provision against doubtful receivables	6.26	0.19
Fluctuation on Foreign exchange	0.07	-
Payment to Auditors (Refer not no. 30(a))	32.66	32.66
Total other expenses	702.29	556.42

31(a): Details of payments to auditors

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
-As Statutory Auditor	32.48	32.48
-For Taxation Matters	0.17	0.17
Total payment to auditors	32.66	32.66

32 Tax expenses

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(i) Current tax expense:		
Current tax on profits for the year	-	-
Current tax charge/(reversals) of earlier years	-	-
Total current tax expense	-	-
(ii) Deferred tax expense*		
Decrease/(Increase) in deferred tax assets	(21.17)	(28.17)
(Decrease)/Increase in deferred tax liabilities	-	-
Total Deffered tax expense/(benefit)	(21.17)	(28.17)
(iii) Current Tax expense recognised in statement of profit and loss(i+ii)	(21.17)	(28.17)
(iv) Current Tax expense recognised in other comprehensive income	-	-
Tax expense/(benefit)	-	-
Total tax expense(iii+iv)	(21.17)	(28.17)

*Entire deferred tax for the year ended March 31, 2023 and March 31, 2022 relates to origination and reversal of temporary differences

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Deferred tax related to items considered in OCI during the year

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Re-measurement gains/ (losses) on defined benefit plan	40.62	5.58
Income tax charge to OCI	40.62	5.58

33 Contingent liabilities and commitments

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
i) Contingent liabilities:		
- Corporate guarantees given on behalf of others	15.00	15.00
- Letter of credit outstanding		-
- Bank guarantees	4.59	9.41
- Income tax demand	1,209.75	2,131.30
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	-	-

34 The company doesn't have any transactions which are not recorded in books of accounts that has been surrender or disclosed for tax assessments under Income Tax Act, 1961 during the year.

35 The Company doesn't have any transactions or relationship with struck off companies.

36 The Company has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) 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.

37 The company has not received any funds 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

38 The company has not traded or invested in crypto currency or virtual currency during the financial year.

39 The company has complied with number of layers prescribed under clause (87) of section 2 of the act read with company rules, 2017.

40 There are no charges or satisfaction of charges yet to be registered with ROC beyond the statutory period.

41 The company has not applied for any scheme of arrangements in terms of section 230 to 237 of the companies act.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

42 Related party disclosures

a) Names of related parties and description of relationship

Subsidiary Companies	Finoso Pharma Private Limited Vivimed Holdings Limited Vivimed Labs USA INC. Vivimed Labs Mauritius Limited
Key Management Personnel (“KMP”)	Santosh Varalwar (Managing Director) Manohar Rao Varalwar (Executive Director) Sandeep Varalwar (Executive Director) Ramakantha Tripathi (CFO) Yugandhar Kopparthi (Company Secretary)

b) Transactions with related parties

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Key Management Personnel		
Remuneration Paid*	33.88	39.93
Investments made		
In subsidiaries	-	-
Subsidiaries and step down subsidiaries		
Sale of goods	190.11	-
Purchase of goods	16.74	9.95
Advances given	44.7	15.81
Advances received	-	24.74

*Does not include insurance, which is paid for the Company as a whole and gratuity and compensated absences as this is provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

c) Details of balances receivable from and payable to related parties are as follows:

Name of Related Party	As at 31 st March, 2023	As at 31 st March, 2022
Finoso Pharma Private Limited	113.84	37.88
Vivimed Labs USA Inc.USA	(232.14)	(232.14)
Vivimed Labs Mauritius Limited	(488.14)	(488.14)
Vivimed Labs Spain USL	(259.77)	(259.77)
Union Quimico Farmaceutica SAU, Spain	(4.05)	(4.05)
Yantra Green Power Pvt Limited	3.32	(5.87)
Vivimed Holdings Ltd	523.41	523.41
Uquifa Mexico S.A. DE	0.45	0.45
BBR Green fields Private Limited	(749.30)	(958.53)
Yantra Green Power	3.32	(5.87)

d) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

e) Others:

The Company has given Corporate Guarantee for the credit facilities of ₹15 Mn availed by the Subsidiaries.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

43 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

The Company has two reportable segments - Speciality Chemicals Business and Pharma Business.

The segment revenue, profitability, assets and liabilities are as under:

Segment Revenue	As at 31 st March, 2023	As at 31 st March, 2022
a) Speciality Chemicals	112.21	412.04
b) Pharma	1768.46	1,960.83
c) Others	-	-
Total Revenue	1,880.67	2,372.87
Segment Results	As at 31 st March, 2023	As at 31 st March, 2022
(Profit before Tax & Interest)		
a) Speciality Chemicals	(1,274.51)	(158.34)
b) Pharma	(1,673.95)	(92.39)
c) Others	-	-
Total:	(2,948.46)	(250.73)
Less: (i) Interest	359.03	397.60
(ii) Other Un-allocable Expenditure	-	-
(iii) Un-allocable Income	-	-
Total Profit before tax	(3,307.49)	(648.33)
Segment Assets	As at 31 st March, 2023	As at 31 st March, 2022
a) Speciality Chemicals	1,429.23	1,933.51
b) Pharma	6,493.30	8,784.37
Total	7,922.53	10,717.88
Segment Liabilities		
a) Speciality Chemicals	1,364.00	1,272.02
b) Pharma	5,225.36	4,872.99
Total	6,589.36	6,145.00
Capital Employed		
a) Speciality Chemicals	555.7	1,042.1
b) Pharma	3,208.5	6,017.5
Total	3,764.22	7,059.67



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

44 Ratios

S. No.	Particulars	Numerator	Denominator	As at 31 st March, 2023	As at 31 st March, 2022	Variance (%)
1	Current ratio	Current assets	Current liabilities	0.64	1.21	-35.65%
2	Debt-equity Ratio	Total Debt ⁽¹⁾	Share holders funds	2.83	0.78	182.52%
3	Debt-service coverage Ratio	Earnings Available for debt service	Debt Service	(5.27)	(0.20)	-626.70%
4	Return on equity	Net profit after taxes	Average shareholder funds	(1.11)	(0.14)	-211.08%
5	Trade receivables turnover ratio	Sales	Trade receivables	3.34	3.44	234.00%
6	Inventory turnover Ratio	Sales	Average inventory	1.11	0.89	11.43%
7	Trade payables turnover ratio	Purchases	Trade payables	1.53	3.44	52.86%
8	Net capital turnover Ratio	Sales	Working capital	(1.19)	2.87	-219.28%
9	Net profit ratio	Net profit after tax	Sales	(1.85)	(0.31)	-285.50%
10	Return on capital employed	earnings before interest and taxes	Capital employed ⁽²⁾	(0.78)	(0.03)	-178.33%
11	Return on investment	Income generated from investments	Time weighted average investments	N/A	N/A	N/A

⁽¹⁾ Total debt comprise of long term Borrowings, current maturities of long term debt and short term borrowings

⁽²⁾ Capital employed comprise of Networth, total debt and Deferred tax liability

45 Auditors' remuneration include:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Statutory audit fee (including limited review)	32.48	32.48
Taxation matters	0.17	0.17
Total	32.66	32.66

46 Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2,000,000.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Opening balance	52.83	50.39
Current service cost	3.75	5.98
Interest cost	3.77	3.43
Benefits paid	(0.94)	-
Actuarial gain	(21.37)	(6.96)
Closing balance	38.04	52.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Present value of projected benefit obligation at the end of the year	38.04	52.83
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the balance sheet	38.04	52.83
Current provision	8.15	3.09
Non current provision	29.88	49.75
Expenses recognised in statement of profit and loss		
	As at 31st March, 2023	As at 31st March, 2022
Service cost	3.75	5.98
Interest cost	3.77	3.43
Gratuity cost	7.52	9.41
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to others	(21.37)	(6.96)
Remeasurement because of OB difference	-	-
Return on plan assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(21.37)	(6.96)
Assumptions		
	As at 31st March, 2023	As at 31st March, 2022
Discount rate (per annum)	7.10%	6.80%
Future salary increases	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

Expenses recognised in statement of profit and loss	As at 31 st March, 2023	As at 31 st March, 2022
Impact of 1% increase in discount rate	51.17	48.73
Impact of 1% decrease in discount rate	(60.44)	(57.56)
Impact of 1% increase in salary growth rate	63.42	60.40
Impact of 1% decrease in salary growth rate	(48.39)	(46.09)
Impact of 1% increase in attrition rate	59.09	56.28
Impact of 1% decrease in attrition rate	(51.43)	(48.98)
Impact of 1% increase in mortality rate	55.56	52.92
Impact of 1% decrease in mortality rate	(55.38)	(52.75)

These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.

47 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a) the principal amount due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

48 Leases

Where the Company is a lessee:

The Company has taken various office premises under operating leases. The leases typically run for a term ranging from eleven months to five years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Not later than 1 year	13.02	13.02
Later than 1 year and not later than 5 years	11.30	11.30
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Cancellable lease expense	21.83	21.84
Non - cancellable lease expense	2.15	2.15
Total	23.98	23.99

49 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity Shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

The following table sets out the computation of basic and diluted earnings per share:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Profit for the year attributable to equity share holders	(3,285.33)	(676.50)
Shares		
Weighted average number of equity shares outstanding during the year – basic	82,913,915	82,913,915
Weighted average number of equity shares outstanding during the year – diluted	85,413,915	85,413,915
Earnings per share		
Earnings per share of par value ₹2 – basic (₹)	(39.62)	(8.16)
Earnings per share of par value ₹2 – diluted (₹)	(38.46)	(7.92)

50 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/Decrease in Interest rate
31st March, 2022	
INR	+1%
INR	-1%
31st March, 2021	
INR	+1%
INR	-1%



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹529.57 mn (March 31, 2022: ₹633.89mn). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	As at 31st March, 2023	As at 31st March, 2022
Opening balance	27.45	23.21
Credit loss provided/ (reversed)	6.3	4.2
Closing balance	33.75	27.45

No single customer accounts for more than 10% of the revenue as of March 31, 2023, March 31, 2022 and hence there is no significant concentration risk of revenue.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand
Year ended 31st March, 2023	
Borrowings	2,249
Trade payables	694
Year ended 31st March, 2022	
Borrowings	2,176
Trade payables	419

51 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2023, March 31, 2022 was as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total equity attributable to the equity shareholders of the Company	394	3,643
As a percentage of total capital	9.43%	50.37%
Long term borrowings	623	610
Short term borrowings	3,162	2,979
Total borrowings	3,786	3,589
As a percentage of total capital	90.57%	49.63%
Total capital (equity and borrowings)	4,180	7,232

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2023

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

52 Subsequent Events

There are no significant events that occurred after the balance sheet date.

53 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **P C N & Associates**

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

K Gopala Krishna

Partner

Membership No.: 203605

UDIN: 23203605BGRTYC7344

Place: Hyderabad

Date: 30-05-2023

for and on behalf of the Board of Directors of

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Sd/-

Santosh Varalwar

Managing Director

DIN: 00054763

Sd/-

Ramakanta Tripathy

CFO

Sd/-

Manohar Rao Varalwar

Whole-Time Director

DIN: 00059815

Sd/-

Yugandhar Kopparthi

Company Secretary

M. No: ACS19315



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NOTICE

Notice is hereby given that the 35th Annual General Meeting of the members of M/s.Vivimed Labs Limited will be held on Monday, the 13th November, 2023 at 12:30 P.M. (IST) at the Registered Office of the Company: Plot No.78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka, India to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited Standalone financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and the Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

- (a) **“RESOLVED THAT** the audited Standalone financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
- (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr.Manohar Rao Varalwar (DIN: 00059815), who retires by rotation and, being eligible, seeks re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr.Manohar Rao Varalwar (DIN: 00059815), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint Statutory Auditors and fix their remuneration

To consider and, if thought fit, with or without modification, to pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s.PCN & Associates., Hyderabad, Chartered Accountants, (Registration No. 016016S), be and are

hereby Re-appointed as Auditors of the Company for a term of 4 (four) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 39th Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. **To ratify the remuneration payable to M/s.A.S.Rao & Co, Cost Accountants to audit the cost records for the financial year ending 31st March 2024.**

To consider and, if thought fit, with or without modification, to pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s.A.S.Rao & Co, Cost Accountants (Firm Registration No.000326) appointed as the Cost Auditors of the Company for conducting audit of the cost records, if required, for the financial year ending 31st March, 2024, be paid remuneration not exceeding ₹1.1 lacs (Rupees One lac Ten thousand only) excluding GST and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit.”

RESOLVED FURTHER THAT the Board of Directors, CFO and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

By order of the Board
for **Vivimed Labs Limited**

Sd/-

Kopparthi Yugandhar
Company Secretary

Place: Hyderabad
Date: 18th October, 2023

NOTES

1. As required under SS-2 issued by ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to Annual Report and forms part of this Notice.
2. All Members are requested to:
 - Intimate immediately any change in their address/email ids/ Bank account details along with self- attested documentary proofs to Company's Registrar and Share Transfer Agent (RTA):
Aarthi Consultants Private Limited
1-2-285, Domalguda, Hyderabad – 500029
Phone : 040-27638111/27634445,Fax: 040-27632184,
Email: info@aarhiconultants.com
 - Forward all Share Transfers and other communications/ correspondence to the RTA.
 - Inform change in address directly to their respective depository participants in case members are holding shares in demat form.
 - Always quote their Folio no. / Client ID no. in all their correspondence with the RTA.
3. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
4. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself/herself, and that a proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% (ten percent) of the total share capital of the company. A member holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other member.
5. An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamp not been cancelled, will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such proxies shall be considered as invalid.
6. Proxies to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company.
8. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting and vote.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Members are requested to bring their Original photo ID (like PAN Card, Aadhar Card, Voter Identity Card, etc, having photo identity) while attending the meeting.
11. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
12. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested maintained under the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer books will remain closed from Wednesday, November 08, 2023 to Monday, November 13, 2023 (both days inclusive).
14. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
15. In case of any queries regarding the Annual Report, members may write to yugandhar.kopparthi@vivimedlabs.com to receive an email response. Members desiring any information relating to the



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financial statements at the meeting are requested to write to us at least ten (10) days before the meeting to enable us to keep the information ready.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participant with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent of the Company - M/s.Aarthi Consultants Private Limited.
17. Non Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable, if such details were not furnished earlier
18. The Notice of 35th Annual General Meeting and instructions for e-voting along with Assent / Dissent Form, Attendance Slip and Proxy Form are being sent by electronic mode only to all members whose email address are registered with the Company/Depository Participant(s).
19. The Notice calling the AGM along with Annual Report has been uploaded on the website of the Company at <http://www.vivimedlabs.com>. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at <http://www.bseindia.com> & National Stock Exchange Of India Limited at <http://www.nseindia.com> and the same is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. <https://www.evotingindia.com>.
20. In compliance with the MCA Circulars and SEBI Circulars, the Notice of the 35th Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice of annual general meeting and Annual Report for the financial year 2022-23 will also be available on the Company's website <http://www.vivimedlabs.com> and the websites of the Stock Exchanges i.e. on BSE Limited at <http://www.bseindia.com> & National Stock Exchange Of India Limited at <http://www.nseindia.com>
21. Members whose names appear on the Register of Members/List of Beneficial Owners as on Tuesday November 07, 2023 will be considered for the purpose of voting.
22. The facility for voting shall be made available at the venue of the Annual General Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
23. We request you to update your e-mail address with the Company's RTA, if not yet registered, to ensure that the annual report and other documents reach you on your preferred e-mail.

E-Voting process:

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 35th Annual General Meeting to be held on Monday, the 13th November, 2023. The Company has engaged the services of CDSL to provide the e-voting facility at the link <https://www.evotingindia.com>. The Company has also appointed Mr.N.V.S.S.Suryanarayana Rao, Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday November 07, 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on <https://www.evotingindia.com>.

Members may cast their votes on electronic voting system from any place (remote e-voting). The voting period begins on Friday, November 10, 2023 at 09.00 a.m. and ends on Sunday, November 12, 2023 at 05.00 p.m. (preceding the date of AGM). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday November 07, 2023. i.e. cutoff date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

The facility for voting either through polling paper shall be made available at the venue of the Annual General Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than within two working days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

The results declared along with Scrutinizers' Report shall be placed on the Company's website <http://www.vivimelabs.com/> within two working days of the passing of the resolutions at the 35th AGM of the Company and shall be immediately communicated to BSE & NSE, where the shares of the Company are listed.

THE INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Friday, November 10, 2023 at 09.00 a.m. and ends on Sunday, November 12, 2023 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday November 07, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, 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.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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.



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Pursuant to abovesaid 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 CDSL Depository	<ol style="list-style-type: none"> 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 users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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: https://eservices.nsd.com 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. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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.

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.

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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) 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"> • 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.
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"> • 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.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.



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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.
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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; Yugandhar.Kopparthi@vivimedlabs.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. 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 **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. 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.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to

Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013
or send an email to helpdesk.evoting@cdslindia.com
or call at toll free no.1800 22 55 33

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4: The Board of Directors at its meeting held on 14.08.2023, had approved the re-appointment of M/s.A.S.Rao & Co, Cost Accountants (Firm Registration No.000326), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2024, at a remuneration not exceeding ₹1.1 lacs (Rupees One lac Ten thousand only) excluding GST and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the members of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out at Item No.4 for ratification of remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company, if required, for the financial year ending 31st March, 2024.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Ordinary Resolution as set out at Item No.4 of the Notice, except to the extent of their shareholding, if any, in the Company.

The Board recommends the Ordinary Resolution as set out at Item No.4 of the Notice for approval by the members.

By order of the Board
for **Vivimed Labs Limited**

Sd/-

Kopparthi Yugandhar
Company Secretary

Place: Hyderabad
Date: 18th October, 2023

ANNEXURE – A

FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To

Aarthi Consultants Private Limited

1-2-285, Domalguda, Hyderabad – 500029

Phone : 040 27638111/27634445, Fax : 040 27632184

Email : info@aarthiconsultants.com.

Company: Vivimed labs Limited

I agree to receive all documents / notices including the 35th Annual Report of the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____

DP ID / Client ID / Regd. Folio No. : _____

PAN No. : _____

E-mail Address : _____

Date:

Place:

(Signature of Member)



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ANNEXURE – B

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	Manohar Rao Varalwar
Director Identification Number	59815
Date of Birth	01/09/36
Nationality	Indian
Date of Appointment	10/11/94
Qualifications	Post-graduation in Veterinary Sciences from Edinburgh University, U.K.
Shareholding in the Company	10,34,225 Equity shares
Expertise in specific functional areas	He has around 55 years of experience in Administration, Biotechnology, pharmaceutical /chemicals products manufacturing and marketing
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	NIL
Chairmanships/ Memberships of Committees of other Public Companies (includes only Audit Committee; and Shareholders/ Investors Grievance Committee)	NIL



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PROXY FORM

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

Vivimed Labs Limited

CIN: L02411KA1988PLC009465

Registered office: Plot No.78-A, Kolhar Industrial Area, Bidar, Karnataka 585403

Name of the member (s):	_____
Registered address:	_____ _____
E-mail Id:	_____
Folio No/ Client Id: DP ID:	_____



I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him
2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him
3. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual general meeting of the company, to be held on the Monday, November 13, 2023 at 12.30 P.M.at 78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka State and at any adjournment thereof in respect of such resolutions as are indicated below:



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Resolution No(s).	Resolutions	Vote (Optional)	
		For	Against
Ordinary Business:			
1 (a)	To receive, consider and adopt the Standalone Balance Sheet as at March 31, 2023, Statement of Profit and Loss for the Financial Year ended on March 31, 2023, Cash Flow Statement for the Financial Year ended March 31, 2023 and reports of Directors and Auditors thereon.		
(b)	To receive, consider and adopt the Consolidated Balance Sheet as at March 31, 2023, Statement of Profit and Loss for the Financial Year ended on March 31, 2023, Cash Flow Statement for the Financial Year ended March 31, 2023 and Report of Auditors thereon.		
2	To appoint Director in place of Mr.Manohar Rao Varalwar (DIN: 00059815)who retires by rotation and being eligible offers for re appointment		
3	To appoint Statutory Auditors and fix their remuneration		
Special Business:			
4	To ratify the remuneration payable to cost auditor		

Signed this _____ day of _____ 2023

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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VIVIMED LABS LIMITED

CIN: L02411KA1988PLC009465

Regd. Office: Plot No.78-A, Kolhar Industrial Area, Bidar – 585403, Karnataka

Email: yugandhar.kopparthi@vivimedlabs.com, Website: vivimedlabs.com,

Tel: 08482 - 232045, Fax: 08482 – 232436

ATTENDANCE SLIP

35th Annual General Meeting

DP ID _____

(To be presented at the entrance)

Folio No./Client ID _____

I/We hereby record my/our presence at the 35th ANNUAL GENERAL MEETING of the Company at Registered office: 78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka on Monday, November 13, 2023 at 12.30 P.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

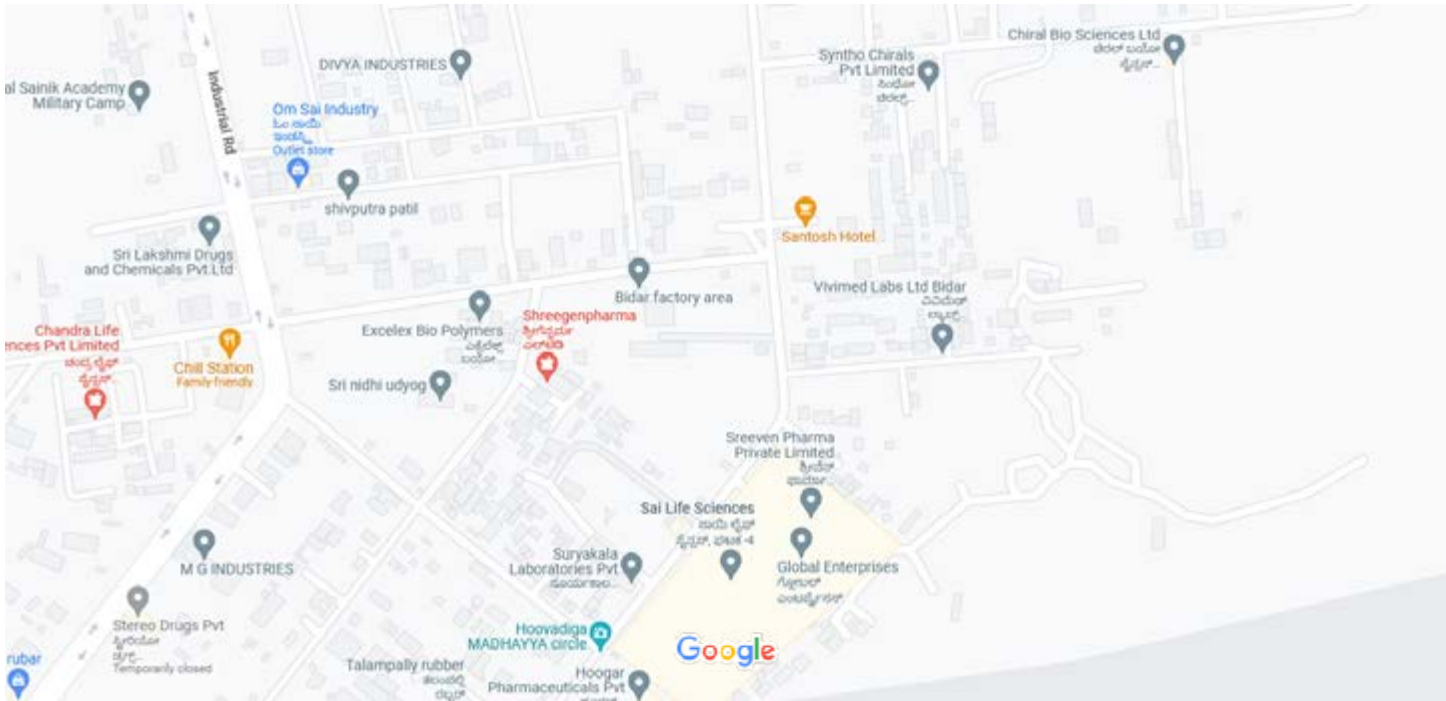
Signature of the Member/ Proxy



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Route Map to AGM Venue

Google Maps



Map data ©2022 100 m

NOTES



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VIVIMED LABS LIMITED

(CIN: L02411KA1988PLC009465)

Plot No. 78-A, Kolhar Industrial Area,
Bidar, Karnataka - 585403

www.vivimedlabs.com