



**Vivimed**

Date: 06.09.2025

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001  
Scrip Code: **532660**

National Stock Exchange of India Limited  
Exchange Plaza, Sandra Kurla Complex,  
Bandra (E), Mumbai - 400 051  
Symbol: **VIVIMEDLAB**

Dear Sir,

**Sub: Notice of the 37<sup>th</sup> Annual General Meeting and the Annual Report FY 2024-25 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, please find enclosed the Notice convening the 37<sup>th</sup> Annual General Meeting (AGM) of shareholders and the Annual Report for the financial year 2024-25 which is being circulated to the shareholders through electronic mode for the AGM to be held on Tuesday, September 30, 2025 at 03.00 PM (IST) through Video Conferencing / Other Audio-Visual Means.

The Notice and the annual report will also be made available on the Company's website at [www.vivimedlabs.com](http://www.vivimedlabs.com).

**The Schedule of events are as follows:**

Date and Time of AGM	Tuesday, 30.09.2025; & Time: 3.00 p.m. IST
Eligibility date for participation in the AGM	Tuesday, September 23, 2025
Remote e-voting start date and time	Saturday, September 27, 2025; 9:00 a.m. IST
Remote e-voting end date and time	Monday, September 29, 2025; 5:00 p.m. IST
Website of CDSL for remote e-voting and participation in the AGM through VC/OAVM	<a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a>

This is for your information and records.

Yours faithfully,  
**For Vivimed Labs Limited**

**Yugandhar Kopparthi**  
Company Secretary



Encl: As above

**Vivimed Labs Limited.**

CIN : L02411KA1988PLC009465  
Registered Office: #78/A, Kolhar Industrial Area,  
Bidar, Karnataka-585 403, India  
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Email: [info@vivimedlabs.com](mailto:info@vivimedlabs.com) | [www.vivimedlabs.com](http://www.vivimedlabs.com)

**Corporate Office:**

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**Vivimed**



**VIVIMED LABS LIMITED**

ANNUAL REPORT 2024-25



Vivimed




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Resilience is no longer about surviving the storm. It's about rewriting the rules of how we emerge from it — stronger, sharper, more agile than before. At Vivimed, every challenge is fuel, every disruption a catalyst, every setback a blueprint for reinvention.

But resilience without ambition is incomplete. That's why we don't just set goals — we redefine them. Not as numbers on a chart, but as a breakthrough in science, access to healthcare and value for every stakeholder we serve.

From advancing our formulations pipeline to widening our global reach, we are not following the future — **we are shaping it.**

BECAUSE WHEN RESILIENCE IS RETHOUGHT,  
AND GOALS ARE REDEFINED, WHAT BEGINS  
AS ENDURANCE TRANSFORMS INTO IMPACT.

**AND WHAT BEGINS AS AMBITION  
BECOMES LEGACY.**



# ABOUT US

## FROM HUMBLE ORIGINS TO GLOBAL IMPACT

What began in 1988 as a modest formulation contract manufacturer has evolved into Vivimed Labs—a dynamic pharmaceutical enterprise with a global footprint and a future-forward mindset. Headquartered in Hyderabad, India and listed on both the BSE and NSE, Vivimed exemplifies excellence and enduring trust among stakeholders.

## MANUFACTURING MUSCLE MEETS INNOVATION MINDSET

Vivimed's operational backbone comprises five advanced, certified facilities strategically positioned to serve global demand with precision and compliance. These are complemented by a cutting-edge R&D centre, its innovation nucleus, where formulation breakthroughs, process optimisation and tech adoption converge to shape next-generation solutions.

## PURPOSE-DRIVEN GROWTH

With a clear mission to deliver affordable, high-quality pharmaceuticals that elevate health outcomes, Vivimed continues to invest in capacity, agility and market expansion. Its resilience lies in its ability to anticipate therapeutic shifts, respond to regulatory landscapes and partner with stakeholders to drive meaningful impact—locally and globally.

**QUALITY CERTIFICATION**  
HEALTH CANADA | PICS/GMP







## OUR VISION

We aspire to become a fully integrated Branded Formulations & CDMO partner of choice in Global and Domestic Markets.



## MISSION

We shall continuously enhance our competitiveness by building strong capabilities in R&D and End To End Operational Excellence.



## OUR VALUES & 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.



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# OUR JOURNEY SO FAR

**1989**

Inception as a contract manufacturer for pharmaceutical formulations.

**1991**

API and Bulk Drug Manufacturing – Commenced production at Bidar, Karnataka.

Manufacturing APIs and bulk drugs such as ibuprofen, chlorzoxazone and nalidixic acid.

**1997**

Exploration into Specialty Chemicals- VIV-20 Patent grant by Indian Patents Office

Foray into speciality chemicals through the development and process innovation of Anti-Bacterial Viv-20 (Triclosan

**2000**

Breakthrough in Specialty Chemicals

Established an R&D centre Approved by Unilever for the supply of Viv-20 and Vivcal-G to Unilever's Asian locations.

**2005**

Expansion of Product Portfolio & Clientele

Listed on BSE & NSE

Development of new active ingredients

Introduction of Small Volume Parentals facility and Specialty Chemicals facility

Added new customers such as L'Oreal, P&G

Inorganic Growth Healthcare

Active Ingredients: Acquired James Robinson to increase global presence and increase product portfolio

**2011**

Embarked upon building an integrated. Healthcare company vis-à-vis pure play Spechem player

Acquired Uquifa, which marked Vivimed's entry into the API domain; added new customers, diversified product portfolio and 3 USFDA-approved manufacturing facilities.

Acquired Klar Sehen and Octantis Nobel to establish a footprint in the domestic FDF market as a branded manufacturer





## 2025

Focus on business segment of FDF with mandates for global reach of formulations.

## 2020-2024

Focus on debt retention

Monetised stake in subsidiary Uquifa & remained a minority investor.

## 2019

Divested portfolio of Hair dyes & Photochromics to reduce debt of Parent Company

## 2018

Acquisition of Soneas, a CDMO based out of Budapest, Hungary by its subsidiary Uquifa and predominant shift from API Generics to API-CDMO

## 2016

Personal Care Ingredients business divested to Clariant and retained Hair-dye & Photochromic Portfolio.

## 2014

Focused on integration and simulation

The acquisition of APMPL, a US FDA approved FDF facility, has opened doors in the regulated markets for generics.

Recent PIC/S GMP approval; access to the regulated CIS market for formulations

All building blocks in place to take the

healthcare segment to the next level of growth

## 2013

Investment for future pipeline

Commissioning of Bidar block for Pharma Intermediates

Upgradation of Jeedimetla facility to PICS standards

- Established API R&D with 65 scientists and formulations R&D with 45 scientists

- Health Canada approval for FR&D centre

## 2012

Harnessing the future

Focused on strengthening the API business with backward integration and procurement synergies





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## STATEMENT FROM THE MANAGING DIRECTOR



**“THE PAST YEAR HAS REINFORCED OUR CONVICTION IN THE STRENGTH AND RELEVANCE OF OUR STRATEGIC DIRECTION. OUR UNWAVERING FOCUS ON RESEARCH AND DEVELOPMENT, MARKET DIVERSIFICATION AND OPERATIONAL EXCELLENCE CONTINUES TO POSITION US FOR SUSTAINED GROWTH AND LONG-TERM VALUE CREATION.”**

### *Dear Esteemed Shareholders,*

It is my privilege to present our Annual Report for the financial year 2024–25. Despite prevailing macroeconomic and sectoral headwinds, we remained firmly on course—guided by our strategic clarity, operational discipline and a deep commitment to innovation. This year stands as a testament to our team’s resilience and ability to deliver impact with consistency and purpose.

### **NAVIGATING A DYNAMIC ECONOMIC AND PHARMACEUTICAL LANDSCAPE**

A complex and volatile global economic landscape defined the financial year 2024–25. Geopolitical tensions, persistent inflationary trends and ongoing supply chain disruptions continued to challenge business agility across sectors. The pharmaceutical industry, in particular, grappled with multifaceted pressures—including pronounced price erosion, rising input costs and increasingly rigorous regulatory frameworks across key markets.



India's pharmaceutical sector, long recognised as a global leader in generics and a cornerstone of affordable healthcare, is undergoing a structural transformation. The industry is steadily pivoting toward a value-centric paradigm, marked by accelerated investments in innovation, research and development and a strategic shift toward high-value segments such as biosimilars and specialty therapeutics.

At Vivimed, we have proactively aligned with this evolving trajectory, redefining our role from a traditional manufacturer to a strategic enabler within the global healthcare ecosystem. Our approach reflects a deep commitment to innovation, regulatory excellence and the creation of long-term value.

## STRATEGIC INITIATIVES AND OPERATIONAL HIGHLIGHTS

Despite a challenging macroeconomic environment, our strategic initiatives have enabled us to deliver a stable performance and establish a strong foundation for future growth. I am pleased to highlight several key initiatives that underscore our operational agility and expanding global footprint

- ### R&D and Product Development

We continued to invest in expanding our product portfolio and technical capabilities. In FY 2024-25, we successfully signed 16 new projects, including several in complex therapeutic categories. Notably, the completion and delivery of pivotal bioequivalence studies yielded positive outcomes, reinforcing our R&D strength and executional excellence.

- ### Commercialisation and Market Expansion

We made appreciable progress in commercialising differentiated products and entering new geographies. Commercial supplies for Bilastine Tablets, Rivaroxaban Tablets and Edoxaban Tablets were successfully launched. Our strategic focus on emerging markets translated into multiple dossier filings across Bolivia, Vietnam, Tanzania and the Philippines. In the Middle East, we initiated licensing and CDMO engagements, culminating in the successful out-licensing of two product dossiers to clients in Saudi Arabia, thereby unlocking new revenue streams.

- ### Regulated Markets

Our presence in regulated markets continued to strengthen. In Canada, we commercialised Chlorthalidone 10mg and 20mg and secured approvals for Allopurinol in 100mg, 200mg and 300mg strengths. While the launch of Allopurinol faced temporary delays due to customer-side constraints, we remain optimistic about its market potential. Our Canadian pipeline remains robust, with Empagliflozin 10mg and 25mg approved for launch in May 2026.

- ### Global Approvals and Orders

Our commitment to regulatory excellence yielded multiple new product approvals. These include Orzobac vaginal tablets in Azerbaijan and three products in Kyrgyzstan (Para + CPM, Bilastine, Fluban Sachets). In Ukraine, we secured approvals for additional generic versions of Bilastine Tablets, Fluban Sachet and Fluban Forte Sachet. We also received a strategic order from Uzbekistan for oral liquids, valued at USD 200,000 in Q4, demonstrating our ability to meet global quality benchmarks and scale market access.

## OUTLOOK

Looking ahead, our pipeline remains strong. We anticipate approvals for Rupatidine and Bilastine in Q1 FY26 and have successfully commercialised Bilastine in Kyrgyzstan with an initial order of USD 15,000. Our geographic expansion continues, with Empagliflozin 10/25mg filings in Saudi Arabia, Mexico and Zambia. We are actively engaged in product development and technology transfer discussions with partners across the EU, Canada and India, positioning us for sustained growth and innovation-led impact.

The past year has reinforced our conviction in the strength and relevance of our strategic direction. Our unwavering focus on research and development, market diversification and operational excellence continues to position us for sustained growth and long-term value creation.

Despite external challenges, we have remained agile and forward-looking-translating strategy into execution with discipline and impact.

Our progress is made possible by the dedication of our employees, the trust of our partners and the steadfast support of our shareholders. As we look ahead, we remain deeply committed to our mission: delivering high-quality, affordable pharmaceutical solutions that improve health outcomes globally, while generating enduring value for all stakeholders.

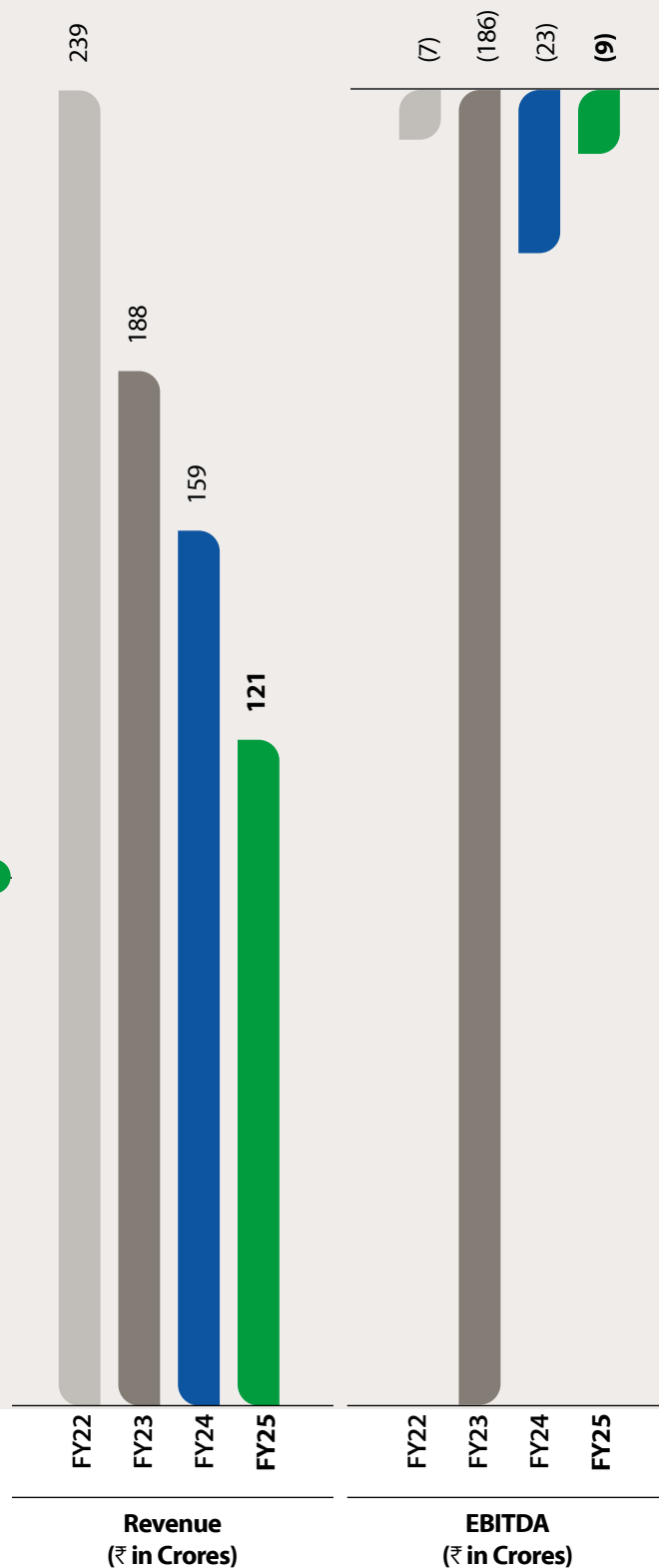
Thank you for your continued support.

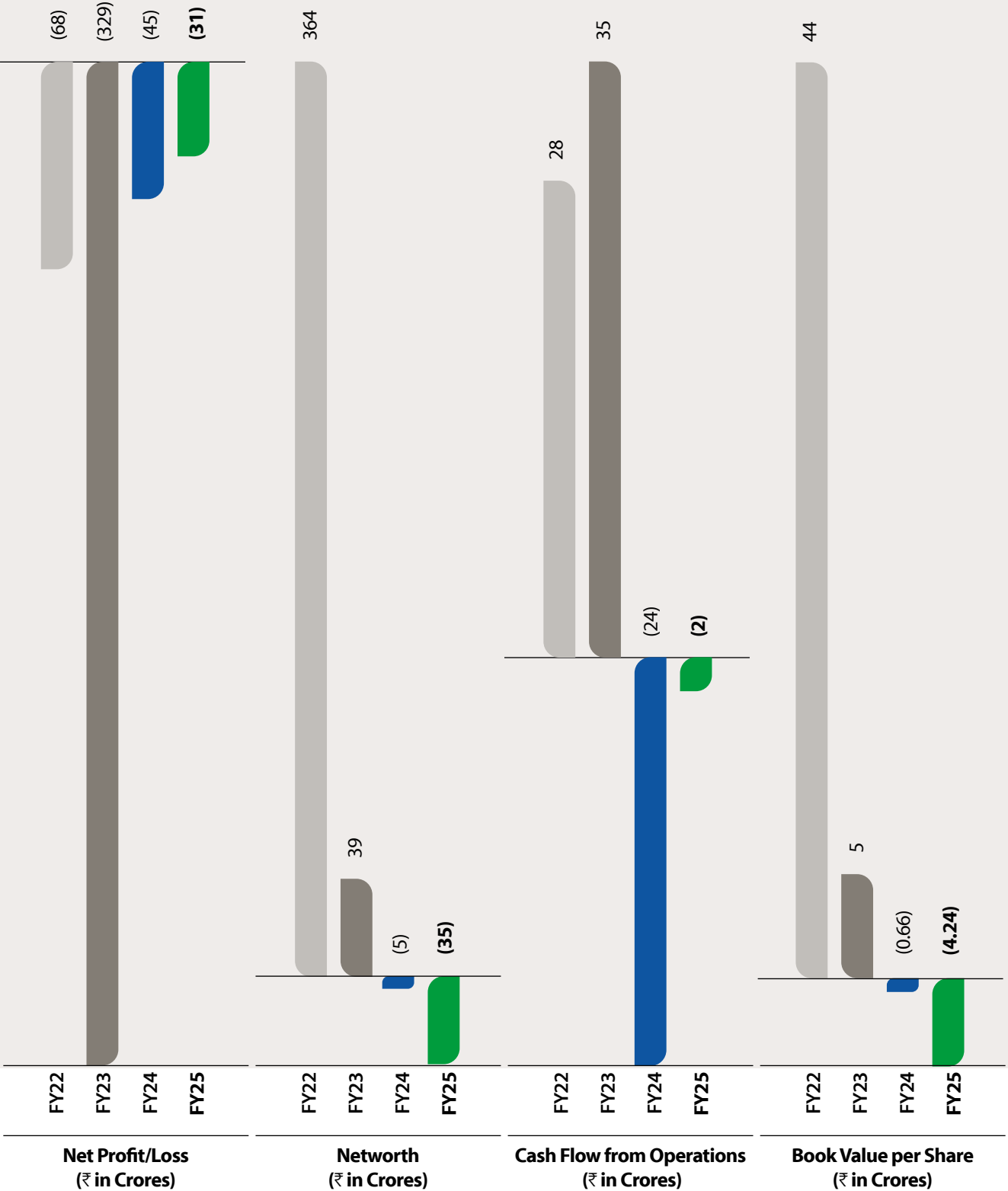
Sincerely,

**Santosh Varalwar**

*Managing Director*

# KEY PERFORMANCE INDICATORS





# MANAGEMENT, DISCUSSION AND ANALYSIS





## GLOBAL ECONOMY

In 2024, the global economy entered a phase of muted stabilisation rather than a strong rebound. While post-pandemic disruptions eased, pre-crisis growth momentum remained out of reach. A confluence of structural challenges marked this period, prompting the World Bank to label it the weakest half-decade of global growth since the 1960s. The IMF warns that without decisive reforms; growth could slip further to 2.8% in 2025.

Global growth remained modest in 2024, with the IMF projecting a 3.3% expansion. Beneath this headline figure, regional disparities were pronounced:

- The United States outperformed expectations with 2.6% growth, driven by resilient consumer spending, a strong labour market and manufacturing recovery.
- India led as the fastest-growing major economy, propelled by government capital investment and robust domestic demand.
- China's growth slowed to 5.0%, weighed down by corrections in the property sector and weak external demand.
- The Euro Area grew by 1.0%, while Japan saw minimal progress at 0.6%, constrained by soft exports and demographic headwinds.

In contrast to major economies, many developing and low-income nations faced persistent headwinds in 2024. Elevated debt, constrained fiscal space and climate-related shocks defined their economic landscape. Sub-Saharan Africa grew by 3.1% and Latin America by 2.0%, buoyed by commodity exports but limited by tight monetary conditions—highlighting a widening recovery gap.

Inflation eased but remained stubborn. Global headline inflation was projected to decline to 5.8% in 2024 and 4.4% in 2025. However, persistent services inflation complicated monetary policy normalisation, prolonging high interest rates and tightening credit, particularly burdening lower-income economies with rising debt-servicing costs.

Trade dynamics remained volatile. Geopolitical tensions and renewed tariff escalations—especially between the U.S. and China—disrupted investment flows and raised supply-side costs. Despite this, global trade showed early signs of recovery, with projected growth of 3.25% in



2024–25, driven partly by energy transition-related goods. Yet, risks of fragmentation lingered and the IMF cautioned against using tariffs to correct imbalances.

Investment growth stayed subdued. High debt and elevated rates dampened global capital formation. While advanced economies prioritised green energy and digital infrastructure, developing nations struggled with capital flight and declining FDI, which threatened their long-term development.

Outlook: The global economy in 2025 is shaped by a “normalisation squeeze”—where easing inflation and emerging stability come at the cost of slower growth and widening disparities. Tight monetary policy, persistent inflation, geopolitical tensions and trade fragmentation continue to challenge global resilience.

A key narrative is the growing divergence between advanced and emerging economies. Advanced economies are projected to grow at a subdued 1.5%, weighed down by restrictive monetary conditions, soft demand and a cooling labour market. In contrast, emerging and developing economies (EMDEs) remain the primary drivers of growth, with a projected expansion of 4.1%.



## INDIAN ECONOMY

India's FY25 economic narrative reflects bold resilience and strategic foresight amid global uncertainty. Defying volatile headwinds, real GDP grew by an estimated 6.5%, anchored by strong domestic demand and targeted public capital expenditure.

Macroeconomic stability held firm. Retail inflation averaged 5.3%, contained within the RBI's tolerance band despite food price shocks. The repo rate remained steady at 6.50%, striking a balance between growth and inflation.

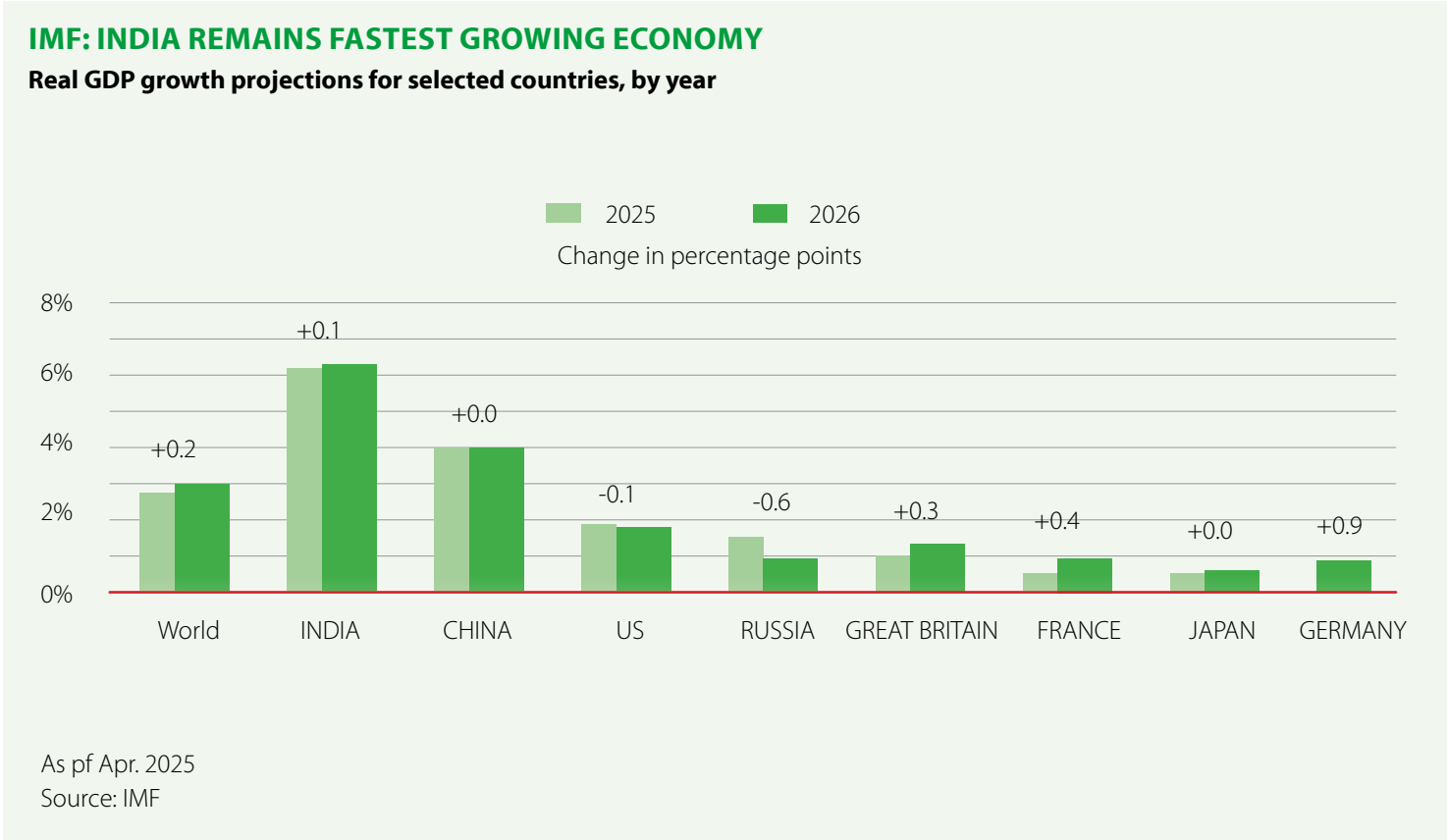
External dynamics remained resilient. Merchandise exports softened amid weak global trade, but services exports-led by IT, fintech and GCCs-provided a robust buffer. Forex reserves stood at USD 696.7 billion (July 2025), reinforcing currency stability. Non-petroleum exports hit a record USD 374.1 billion, up 6.0% YoY, while the CAD widened modestly to 1.1-1.2% of GDP, remaining sustainable.

Industrial momentum continued. The IIP rose 4%, driven by a 4.1% uptick in manufacturing. Expanded PLI schemes catalysed private investment in electronics, semiconductors and green energy.

Digital and demographic dividends deepened. UPI has crossed 15 billion monthly transactions, underscoring the rapid digitisation. With a median age of 28.4, India's young workforce is increasingly powering growth.

Labour market trends remained positive. Unemployment stood at 5.6% in May and June 2025, reflecting steady job creation in both manufacturing and services. Initiatives like the ₹50,000 Crore Self-Reliant India Fund continue to support MSMEs and inclusive employment.

Outlook: India enters FY26 with momentum and confidence, building on the solid gains of FY25. The outlook signals sustained growth, contained inflation and continued strategic investment, even amid global headwinds. The RBI projects 6.5% GDP growth, echoing FY25 levels. This resilience is expected to stem from strong domestic consumption-across both rural and urban segments-bolstered by ongoing public capital expenditure and the continued impact of FY25's personal income tax cuts, which are lifting demand among middle-income households.



GLOBAL PHARMACEUTICAL INDUSTRY

The global pharmaceutical market is projected to grow steadily in 2024, reaching USD 1,645.75 billion, with a CAGR of 6.12% through 2030, targeting USD 2,350.43 billion. While growth has moderated post-pandemic, key drivers include:

- Rising healthcare spend in emerging markets
- Advancements in oncology, immunology and rare disease R&D
- Accelerated adoption of AI in drug discovery

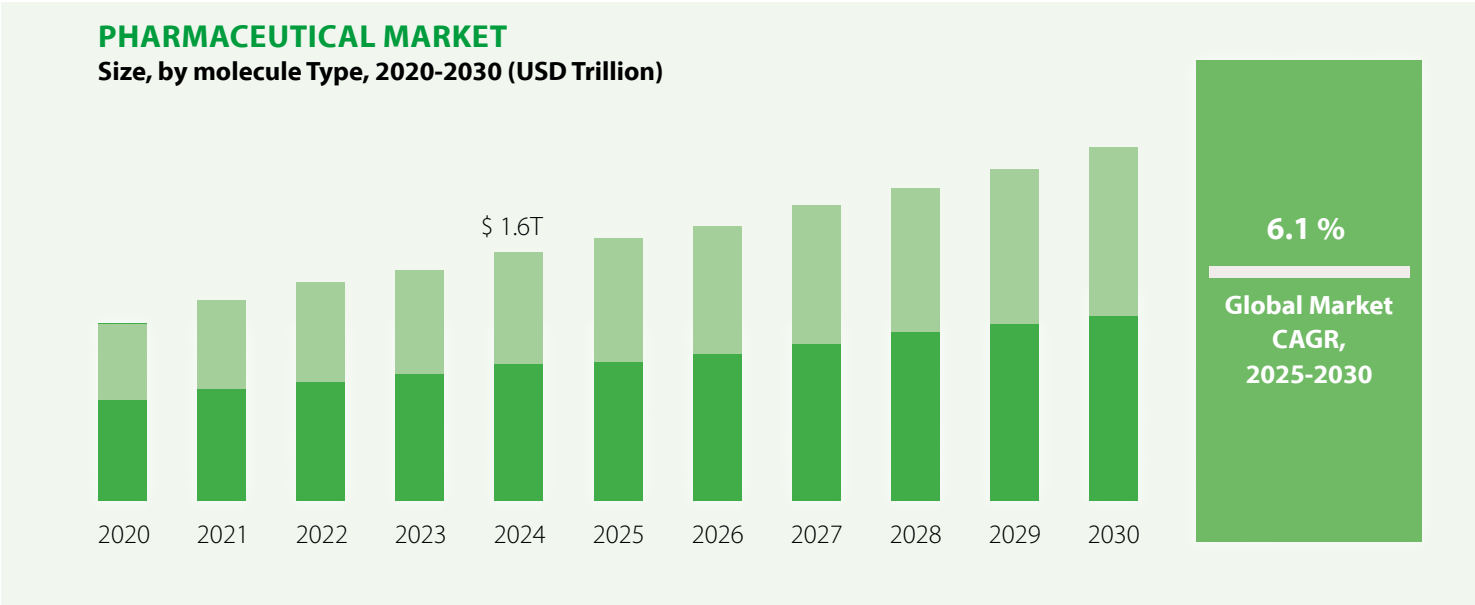
The U.S., China and major European economies continue to lead market share, with China gaining momentum through regulatory reforms and domestic innovation.

KEY DRIVERS OF GROWTH

- Chronic Disease Burden:** Rising incidence of cancer, diabetes and neurological disorders is fuelling demand for advanced therapies.
- Ageing Population:** A growing geriatric demographic is increasing the need for age-related pharmaceutical interventions.
- Therapeutic Innovation:** Breakthroughs in oncology, immunology and rare diseases—especially in precision medicine, gene therapy and cell therapy—are transforming treatment paradigms.
- Tech-Driven Efficiency:** AI and ML are streamlining drug discovery, clinical trials and manufacturing, enhancing speed and cost-effectiveness.
- Emerging Market Expansion:** Improved healthcare access and rising incomes in developing regions are broadening the global patient base.

INDUSTRY TRENDS

- Biologics and Biosimilars:** The demand for targeted biologic therapies continues to rise, while biosimilars gain traction amid patent expirations and cost pressures. Small-molecule drugs remain the dominant force in the overall market share.
- Sustainability and ESG Focus:** Pharmaceutical companies are ramping up investments in sustainability, focusing on energy efficiency, waste reduction and eco-friendly packaging to meet regulatory standards and strengthen corporate responsibility.
- Outsourcing:** Outsourcing to CMOs and CROs is accelerating, driven by the need for cost efficiency, faster development cycles and scalable manufacturing solutions.
- CHALLENGES AND RISKS**
- Pricing Pressures and Regulatory Reforms:** Governments worldwide—including the U.S. (via the Inflation Reduction Act), EU and Japan—are ramping up drug price controls, reshaping revenue models and pressuring pharmaceutical profitability.
- Supply Chain Vulnerabilities:** Geopolitical instability and global disruptions are exposing critical vulnerabilities in pharmaceutical supply chains, disrupting production and distribution due to heavy reliance on region-specific raw materials.
- Regulatory Complexity:** The pharmaceutical industry faces a constantly evolving and often conflicting set of international regulations, leading to delays in drug approvals and increased compliance burdens.





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## INDIAN PHARMACEUTICAL INDUSTRY

India has cemented its position as a global pharmaceutical powerhouse—the world's largest provider of generic drugs and a key supplier of affordable vaccines. Ranked third globally in pharmaceutical production by volume, the industry has demonstrated consistent growth, with a CAGR of 9.43% over the past nine years.

### MARKET STRENGTH AND GLOBAL IMPACT

India plays a pivotal role in global healthcare, supplying over 50% of the world's vaccines, 40% of the U.S.'s generic drug demand and 25% of the UK's medicines. Domestically, the industry comprises 3,000 drug companies and 10,500 manufacturing units, including the highest number of US FDA-compliant facilities worldwide.

Currently valued at US\$50 billion, the industry generates over US\$25 billion in exports, accounting for 20% of global generic exports. It's projected to reach US\$65 billion by 2024, US\$130 billion by 2030 and US\$450 billion by 2047. This growth translates into affordable medicines, improved healthcare and widespread job creation—from small towns to major cities, India's pharmaceutical sector is driving opportunity and saving lives.

### KEY TRENDS

**Innovation-Led Growth:** Indian pharma is shifting from volume-driven generics to innovation-led models, with rising R&D investment in complex generics, biosimilars, novel delivery systems and specialty therapies. Global partnerships and innovation hubs are accelerating this transformation.

**Global Market Expansion:** Regulatory approvals in the U.S., Europe and Japan are enabling Indian firms to scale globally. Strategic moves in differentiated portfolios and backward integration are strengthening their foothold in regulated markets.

**Digitisation Across the Value Chain:** AI-driven drug discovery, predictive supply chain analytics and digital therapeutics are reshaping operations. Industry 4.0 adoption is enhancing efficiency, compliance and patient engagement.

**Rise of CDMO and CRO Services:** India is emerging as a global hub for contract manufacturing and research, backed by cost efficiency, skilled talent and regulatory strength.

**Government Push for Affordable Healthcare:** Initiatives like PMBJP and Ayushman Bharat are driving demand for low-cost generics and fostering public-private partnerships in healthcare delivery.

### KEY CHALLENGES

**Regulatory Compliance:** Heightened scrutiny from global regulators, especially the USFDA, demands continuous upgrades in quality control, documentation and audit readiness.

**Pricing & Margin Pressure:** Price caps under NLEM and competitive export markets are compressing margins. Companies must drive efficiency and innovate to balance affordability with profitability.

**Talent Retention:** As products become more complex, attracting and retaining skilled professionals in R&D, biotech and regulatory affairs is increasingly challenging.

**Global Uncertainty:** Currency volatility, trade barriers and geopolitical tensions threaten export performance and raw material sourcing, especially in regulated markets.

### GOVERNMENT INITIATIVES

**SPI Scheme:** ₹500 crore (US\$60.9M) allocated to boost productivity, quality and sustainability across pharma clusters and MSMEs.

**PMBJP Expansion:** Target of 10,500 Jan Aushadhi Kendras by March 2025, offering 1,451 drugs and 240 surgical items to ensure affordable access to medicines.

**PLI Scheme:** ₹15,000 crore (US\$2.04B) outlay (2020–2029) to enhance manufacturing, attract investment and diversify offerings. ₹604 crore disbursed in H1 FY25 signals active rollout.

**Union Budget 2025-26:** ₹5,268.72 crore (US\$602.9M) allocated to the Department of Pharmaceuticals—a 28.8% increase over FY25 estimates—reinforcing long-term sectoral commitment.



## OUR BUSINESS

Vivimed is a global pharmaceutical enterprise dedicated to the development and manufacturing of generic and branded generic formulations. The organisation serves both domestic and international markets through a diverse array of delivery platforms.

Historically, Vivimed functioned as an integrated entity encompassing both API-CDMO and formulation divisions. However, focus shifted to formulation business growth with emphasis on exports, thereby ensuring the provision of high-quality products to its clientele. Additionally, Vivimed offers contract manufacturing services to other prominent pharmaceutical firms.

## EXPORT SEGMENT

- Ongoing discussions with large Canadian partners for CDMO projects, substantial offtake of generics expected from next financial year.
- Regulatory filings for Edoxaban in Bolivia and Chile.
- Commercial order for Bilastine from various ROW markets received.
- Upcoming filings for many products in Canada markets.

## DOMESTIC BRANDED BUSINESS

This business has faced challenges due to disruptions within the field force, resulting in limited traction. Efforts have been made to harmonise salary levels for Medical Representatives and

Area Managers, as this is critical to reducing the high attrition rates within the field force. A proactive approach a new product launches will see a sharp rise of its export earnings

## FINOSO PHARMA PVT. LTD.

The R&D unit plays a pivotal role in fostering innovation at the company, continually enriching the innovation pipeline with advancements expected to fuel future growth. In the year under review, the team made substantial strides in both developing new products and scaling approved ones, underscoring the company's dedication to maintaining its industry leadership. They also forged partnerships in GCC, CIS and Canadian markets.

- Successful completion and delivery of various projects for our domestic/overseas customers:
- Positive pivotal Bio outcome and successful completion of a critical and potential project.
- Provided technical support for client approvals of products with regulatory queries.
- Ensured commercial supplies of Rivaroxaban Tablets.
- Accelerated development of internal products with commercial supplies in current and upcoming quarters.
- Completed regulatory filings for certain Tablets in several ROW countries.
- Filed multiple Ophthalmic Products in various ROW countries.
- Engaged in discussions with various Australian, EU, Canadian, and Indian clients for product development and tech transfer activities.







**Vivimed**

## HUMAN RESOURCE

The company is dedicated to a people-centric culture, emphasising growth, empowerment and excellence.

**People-First Culture:** The company fosters a meritocratic, growth-oriented environment that encourages innovation, multi-skilling and lateral thinking. Through continuous learning and development, it empowers employees to reach their full potential and prepares them for future leadership roles.

**Commitment to Safety:** Safety is paramount, with rigorous policies and procedures ensuring a secure workplace for employees, contractors and the surrounding communities.

**Values-Driven Excellence:** Employees are expected to uphold integrity, professionalism and teamwork. By living these values, the company drives meaningful impact and global progress.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Vivimed maintains strong internal controls to ensure efficient operations and compliance. The company is always working to integrate its various functions, from strategic support (like finance, HR and regulatory affairs) to core operations (such as research, manufacturing and supply chain management).

To enhance internal audit oversight, Vivimed partners with statutory auditors to monitor both legal and operational matters. They've also brought in independent agencies as internal auditors. These agencies assess how adequate and effective the internal control systems are and suggest improvements. Any significant findings are regularly presented to the audit committee for review.





## RISK MANAGEMENT

In a dynamic global landscape, Vivimed adopts a forward-looking approach to risk management, continuously monitoring internal and external factors that could impact strategic objectives, operational continuity, regulatory compliance and financial reporting.

The company's agile, decentralised risk framework empowers business units to identify emerging risks and implement tailored mitigation strategies. This ensures responsiveness across the organisation and positions Vivimed to navigate disruptions while capitalising on new opportunities.

Risk oversight is embedded into governance practices, with regular updates provided to the Board's Risk Committee. This alignment reinforces Vivimed's commitment to resilience, accountability and long-term value creation.

## 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. Manohar Rao Varalwar –Chairman (Whole Time Director)  
Mr. Santosh Varalwar – Managing Director  
Mr. Sandeep Varalwar – Whole Time Director  
Ms. Aparna Bidarkar – Independent Director  
Ms. Subbarathnamma Palepu – Independent Director\*  
Mr. Jarugula Siva Prasad – Independent Director\*\*

## CHIEF FINANCIAL OFFICER

Mr. Phanindernath Petasonti \*\*\*

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Yugandhar Kopparthi

## STATUTORY AUDITORS

M/s. SVRL & Co., Chartered Accountants  
2<sup>nd</sup> Floor, SNR Towers, Nagarjuna Hills Road, Nagarjuna Hills,  
Punjagutta, Hyderabad -500082

## 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. J K & Co, Cost Accountants  
Srinivasa Avasa Homes, Flat No.101,  
Road No.20, Alkapur Township, Manikonda,  
Hyderabad-500089, Telangana

## AUDIT COMMITTEE

Mr. Jarugula Siva Prasad – Chairman \*\*  
Mr. Sandeep Varalwar - Member  
Ms. Aparna Bidarkar - Member  
Ms. Subbarathnamma Palepu – Member \*

## MANAGEMENT COMMITTEE

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

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Santosh Varalwar – Member  
Dr. Manohar Rao Varalwar – Member  
Ms. Subbarathnamma Palepu – Member\*  
Mr. Jarugula Siva Prasad – Member\*\*

## NOMINATION AND REMUNERATION COMMITTEE

Ms. Aparna Bidarkar –Chairperson  
Ms. Subbarathnamma Palepu– Member\*  
Mr. Jarugula Siva Prasad – Member\*\*

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Subbarathnamma Palepu–Chairman\*  
Mr. Santosh Varalwar – Member  
Dr. Manohar Rao Varalwar – Member  
Mr. Jarugula Siva Prasad – Member\*\*

## REGISTERED OFFICE

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

## CORPORATE OFFICE

D. No.6-3-866/1/G1, 3<sup>rd</sup> Floor, GMR Towers, Greenlands,  
Begumpet, Hyderabad, Telangana – 500 016, India  
Tel: 91-40-6608 6608,  
Fax: 91-40-6608 6699

## REGISTRAR & TRANSFER AGENTS

Aarthi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad – 500029  
Phone : 040-27638111/27634445,  
Fax : 040-27632184  
Email : [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

## LISTING

BSE Limited  
National Stock Exchange of India Limited

## BANKERS/INSTITUTIONS

STATE BANK OF INDIA  
INDIAN BANK  
BANK OF BAHRAIN & KUWAIT B.S.C  
INTERNATIONAL FINANCE CORPORATION

## Note:

\*Ms. Subbarathnamma Palepu– Independent Director appointed on 11.12.2024  
\*\*Mr. Jarugula Siva Prasad– Independent Director appointed on 11.12.2024  
\*\*\*Mr. Phanindernath Petasonti (Chief Financial Officer) appointed on 10.01.2025

# BOARD'S REPORT

*Dear Members,*

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report of your Company for the financial year ended 31<sup>st</sup> March, 2025.

## FINANCIAL RESULTS

The financial performance of your Company for the year ended 31<sup>st</sup> March, 2025 is summarized below:

(₹ in million)

	Standalone		Consolidated	
	Year ended 31.03.2025	Year ended 31.03.2024	Year ended 31.03.2025	Year ended 31.03.2024
Gross Income	1077.89	1463.69	1206.4	1590.47
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	(103.34)	(240.68)	(86.77)	(234.51)
Finance Charges	25.31	19.04	29.47	24.32
Depreciation/Amortization	186.31	184.1	202.24	199.41
Net Profit Before Tax	(314.96)	(443.82)	(318.48)	(458.24)
Provision for Tax	-	-	(1.13)	(3.77)
Net Profit After Tax carried to Balance Sheet	(314.96)	(443.82)	(319.61)	(454.46)

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On a consolidated basis for FY2025, your Company reported total revenue of ₹ 1206.4 million as against ₹1590.47million. EBITDA for FY2025 was ₹ (86.77) million compared to ₹ (234.51) million in the previous year. Net profit after tax for the group for the current year is ₹ (319.61) million as against ₹ (454.46) million in the previous year.

Total revenue for FY2025 from operations on standalone basis is ₹1077.89million as against ₹1463.69 million in the previous year. FY2025 EBITDA was ₹ (103.34) million compared to ₹ (240.68) million in the previous year. The Profit after Tax for the current year is ₹ (314.96) million as against ₹ (443.82) million in the previous year.

## 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.

## 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 FY2025.

## TRANSFER TO RESERVES:

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

## 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



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thousand nine hundred and fifteen only) Equity Shares of ₹2/- (Rupees Two Only) each.

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

In terms of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, unclaimed dividend amounting to ₹68,098/- (Sixty eight thousand and ninety eight rupees only) for the financial year 2016-2017, was transferred during the year under review to the Investor Education and Protection Fund established by the Central Government.

### 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.

### CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

There is no change in the nature of the business of the Company or any of its subsidiaries or associates, during the year under review.

### 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. The Company is negotiating one time settlement/ restructuring of loans with the bankers.

### FIXED DEPOSITS:

The Company did not accept any fixed deposits.

### 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.

Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, (appointed

as an Independent Directors (under Non-Executive category) of the Company, to hold office for a term of five consecutive years i.e., from December 11, 2024 till December 10, 2029 and not liable to retire by rotation) and Ms. Aparna Bidarkar, (appointed as an Independent Director, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 14, 2022 to February 13, 2027) 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. Subhash Varalwar (Non-executive non independent Director) of the Company resigned on 11-12-2024 due to ill health (confirmed that there is no other material reason other than this). The Board appreciated and put on record the valuable services rendered by Mr. Subhash Varalwar during his tenure of directorship in the Company.

Mr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 18-11-2024. The Board expressed its condolences and appreciated and put on record the valuable services rendered by Mr. Hari Gopal Jamalapuram during his tenure of directorship in the Company.

Mr. Santosh Varalwar was re-appointed as Managing Director of the Company in 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December, 2020 for a period of five years w.e.f. 14<sup>th</sup> August 2020. Mr. Manohar Rao Varalwar was re-appointed as a WTD by the members in the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December, 2020 for a period of five years w.e.f. 14<sup>th</sup> August 2020, Mr. Sandeep Varalwar was reappointed as a WTD by the members in the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December, 2020 for a period of five years w.e.f. 14<sup>th</sup> August 2020. The current term of them as Managing Director/ whole Time Directors of the Company expires on August 13, 2025

In view of their consistent efforts which have contributed to the growth of the organisation and the sincere service rendered for the better performance of the organization during their tenure as Managing Director /whole time Directors, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, has decided to re-appoint Mr. Santosh Varalwar as Managing Director and Mr. Manohar Rao Varalwar and Mr. Sandeep Varalwar as whole time Directors of the Company for a further period of 5 (five) years effective from August 14, 2025 under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder. The approval of the members is being sought to the terms, conditions and stipulations for the reappointment of Mr. Santosh Varalwar as Managing Director and Mr. Manohar Rao Varalwar and Mr. Sandeep Varalwar as Whole time Directors and the remuneration payable to them and resolution pertaining to the same is contained in the notice calling Annual General Meeting.

Mr. Santosh Varalwar, Managing Director, Dr. Manohar Rao Varalwar,



Whole Time Director, Mr. Sandeep Varalwar, Whole Time Director, Mr. Phaninder Nath Peta Sonti, CFO (appointed on 10.01.2025) 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 reenactment(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. <https://www.vivimedlabs.com/other-data/>

### BOARD MEETINGS:

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings shall be finalized in consultation with the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation.

During the year under review, Seven (7) board meetings were held. The details of the meetings including the composition of various committees are provided in the Report on Corporate Governance.

### PERFORMANCE EVALUATION:

The formal annual evaluation of the performance of the Board as well as non-independent directors was undertaken by the Nomination and Remuneration Committee. The performance of Board Committees and of individual independent directors was undertaken by the Board members. The manner of the evaluation of the Board and other Committees has been determined by the Nomination and Remuneration Committee as per SEBI circulars.

### 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 FY2025 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



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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, 2025, 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, 2025 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, 2025;
- 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.

The nomination and remuneration policy is adopted by the Board and the salient features of the policy are as follows:

- Non-Executive and Independent Directors ("NEDs") will be paid remuneration by way of sitting fees and commission. The remuneration/ commission/compensation to the NEDs will be determined by the Nomination and Remuneration Committee ("Compensation Committee") and recommended to the Board for its approval.
- The payment of the Commission to the NEDs will be placed before the Board every year for its consideration and approval. The sitting fee payable to the NEDs for attending the Board and Compensation Committee meetings will be fixed, subject to the statutory ceiling.
- The fee will be reviewed periodically and aligned to comparable best in class companies.
- NEDs will not be eligible to receive stock options under the existing employee stock option scheme(s) ("ESOP") of the Company.
- The compensation paid to the executive directors (including the Managing Director) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the Compensation Committee will be within the overall limits specified under the Act.
- The Company's total compensation for Directors and Key Managerial Personnel as defined under the Act / other employees will consist of:
  - fixed compensation
  - variable compensation in the form of annual incentive
  - benefits
  - work related facilities and perquisites

Changes made to the policy: Nil

The Nomination and Remuneration Policy is placed on the Company's website and the following is web address of the said policy.

<https://www.vivimedlabs.com/wp-content/uploads/2020/09/REMUNERATION-POLICY.pdf>

### 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](http://www.vivimedlabs.com)).

## 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](http://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 31<sup>st</sup> March, 2025, 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 NVSS Suryanarayana Rao, the practicing company secretary 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

### AUDITORS

#### (I) STATUTORY AUDITOR

Pursuant to the provisions of Section 139(8), 141 and 142 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. [SVRL & Co.](#), Chartered Accountants, as Statutory Auditors of the Company, for a second term of five (5) consecutive years from the conclusion of 36<sup>th</sup> AGM till the conclusion of 41<sup>st</sup> AGM of the Company, subject to the approval of the Members in the ensuing AGM (for conducting audit from FY2025 to FY2029).

They have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

The Auditor's Report for the financial year ended March 31, 2025, has been issued with an modified opinion, by the Statutory Auditors.

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

## STATEMENT OF IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG WITH ANNUAL AUDITED FINANCIAL RESULTS – STANDALONE BASIS – VIVIMED LABS LIMITED

Statement of Impact of Audit Qualifications for the Financial Year Ended March 31, 2025 (Regulation 33 / 52 of the SEBI (LODR) (Amendment), Regulations, 2016

(Rupees in Millions)

S. No.	Particulars	Audited Figures (as reported before adjustment)	Adjusted Figures
1.	Turnover/ Total Income	1,077.89	1,077.89
2.	Total Expenditure	1,392.85	1,967.29
3.	Net Profit / (Loss)	(314.96)	(889.40)
4.	Earnings Per Share	(3.80)	(10.73)
5.	Total Assets	6,389.52	6,389.52
6.	Total Liabilities	5,804.61	6,379.05
7.	Net Worth	584.91	10.47
8.	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil

## II Audit Qualification:

### 1 a. Details of Audit Qualification:

As disclosed in Note 3 to the statement, the Company has not recognized interest expense of approximately ₹574.44 million on an accrual basis, citing non-availability of bank confirmations as of March 31, 2025. This is not in compliance with Indian accounting standards, which require accrual-based accounting and recognition of borrowing costs when accrued. Consequently, the reported loss is understated by the said amount. The Company is also in ongoing discussions with its bankers for settlement, which have not yet concluded. Due to the uncertainty and lack of finalized terms, the impact of such settlement, if any, has not been accounted for and remains unquantified.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 2<sup>nd</sup> time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company is engaged in the negotiations with its Bankers for a settlement and is confident for settlement with Banks. Hence, the company has not recorded interest on outstanding loan for the year 2024-25.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

### 2. a. Details of Audit Qualification:

We were unable to obtain direct external confirmations in respect of the Company's current and non-current bank borrowings total amounting to ₹3744.56 (as referred in note 16a, 16b). Consequently, we are unable to comment on the completeness, accuracy, and existence of these borrowings. As a result, we are unable to determine whether any adjustments may be necessary in respect of these balances.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 1<sup>st</sup> time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company has defaulted in repayment of dues to banks and Financial Institution and all the loan accounts outstanding are classified as NPA by the banks. The balance confirmations from Lenders are not forthcoming. Further, the Company is engaged in the negotiations with its Bankers for a settlement and is confident for settlement with Banks.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

### 3 a. Details of Audit Qualification:

The Company has disclosed related party transactions in the statement, including items such as investments, receivables, payables, advances, purchases, and sales. Further, balances pertaining to creditors, debtors, other current assets and bank accounts are subject to external confirmation. While we note that the Company has initiated the process of obtaining these confirmations, the confirmations have not yet been received. In the absence of these confirmations, we are unable to comment on the accuracy, completeness, and validity of the reported balances and related party transactions.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 2<sup>nd</sup> Time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company has the system of periodical reconciliation of balances with vendors, customer and related parties. The statutory auditors requested for balance confirmation letters from all. We have requested for the balance confirmation letters. On receipt of the same we will submit them to statutory auditors.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL





4. a. **Details of Audit Qualification:**  
The Company has not identified parties covered under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently, disclosures required under Section 22 of the MSMED Act, 2006 and Section 134 of the Companies Act, 2013, including provision for interest on delayed payments, have not been made. Due to the absence of relevant data and confirmations, the financial impact of non-provision of such interest is not ascertainable.
- b. Type of Audit Qualification : Qualified Opinion
- c. Frequency of Qualification : 1<sup>st</sup> Time
- d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:  
The company has initiated the process of obtaining the confirmations and relevant documents regarding MSME certificates from Vendors. However, no such confirmations have been received so far.
- e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL
5. a. **Details of Audit Qualification:**  
The Company's investments in subsidiaries and associates amounting to ₹587.83million have not been assessed for impairment, despite the presence of indicators for impairment. However, in the absence of independent valuer reports or sufficient appropriate evidence, we are unable to derive the impact, if any, on these investments.
- b. Type of Audit Qualification : Qualified Opinion
- c. Frequency of Qualification : 1<sup>st</sup> Time
- d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:  
The Company is anticipating certain business opportunity in coming years in its subsidiaries. The company has assessed based on projected business plans that impairment provision is not required at present.
- e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

**STATEMENT OF IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG WITH ANNUAL AUDITED FINANCIAL RESULTS – CONSOLIDATED BASIS – VIVIMED LABS LIMITED**

Statement of Impact of Audit Qualifications for the Financial Year Ended March 31, 2025 (Regulation 33 / 52 of the SEBI (LODR) (Amendment), Regulations, 2016

(₹ in Millions)

I	S. No.	Particulars	Audited Figures (as reported before adjustment)	Adjusted Figures
	1.	Turnover/ Total Income	1,206.40	1,206.40
	2.	Total Expenditure	1,526.01	2,100.45
	3.	Net Profit / (Loss)	(319.61)	(894.05)
	4.	Earnings Per Share	(3.85)	(10.78)
	5.	Total Assets	9,208.34	9,208.34
	6.	Total Liabilities	9,560.03	10,134.47
	7.	Net Worth	(351.69)	(926.13)
	8.	Any Other Financial Items (as felt appropriate by the Management)	Nil	Nil

## II Audit Qualification:

### 1 a. Details of Audit Qualification:

As disclosed in Note 3 to the statement, the Company has not recognized interest expense of approximately ₹574.44 million on an accrual basis, citing non-availability of bank confirmations as of March 31, 2025. This is not in compliance with Indian accounting standards, which require accrual-based accounting and recognition of borrowing costs when accrued. Consequently, the reported loss is understated by the said amount. The Company is also in ongoing discussions with its bankers for settlement, which have not yet concluded. Due to the uncertainty and lack of finalized terms, the impact of such settlement, if any, has not been accounted for and remains unquantified.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 2<sup>nd</sup> time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company is engaged in the negotiations with its Bankers for a settlement and is confident for settlement with Banks. Hence, the company has not recorded interest on outstanding loan for the year 2024-25.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

### 2. a. Details of Audit Qualification:

We were unable to obtain direct external confirmations in respect of the Company's current and non-current bank borrowings total amounting to ₹3744.56 (as referred in note 16a, 16b). Consequently, we are unable to comment on the completeness, accuracy, and existence of these borrowings. As a result, we are unable to determine whether any adjustments may be necessary in respect of these balances.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 1<sup>st</sup> time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company has defaulted in repayment of dues to banks and Financial Institution and all the loan accounts outstanding are classified as NPA by the banks. The balance confirmations from Lenders are not forthcoming. Further, the Company is engaged in the negotiations with its Bankers for a settlement and is confident for settlement with Banks.\

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

### 3 a. Details of Audit Qualification:

The Company has disclosed related party transactions in the statement, including items such as investments, receivables, payables, advances, purchases, and sales. Further, balances pertaining to creditors, debtors, other current assets and bank accounts are subject to external confirmation. While we note that the Company has initiated the process of obtaining these confirmations, the confirmations have not yet been received. In the absence of these confirmations, we are unable to comment on the accuracy, completeness, and validity of the reported balances and related party transactions.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 2<sup>nd</sup> Time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The Company has the system of periodical reconciliation of balances with vendors, customer and related parties. The statutory auditors requested for balance confirmation letters from all. We have requested for the balance confirmation letters. On receipt of the same we will submit them to statutory auditors.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL

### 4 a. Details of Audit Qualification:

The Company has not identified parties covered under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently, disclosures required under Section 22 of the MSMED Act, 2006 and Section 134 of the Companies Act, 2013, including provision for interest on delayed payments, have not been made. Due to the absence of relevant data and confirmations, the financial impact of non-provision of such interest is not ascertainable.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of Qualification : 1<sup>st</sup> Time

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

The company has initiated the process of obtaining the confirmations and relevant documents regarding MSME certificates from Vendors. However, no such confirmations have been received so far.

e. For Audit Qualification(s) where the impact is not quantified by the Auditor: NIL



## **(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.J K & Co, Cost Accountants, (Firm Registration No. 004010), as the Cost Auditors of the Company for the Financial Year 2025-26. 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 2024-25. 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.

Pursuant to the Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any ("the Act"), the Audit Committee and the Board of Directors at their respective meetings held on 13.08.2025 have approved subject to approval of Members, appointment of Mr. NVSS Suryanarayana Rao, Peer Reviewed Company Secretary in Practice as Secretarial Auditors for a term of 5(Five) consecutive years from April 1, 2025 till March 31, 2030. The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. NVSS Suryanarayana Rao, Peer Reviewed Company Secretary in Practice as Secretarial Auditors and the remuneration payable to them and resolution pertaining to the same is contained in the notice calling Annual General Meeting.

## **AUDITORS' QUALIFICATIONS/RESERVATIONS/ADVERSE REMARKS/FRAUDS REPORTED:**

There are no Auditors' Qualifications or reservations or adverse remarks on the financial statements of the Company. The Auditors have not reported any frauds to the Audit Committee as prescribed under Sec. 143(12) of the Companies Act, 2013.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/ REGULATORS:**

There are no significant and material orders passed by the Courts or Regulators against the Company.

## **DISCLOSURES:**

### **AUDIT COMMITTEE**

The Audit Committee comprises majority of Independent Directors namely Mr. Jarugula Siva Prasad Ms. Aparna Bidarkar, Mr. Sandeep Varalwar and Ms. Subbarathnamma Palepu 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](http://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.

### **ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company shall be placed on the Website of the Company at <https://www.vivimedlabs.com/other-data/>.

### **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 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-6**. 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 - 7** 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.

For and on behalf of the Board

Sd/-

**Santosh Varalwar**  
Managing Director  
DIN: 00054763

Sd/-

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

Place: Hyderabad  
Date: 13.08.2025

# 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	16.90	260.42	260.42	-	175.03	0.25	1.13	(0.88)	-
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	(281.64)	3024.78	3024.78	-	-	(0.35)	-	(0.35)	-
3	Vivimed Labs USA INC. 1100 Cornwell Road, Suite 160, Monmouth Junction, NJ 08852	-	.001	421.95	1068.35	1068.35	-	-	(3.22)	-	(3.22)	-
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	852.61	3827.23	3827.23	-	-	(0.3)	-	(0.3)	-



## PART B- ASSOCIATES

(₹ in Millions)

Sl. No.	Name of the Subsidiary & 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 <sup>nd</sup> Floor, Khanamet,Ayyappa Society, Madhapur,Hyderabad-500081	-	150	(136.71)	31.61	31.61	0	0	(0.03)	0	(0.03)	0

**PART C. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE/ GIVEN DURING THE YEAR UNDER SECTION 186**

₹(Millions)

	(1) Nature of transaction (whether loan/ guarantee/ security/ acquisition)	(2) Date of making loan/ acquisition / giving guarantee/ providing security	(3) 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)	(4) Amount of loan/security/acquisition / guarantee	(5) Time period for which it is made/given	(7) Rate of interest	(8) Date of maturity
For loans							

On behalf of the Board of Directors  
for Vivimed Labs Limited

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

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

Place: Hyderabad  
Date: 13.08.2025



# Annexure – 2 to Board's Report

**PPARTICULARS 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 2024-25 is as follows:

Name of Director(s)	Total Remuneration (₹)	Ratio of remuneration of director to the Median remuneration
Santosh Varalwar	1,00,00,000	46.55
Manohar Rao Varalwar	30,00,000	13.96
Sandeep Varalwar	1,00,00,000	46.55
Aparna Bidarkar	3,25,000	1.51
*Hari Gopal Jamalapuram	1,75,000	0.81
**Subbarathnamma Palepu	1,50,000	0.69
**Jarugula Siva Prasad	1,50,000	0.69
***Subhash Varalwar	1,00,000	0.46

**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 2024-25
- Median remuneration of the Company for all its employees is ₹2,14,800/- for the financial year 2024-25
- The remuneration to Directors is within the overall limits approved by the shareholders of your Company.
- \*Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.
- \*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024
- \*\*\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

- B.** Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2024-25 are as follows:

Name(s)	Designation	Remuneration (in ₹)		Increase/ (decrease) (in %)
		2024-25	2023-24	
Santosh Varalwar	Managing director	1,00,00,000	1,20,00,000	(16.67)
Manohar Rao Varalwar	Whole-time director	30,00,000	30,00,000	0.00
Sandeep Varalwar	Whole-time director	1,00,00,000	1,00,00,000	0.00
Aparna Bidarkar	Independent Director	3,25,000	2,75,000	18.18
**Subbarathnamma Palepu	Independent Director	1,50,000	---	-
**Jarugula Siva Prasad	Independent Director	1,50,000	----	-
***Subhash Varalwar	Non Executive Director	1,00,000	1,00,000	0.00
Hari Gopal Jamalapuram	Independent Director	1,75,000	2,50,000	(-30.00)
*****Mr. Phanindernath Petasonti	Chief Financial Officer	10,66,667	-----	-
****Ramakanta Tripathy	Chief Financial Officer	----	53,83,334	-
Yugandhar Kopparthi	Company Secretary	30,58,107	30,58,107	0.00

**Notes:**

\*Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024

\*\*\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\*\*\*\*Mr. Ramakanta Tripathy (Chief Financial Officer) Resigned on 23.02.2024

\*\*\*\*\* Mr. Phanindernath Petasonti (Chief Financial Officer) Appointed on 10.01.2025

**C. Percentage increase/decrease in the median remuneration of all employees in the financial year 2024-25:**

(Amount in ₹)

	2024-25	2023-24	Increase (in %)
Median remuneration of all employees per annum	2,14,800/-	2,56,320/-	(16.19)

**D. Number of permanent employees on the rolls of your Company as on 31<sup>st</sup> March, 2025:**

Executive/Manager cadre	160
Staff	294
Operators/Workmen	132
<b>Total</b>	<b>586</b>

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

The increase/decrease in average remuneration of all employees in the financial year 2024-25 as compared to the financial year 2023-24 was (18.48)%.

The key indices of Company's performance are:

(₹ in millions)

	2024-25	2023-24	Growth (%)
Net Revenue from operations	1036.04	1367.97	(24.26)
Profit Before Tax and Exceptional Items	(314.96)	(385.53)	(18.31)
Profit After Tax	(314.96)	(443.82)	(29.04)

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.

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

The Profit Before Tax and Exceptional Items decreased by (18.31)% in 2024-25, compared to 2023-24.

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



## Vivimed

### 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 <sup>st</sup> March,2025	As on 31 <sup>st</sup> March,2024	Increase/ (decrease) (%)
Price Earnings Ratio	*	*	*
Market Capitalization(₹In millions)	*	*	*

**Note:** \* Trading in equity shares of the Company Suspended due to Penal reasons

### Comparison of share price at the time of first public offer and market price of the share of 31<sup>st</sup> March, 2025:

Market Price as on 31 <sup>st</sup> March, 2025	*
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	*

**Note:** \* Trading in equity shares of the Company Suspended due to Penal reasons.

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

	2024-25 (₹)	2023-24 (₹)	Increase/ (decrease) (%)
Average salary of all employees (other than Key Managerial Personnel)	3,10,202	3,80,524	(18.48)
<b>Key Managerial Personnel</b>			
Santosh Varalwar Managing director	1,00,00,000	1,20,00,000	(16.66)
Manohar Rao Varalwar Whole-time director	30,00,000	30,00,000	0
Sandeep Varalwar Whole-time director	1,00,00,000	1,00,00,000	0
*Mr. Phanindernath Petasonti Chief Financial Officer	10,66,667	-----	-
**Ramakanta Tripathy Chief Financial Officer	-	53,83,334	0
Yugandhar Kopparthi Company Secretary	30,58,107	30,58,107	0

**Notes:** \*Mr. Phanindernath Petasonti (Chief Financial Officer) Appointed on 10.01.2025

\*\* Mr. Ramakanta Tripathy (Chief Financial Officer) Resigned on 23.02.2024

### 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:

- 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.
- 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 2024-25 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	1,00,00,000	Management Graduate	39	09/11/1989	63	Shipping Corporation of India
Sandeep Varalwar	Whole-time director	1,00,00,000	Graduation in B. Pharmacy	30	23/01/2008	56	V V S Pharmaceuticals & Chemicals Pvt Ltd.

**Notes:**

1. Shri Santosh Varalwar, and Shri. Sandeep Varalwar (Directors) are relatives to each other.
2. The contractual terms of Shri. Santosh Varalwar, and Shri. Sandeep Varalwar (Directors) are governed by the resolutions passed by the shareholders in the 32<sup>nd</sup> AGM of your Company held on 30<sup>th</sup> 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.

**L. Employees employed for the part of the year and were paid remuneration during the financial year 2024-25 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
NIL							

On behalf of the Board of Directors  
for Vivimed Labs Limited

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

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

Place: Hyderabad  
Date: 13.08.2025





**Vivimed**

# Annexure -3 to Board's Report

## **PRACTICING COMPANY SECRETARY CERTIFICATE ON IMPLEMENTATION OF SHARE BASED EMPLOYEE BENEFIT SCHEME**

To,  
The Board of Directors  
**Vivimed Labs Limited**  
PlotNo.78/A, Kolhar Industrial Area,  
Bidar – 585403, Karnataka

We NVSS Suryanarayana Rao, the practicing company secretary, were appointed as the Secretarial Auditor vide a resolution passed at their meeting held on 30.05.2025 by the Board of Directors of Vivimed Labs Limited (hereinafter referred to as 'the Company'). having CIN L02411KA1988PLC009465 and having its registered office at Plot No.78/A, Kolhar Industrial Area, Bidar – 585403, Karnataka. As Secretarial Auditors, pursuant to the requirements of the Regulation 13 of (Share Based Employee Benefits and Sweat Equity) Regulations, 2014 (hereinafter referred to as "the Regulations"), the Management of the Company has requested us to issue the required certificate with respect to the Employee Stock Option Scheme 2013-A and Vivimed Labs Limited Employee Stock Appreciation Rights Scheme 2017 (collectively 'Schemes'), the Securities and Exchange Board of India. This certificate of compliance, for the year ended 31<sup>st</sup> March, 2025, is issued under Regulation 13 of the Regulations.

### **MANAGEMENT RESPONSIBILITY:**

It is the responsibility of the Management of the Company to implement the Schemes including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **VERIFICATION:**

The Company has implemented Vivimed Labs Limited Employees Stock Option Plan 2017 at their general meeting held on 29 September 2017 respectively (hereinafter collectively referred to as "Shareholders' Resolution")

For the purpose of verifying compliance of the Regulations, we have examined the following:

1. Schemes received from/ furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders' Resolution passed at the General meeting & Postal Ballot;
5. Shareholders' Resolution passed at the General meeting w.r.t. approval for implementing the scheme through a trust - Not Applicable;
6. Shareholders' Resolution passed at the General meeting w.r.t. variation in scheme (if any) – Not Applicable;
7. Detailed terms and conditions of the schemes as approved by Nomination and Remuneration Committee;
8. Minutes of the meetings of Nomination & Remuneration Committee, which is authorized to administer the schemes;
9. Trust Deed - Not Applicable;
10. Details of trades in securities of the Company executed by the trust through which the schemes are implemented - Not Applicable;
11. Exercise price/Pricing Formula;
12. Valuation Report - Not Applicable
13. Bank Statements towards Application money received under the Scheme;
14. Relevant Accounting Standards as prescribed by the Central Government;
15. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder, as applicable;
16. Other relevant documents/ filings/ records/ information as sought and made available to us for issuing this Certificate.

## CERTIFICATION:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its officers, we certify that the Company has implemented the aforesaid Schemes in accordance with the applicable provisions of the Regulations and the Shareholders' Resolutions.

## ASSUMPTION & LIMITATION OF SCOPE AND REVIEW:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give a certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. 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.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

Place: Hyderabad,  
Date: 04.08.2025

Sd/-  
**NVSS SURYANARAYANA RAO**  
Company Secretary in practice  
ACS No.5868, CP NO.2886  
UDIN number: A005868G000929417



Vivimed

# Annexure – 4 to Board's Report

FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[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 the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Vivimed Labs Limited** (hereinafter referred as the **"Company"**). 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, 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2025**, (i.e. from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company is carrying on the business of offering broad and integrated portfolio of Finished Dosage Forms (FDFs), Contract Research Services to cater to the needs of the global pharmaceutical industry.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the applicable extent for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- A. The Companies Act, 2013 (the "Act") and the rules made thereunder;
- B. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- C. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- D. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- E. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
  - (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 and amendments from time to time;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2018 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).
- F. The Memorandum and Articles of Association.
- G. The Company has identified and confirmed the following laws as specifically applicable to the Company.
- (a) Drugs (Control) Act, 1950
  - (b) Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945
  - (c) Narcotic Drugs and Psychotropic Substances Act, 1985
  - (d) The Food Safety and Standards Act, 2006
  - (e) The Indian Boilers Act, 1923

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

- (i) Auditing and Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into 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.

We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the applicable laws.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/Listing Agreement.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the financial year the Company had following events which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Standards etc- 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.

Place: Hyderabad,  
Date: 04.08.2025

Sd/-  
**NVSS SURYANARAYANA RAO**  
Company Secretary in practice  
ACS No.5868, CP NO.2886  
UDIN number: A005868G000928999



**Vivimed**

## **ANNEXURE – A**

To

The Members,

**Vivimed Labs Limited**

CIN: L02411KA1988PLC009465

78/A, Kolhar Industrial Area,

Bidar – 585403, Karnataka,

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representations 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**NVSS SURYANARAYANA RAO**

Company Secretary in practice

ACS No.5868, CP NO.2886

UDIN number: A005868G000928999

Place: Hyderabad,

Date: 04.08.2025



# 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:

(₹ In million)

Particulars	FY 2024-25	FY 2023-24
<b>1. Electricity</b>		
Unit (KWH)	2.39	2.79
Total amount ( ₹)	24.56	26.27
Rate/Unit (₹)	10.27	9.42
<b>2. Own generation</b>		
Units - Diesel Consumed (Liters)	0.10	0.15
Total amount (₹)	9.55	14.36
Cost per Unit of Diesel (₹)	8.47	92.70

#### 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



## Vivimed

### 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

(₹ In million)

Particulars	FY 2024-25	FY 2023-24
Capital	0	0
Revenue	4.22	2.11
Total	4.22	2.11

### FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In million)

Particulars	FY 2024-25	FY 2023-24
Foreign Exchange Earnings	3.78	142.98
Foreign Exchange Outgo	0	6.78

On behalf of the Board of Directors  
for Vivimed Labs Limited

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

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

Place: Hyderabad  
Date: 13.08.2025

# Annexure -6 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 arm's length transactions under third proviso thereto.

- 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
- 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)

Sl No	Party Name	Nature of Transaction	During Apr 2024- March 2025
			Debit / (Credit)
1	Finoso Pharma Private Limited	Loans & Advances	22.26
		Purchases	(6.55)
		Sales/Services	32.35
2	BBR Green Fields Pvt Ltd	Loans & Advances	0
		Purchases	0
		Sales/Services	0
3	Yantra Green Power Pvt Ltd	Purchases	0

On behalf of the Board of Directors  
for Vivimed Labs Limited

Sd/-

**Santosh Varalwar**  
Managing Director  
DIN: 00054763

Sd/-

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

Place: Hyderabad  
Date: 13.08.2025



Vivimed

# Annexure -7 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. Subbarathnamma Palepu	Independent, Non- Executive
Mr. Jarugula Siva Prasad	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: ₹ (1346.30) 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: (₹ in Millions)

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. Direct Expenditure	2. Overheads		
NIL								
TOTAL						NIL		

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. for Vivimed Labs Limited

On behalf of the Board of Directors  
for Vivimed Labs Limited

Place: Hyderabad  
Date: 13.08.2025

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

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

# Corporate Governance Report

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'], the report containing details of Corporate Governance of Vivimed Labs Limited ('the Company'/'VLL') is as follows:

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. At VLL, it is imperative that your Company affairs are being managed in a fair and transparent manner. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed towards maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed hereinafter. The Corporate Governance framework of the Company is based on the following broad practices:

- (a) Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law.
- (b) Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organization.
- (c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.
- (d) Making high level of disclosures for dissemination of corporate, financial and operational information to all its stakeholders.
- (e) Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements and zero tolerance for non-compliance

## BEST CORPORATE GOVERNANCE PRACTICES

VLL maintains the highest standards of Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies. Some of the best implemented global governance norms include the following:

- All securities related filings with Stock Exchanges and SEBI are reviewed by the Company's Board of Directors.
- The Company has following Board Committees: Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Management Committee.
- The Company also undergoes Secretarial Audit conducted by an independent firm of Practicing Company Secretaries. The Secretarial Audit Report is placed before the Board and forms part of the Annual Report.
- Observance and adherence of all applicable Laws including Secretarial Standards issued by The Institute of Company Secretaries of India.

## GOVERNANCE POLICIES

At VLL, we strive to conduct our business and strengthen our relationship in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of the codes and policies are as follows:

- Code of Conduct for Board of Directors and Senior Management;
- Code of Conduct for Prohibition of Insider Trading;
- Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information;
- Policy on Related Party Transactions;
- Corporate Social Responsibility Policy;
- Policy for Determination of Material Subsidiary and Governance of Subsidiaries;
- Policy for Determination of Materiality of Events / Information;
- Remuneration Policy for Directors, Key Managerial Personnel,





## Vivimed

Members of Senior Management and other Employees of the Company;

- Familiarization Programme for Independent Directors;
- Vigil Mechanism/Whistle Blower Policy;
- Policy for Preservation of Documents;
- Policy on Diversity of the Board of Directors;
- Risk Management Policy;
- Dividend Distribution Policy;
- Archival Policy;
- Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace; and
- Grievance Redressal Policy.

### BOARD OF DIRECTORS

#### COMPOSITION OF THE BOARD AS ON 31<sup>ST</sup> MARCH, 2025:

Category	No. of Directors
Non-Executive /Independent Directors	3
Non-Executive / Promoter Directors	0
Executive/Promoter Directors	3
<b>Total</b>	<b>6</b>

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 2024-25, 7 (Seven) meetings of the Board of Directors were held and the maximum time gap between two meetings did not exceed one hundred and twenty days. 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:

30-05-2024	05-07-2024
06-09-2024	14-11-2024
11-12-2024	10-01-2025
14-02-2025	-

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 2024-25 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	7	7	Yes
*Mr. Subhash Varalwar	Non Executive/ Non- Independent Director	5	2	No
Dr. Manohar Rao Varalwar	Whole Time Director	7	7	Yes
**Dr. Hari Gopal Jamalapuram	Independent Director	4	2	No
Mr. Sandeep Varalwar	Whole Time Director	7	6	Yes
Ms. Aparna Bidarkar	Independent Director	7	6	Yes
***Subbarathnamma Palepu	Independent Director	2	2	Yes
***Jarugula Siva Prasad	Independent Director	2	2	Yes

#### Notes:

\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\*\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

### 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

Seven (7) 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
30-05-2024	6	4
05-07-2024	6	5
06-09-2024	6	4
14-11-2024	6	6
11-12-2024	5	4
10-01-2025	6	6
14-02-2025	6	5

### 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 2024-25.

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:



**Vivimed**

Name of the Director	Nature of Directorships	Relationship with each other	As on 31 <sup>st</sup> March, 2025		
			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/ Non- Independent 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
***Ms. Subbarathnamma Palepu DIN –09432984	Non-Executive/ Independent Director	No inter-se relationship with any of the Directors	5	3	1
***Mr. Jarugula Siva Prasad DIN –07087695	Non-Executive/ Independent Director	No inter-se relationship with any of the Directors	1	1	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.
- ➔ \*Mr. Subhash Varalwar, Non-Executive/ Non- Independent Director of the Company resigned on 11.12.2024.
- ➔ \*\*Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.
- ➔ \*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024

**The shareholding of the Non-Executive Directors of your Company as on 31<sup>st</sup> March, 2025 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	16,16,200	1.96
**Dr. Hari Gopal Jamalapuram	Non-Executive/ Independent Director	NIL	NIL
***Ms. Subbarathnamma Palepu	Non-Executive/ Independent Director	NIL	NIL
***Mr. Jarugula Siva Prasad	Non-Executive/ Independent Director	NIL	NIL

**Notes:**

- \* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.
- \*\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.
- \*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

The shareholding of Executive Directors of your Company as on 31<sup>st</sup> March, 2025 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

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 40 years of experience in General Management, cost efficient, quality complaint pharmaceutical /chemicals products manufacturing and marketing
2	*Mr. Subhash Varalwar	Non Executive/ Non- Independent Director	He has around 45 years of experience in Production, Quality control and R&D function
3	Dr. Manohar Rao Varalwar	Whole-time Director	He has around 55 years of experience in Administration, Biotechnology, pharmaceutical /chemicals products manufacturing and marketing
4	Mr. Sandeep Varalwar	Whole-time Director	He has more than 32 years of rich experience in manufacturing and marketing divisions of Pharma industry
5	Ms. Aparna Bidarkar	Non-Executive/ Independent Director	She has more than 27 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.
7	***Ms. Subbarathnamma Palepu	Non-Executive/ Independent Director	13 years of experience in Company's Corporate advisory and Secretarial Works Area of Specialization: Corporate advisory and Secretarial Works
8	*** Mr. Jarugula Siva Prasad,	Non-Executive/ Independent Director	12 years of experience in Company's Corporate advisory and Secretarial Works Area of Specialization: Corporate advisory and Secretarial Works

#### Notes:

\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\*\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

### 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.



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### **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**

Ms. Subbarathnamma Palepu, 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:**

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 13<sup>th</sup> May, 2022 (up to 39<sup>th</sup> Annual General Meeting to be held in calendar year 2027). Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad (Independent Directors) of your Company have been appointed for a tenure of 5 (five) year by the shareholders of your Company through AGM held on 3<sup>rd</sup> January, 2025, with effective from December 11, 2024 till December 10, 2029. 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 February 14, 2025, 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.

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 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.

#### **Board Business**

The business of the Board inter-alia includes:

- Framing and overseeing progress of the Company's annual plan and operating framework.

- Framing strategies for direction of the Company and for corporate resource allocation.
- Reviewing financial plans of the Company.
- Reviewing the quarterly and annual financial results of the Company.
- Reviewing the Annual Report including Audited Annual Financial Statements for adoption by the Members.
- Reviewing progress of various functions and business of the Company.
- Reviewing the functioning of the Board and its Committees.
- Reviewing the functioning of subsidiary companies.
- Considering approving the declaration / recommendation of dividend.
- Reviewing and resolving fatal or serious accidents or dangerous occurrences, any material significant effluent or pollution problems or significant labour issues, if any.
- Reviewing the details of significant development in human resources and industrial relations front.
- Reviewing details of foreign exchange exposure and steps taken by the management to limit the risks of adverse exchange rate movement.
- Reviewing compliance with all relevant legislations and regulations and litigation status, including materiality, important show cause, demand, prosecution and penalty notices, if any.
- Advising on corporate restructuring such as merger, acquisition, joint venture or disposals, if any.
- Appointing Directors on the Board and Key Managerial Personnel, if any.
- Reviewing various policies of the Company and monitoring implementation thereof.
- Reviewing details of risk evaluation and internal controls.
- Reviewing reports on progress made on the ongoing projects.
- Monitoring and reviewing board evaluation framework.
- Review report(s) on Environment, Social and Governance.

#### **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.





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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 3 Independent Directors (Includes chairman of Board), 3 executive Directors as on March 31, 2025. 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.

### 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 2024-25, 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 31<sup>st</sup> march, 2025 is detailed below:**

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
*Dr. Hari Gopal Jamalapuram	Chairperson	4	4
Mr. Sandeep Varalwar	Member	6	6
Ms. Aparna Bidarkar	Member	6	4
** Mr. Jarugula Siva Prasad	Chairperson	2	2
**Ms. Subbarathnamma Palepu	Member	2	2

#### Notes:

\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

Date(s) on which meeting(s) were held	
30-05-2024	05-07-2024
10-10-2024	14-11-2024
10-01-2025	14-02-2025

**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



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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) time during the financial year 2024-25 on 05-07-2024, 11-12-2024 & 10-01-2025. 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 2024-25 is detailed below:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
*Dr. Hari Gopal Jamalapuram	Member	1	1
**Mr. Subhash Varalwar	Member	2	2
Ms. Aparna Bidarkar	Chairperson	3	3
***Ms. Subbarathnamma Palepu	Member	1	1
***Mr. Jarugula Siva Prasad	Member	1	1

### Notes:

\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

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 1 (One) time during the financial year 2024-25 on 14.02.2025. 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 2024-25 is detailed below:

Name of the Director	Nature of Membership	Number of Meetings	
		Held	Attended
*Mr. Subhash Varalwar	Chairman	0	0
Mr. Santosh Varalwar	Member	1	1
Dr. Manohar Rao Varalwar	Member	1	1
**Dr. Hari Gopal Jamalapuram	Member	0	0
***Ms. Subbarathnamma Palepu	Chairperson	1	1
*** Mr. Jarugula Siva Prasad	Member	1	1

### Notes:

\*Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\*\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

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 2024-25 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 14.02.2025 during the financial year 2024-25. 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 2024-25 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	0	0
Mr. Santosh Varalwar	Member	1	1
Dr. Manohar Rao Varalwar	Member	1	1
**Ms. Subbarathnamma Palepu	Member	1	1
** Mr. Jarugula Siva Prasad	Member	1	1

### Notes:

\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

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 2024-25

(Amount in ₹)

Name of the Director	Salary	Perquisites*	Commission#	Amount
Mr. Santosh Varalwar, Managing Director	1,00,00,000	-	-	1,00,00,000
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 2024-25

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



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Following are the details of sitting fees paid to the Directors for attending Board and Committee meetings during the FY 2024-25:

(Amount in ₹)

Name of the Director	Sitting fees
Ms. Aparna Bidarkar, Independent Director	3,25,000
*Dr. Hari Gopal Jamalapuram, Independent Director	1,75,000
**Mr. Subhash Varalwar, Non Executive,/Non- Independent Director	1,00,000
***Ms. Subbarathnamma Palepu, Independent Director	1,50,000
***Mr. Jarugula Siva Prasad, Independent Director	1,50,000

### Notes:

\* Dr. Hari Gopal Jamalapuram, Non-Executive/ Independent Director of the Company demised on 19.11.2024.

\*\* Mr. Subhash Varalwar, Non Executive/ Non- Independent Director of the Company resigned on 11.12.2024.

\*\*\*Ms. Subbarathnamma Palepu & Mr. Jarugula Siva Prasad, Non-Executive/ Independent Directors of the Company appointed on 11.12.2024.

## 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
2024-25	Plot No.78/A, Kolhar Industrial Area, Bidar –85403,Karnataka.	January 03, 2025	3:00 PM	3
2023-24	Plot No.78/A, Kolhar Industrial Area, Bidar – 85403,Karnataka.	Nov 13, 2023	12:30 PM	0
2022-23	Plot No.78/A, Kolhar Industrial Area, Bidar – 85403,Karnataka.	March 27, 2023	12:30 PM	1

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](http://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](http://www.Vivimedlabs.com).

**Website:** The Company's website [www.vivimedlabs.com](http://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](mailto:yugandhar.kopparthi@vivimedlabs.com)

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

37<sup>th</sup> Annual General Meeting

**Date :** 30.09.2025

**Time :** 03:00 P.M.

**Venue/Mode:** Through Video Conferencing / Other Audio Visual Means facility

Financial year

April 1 to March 31

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 31<sup>st</sup> March 2026:

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31<sup>st</sup> March, 2026 are as follows:

Results	Tentative Dates
First Quarter	Around Second Week of August, 2025
Second Quarter and Half Yearly	Around Second Week of November, 2025
Third Quarter and Nine Months	Around Second Week of February, 2026
Fourth Quarter and Annual	Around Last Week of May, 2026

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](mailto:info@aarthiconsultants.com); website: [www.aarthiconsultants.com](http://www.aarthiconsultants.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.





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Distribution of shareholding of shares of your Company as on 31<sup>st</sup> March, 2025 is as follows:

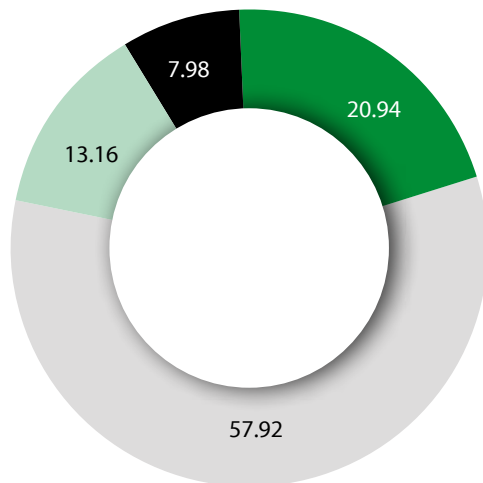
SL. NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	45304	92.54	18166886	36333772	21.91
2	5001 - 10000	1913	3.91	7135536	14271072	8.61
3	10001 - 20000	955	1.95	7137801	14275602	8.61
4	20001 - 30000	283	0.58	3524689	7049378	4.25
5	30001 - 40000	154	0.31	2778093	5556186	3.35
6	40001 - 50000	81	0.17	1822973	3645946	2.2
7	50001 - 100000	157	0.32	5604180	11208360	6.76
8	100001 & Above	110	0.22	36743757	73487514	44.32
<b>Total:</b>		<b>48957</b>	<b>100</b>	<b>82913915</b>	<b>165827830</b>	<b>100</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2025:

SL. NO	Category of Shareholder	No of Shareholders	Total Number of shares	shareholding as a percentage of total number of shares
<b>(A) Shareholding of Promoter and Promoter Group</b>				
<b>(1) Indian</b>				
a.	Individuals/Hindu Undivided Family	15	78,69,131	9.49
b.	Central Government/State Government(s)	-	-	-
c.	Bodies Corporate	1	94,95,504	11.45
d.	Financial Institutions/Banks	-	-	-
<b>Sub Total (A)(1)</b>		<b>16</b>	<b>1,73,64,635</b>	<b>20.94</b>
<b>(2) Foreign</b>				
<b>Sub Total (A)(2)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter and Promoter Group</b>		<b>16</b>	<b>1,73,64,635</b>	<b>20.94</b>
<b>(A)=(A)(1)+(A)(2)</b>		<b>16</b>	<b>1,73,64,635</b>	<b>20.94</b>
<b>(B) Public Shareholding</b>				
<b>1 Institutions</b>				
a.	Mutual Funds	-	-	-
b.	Foreign Portfolio Investor	5	13,59,791	1.64
c.	Financial Institutions/Banks	-	-	-
d.	Foreign Institutional Investors	-	-	-
<b>2 Sub Total (B)(1)</b>		<b>5</b>	<b>13,59,791</b>	<b>1.64</b>
Central Government/State Government(s)/President of India		1	96,130	0.12
a.	Central Government/State Government(s)/ President of India	-	-	-
<b>Sub Total (B)(2)</b>		<b>1</b>	<b>96,130</b>	<b>0.12</b>
<b>3 Non-Institutions</b>				
(a-i)	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	48,255	4,24,09,023	51.15
(a-ii)	Individual shareholders holding nominal share capital excess ₹ 2 lakhs	24	56,09,386	6.77
(b)	NBFCs Registered with RBI	-	-	-
(e-i)	Non-Resident Indian (NRI) - Non Repatriable	447	37,57,975	4.53

SL. NO	Category of Shareholder	No of Shareholders	Total Number of shares	shareholding as a percentage of total number of shares
(e-ii)	Non-Resident Indian (NRI) - Repatriable	-	-	-
(e-iii)	Corporate Bodies	202	31,44,523	3.79
(e-iv)	Corporate Bodies - Foreign Bodies	1	77,66,387	9.37
(e-ix)	Clearing Member	2	5,585	0.01
(e-vii)	Foreign National - FN	1	13,69,840	1.65
(e-viii)	Trust	2	5,050	0.01
	<b>Sub Total (B)(3)</b>	<b>48,935</b>	<b>6,40,93,359</b>	<b>77.30</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>48,941</b>	<b>6,55,49,280</b>	<b>79.06</b>
	<b>Total (A)+(B)</b>	<b>48,957</b>	<b>8,29,13,915</b>	<b>100.00</b>

### Category-wise shareholding:



Promoter & Promoter Group	20.94
Individuals	57.92
Corporate Bodies	13.16
Others	7.98



**Vivimed**

## **BREAK UP OF SHARES IN PHYSICAL AND DEMAT FORM AS ON 31<sup>ST</sup> MARCH, 2025:**

Particulars	No. of Shares @ ₹2/- each	% of Shares
<b>Physical segment</b>	1385459	1.67096
<b>Demat segment</b>		
NSDL	47719684	57.55329
CDSL	33808772	40.77575
<b>TOTAL</b>	<b>82913915</b>	<b>100.00000</b>

### **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 31<sup>st</sup> March, 2025.

### **PLANT LOCATIONS AS ON 31.03.2025:**

## **SPECIALTY CHEMICALS DIVISION**

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

### **PLANT LOCATIONS**

## **PHARMA DIVISION**

1. D-125 & 128, Phase III, Jeedimetla Industrial Estate, Hyderabad – 500055, State – Telangana
2. Plot No. 25, Kundeshwari Village, Kashipur, Udham Singh Nagar – 244713, State – Uttarakhand,
3. D-9, Industrial Area, Haridwar – 249401, State – Uttarakhand,
4. Plot No: 8, Phase V,IDA Jeedimetla , Hydearabad, 500055, State – Telangana
5. Kishlay , Kashipur, Uttarkhand – 110001, State – Uttarakhand,
6. 130, Shanta Indl. Estate, 1<sup>st</sup> Floor, IB Patel Road,, Goregaon Mumbai East - 63, State – Maharashtra

## **R&D CENTERS**

1. 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](mailto: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: D. No.6-3-866/1/G1, 3<sup>rd</sup> Floor, GMR Towers, Greenlands,

Begumpet, Hyderabad, Telangana – 500 016, India

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

E-mail: [yugandhar.kopparthi@vivimedlabs.com](mailto:yugandhar.kopparthi@vivimedlabs.com)

Website: [www.vivimedlabs.com](http://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, 2025, 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.

## 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 has material un-listed Indian subsidiary company by name Finoso Pharma Private Limited. However, the Company has 3 foreign subsidiaries namely, (1) Vivimed Labs USA, Inc., (2) Vivimed Labs Mauritius Limited (3) 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, 2025. 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 30.05.2025.

## 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

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, 2025.



## Vivimed

### 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. SVRL & Co, Chartered Accountant, Statutory Auditors of the Company on a consolidated basis during the Financial Year ended March 31, 2025:

Sl. No	Payments to the Statutory Auditors (excluding taxes)	Fees paid in ₹ in Lakhs
1	Statutory Audit fees paid for Audit of the Company	14.16
2	Fees paid for Limited review of the Company	7.08
3	Fees paid for other services	-
4	Reimbursement of expenses	-
	<b>Total</b>	<b>21.24</b>

### 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
3	Number of Complaints disposed off during the year Number of cases pending as on March 31, 2025	

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

### xx) Disclosures in Relation to Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are interested by the Company and its Subsidiaries:

Sl. No	Name of Firm/company to which Loans or Advances have been provided	Amount (in crore )	Name of the interested Director	Nature of Interest	Name and status of the Disclosing Entity
		-	NIL		-

### xxi) Commodity Price Risks and Commodity Hedging activities

The Company is not undertaken any commodity hedging activities.

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.

**xxii) 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)	Functional 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](http://www.vivimedlabs.com)), the information on dividend which remains unclaimed with the Company.

**Disclosures with respect to demat suspense account/ unclaimed suspense account: Nil**

**Disclosure of certain types of agreements binding listed entity: Nil**

#### **Annexure to Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2025**

#### **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 31<sup>st</sup> March, 2025.

Place: Hyderabad  
Date: 13.08.2025

Sd/-  
**Santosh Varalwar**  
Managing Director





**Vivimed**

## **PART B: COMPLIANCE CERTIFICATE**

**[See Regulation 17(8)]**

### **MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION**

- A. We have reviewed financial statements for the quarter and Year ended 31.03.2025 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with 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 31.03.2025 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
- (i) Significant changes in internal control over financial reporting during the quarter and Year ended 31.03.2025 – **NIL**
  - (ii) Significant changes in accounting policies during the quarter and Year ended 31.03.2025 – **NIL**
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting – **NIL**

Place: Hyderabad  
Date: 13.08.2025

Sd/-  
**(Santosh Varalwar)**  
Managing Director

Sd/-  
**(Phanindernath Petasonti)**  
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](http://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 31<sup>st</sup> March, 2025 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:

Sl. 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	Aparna Bidarkar	Independent Director	05112945
5	Subbarathnamma Palepu	Independent Director	09432984
6	Jarugula Siva Prasad	Independent Director	07087695

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: 04.08.2025

Sd/-  
**NVSS SURYANARAYANA RAO**  
Company Secretary in practice  
ACS No.5868, CP NO.2886  
UDIN number: A005868G000929164



**Vivimed**

## **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: 30.05.2025.
- 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 1 April 2024 to 31 March 2025.

### **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 1 April 2024 to 31 March 2025. 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 1 April 2024 to 31 March 2025.
- 5 We have examined the compliance of the conditions of Corporate Governance by the Company for the period 1 April 2024 to 31 March 2025 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 1 April 2024 to 31 March 2025 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.

Place: Hyderabad  
Date: 04.08.2025

Sd/-  
**NVSS SURYANARAYANA RAO**  
**Company Secretary in practice**  
**ACS No.5868, CP NO.2886**  
**UDIN number: A005868G000929252**

**ANNEXURE - TO CORPORATE GOVERNANCE REPORT****Annual Secretarial Compliance Report of M/s. Vivimed Labs Limited  
for the financial year ended 31<sup>st</sup> March, 2025**

(CIN: L02411KA1988PLC009465)

**Registered Office:** Plot No. 78-A, Kolhar Industrial Area, Bidar, Karnataka, India – 585403

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Vivimed Labs Limited (hereinafter referred as 'the listed entity'), having its Registered Office at Plot No. 78-A, Kolhar Industrial Area, Bidar, Karnataka, India – 585403. Secretarial Review 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 listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2025 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");
1. 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) (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (ii) The Depositories Act, 1996 and the Regulations & Bye-laws framed there under and circulars / guidelines issued thereunder; **(Not Applicable to the Company during the Review Period)**
  - (i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Review Period)**
  - (j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;



## Vivimed

We have examined the compliance of above regulations, circulars, guidelines issued thereunder as applicable during the review period and based on confirmation received from management of the Company as and wherever required and affirm that:

Sl. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
1	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2	<b>Adoption and timely updation of the Policies:</b> * 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 have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes Yes	
3	<b>Maintenance and disclosures on Website:</b> * 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	Yes Yes Yes	
4	<b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013.	Yes	
5	<b>Details related to Subsidiaries of listed entities have been examined w.r.t.</b> (a) Identification of material subsidiary Companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes Yes	
6	<b>Preservation of Documents:</b> 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	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved /ratified /rejected by the Audit Committee, in case no prior approval has been obtained.	Yes NA	All RPT Taken Prior Approval
9	<b>Disclosure of events or information:</b> 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	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	

Sl. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
11	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been 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 except as provided under separate paragraph herein .	Yes	No 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.
12	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	Yes	No noncompliance observed for all SEBI regulation/circular / guidance note etc.

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019:

Sl. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
1	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
i.	If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter: or	No	Limited Review Report submitted for the Quarter ended 31stDecember, 2023 and submitted on 14-02-2024 and the Auditor resigned on 18.05.2024 pursuant to the Order Issued by NFRA Dated 26.04.2024, Order No. 014/2024. In the matter of M/s PCN & Associates, and CA Gopala Krishna Kandula under Section 132(4) of the Companies Act, 2013.
ii.	If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter: or	No	
iii.	If the auditor has signed the limited review/audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	No	The Company appointed of M/s. SVRL & Co., Chartered Accountants (FRN:016182S) with effect from July 05 , 2024 [to hold office until the conclusion of the 36 <sup>th</sup> Annual General Meeting (to conduct Audit for FY 2024)].





Sl. No.	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS
<b>2</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
i.	Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:		
a.	In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information /non- cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	
b.	In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents, has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as Applicable.	NA	
c.	The Audit Committee / Board of Directors deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA	
ii.	Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	
<b>3</b>	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 <sup>th</sup> October 2019.	Yes	

- (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:

Sl. 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
NIL										

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

Sl. 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
NIL										

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.
5. This Report is limited to the Statutory Compliances on laws/ regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to financial year ended March' 2025.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
7. We 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

Place: Hyderabad  
Date: 05.05.2025

Sd/-  
**NVSS SURYANARAYANA RAO**  
**Company Secretary in practice**  
**ACS No.5868, CP NO.2886**  
**UDIN Number: A005868G000270165**



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 Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and Notes to the standalone financial statements, including material accounting policy information 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of "the Company" as at March 31, 2025, and the loss (Including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

## BASIS FOR QUALIFIED OPINION

1. As disclosed in Note 28 to the statement, the Company has not recognized interest expense of approximately ₹ 574.44 million on an accrual basis, citing non-availability of bank confirmations as of March 31, 2025. This is not in compliance with Indian accounting standards, which require accrual-based accounting and recognition of borrowing costs when accrued. Consequently, the reported loss and liability is understated by the said amount. The Company is also in ongoing discussions with its bankers for settlement, which have not yet concluded. Due to the uncertainty and lack of finalized terms, the impact of such settlement, if any, has not been accounted for and remains unquantified.
2. We were unable to obtain direct external confirmations in respect of the Company's current and non-current bank borrowings total amounting to ₹ 3744.56 (as referred in note 16a, 16b). Consequently, we are unable to comment on the completeness, accuracy, and existence of these borrowings. As a result, we are unable to determine whether any adjustments may be necessary in respect of these balances.

3. The Company has disclosed related party transactions in the statement, including items such as investments, receivables, payables, advances, purchases, and sales. Further, balances pertaining to creditors, debtors, other current assets and bank accounts are subject to external confirmation. While we note that the Company has initiated the process of obtaining these confirmations, the confirmations have not yet been received.

In the absence of these confirmations, we are unable to comment on the accuracy, completeness, and validity of the reported balances and related party transactions.

4. The Company has not identified parties covered under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently, disclosures required under Section 22 of the MSMED Act, 2006 and Section 134 of the Companies Act, 2013, including provision for interest on delayed payments, have not been made due to the absence of relevant data and confirmations, the financial impact of non-provision of such interest is not ascertainable.
5. The Company's investments in subsidiaries and associates amounting to ₹587.83million have not been assessed for impairment, despite the presence of indicators for impairment. However, in the absence of independent valuer reports or sufficient appropriate evidence, we are unable to derive the impact, if any, on these investments.

## GOING CONCERN SECTION

### UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to the certain factors that may indicate potential uncertainties regarding the Company's ability to continue as a going concern. During the financial year, the Company has incurred cash losses, has defaulted on its borrowings, and is reporting negative financial ratios as at the reporting date. These conditions indicate a concern on company's ability to continue as a going concern.

In evaluating the going concern assumption, management has considered factors such as future business prospects, cost cutting measures, and plans to restructure borrowings to improve liquidity (Refer Notes 2.1 (vii)) Based on these actions, management is optimistic that the Company will be able to meet its obligations and continue its operations in the foreseeable future. Our opinion is not modified in respect of this matter.

## 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 for the financial year ended March 31, 2025. 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 our audit addressed the key audit matter
<p><b>Contingent Liabilities and litigation Matters</b></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 are related to Income Tax . 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/ loss and balance sheet position</p>	<p>Our audit procedures included the following:</p> <p>Evaluating the design and testing the effectiveness of controls over the recognition and measurement of provisions for litigation and claims.</p> <p>Corroborating management's assessment by:</p> <ul style="list-style-type: none"> <li>• Conducting enquiries with the Company's in-house legal counsel.</li> <li>• Reviewing relevant correspondence, orders, and appeals related to ongoing litigation.</li> <li>• Obtaining confirmations from internal legal counsel, where applicable, and/or assessing any external legal opinions obtained by management.</li> <li>• Reviewing significant adjustments to legal provisions during the year to identify any indication of management bias.</li> <li>• Assessing the adequacy of disclosures provided in Note 32 to the standalone financial statements to ensure they are comprehensive and accurate.</li> </ul>

## INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, Business Responsibility Report, Corporate Governance Report, 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 the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of "the Act" with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of "the Act" and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.



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In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgement 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.
- 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 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
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, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
3. As required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 accompanying standalone financial statements;



- 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 including the manner prescribed in Rule 3(1) of Companies (Accounts) Rules, 2014, except that the audit trail feature was not enabled as reported under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- c) The standalone financial statements dealt with by this report are in agreement with the 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 except as reported in the "Basis for qualified opinion" paragraph.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to maintenance of accounts and other matters connected therewith refer to our comments in paragraph 17(b) above on reporting under Section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in "Annexure B" wherein we have expressed modified opinion; and.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in note 32 to standalone financial statements, the company has disclosed the impact of pending litigations on its financial position as at 31 March 2025.
  - ii. As detailed in note 34.1, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
- 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 person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf 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 person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- vii. The company has not declared or paid any dividend during the year.
- viii. The company uses accounting software for maintaining its books of accounts which has a feature of recording Audit trail (edit log) facility but the same was not enabled in the software during the year.

For **SVRL & Co**  
Chartered Accountants  
Firm's Regn. No:0161825

**G Ramakrishna**  
Partner

Place: Hyderabad  
Date: 30-05-2025

M No: 213487  
UDIN: 25213487BMMMKU8399





## Annexure A to the Auditors Report

### TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF M/S VIVIMED LABS LIMITED

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital work-in-progress, Investment property and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment have been physically verified by the management during the year. The company has a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (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 (as amended) and rules made there under.
- ii) (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Inventories are stated at the lower of cost or net realisable value. There were no discrepancies of

10% or more in aggregate for each class of inventory were noticed as per book record. In respect of inventory lying with third parties, these have been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

- (b) The Company has not been sanctioned working capital limits in excess of five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

During the year, the investments made and loans given to companies are not prejudicial to the Company's interest.

- iii) The Company has not granted any loans, Secured or Unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.
- iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- 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 related to the manufacture or service of applicable pharmaceutical products 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, 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 the following statutory dues as at March 31, 2025 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	7,70,19,217
2	TCS	1,14,858
3	Professional Tax	16,01,950
4	Provident Fund	5,61,91,440
5	Employee State Insurance	23,38,856
6	Entry tax	7,71,304
7	Service tax	1,92,43,729
8	Income tax charge	9,82,18,305
9	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 statutory dues other than referred in sub clause (a) which have not been deposited as at March 31, 2025 on account of any dispute except the following:

S. No	Nature	Assessment Year	Demand Amount in ₹	Forum where the matter is pending	Section No.
1	Income Tax, 1961	2014-15	21,41,96,832	CIT(A)	271(1)(c)
2	Income Tax, 1961	2014-15	37,91,17,971	CIT(A)	143(3)
3	Income Tax, 1961	2015-16	23,11,83,295	CIT(A)	217(1)(c)
4	Income Tax, 1961	2015-16	29,25,94,625	CIT(A)	143(3)
5	Income Tax, 1961	2017-18	45,20,70,142	CIT(A)	254
6	Income Tax, 1961	2018-19	1,50,000	CIT(A)	271B
7	Income Tax, 1961	2018-19	1,88,35,910	CIT(A)	143(3)
8	Income Tax, 1961	2019-20	16,83,413	CIT(A)	154
9	Income Tax, 1961	2021-22	3,01,904	CIT(A)	154
10	Income Tax, 1961	2022-23	6,06,114	CIT(A)	154
11	The Central Sales Tax, 1956	2011-12	17,78,511	Sales Tax (A)	-
12	The Central Sales Tax, 1956	2012-13	25,96,406	Sales Tax (A)	-
13	Goods and Service Tax Act, 2017	2017-18	10,10,70,692.00	Appellate Tribunal	
14	Goods and Service Tax Act, 2017	2018-19	47,26,585	Appellate Tribunal	-

- 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.



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- 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 31<sup>st</sup> March 2025 are as given below:

Nature of Borrowing	Name of the Bank/Institution	Amount (Mn) not paid on due date*	Whether principal or interest or both
Term Loan	SBI (CTL)	406.54	Both
Term Loan	IFC ECB	357.70	Both
Term Loan	IFC FCCB	629.50	Both
Term Loan	Vehicle Loan	0.09	Both
Working Capital	SBI	2126.32	Both
Working Capital	SBI -FITL	177.21	Both
Working Capital	BBK	47.2	Both

\* In the above statement, amount not paid on due date does not include the interest accrued for the FY 2024-25.

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

- (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) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long-term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. Further, we report that the Company does not have any joint ventures.
- (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. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (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 made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- 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 including the representation made to us by the management of the Company, 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 Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (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 and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with

the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv) (a) In our opinion, the Company has an internal audit system that does not commensurate with the size and the nature of its business.

(b) According to the information and explanations provided to us, no internal audit was conducted for the financial year 2024-25. Consequently, there were no internal audit reports issued for the period under audit, and therefore, no reports were available for our consideration.

xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act 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, reporting under clauses 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company. The Group (as defined in core investment companies (Reserve bank) Directions, 2016) doesn't have any CIC.

xvii) The Company has incurred cash losses of ₹ 122.86 millions during the current year i.e., FY 2024-25 and immediately preceding financial year i.e., FY2023-24 of ₹ 259.72 millions.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company

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.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **SVRL & Co**  
Chartered Accountants  
Firm's Regn. No:016182S

**G Ramakrishna**  
Partner

M No: 213487

UDIN: 25213487BMMMKU8399

Place: Hyderabad  
Date: 30-05-2025



## “Annexure B” to the Independent Auditor’s Report

### **INDEPENDENT AUDITOR’S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (‘THE ACT’)**

In conjunction with our audit of the standalone financial statements of M/s VIVIMED LABS LIMITED (‘the Company’) as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE 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 FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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 WITH REFERENCE TO FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 matters give in the Basis for Qualified Opinion

section of this report, we have not obtained sufficient and appropriate audit evidence regarding the company's internal financial controls over financial reporting. Consequently, we are unable to determine whether the company has established adequate internal financial controls over

financial reporting, or whether such controls were operating effectively as of March 31, 2025. This opinion is based on the criteria established in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

For **SVRL & Co**  
*Chartered Accountants*  
Firm's Regn. No:016182S

**G Ramakrishna**  
*Partner*  
M No: 213487  
UDIN: 25213487BMMMKU8399

Place: Hyderabad  
Date: 30-05-2025





Vivimed

# STANDALONE BALANCE SHEET

as at 31<sup>st</sup> March 2025

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

Particulars	Note No.	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>A. ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a) Property, Plant, Equipment	3	2,478.72	2576.05
(b) Capital Work in Progress	4	171.13	206.51
(c) Goodwill		169.14	169.14
(d) Other Intangible Assets	5	504.94	517.97
(e) Investments	6	587.83	587.83
<b>Total Non Current Assets</b>		<b>3,911.77</b>	<b>4057.51</b>
<b>2. Current Assets</b>			
(a) Inventories	7	564.99	627.68
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	8	458.01	595.37
(iii) Cash and cash equivalents	9	2.89	11.44
(iv) Loans	10	54.24	18.98
(v) Other Financial Assets	11	469.00	547.19
(c) Current Tax Assets	12	98.22	97.70
(d) Other current assets	13	830.40	858.83
<b>Total Current Assets</b>		<b>2,477.75</b>	<b>2757.19</b>
<b>TOTAL ASSETS</b>		<b>6,389.52</b>	<b>6814.70</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	14	165.83	165.83
(b) Other equity	15	419.08	728.26
<b>Total Equity</b>		<b>584.91</b>	<b>894.09</b>
<b>2. Liabilities</b>			
<b>Non- Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16(a)	633.16	633.16
(ii) Other financial liabilities (other than those specified in item (b), to be specified)	17(a)	1,100.35	1238.35
(b) Provisions	18(a)	43.49	40.73
(c) Deferred tax liabilities (Net)	19	90.33	90.33
(d) Other non-current liabilities	20(a)	5.22	6.30
<b>Total Non Current Liabilities</b>		<b>1872.55</b>	<b>2,008.87</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16(b)	3,115.06	3121.56
(ii) Trade Payables			
(a) Dues to micro and small enterprises			
(b) Dues to others	21	336.45	388.40
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	17(b)	75.39	76.99
(b) Other Current Liabilities	20(b)	211.07	132.15
(c) Provisions	18(b)	14.16	12.06
(d) Current Tax Liabilities	22	179.93	180.58
<b>Total Current Liabilities</b>		<b>3932.07</b>	<b>3911.74</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,389.52</b>	<b>6,814.70</b>

Summary of Material accounting policy information

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

As per our report of even date attached

for **SVRL & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0161825

**G Ramakrishna**  
Partner  
Membership No.: 213487

UDIN: 25213487BMMMUKU8399  
Place: Hyderabad  
Date: 30-05-2025

for and on behalf of the Board of Directors of  
**Vivimed Labs Limited**  
CIN: L02411KA1988PLC009465

**Sandeep Varalwar**  
Whole time Director  
DIN: 01682951

**Phanindernath PS**  
Chief Financial Officer

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

**Yugandhar Kopparthi**  
Company Secretary  
M. No: ACS19315

# STANDALONE STATEMENT OF PROFIT & LOSS

for the Period ended 31<sup>st</sup> March, 2025

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

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
<b>Income</b>			
Revenue from operations	23	1036.04	1367.97
Other Income	24	41.85	95.72
<b>Total Income</b>		<b>1,077.89</b>	<b>1,463.69</b>
<b>Expenses</b>			
Cost of Material Consumed	25	601.23	853.87
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(17.86)	(180.70)
Employee Benefit Expenses	27	230.42	294.48
Finance costs	28	25.31	19.04
Depreciation and amortisation expense	29	186.31	184.10
Other expenses	30	367.44	736.72
<b>Total Expenses</b>		<b>1,392.85</b>	<b>1,907.51</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(314.96)</b>	<b>(443.82)</b>
<b>Profit/(loss) before tax</b>		<b>(314.96)</b>	<b>(443.82)</b>
<b>Tax expense:</b>			
Current tax			
Deferred tax		-	-
Total tax expense		-	-
<b>Profit/(Loss) for the period</b>		<b>(314.96)</b>	<b>(443.82)</b>
<b>Other comprehensive income</b>			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan			
Income-tax effect		-	
(B) Items that will be reclassified to profit or loss	31	5.79	4.76
<b>Total other comprehensive income / (loss), net of tax</b>		<b>5.79</b>	<b>4.76</b>
<b>Total comprehensive income for the year</b>		<b>(309.17)</b>	<b>(439.06)</b>
<b>VII. Earning per equity share of ₹10/- each:</b>			
(1) Basic		(3.80)	(5.35)
(2) Diluted		(3.69)	(5.20)

Summary of Material accounting policy information

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date attached

for **SVRL & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0161825

**G Ramakrishna**  
Partner  
Membership No.: 213487

UDIN: 25213487BMMM8399  
Place: Hyderabad  
Date: 30-05-2025

for and on behalf of the Board of Directors of  
**Vivimed Labs Limited**  
CIN: L02411KA1988PLC009465

**Sandeep Varalwar**  
Whole time Director  
DIN: 01682951

**Phanindernath PS**  
Chief Financial Officer

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

**Yugandhar Kopparthi**  
Company Secretary  
M. No:ACS19315



Vivimed

## STANDALONE STATEMENT OF CASH FLOW

for the year ended 31<sup>st</sup> March, 2025

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

Particulars	For the year ended 31 <sup>st</sup> March, 2025	For the year ended 31 <sup>st</sup> March, 2024
<b>I. Cash flows from operating activities</b>		
<b>Profit before tax</b>	(309.17)	(443.82)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	186.31	184.10
Amortisation of intangible assets		
Finance income (including fair value change in financial instruments)		
Finance costs (including fair value change in financial instruments)	25.31	19.04
<b>Operating profit before working capital changes</b>	<b>(97.55)</b>	<b>(240.68)</b>
<b>Changes in working capital:</b>		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	137.36	(92.35)
Inventories	62.69	155.42
Loans - current	(35.26)	11.41
Other assets - current	106.62	(142.03)
Current tax assets(net)	(0.52)	(0.05)
Adjustment for increase/(decrease) in operating liabilities		
Trade payables	(51.95)	(175.45)
Other liabilities	(61.76)	(517.58)
Borrowings	(6.50)	35.84
Current tax liabilities(net)	(0.65)	(2.33)
Provisions	4.87	2.58
<b>Cash generated from operations</b>	<b>57.34</b>	<b>(965.24)</b>
Income taxes paid		
<b>Net cash generated from/(used in) operating activities</b>	<b>57.34</b>	<b>(965.24)</b>
<b>II. Cash flows from investing activities</b>		
Proceeds from sale/ (Purchase of) property, plant and equipment and intangibles	(40.59)	(25.26)
Investments reversed during the year	(0.00)	1,023.52
Interest received (finance income)		
<b>Net cash used in investing activities</b>	<b>(40.59)</b>	<b>998.26</b>

## STANDALONE STATEMENT OF CASH FLOW (Cont'd)

for the year ended 31<sup>st</sup> March, 2025

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

Particulars	For the year ended 31 <sup>st</sup> March, 2025	For the year ended 31 <sup>st</sup> March, 2024
<b>III. Cash flows from financing activities</b>		
Share issue proceeds		
Dividend paid		
Proceeds from/(repayment of) long-term borrowings, net	-	-
Proceeds from/(repayment of) short-term borrowings, net		(36.00)
Interest paid	(25.31)	(19.04)
Provisions	0	0
<b>Net cash provided by financing activities</b>	<b>(25.31)</b>	<b>(55.05)</b>
<b>Net increase in cash and cash equivalents (I+II+III)</b>	<b>(8.55)</b>	<b>(22.03)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11.44</b>	<b>33.48</b>
<b>Cash and cash equivalents at the end of the year (refer note below)</b>	<b>2.89</b>	<b>11.44</b>
<b>Note:</b>		
<b>Cash and cash equivalents comprise:</b>		
Cash on hand	1.99	2.02
Balances with banks:		
- in current accounts	0.89	9.42
	<b>2.89</b>	<b>11.44</b>

Summary of Material accounting policy information

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

As per our report of even date attached

for **SVRL & Co**

Chartered Accountants

ICAI Firm Registration Number: 0161825

**G Ramakrishna**

Partner

Membership No.: 213487

UDIN: 25213487BMMM KU8399

Place: Hyderabad

Date: 30-05-2025

for and on behalf of the Board of Directors of

**Vivimed Labs Limited**

CIN: L02411KA1988PLC009465

**Sandeep Varalwar**

Whole time Director

DIN: 01682951

**Phanindernath PS**

Chief Financial Officer

**Manohar Rao Varalwar**

Chairman cum Whole time Director

DIN: 00059815

**Yugandhar Kopparthi**

Company Secretary

M. No:ACS19315



**Vivimed**

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## 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, 2025."

## 2 MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 BASIS OF PREPARATION:

#### (i) Compliance with Ind AS

These financial statements as of and for the year ended 31 March 2025 comply, in all material aspects, with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the presentation requirements of Division II of Schedule III to the Companies Act, 2013, along with applicable SEBI guidelines. Comparative information for the year ended 31 March 2025 is presented accordingly.

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 2025.

#### (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 42 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 31 March, 2025

## (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.

## (vii) Going Concern

The financial statements have been prepared on a going concern basis. As of the reporting date, the Company has incurred cash losses, experienced defaults in servicing its borrowings, and recorded certain adverse financial ratios. These factors indicate financial challenges. The management has implemented measures aimed at addressing these challenges, including cost reduction initiatives, strategies to improve operational efficiency, and restructuring plans for borrowings to enhance cash flow. Based on these actions, the management has assessed that the Company has adequate resources to continue operating for the foreseeable future and, accordingly, considers the going concern basis of accounting appropriate for the preparation of these financial statements.

## 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





## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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 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.

### 2.6 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.

### 2.7 INVESTMENTS AND OTHER FINANCIAL ASSETS:

#### (i) Classification:

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

- those to be measured subsequently at cost value
- those measured at amortised cost.

The classification depends on the entity's business model for

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

managing the financial assets and contractual terms of the cash flows.

## (ii) Recognition:

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

### 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



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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 1<sup>st</sup> 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 31 March, 2025

## 2.8 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.

## 2.9 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.

## 2.10 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.

## 2.11 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.

## 2.12 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.

## 2.13 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.



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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 post-employment 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.

## 2.14 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

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 2.15 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.

## 2.16 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.

## 2.17 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.
- (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.

## 2.18 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.

## 2.19 ROUNDING OF AMOUNTS:

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



# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

(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
<b>Year ended March 31, 2024</b>											
<b>Gross Carrying Amount</b>											
At the beginning of the year	1,099.55	1,078.77	1,200.31	144.58	195.64	110.49	24.15	125.85	36.66	0.04	4,016.04
Additions	-	-	13.97	-	-	0.07	0.62	-	-	-	14.66
Impairment	-	-	-	-	-	-	-	-	-	-	-
<b>At the end of the year</b>	<b>1,099.55</b>	<b>1,078.77</b>	<b>1,214.28</b>	<b>144.58</b>	<b>195.64</b>	<b>110.56</b>	<b>24.77</b>	<b>125.85</b>	<b>36.66</b>	<b>0.04</b>	<b>4,030.70</b>
<b>Accumulated depreciation</b>											
At the beginning of the year	0.09	287.52	754.70	50.63	55.08	35.14	13.52	60.51	36.48	0.03	1,293.70
Depreciation charged during the year	-	37.39	57.68	13.74	18.59	20.99	7.85	4.72	-	-	160.96
Impairment	-	-	-	-	-	-	-	-	-	-	-
<b>At the end of the year</b>	<b>0.09</b>	<b>324.91</b>	<b>812.38</b>	<b>64.37</b>	<b>73.67</b>	<b>56.13</b>	<b>21.37</b>	<b>65.23</b>	<b>36.48</b>	<b>0.03</b>	<b>1,454.66</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1,099.46</b>	<b>753.86</b>	<b>401.90</b>	<b>80.21</b>	<b>121.97</b>	<b>54.43</b>	<b>3.40</b>	<b>60.62</b>	<b>0.18</b>	<b>0.01</b>	<b>2,576.04</b>
<b>Year ended March 31, 2025</b>											
<b>Gross carrying amount</b>											
At the beginning of the year	1,099.55	1,078.77	1,214.28	144.58	195.64	110.56	24.77	125.85	36.66	0.04	4,030.70
Additions	-	13.33	41.49	1.33	0.72	0.25	2.89	3.80	-	-	63.81
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>At the end of the year</b>	<b>1,099.55</b>	<b>1,092.10</b>	<b>1,255.77</b>	<b>145.91</b>	<b>196.36</b>	<b>110.81</b>	<b>27.66</b>	<b>129.65</b>	<b>36.66</b>	<b>0.04</b>	<b>4,094.51</b>
<b>Accumulated depreciation</b>											
At the beginning of the year	0.09	324.91	812.38	64.37	73.67	56.13	21.37	65.23	36.48	0.03	1,454.66
Depreciation charged during the year	-	34.45	58.68	13.77	18.62	21.03	2.50	12.12	-	-	161.14
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>At the end of the year</b>	<b>0.09</b>	<b>359.36</b>	<b>871.06</b>	<b>78.14</b>	<b>92.28</b>	<b>77.16</b>	<b>23.87</b>	<b>77.35</b>	<b>36.48</b>	<b>0.03</b>	<b>1,615.80</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>1,099.46</b>	<b>732.74</b>	<b>384.71</b>	<b>67.77</b>	<b>104.07</b>	<b>33.65</b>	<b>3.79</b>	<b>52.30</b>	<b>0.18</b>	<b>0.01</b>	<b>2,478.72</b>

### 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 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.
- The Management has physically verified the major item of 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.
- The company has not revalued it's PPE during FY 2024-25.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## 4 CAPITAL WORK-IN-PROGRESS

Particulars	Amount
<b>Year ended March 31, 2023</b>	
At the beginning of the year	206.65
Additions	-
Capitalisations	(0.14)
<b>As at March 31, 2024</b>	<b>206.51</b>
<b>Year ended March 31, 2024</b>	
At the beginning of the year	206.51
Additions	
Capitalisations	(35.38)
<b>As at March 31, 2025</b>	<b>171.13</b>

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

As at March 31, 2025	Amount in CWIP for a period of				
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress				171.13	171.13

As at March 31, 2024	Amount in CWIP for a period of				
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-		206.65	-	206.65

**Note 4(b):**

- The Company has capitalized the CWIP amounting to ₹ 35.38 Millions
- 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, Trade marks and Technical know how
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
At the beginning of the year	865.15
Additions	4.00
Disposals	-
At the end of the year	869.15
<b>Accumulated amortisation</b>	
At the beginning of the year	328.02
Amortisation charge during the year	23.16
Disposals	-
At the end of the year	351.18
<b>Net carrying amount as at March 31, 2024</b>	<b>517.97</b>
<b>Year ended March 31, 2025</b>	
<b>Gross carrying amount</b>	



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Particulars	Brands, Trade marks and Technical know how
At the beginning of the year	869.15
Additions	12.15
Disposals	-
At the end of the year	881.30
<b>Accumulated amortisation</b>	
At the beginning of the year	351.18
Amortisation charge during the year	25.18
Disposals	-
At the end of the year	<b>376.36</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>504.94</b>

### Note:

- (a) The company has not revalued the Intangible Assets during the year.

## 6 INVESTMENTS

Particulars	As at March 31, 2025	Percentage of Ownership	Percentage of Voting	As at March 31, 2024
<b>Non-current investments</b>				
<b>Investments carried at cost</b>				
<b>Unquoted equity shares</b>				
Investments in equity instruments in subsidiary companies				
3,015,000 (March 31, 2024: 3,015,000) equity shares of ₹10 each in Finoso Pharma Private Limited	100.00	100%	100%	100.00
10,000 (March 31, 2024: 10,000) equity shares of HKD 1 each in Vivimed Holdings Limited, Hong Kong	0.07	100%	100%	0.07
1,000 (March 31, 2024: 1,000) equity shares of USD 0.01 each in Vivimed Labs USA Inc, USA	0.0005	100%	100%	0.0005
90,00,000 (March 31, 2024: 90,00,000) equity shares of USD 1 each in Vivimed Labs Mauritius Limited, Mauritius	460.41	100%	100%	460.41
10,000 (March 31, 2024: 10,000) equity shares of ₹10 each in Vivimed Speciality Chemicals Private Limited	0.10			0.10
<b>Investments in equity instruments in other companies</b>				
<b>Unquoted equity shares</b>				
2,500,000 (March 31, 2024: 2,500,000) equity shares of ₹10 each in Yantra Green Power Private Limited	25.00	35.66%	35.66%	25.00
<b>Other Investments</b>				
Finoso Pharma Private Limited	2.25			2.25
<b>Total</b>	<b>587.83</b>			<b>587.83</b>
Total investments carried at cost	560.58	-	-	560.58
Total investments carried at fair value through profit and loss	25.00	-	-	25.00
Other investments	2.25	-	-	2.25

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### Note:

- a) The Company assured the recoverable amount of investment in equity shares of its subsidiaries, and is of the view that recoverable amount is more than the carrying of investments.

## 7 INVENTORIES

Particulars	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw Materials	136.24	186.06
Packing Materials	59.60	106.89
Semi-finished & Work-in-process	264.68	258.96
Finished Goods (including Goods in transit)	104.47	75.77
<b>Total Inventories</b>	<b>564.99</b>	<b>627.68</b>

### 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.

## 8 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables considered Good- Unsecured	458.01	655.63
Total	458.01	655.63
Less: Allowance for doubtful receivables	-	(60.26)
<b>Total Trade receivables</b>	<b>458.01</b>	<b>595.37</b>

### Ageing of trade receivables

#### As of March 31, 2025

Particulars	less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables - Considered good	162.95	78.01	8.09	-	208.96	458.01
Disputed Trade Receivables - Considered good						
Less: Allowance for credit loss						
<b>Total Trade Receivables</b>	<b>162.95</b>	<b>78.01</b>	<b>8.09</b>		<b>208.96</b>	<b>458.01</b>

#### As of March 31, 2024

Particulars	less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables - Considered good	274.54	70.68	32.53	217.62	60.26	655.63
Disputed Trade Receivables - Considered good						
Less: Allowance for credit loss					(60.26)	(60.26)
<b>Total Trade Receivables</b>	<b>274.54</b>	<b>70.68</b>	<b>32.53</b>	<b>217.62</b>		<b>595.37</b>



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 9 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
i) Balances with banks:		
- In current accounts	0.89	9.42
ii) Cash on hand	1.99	2.02
<b>Total (i+ii)</b>	<b>2.89</b>	<b>11.44</b>

### 10 LOANS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Loans and advances to related parties	53.40	14.92
Loans and advances to Others	0.85	4.06
<b>Total</b>	<b>54.24</b>	<b>18.98</b>

Loans to related parties are interest free and repayable on demand

### 11 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Security deposits	26.87	26.87
Other Financial assets	442.13	520.32
<b>Total Other financial assets</b>	<b>469.00</b>	<b>547.19</b>

### 12 CURRENT TAX ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and TDS receivable	98.22	97.70
<b>Total Current tax assets</b>	<b>98.22</b>	<b>97.70</b>

### 13 OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Unsecured, considered good		
Duties and Taxes	158.56	154.34
Other advances	670.80	610.39
Prepaid expenses	1.05	94.09
<b>Total other current assets</b>	<b>830.40</b>	<b>858.83</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 14 EQUITY SHARE CAPITAL

### (i) Authorised equity share capital

Particulars	Number of shares	Amount
As at April 1, 2024	200,000,000	400.00
Movement during the year	-	-
As at March 31, 2025	200,000,000	400.00

### Authorised preference share capital

Particulars	Number of shares	Amount
As at April 1, 2024	710,000	710.00
Movement during the year	-	-
As at March 31, 2025	710,000.00	710.00

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

Particulars	Number of shares	Amount
As at April 1, 2024	82,913,915	165.83
Movement during the year	-	-
As at March 31, 2025	82,913,915.00	165.83

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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Equity shares of ₹2/- each fully paid</b>		
<b>BBR Projects Private Limited</b>		
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	7,766,387
% of holding	9.37%	9.37%

### (iv) Disclosure of share holding of promoters

Promoter name	31 March 2025			31 March 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Santosh Varalwar	13,00,254	1.57%	0.00%	13,00,254	1.57%	0.00%
Manohar Rao Varalwar	10,34,225	1.25%	0.00%	10,34,225	1.25%	0.00%
Varalwar Subash	16,16,200	1.95%	0.00%	16,16,200	1.95%	0.00%





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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Promoter name	31 March 2025			31 March 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Varalwar Sandeep	18,75,647	2.26%	0.00%	18,75,647	2.26%	0.00%
Vithabai Varalwar	23,345	0.03%	0.00%	23,345	0.03%	0.00%
Mamatha Gurnukar	1,50,000	0.18%	0.00%	1,50,000	0.18%	0.00%
Sujatha Varalwar	3,93,995	0.48%	0.00%	3,93,995	0.48%	0.00%
Madhavi Varalwar	2,00,000	0.24%	0.00%	2,00,000	0.24%	0.00%
Neelima Vijaya Varalwar	1,00,000	0.12%	0.00%	1,00,000	0.12%	0.00%
Vijay Kumar Varalwar	1,50,000	0.18%	0.00%	1,50,000	0.18%	0.00%
Satish Gooty Agraharam	55,635	0.07%	0.00%	55,635	0.07%	0.00%
Sheetal Varalwar	5,68,985	0.69%	0.00%	5,68,985	0.69%	0.00%
Varalwar Padma	33,250	0.04%	0.00%	33,250	0.04%	0.00%
S Raghunandan	3,17,500	0.38%	0.00%	3,17,500	0.38%	0.00%
Chandrashekar Rao Sudigali	50,095	0.06%	0.00%	50,095	0.06%	0.00%
<b>Promoters Group</b>						0.00%
BBR Projects Private Limited	94,95,504	11.45%	0.00%	94,95,504	11.45%	0.00%

### 15 OTHER EQUITY

Particulars	31 March 2025	31 March 2024
<b>Reserves and Surplus</b>		
Securities premium reserve	1775.18	1775.18
Capital reserve	8.57	8.57
General reserve	167.8	167.8
Revaluation reserve	380	380
Retained earnings	(1,912.48)	(1,603.30)
<b>Total Other Equity</b>	<b>419.08</b>	<b>728.26</b>

- 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.
- 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.
- 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.
- Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to share holders.

#### Retained earnings

Particulars	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	(1,603.30)	(1,164.24)
Profit/(loss) for the year	(314.96)	(443.82)
Other comprehensive income	5.79	4.76
<b>At the end of the year</b>	<b>(1,912.48)</b>	<b>(1,603.30)</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 16 FINANCIAL LIABILITIES

### 16 (A) NON-CURRENT BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured loans</b>		
Sales tax deferment loan	3.66	3.66
FCCB's From Financial Institutions	629.50	629.50
<b>Total non-current borrowings</b>	<b>633.16</b>	<b>633.16</b>

### 16 (B) CURRENT BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(b) Current Borrowings</b>		
Secured loans repayable on demand		
Cash credit and packing credit loans	2,173.52	2,180.02
Other Term Loans	941.54	941.54
<b>Total current borrowings</b>	<b>3,115.06</b>	<b>3,121.56</b>

#### 1. Borrowings:

- (i) Loan taken from SBI for the outstanding amount as on 31<sup>st</sup> march 2025 ₹ 1840 millions is repayable. This loan carries an interest rate of 16.5%. The same has been defaulted by the Company and the company is in negotiation with SBI for settlement.
- (ii) Outstanding balance of ECB loan taken from IFC is USD 2.36 million Company has applied for extension and it is under process. 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 pari passu charge.
- (iii) **Sales tax deferment loan:**  
The Company has been granted an interest free sales tax deferment loan by the Government of Andhra Pradesh. This loan is unsecured.
- (iv) **FCCB's from Financial Institutions:**  
The Company has obtained an FCCB from IFC outstanding as on 31 March 2025 amounting to ₹ 629.50 million with a coupon rate of 0.55% per annum and compounded semi-annually if the conversion option is not exercised. Subsequently, The Company has applied for extension and its under process.
- (v) **Cash Credit loans:**  
The Company has working capital facilities in the form of cash credits from State Bank of India, Indian Bank( Erst. Allahabad Bank), Bank of Bahrain and Kuwait with interest rates varying between 14.5% to 16.5%.
- (vi) The Company has defaulted in repayment of dues to banks and Financial Institution amounting to ₹ 3,744.56 million as on 31.3.2025 as per books of account. All the loan accounts outstanding as on 31.03.2025 are classified as NPA by the banks. In view of ongoing negotiation with lenders for settlement, interest for the year is not accounted.
- (vii) The company has not been declared as wilful defaulter by any bank or financial institution.



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 17 OTHER FINANCIAL LIABILITIES

#### 17(A): OTHER FINANCIAL LIABILITIES- NON-CURRENT:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Payable to others	594.68	563.22
Payable to related parties	505.67	675.13
<b>Total Other Financial Liabilities-Non-Current</b>	<b>1,100.35</b>	<b>1,238.35</b>

#### 17(B): OTHER FINANCIAL LIABILITIES- CURRENT:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(B) Current		
Employee salaries payable	25.11	21.18
Employee bonus payable	17.35	29.61
Provision for expenses	1.93	2.91
Directors Remuneration Payable	30.99	23.28
<b>Total Other financial liabilities</b>	<b>75.39</b>	<b>76.99</b>

### 18 PROVISIONS

#### 18 (A) PROVISIONS- NON-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	40.13	40.73
- Others	3.37	
<b>Total Provisions-Non-current</b>	<b>43.49</b>	<b>40.73</b>

#### 18(B) PROVISIONS- CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Gratuity/Sick leave/Leave Encashment	14.16	12.06
<b>Total Provisions-Current</b>	<b>14.16</b>	<b>12.06</b>

### 19 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Property, Plant and equipment	90.33	90.33
<b>Deferred tax liability(net)</b>	<b>90.33</b>	<b>90.33</b>

Note: 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Particulars	Tax Base	Carrying Amount	Temporary (timing) differences
Property, plant and equipment and intangible assets	671.19	3,149.06	2,477.86
Employee benefits expense	-	54.29	54.29
Allowance for credit loss	3,301.48	-	(3,301.48)
Statutory amounts	-	160.12	160.12
<b>Total</b>			<b>(609.20)</b>
<b>Deferred Tax Liability/(Asset)</b>			<b>(158.39)</b>

### 20 OTHER LIABILITIES

#### 20(A) OTHER LIABILITIES-NON-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advances received	5.22	6.30
<b>Total Non-Current liabilities</b>	<b>5.22</b>	<b>6.30</b>

#### 20(B) OTHER LIABILITIES-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(B) Current</b>		
Statutory Liabilities	160.12	132.15
Others Liabilities	50.95	-
<b>Total Current liabilities</b>	<b>211.07</b>	<b>132.15</b>

### 21 TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current</b>		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of others	336.45	388.40
<b>Total Trade payables</b>	<b>336.45</b>	<b>388.40</b>

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

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	
<b>As on 31-03-2025</b>							
Undisputed trade payables							
- Micro and small enterprises							
- Others		20.92	242.01	49.23	24.29		336.45



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

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	
<b>Total trade payables</b>		<b>20.92</b>	<b>242.01</b>	<b>49.23</b>	<b>24.29</b>		<b>336.45</b>

### Ageing of trade payables

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	
As on 31-03-2024							
Undisputed trade payables							
- Micro and small enterprises							
- Others							
			317.94	70.46			388.4
Total trade payables			317.94	70.46			388.4

- (b) There are no trade payables with no specified due date of payments as at March 31, 2025 and March 31, 2024.
- (c) Total amount due on account of Trade Payable as on 31<sup>st</sup> March 2025 is 336.45. Out of which amount of ₹ 9.36 (M) is under dispute considering the quality of the material supplied by them.

## 22 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for taxes	180.04	184.44
Less: Advance tax and TDS receivable	0.11	3.86
<b>Total current tax liabilities</b>	<b>179.93</b>	<b>180.58</b>

## 23 REVENUE FROM OPERATIONS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Revenue from sale of products		
Domestic	901.10	1365.18
Export	134.94	2.79
	<b>1,036.04</b>	<b>1,367.97</b>
<b>Total Revenue from operations</b>	<b>1,036.04</b>	<b>1,367.97</b>

## 24 OTHER INCOME

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Income from R&D Services	0.00	4.22
Scrap Sales	0.09	0.04
Job Work Charges	0.00	0.54
Liabilities No Longer Required Written Back - Differed Interest	0.00	36.80
Balances Written Back	41.76	0.00
Financial Guarantees No Longer Required	0.00	13.95
Provision on Investment No Longer required	0.00	40.17
<b>Total Other Income</b>	<b>41.85</b>	<b>95.72</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 25 COST OF MATERIALS CONSUMED

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Raw Materials and Consumables at the beginning of the year	186.06	335.02
Packing Materials at the beginning of the year	106.89	107.65
Less: Stock of Bidar Plant disposed off	0.00	-82.80
Add : Purchases during the year	504.12	786.95
	<b>797.08</b>	<b>1,146.82</b>
Less : Raw Materials and Consumables at the end of the period	136.24	186.06
Less : Packing Materials at the end of the period	59.60	106.89
<b>Total cost of raw materials consumed</b>	<b>601.23</b>	<b>853.87</b>

### 26 CHANGES IN INVENTORIES OF FINISHED GOODS ,WORK-IN-PROGRESS AND STOCK- IN-TRADE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Finished Goods</b>		
Inventories at the beginning of the year	75.77	68.50
Add: Purchases	16.56	0
Less : Inventories at the end of the year	104.47	75.77
<b>Sub Total (A)</b>	<b>(12.14)</b>	<b>(7.27)</b>
<b>Semi Finished Goods &amp; Work-in-Progress</b>		
Inventories at the beginning of the year	258.96	271.91
Less: Stock of Bidar Plant disposed off / Obsolete Stock Disposed off	-	(186.39)
Less : Inventories at the end of the year	264.68	258.96
<b>Sub Total (B)</b>	<b>(5.72)</b>	<b>(173.44)</b>
<b>Goods in transit</b>		
<b>Total change in inventories of finished goods, work in progress and stock-in-trade</b>	<b>(17.86)</b>	<b>(180.70)</b>

### 27 EMPLOYEE BENEFITS EXPENSE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Salaries, wages and bonus and other allowances	224.19	274.26
Contribution to provident and other funds	6.19	18.29
Staff welfare expenses	0.04	1.94
<b>Total Employee benefit expense</b>	<b>230.42</b>	<b>294.48</b>

### 28 FINANCE COSTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Interest on working capital loan and cash credit	15.30	7.49
Other borrowing cost	10.01	11.54
<b>Total Finance costs</b>	<b>25.31</b>	<b>19.04</b>





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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 29 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Depreciation on property, plant and equipment	161.13	160.94
Amortization of intangible assets	25.18	23.16
<b>Total Depreciation and amortisation expense</b>	<b>186.31</b>	<b>184.10</b>

### 30 OTHER EXPENSES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Consumption of Stores & Spares	17.89	12.85
Power & Fuel	34.82	48.65
Labour Charges	23.61	30.74
Repairs to Building	0.56	0.27
Repairs to Machinery	5.48	5.51
Repairs - Others	1.35	0.86
Other Manufacturing Expenses	13.33	42.04
Job Work Charges	0.00	10.32
R & D Expenses	0.59	2.11
Business & Marketing Expenses	12.73	11.18
Bank charges	0.07	2.60
Commission & Discounts	19.89	33.21
Listing Expenses	0.34	0.00
Travelling Expenses - Foreign	0.00	0.35
Interest on Security Deposit	0.00	2.50
Printing & Stationery	1.82	2.15
Telephone & Postage Expenses	2.10	2.07
Travelling Expenses	46.79	38.78
Rates & Taxes	0.64	15.68
Conveyance	1.04	1.37
Professional & Consultancy	7.70	10.02
Directors' Sitting Fee	0.30	0.25
Freight Charges	9.64	0.00
Insurance	94.39	60.73
Rent	10.66	20.06
Other Administrative Expenses	33.99	32.99
Security Expenses	0.90	0.91
Reversal of Investments through fair value of corporate guarantees	-	39.21
Stock Disposed off	-	269.18
Fluctuation on Foreign exchange	-	13.34
Directors' Remuneration - Salary	25.00	25.00
Auditors Fees (Refer note no. 30(a))	1.80	1.80
<b>Total other expenses</b>	<b>367.44</b>	<b>736.72</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 30 (A): DETAILS OF AUDITOR'S FEES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
- As Statutory Auditor	1.80	1.80
- For Taxation Matters	-	-
<b>Total Auditor's fees</b>	<b>1.80</b>	<b>1.80</b>

### 31 DEFERRED TAX RELATED TO ITEMS CONSIDERED IN OCI DURING THE YEAR

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Re-measurement gains/ (losses) on defined benefit plan	5.79	4.76
<b>Income tax charge to OCI</b>	<b>5.79</b>	<b>4.76</b>

### 32 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>i) Contingent liabilities:</b>		
- Corporate guarantees given on behalf of others	2.25	2.25
- Letter of credit outstanding		
- Bank guarantees	5.16	45.08
- Income tax demand	1,820.52	1,109.53
<b>ii) Commitments:</b>		
- 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 the books of accounts that have been surrendered or disclosed for tax assessments under Income Tax Act, 1961 during the year.

**34** The Company doesn't have any transactions or relationship with struck off companies.

**34.1** The company has not made any long term contracts including derivative contracts for which there were any material foreseeable losses as on 31-03-2025

**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.



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# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 41 RELATED PARTY TRANSACTIONS

### a) Names of related parties and description of relationship

	Finoso Pharma Private Limited
	Vivimed Holdings Limited
	Vivimed Labs USA INC.
	Vivimed Labs Mauritius Limited
	Vivimed Labs Spain SL
<b>Subsidiary Companies</b>	
<b>Associate Company</b>	Union Quimico Farmaceutica SAU, Spain
<b>Associate Company</b>	Yantra Green Power Pvt Limited
<b>Associate Company</b>	Uquifa Mexico S.A. DE
<b>Controlled by Relatives</b>	BBR Green fields Private Limited
	Nisarg Biosciences Private Limited
	Santosh Varalwar (Managing Director)
	Manohar Rao Varalwar (Executive Director)
<b>Key Management Personnel ("KMP")</b>	Sandeep Varalwar (Executive Director)
	Yugandhar Kopparthi (Company Secretary)
	P S Phanindernath (Chief Financial Officer)

### b) Transactions with related parties

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Key Management Personnel</b>		
Remuneration Paid/Payable*	28.60	33.19
<b>Subsidiaries and step down subsidiaries</b>		
Sale of goods	48.38	63.02
Purchase of goods	45.16	6.62
Advances given	-	-
Investment Reversed	-	1,023.52

\*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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Finoso Pharma Private Limited	32.17	71.34
Vivimed Labs USA <a href="#">Inc.USA</a>	36.42	33.20
Vivimed Labs Mauritius Limited	(967.85)	(967.85)
Vivimed Labs Spain SL	-	(169.44)
Union Quimico Farmaceutica SAU, Spain	8.13	8.13
Yantra Green Power Pvt Limited	3.32	3.32
Vivimed Holdings Ltd	10.04	10.04
Uquifa Mexico S.A. DE	0.45	0.45
BBR Green fields Private Limited	(505.69)	(505.69)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 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 ₹ 2.25 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) Speciality Chemicals	0	58.98
b) Pharma	1077.89	1308.99
c) Others		
<b>Total revenue</b>	<b>1,077.89</b>	<b>1,367.97</b>
Segment Results	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(Profit before Tax & Interest)		
a) Speciality Chemicals		(260.33)
b) Pharma	(314.96)	(260.17)
c) Others	-	-
<b>Total:</b>	<b>(314.96)</b>	<b>(520.50)</b>
Less: (i) Interest		19.04
(ii) Other Un-allocable Expenditure	-	-
(iii) Un-allocable Income	-	95.72
<b>Total Profit before tax</b>	<b>(314.96)</b>	<b>(443.82)</b>
Segment Assets	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) Speciality Chemicals	1,132.03	1,132.03
b) Pharma	5,257.49	5,682.67
<b>Total</b>	<b>6,389.52</b>	<b>6,814.70</b>
Segment Liabilities		
a) Speciality Chemicals	1,364.00	1,364.00
b) Pharma	4,440.62	4,556.60
<b>Total</b>	<b>5,804.62</b>	<b>5,920.61</b>



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Segment Assets	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Capital Employed		
a) Speciality Chemicals	554.7	554.7
b) Pharma	1902.76	2,348.3
<b>Total</b>	<b>2457.46</b>	<b>2,902.96</b>

### 43 AUDITORS' REUNERATION INCLUDE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Statutory audit fee (including limited review)	1.80	1.82
Taxation matters	-	0.07
<b>Total</b>	<b>1.80</b>	<b>1.89</b>

### 44 GRATUITY / LEAVE ENCASHMENT / SICK LEAVE

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:

#### Gratuity / Leave Encashment / Sick Leave

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Opening Balance</b>	<b>52.79</b>	<b>50.21</b>
Current service cost	6.61	6.00
Interest cost	3.76	3.68
Benefits paid	(3.09)	(2.34)
Actuarial gain	(5.79)	(4.76)
<b>Closing balance</b>	<b>54.29</b>	<b>52.79</b>
Present value of projected benefit obligation at the end of the year	54.29	52.79
Fair value of plan assets at the end of the year	-	-
<b>Net liability recognised in the balance sheet</b>	<b>54.29</b>	<b>52.79</b>
Current provision	14.16	12.06
Non current provision	40.13	40.72

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Expenses recognised in statement of profit and loss	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Service cost	6.61	6.00
Interest cost	3.76	3.68
<b>Gratuity cost</b>	<b>10.38</b>	<b>9.68</b>
<b>Re-measurement gains/ (losses) in OCI</b>		
Actuarial gain / (loss) due to others	5.79	4.76
Remeasurement because of OB difference	-	-
Return on plan assets greater (less) than discount rate	-	-
<b>Total expenses routed through OCI</b>	<b>5.79</b>	<b>4.76</b>

Assumptions	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate (per annum)	6.64%	7.13%
Future salary increases	8.00%	8.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Impact of 1% increase in discount rate	51.51	50.14
Impact of 1% decrease in discount rate	57.44	55.77
Impact of 1% increase in salary growth rate	57.32	55.64
Impact of 1% decrease in salary growth rate	51.53	50.19
Impact of 1% increase in withdrawal rate	53.64	52.26
Impact of 1% decrease in withdrawal rate	55.01	53.36

These sensitives have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.

### 45 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, 2025 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
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





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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
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

### 46 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Not later than 1 year	-	13.02
Later than 1 year and not later than 5 years	-	11.30
Later than 5 years	-	-

#### ii) Amounts recognised in statement of profit and loss:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Cancellable lease expense	-	17.91
Non - cancellable lease expense	-	2.15
<b>Total</b>	<b>-</b>	<b>20.06</b>

### 47 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Profit for the year attributable to equity share holders	(314.96)	(443.82)
<b>Shares</b>		
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
<b>Earnings per share</b>		
Earnings per share of par value ₹ 2 – basic (₹)	(3.80)	(5.35)
Earnings per share of par value ₹ 2 – diluted (₹)	(3.69)	(5.20)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### a) Market risk

#### Interest Rate risk

	Increase/Decrease in Interest rate
<b>March 31, 2025</b>	
INR	+1%
INR	-1%
<b>March 31, 2024</b>	
INR	+1%
INR	-1%

### b) Credit risk

Allowance for credit loss	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening balance	-	60.26
Credit loss provided/ (reversed)	-	-
Closing balance	-	60.26

No single customer accounts for more than 10% of the revenue as of March 31, 2025, March 31, 2024 and hence there is no significant concentration risk of revenue .

### c) Liquidity risk

	On demand
<b>Year ended March 31, 2025</b>	
Borrowings	3,115
Trade payables	336
<b>Year ended March 31, 2024</b>	
Borrowings	3,122
Trade payables	388

**49** The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future.

The capital structure as of March 31, 2025, March 31, 2024 was as follows:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total equity attributable to the equity shareholders of the Company	585	894
As a percentage of total capital	13.50%	19.23%
Long term borrowings	633	633
Short term borrowings	3,115	3,122
<b>Total borrowings</b>	<b>3,748</b>	<b>3,755</b>
As a percentage of total capital	86.50%	80.77%
<b>Total capital (equity and borrowings)</b>	<b>4,333</b>	<b>4,649</b>



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## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 50 RATIOS

S.No	Particulars	Numerator	Denominator	As at 31-Mar-25	As at 31-Mar-24	Variance%
1	Current ratio	Current assets	Current liabilities	0.63	0.70	(10.68%)
2	Debt-equity Ratio	Total Debt (1)	Share holders funds	6.41	4.20	52.59%
3	Return on equity	Net profit after taxes	Average shareholder funds	(0.42)	0.18	(330.40%)
4	Trade receivables turnover ratio	Sales	Trade receivables	2.26	2.30	(1.55%)
5	Inventory turnover Ratio	Sales	Average inventory	1.74	1.94	(10.41%)
6	Trade payables turnover ratio	Purchases	Trade payables	1.50	2.03	(26.05%)
7	Net capital turnover Ratio	Sales	Working capital	(0.71)	(1.18)	(39.88%)
8	Net profit ratio	Net profit after tax	Sales	(0.30)	(0.32)	(8.02%)
9	Return on capital employed	earnings before interest and taxes	Capital employed (2)	(0.12)	(0.15)	(19.45%)
10	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 comprises of Networth and total debt.

#### Reason for Variance:

- Debt-equity Ratio: Decrease in shareholders funds due to losses
- Return on equity: Decrease in shareholders funds due to losses
- Trade receivables turnover ratio: Debtors reduced
- Inventory turnover Ratio: Reduction in Inventory
- Trade payables turnover ratio: Creditors reduced
- Net capital turnover Ratio: Gap in Working Capital increased
- Net profit ratio: Losses
- Return on capital employed: Losses

# NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Particulars	2025	2024
Current Assets	2477.75	2757.19
Current liabilities	3932.07	3911.74
Total Debt (1)	3,748.22	3,754.72
Share holders funds	584.91	894.09
Net profit after taxes	(309.17)	(443.82)
Average shareholder funds	739.50	1113.62
Sales	1036.04	1367.97
Trade receivables	458.01	595.37
Average inventory	596.33	705.39
Purchases	504.12	786.95
Trade payables	336.45	388.40
Working capital	(1454.32)	(1154.55)
earnings before interest and taxes	(289.65)	(424.78)
Capital employed (2)	2457.45	2902.96

## 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.

As per our report of even date attached  
for **SVRL & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0161825

**G Ramakrishna**  
Partner  
Membership No.: 213487

UDIN: 25213487BMMMKG8399  
Place: Hyderabad  
Date: 30-05-2025

for and on behalf of the Board of Directors of  
**Vivimed Labs Limited**  
CIN: L02411KA1988PLC009465

**Sandeep Varalwar**  
Whole time Director  
DIN: 01682951

**Phanindernath PS**  
Chief Financial Officer

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

**Yugandhar Kopparthi**  
Company Secretary  
M. No:ACS19315



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# 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 Holding company") and its subsidiaries (the Holding Company, its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year ended and notes to the consolidated financial statements, including a summary of material accounting policy information 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, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, and based on the consideration of the reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associates, 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 the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March 2025, their consolidated loss (including other comprehensive income), consolidated changes in equity, and their consolidated cash flows for the year ended on that date.

## BASIS FOR QUALIFIED OPINION

1. As disclosed in Note 28 of the consolidated financial statement, the Holding company has not recognized interest expense of approximately ₹ 574.44 million on an accrual basis, citing non-availability of bank confirmations as of 31<sup>st</sup> March, 2025. This is not in compliance with Indian Accounting standards (Ind AS), which require accrual-based accounting and recognition of borrowing costs when accrued. Consequently, the reported loss and liability is understated by the said amount. The Holding company is also in ongoing discussions with its bankers for settlement, which have not yet concluded. Due to the uncertainty and lack of finalized terms,

the impact of such settlement, if any, has not been accounted for and remains unquantified.

2. We were unable to obtain direct external confirmations in respect of the Holding company's current and non-current bank borrowings total amounting to ₹ 3744.56 (as referred in note 16a, 16b) relating to parent Company. Consequently, we are unable to comment on the completeness, accuracy, and existence of these borrowings. As a result, we are unable to determine whether any adjustments may be necessary in respect of these balances.
3. The Holding company has disclosed related party transactions in the statement, including items such as investments, receivables, payables, advances, purchases, and sales. Further, balances pertaining to creditors, debtors, other current assets and bank accounts are subject to external confirmation. While we note that the Holding Company has initiated the process of obtaining these confirmations, the confirmations have not yet been received.

In the absence of these confirmations, we are unable to comment on the accuracy, completeness, and validity of the reported balances and related party transactions.

4. The Holding company has not identified parties covered under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently, disclosures required under Section 22 of the MSMED Act, 2006 and Section 134 of the Companies Act, 2013, including provision for interest on delayed payments, have not been made. Due to the absence of relevant data and confirmations, the financial impact of non-provision of such interest is not ascertainable.

## GOING CONCERN SECTION

### MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. The Holding company has incurred cash losses during the year, defaulted on borrowings, and reported adverse financial ratios as at the reporting date, indicating concern over its ability to continue as a going concern.

Management has assessed the going concern assumption based on

projected business plans, cost optimization measures, and proposed debt restructuring initiatives. Based on these, management believes the Holding company will be able to meet its obligations and continue its operations in the foreseeable future.

Our opinion is not modified in respect of this matter.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, 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.

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
Contingent Liabilities and litigation Matters	Our audit procedures included the following:
Refer note 2.19 of the basis of preparation of financial statements and note 33 to the consolidated financial statements.	Evaluating the design and testing the effectiveness of controls over the recognition and measurement of provisions for litigation and claims.
The Company is subject to number of significant litigations. Major risks identified by the Company in that area are related to Income Tax. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgment.	Corroborating management's assessment by: <ul style="list-style-type: none"> <li>• Conducting enquiries with the Company's in-house legal counsel.</li> <li>• Reviewing relevant correspondence, orders, and appeals related to ongoing litigation.</li> </ul>
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.	<ul style="list-style-type: none"> <li>• Obtaining confirmations from internal legal counsel, where applicable, and/or assessing any external legal opinions obtained by management.</li> </ul>
Accordingly, unexpected adverse outcomes could significantly impact the Company's reported profit and balance sheet position	<ul style="list-style-type: none"> <li>• Reviewing significant adjustments to legal provisions during the year to identify any indication of management bias.</li> </ul>
	Assessing the adequacy of disclosures provided in Note 33 to the Consolidated financial statements to ensure they are comprehensive and accurate. <ul style="list-style-type: none"> <li>• evaluating adequacy of disclosures given in Note 33 to consolidated financial statements.</li> </ul>

## INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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.



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If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group and its associate companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Our objective is to obtain reasonable assurance about 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 specified under section 143(10) of the Act 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 Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional scepticism 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 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 Holding Company has an 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 Board of Directors' 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 and its associates and joint ventures 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 and its associates and joint ventures 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information/financial statements of the entity or business activities within the group and its associates to express an opinion on the consolidated 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. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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:

The Unaudited financial statements and other financial information of all subsidiaries of the Holding company included in the statement, whose financial statements comprise total assets, before elimination, of ₹ 6744.03 million as at March 31, 2025, total revenue of ₹ 175.03 million and other comprehensive income of ₹ 1.16 million for the year ended on that date. The financial statements/ financial information of these companies are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of section 143 of the

Act, in so far it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information.

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 197(16) of the Companies Act, 2013, based on our audit and on the consideration of the reports of the other auditor, on the separate financial statements of the subsidiaries and associates, we report that the Holding Company and one subsidiary company incorporated in India, whose financial statements have been audited under the Act, have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the remaining three subsidiary companies, whose financial statements have not been audited under the Act, have not paid or provided for any managerial remuneration during the year.
2. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
3. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the act, referred to in the Other Matters section above we report, to the extent applicable 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 and reports of the other auditors, including the manner prescribed in Rule 3(1) of Companies (Accounts) Rules, 2014, except that the audit trail feature was not enabled at the database level as further stated below in paragraph h(viii) on reporting under Rule 11(g) of the



Companies (Audit and Auditors) Rules, 2014 (as amended) in case of Company and its Indian subsidiaries during the period 1 April 2024 to 31 March 2025.

- c) 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 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, except as reported in the "Basis for qualified opinion" paragraph.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2025 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 31<sup>st</sup> March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph (b) above on reporting under Section 143(3)(b) of the Act and refer paragraph h(vii) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- g) 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 modified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
- 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act:
  - i) The consolidated financial statements disclose the

impact of pending litigations on the consolidated financial position of the Group and its associates as detailed in Note 33 to the consolidated financial statements.

- ii. As detailed in Note 36 to the consolidated financial statements, the Holding Company and its subsidiaries and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company during the year ended 31 March 2025. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries and an associate companies covered under the Act, during the year ended 31 March 2025;
- iv. (a). The respective managements of the Holding Company and its subsidiaries and associates incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced, loaned, or invested (either from borrowed funds, securities premium, or any other sources or kind of funds) by the Company or its subsidiary companies to or in any 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 by or on behalf of the Company or any of its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
- (b). 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.

- v. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- vi. The Company or its Subsidiaries Incorporated in India has not declared or paid any Dividend during the year.
- vii. Based on our examination, which included test checks performed by us on the Company and its subsidiaries, as well as by the respective auditors of other subsidiaries

of the Company incorporated in India and audited under the Companies Act, 2013, we observed that the accounting software used by the Company and its subsidiaries incorporated in India for the financial year commencing on or after 1<sup>st</sup> April 2024 includes a feature for recording an audit trail (edit log). However, this audit trail (edit log) feature was not enabled throughout the year for all relevant transactions in the accounting software, except for one subsidiary, Finoso Pharma Private Limited.

We have placed reliance on the report of Finoso Pharma Private Limited's auditor regarding this matter. During the periods where the audit trail (edit log) was enabled in the respective accounting software, we did not encounter any instance of tampering with the audit trail feature.

For **SVRL & Co**  
*Chartered Accountants*  
Firm's Regn. No: 016182S

**G Ramakrishna**  
*Partner*  
M No: 213487  
UDIN: 25213487BMMMKV2499

Place: Hyderabad  
Date: 30-05-2025



## “Annexure A” to the Independent Auditor’s Report

### **INDEPENDENT AUDITOR’S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (‘THE ACT’)**

In conjunction with our audit of the Consolidated financial statements of **M/s VIVIMED LABS LIMITED** (‘the Holding Company’) and its subsidiaries (the Holding company, its subsidiaries together referred to as “the Group”) and its associates, as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries and its associates which are covered under the act, as at that date.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act are 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 FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries and its associates based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial

statements were 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 with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion and the internal financial control system with reference to financial statements of the Holding Company, its subsidiary companies and its associates as aforesaid.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A Company’s internal financial control with reference to financial statements 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 with reference to financial statements 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 WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with

reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 matters give in the Basis for Qualified Opinion section of this report, we have not obtained sufficient and appropriate audit evidence regarding the company's internal financial controls over financial reporting. Consequently, we are unable to determine whether the company has established adequate internal financial controls with reference to financials statements, or whether such controls were

operating effectively as of March 31, 2025. This opinion is based on the criteria established in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India (ICAI).

### 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 as far as it relates to the Indian subsidiary Company is based on the audit reports of the other auditors.

We did not audit the internal financial controls with reference to financial statements as far as it relates to the unaudited subsidiary companies, whose financial statement reflect total assets of ₹ 6744.03 million as at March 31, 2025, total revenue of ₹175.03 million and other comprehensive income of ₹1.16 million for the year ended on that date.

Place: Hyderabad  
Date: 30-05-2025

For **SVRL & Co**  
*Chartered Accountants*  
Firm's Regn. No: 016182S

**G Ramakrishna**  
*Partner*  
M No: 213487  
UDIN: 25213487BMMMVKV2499



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# CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March 2025

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

Particulars	Note No.	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>A. ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a) Property, Plant, Equipment	3	2,544.03	2628.60
(b) Capital Work in Progress	4	171.13	206.51
(c) Goodwill		169.14	169.14
(d) Other Intangible Assets	5	1,363.55	1381.51
(e) Financial Assets		-	-
(f) Investments	6	1,684.95	1,684.95
(g) Deferred tax assets,(Net)		-	4.35
(h) Other non-current assets		-	8.21
<b>Total Non - Current Assets</b>		<b>5932.80</b>	<b>6083.27</b>
<b>2. Current Assets</b>			
(a) Inventories	7	587.55	640.62
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	8	741.10	828.20
(iii) Cash and cash equivalents	9	7.08	16.26
(iv) Bank Balances Other than(iii) Above			4
(v) Loans	10	469.26	414.21
(vi) Other Financial Assets	11	485.29	701.53
(c) Current Tax Assets	12	101.92	100.13
(d) Other current assets	13	883.34	720.89
<b>Total Current Assets</b>		<b>3,275.54</b>	<b>3425.84</b>
<b>TOTAL ASSETS</b>		<b>9,208.34</b>	<b>9509.11</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	14	165.83	165.83
(b) Other equity	15	(517.52)	(220.44)
<b>Total Equity</b>		<b>(351.69)</b>	<b>(54.61)</b>
<b>2. Liabilities</b>			
<b>Non- Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16(a)	636.15	635.65
(ii) Other financial liabilities (other than those specified in item (b), to be specified)	17(a)	4702.28	4679.18
(b) Provisions	18(a)	48.21	49.00
(c) Deferred tax liabilities (Net)	19	86.20	90.33
(d) Other non-current liabilities	20(a)	5.22	6.30
<b>Total Non Current Liabilities</b>		<b>5478.06</b>	<b>5,460.46</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16(b)	3,127.13	3133.64
(ii) Trade Payables			
(a) Dues to micro and small enterprises			
(b) Dues to others	21	394.25	440.69
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	17(b)	118.53	173.92
(b) Other Current Liabilities	20(b)	246.65	160.54
(c) Provisions	18(b)	14.83	13.89
(d) Current Tax Liabilities	22	180.59	180.58
<b>Total Current Liabilities</b>		<b>4081.98</b>	<b>4103.26</b>
<b>Total Liabilities</b>		<b>9,560.04</b>	<b>9,563.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,208.34</b>	<b>9509.10</b>

Summary of material accounting policy information

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date attached

for **SVRL & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0161825

**G Ramakrishna**  
Partner  
Membership No.: 213487

UDIN: 25213487BMMMVKV2499  
Place: Hyderabad  
Date: 30-05-2025

for and on behalf of the Board of Directors of  
**Vivimed Labs Limited**  
CIN: L02411KA1988PLC009465

**Sandeep Varalwar**  
Whole time Director  
DIN: 01682951

**Phanindernath PS**  
Chief Financial Officer

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

**Yugandhar Kopparthi**  
Company Secretary  
M. No:ACS19315

# CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the Period ended 31<sup>st</sup> March, 2025

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

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
<b>Income</b>			
Revenue from operations	23	1162.69	1490.71
Other Income	24	43.71	99.76
<b>Total Income</b>		<b>1,206.40</b>	<b>1,590.47</b>
<b>Expenses</b>			
Cost of Material Consumed	25	577.61	895.45
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	20.92	(180.71)
Employee Benefit Expenses	27	283.94	341.55
Finance costs	28	29.47	24.32
Depreciation and amortisation expense	29	202.24	199.41
Other expenses	30	410.70	768.68
<b>Total Expenses</b>		<b>1,524.88</b>	<b>2,048.70</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(318.48)</b>	<b>(458.23)</b>
<b>Profit/(loss) before tax</b>		<b>(318.48)</b>	<b>(458.23)</b>
<b>Tax expense:</b>			
Current tax	31	2.26	
Prior period taxes			0.18
Deferred tax	31	(1.13)	(3.95)
<b>Total tax expense</b>		<b>1.13</b>	<b>(3.77)</b>
<b>Profit/(Loss) for the period</b>		<b>(319.61)</b>	<b>(454.46)</b>
<b>Other comprehensive income</b>			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		4.24	5.92
Income-tax effect	32	0.39	(0.29)
(B) Items that will be reclassified to profit or loss			-
<b>Total other comprehensive income / (loss), net of tax</b>		<b>4.63</b>	<b>5.63</b>
<b>Total comprehensive income for the year</b>		<b>(314.98)</b>	<b>(448.83)</b>
<b>VII. Earning per equity share of ₹10/- each:</b>			
(1) Basic		(3.85)	(5.48)
(2) Diluted		(3.74)	(5.32)

Summary of material accounting policy information

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date attached

for **SVRL & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0161825

**G Ramakrishna**  
Partner  
Membership No.: 213487

UDIN: 25213487BMMMVKV2499  
Place: Hyderabad  
Date: 30-05-2025

for and on behalf of the Board of Directors of  
**Vivimed Labs Limited**  
CIN: L02411KA1988PLC009465

**Sandeep Varalwar**  
Whole time Director  
DIN: 01682951

**Phanindernath PS**  
Chief Financial Officer

**Manohar Rao Varalwar**  
Chairman cum Whole time Director  
DIN: 00059815

**Yugandhar Kopparthi**  
Company Secretary  
M. No: ACS19315





Vivimed

## CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended 31<sup>st</sup> March, 2025

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

Particulars	For the year ended 31 <sup>st</sup> March, 2025	For the year ended 31 <sup>st</sup> March, 2024
<b>I. Cash flows from operating activities</b>		
<b>Profit before tax</b>	(314.98)	(458.23)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	202.24	199.41
Amortisation of intangible assets		
Finance income (including fair value change in financial instruments)		
Finance costs (including fair value change in financial instruments)	29.47	24.32
<b>Operating profit before working capital changes</b>	<b>(83.27)</b>	<b>(234.52)</b>
<b>Changes in working capital:</b>		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	87.10	(86.64)
Inventories	53.07	156.98
Loans - current	(134.16)	(16.22)
Other assets - current	53.79	(106.47)
Current tax assets(net)	(1.79)	-
Other assets - non current	8.21	
Adjustment for (increase)/decrease in operating liabilities		
Trade payables	(46.44)	(111.62)
Other liabilities	52.74	(7.76)
Borrowings	(6.01)	14.76
Current tax liabilities(net)	0.01	-
Provisions	(0.15)	6.61
<b>Cash generated from operations</b>	<b>(16.60)</b>	<b>(240.85)</b>
Income taxes paid	0.91	(0.94)
<b>Net cash generated from/(used in) operating activities</b>	<b>(17.51)</b>	<b>(239.91)</b>
<b>II. Cash flows from investing activities</b>		
Proceeds from sale/ (Purchase of) property, plant and equipment and intangibles (including capital work in progress), net	(45.31)	(20.39)
Investments made during the year		303.26
Interest received (finance income)		
<b>Net cash used in investing activities</b>	<b>(45.31)</b>	<b>282.87</b>



## CONSOLIDATED STATEMENT OF CASH FLOW (Cont'd)

for the year ended 31<sup>st</sup> March, 2025

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

Particulars	For the year ended 31 <sup>st</sup> March, 2025	For the year ended 31 <sup>st</sup> March, 2024
<b>III. Cash flows from financing activities</b>		
Share issue proceeds		
Dividend paid		
Proceeds from/(repayment of) long-term borrowings, net	(0.89)	(36.00)
Proceeds from/(repayment of) short-term borrowings, net	80.00	
Interest paid	(29.47)	(24.32)
Provisions		
<b>Net cash provided by financing activities</b>	<b>49.64</b>	<b>(60.33)</b>
<b>Net increase in cash and cash equivalents (I+II+III)</b>	<b>(13.18)</b>	<b>(17.37)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>20.26</b>	<b>37.62</b>
<b>Cash and cash equivalents at the end of the year (refer note below)</b>	<b>7.08</b>	<b>20.26</b>
<b>Note:</b>		
<b>Cash and cash equivalents comprise:</b>		
Cash on hand	2.08	2.35
Balances with banks:		
- in current accounts	5.00	17.91
	<b>7.08</b>	<b>20.26</b>

Summary of material accounting policy information

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

As per our report of even date attached

for **SVRL & Co**

Chartered Accountants

ICAI Firm Registration Number: 0161825

**G Ramakrishna**

Partner

Membership No.: 213487

UDIN: 25213487BMMM KV2499

Place: Hyderabad

Date: 30-05-2025

for and on behalf of the Board of Directors of

**Vivimed Labs Limited**

CIN: L02411KA1988PLC009465

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Whole time Director

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Chairman cum Whole time Director

DIN: 00059815

**Yugandhar Kopparthi**

Company Secretary

M. No: ACS19315



Vivimed

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## 1 GENERAL INFORMATION

Vivimed Labs Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Bidar, India. The Company is primarily engaged in the Business of Active Pharmaceuticals Ingredients, CDMO Finished Dosage Formulation, Specialty Chemicals and Retail Branded Formulation manufacturing. The Company is listed in the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

## 2 MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

#### i. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act. These consolidated 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 2025. The Consolidated financial statements were authorised for issue by the Company's Board of Directors on May 30, 2025.

#### ii. Group information

The consolidated financial statements of the Group includes subsidiaries and step down subsidiaries listed in the table below:

Name of investee	Relationship	Country of incorporation	Percentage of ownership/ voting rights	
			31/ Mar/25	31/ Mar/24
Finoso Pharma Private Limited	Subsidiary	India	100%	100%
Vivimed Holdings Limited	Subsidiary	Hongkong	100%	100%
Vivimed Labs USA INC.	Subsidiary	USA	100%	100%
Vivimed Labs Mauritius Limited	Subsidiary	Mauritius	100%	100%

#### iii. Basis of consolidation

- The consolidated financial statements incorporate the consolidated financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- The consolidated financial statements of the Group combines consolidated financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-Group assets, liabilities, income, expenses and unrealised profits/ losses on intra-Group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

#### iv. Functional and presentation currency

The consolidated financial statements are presented in Indian rupees millions, which is the functional currency of the Group. 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 CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## v. Basis of measurement

These consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- long term borrowings are measured at amortized cost using the effective interest rate method.

## vi. Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Group'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 Group'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 Group'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 Group 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.

## vii. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:

### Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in consolidated financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the consolidated financial statements. Contingencies the likelihood of which is remote are not disclosed in the consolidated financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2025 management assessed that the useful lives represent the expected utility of the



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

## viii. Going Concern

The consolidated financial statements have been prepared on a going concern basis. As of the reporting date, the Company has incurred cash losses, experienced defaults in servicing its borrowings, and recorded certain adverse financial ratios. These factors indicate financial challenges. The management has implemented measures aimed at addressing these challenges, including cost reduction initiatives, strategies to improve operational efficiency, and restructuring plans for borrowings to enhance cash flow. Based on these actions, the management has assessed that the Company has adequate resources to continue operating for the foreseeable future and, accordingly, considers the going concern basis of accounting appropriate for the preparation of these consolidated financial statements.

## ix. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 2.2 REVENUE RECOGNITION

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the consolidated financial statements of the Company is insignificant.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange of those products or services.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds
- Dividend income is accounted for when the right to receive the income is established, which is generally when shareholders approve the dividend.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 2.3 LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Group determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Group separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## 2.4 FOREIGN CURRENCIES

In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

## 2.5 BORROWING COSTS

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time

to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

## 2.6 TAXATION

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 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.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## 2.7 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

## 2.8 PROPERTY, PLANT AND EQUIPMENT

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

## 2.9 EXPENDITURE DURING CONSTRUCTION PERIOD

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

## 2.10 DEPRECIATION

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group.

The Group has componentised its PPE and has separately assessed the life of major components. The Group depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

## 2.11 INTANGIBLE ASSETS AND AMORTISATION

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

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.

## 2.12 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.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

- **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.

## 2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

## 2.14 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

## 2.15 GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Group receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

## 2.16 IMPAIRMENT OF NON FINANCIAL ASSETS

The carrying amounts of the Group'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.

## 2.17 EMPLOYEE BENEFITS

### Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### Defined contribution plans

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

### Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. 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 income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

### Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### Other long-term employee benefits

The Group's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

## 2.18 PROVISIONS (OTHER THAN FOR EMPLOYEE BENEFITS)

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## 2.19 CONTINGENT LIABILITIES & CONTINGENT ASSETS

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## 2.20 FINANCIAL INSTRUMENTS

### a. Recognition and Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### b. Classification and Subsequent measurement

#### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL"

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

## Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

## **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.

## **c. Derecognition**

### **Financial assets**

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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.

### **Financial liabilities**

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

The Group 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.

## **d. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group 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.

## **e. Impairment**

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward- looking information.

## Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value

of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

## Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

(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
<b>Gross Carrying amount</b>												
<b>At March 31, 2024</b>	<b>1,099.47</b>	<b>1,205.10</b>	<b>2,674.87</b>	<b>137.88</b>	<b>200.70</b>	<b>129.97</b>	<b>54.80</b>	<b>45.32</b>	<b>50.86</b>	<b>0.17</b>	<b>8.75</b>	<b>5,607.87</b>
Additions	-	13.33	62.43	1.33	0.72	0.25	0.15	4.32	0.00	-	-	82.54
Disposals/ adjustments												
<b>At March 31, 2025</b>	<b>1,099.47</b>	<b>1,218.43</b>	<b>2,737.30</b>	<b>139.21</b>	<b>201.42</b>	<b>130.22</b>	<b>54.95</b>	<b>49.63</b>	<b>50.86</b>	<b>0.17</b>	<b>8.75</b>	<b>5,690.41</b>
<b>Accumulated depreciation</b>												
<b>At March 31, 2024</b>	<b>0.01</b>	<b>451.23</b>	<b>2,233.29</b>	<b>57.08</b>	<b>78.72</b>	<b>75.10</b>	<b>50.75</b>	<b>(15.71)</b>	<b>46.17</b>	<b>0.16</b>	<b>2.50</b>	<b>2,979.29</b>
Charge for the year	-	34.45	65.15	13.87	18.61	21.15	2.89	12.25	1.25	-	0.87	170.48
Disposals/ adjustments							(3.39)					
<b>At March 31, 2025</b>	<b>0.01</b>	<b>485.68</b>	<b>2,298.44</b>	<b>70.94</b>	<b>97.33</b>	<b>96.24</b>	<b>50.25</b>	<b>(3.46)</b>	<b>47.42</b>	<b>0.16</b>	<b>3.37</b>	<b>3,149.78</b>
<b>Net Carrying amount</b>												
<b>At March 31, 2025</b>	<b>1,099.46</b>	<b>732.75</b>	<b>438.86</b>	<b>68.27</b>	<b>104.09</b>	<b>33.98</b>	<b>4.70</b>	<b>53.10</b>	<b>3.45</b>	<b>0.01</b>	<b>5.37</b>	<b>2,544.03</b>

### Note:

(a) The Title deeds of the Immovable properties included in PPE are held in the name of the company.

(b) 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 Holding Company's working capital and Term loan bank loans.

(c) The holding 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.

(d) The Management has physically verified the major item of property, Plant & Equipment during the year.

(e) There are no proceedings initiated or pending against the group for holding any benami property under the benami transaction (prohibition) Act, 1988.

(f) The company has not revalued its PPE during Financial Year 2024-25

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

## 4 CAPITAL WORK-IN-PROGRESS

Particulars	3/31/2025	3/31/2024
Balance as at beginning of the year	206.51	206.65
Additions during the current year to CWIP		
Capitalization/(Deletions) during the current year from CWIP	35.38	0.14
<b>Balance at the end of the year</b>	<b>171.13</b>	<b>206.51</b>

Capital work-in-progress ageing schedule for the year ended March 31, 2025 and March 31, 2024 is as follows:

As at March 31, 2025		Amount in CWIP for a period of			
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-			171.13	171.13

As at March 31, 2024		Amount in CWIP for a period of			
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-		206.51		206.51

## 5 INTANGIBLE ASSETS

Particulars	Brands, Trade marks and Technical know how
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
At the beginning of the year	1,639.46
Additions	4.00
Disposals	-
At the end of the year	<b>1,643.46</b>
<b>Accumulated amortisation</b>	
At the beginning of the year	232.20
Amortisation charge during the year	29.74
Disposals	-
At the end of the year	<b>261.94</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1,381.51</b>
<b>Year ended March 31, 2025</b>	
<b>Gross carrying amount</b>	
At the beginning of the year	1,643.46
Additions	13.79
Disposals	-
At the end of the year	<b>1,657.25</b>
<b>Accumulated amortisation</b>	
At the beginning of the year	261.94
Amortisation charge during the year	31.76
Disposals	-
At the end of the year	<b>293.70</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>1,363.55</b>





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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 6 INVESTMENTS

Particulars	31 March 2025	31 March 2024
<b>Non-current investments</b>		
Investments carried at fair value through profit and loss		
Investments in others		
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	1659.95	1659.95
<b>Total</b>	<b>1684.95</b>	<b>1684.95</b>
Total investments carried at fair value through profit and loss	1684.95	1684.95

**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 March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw Materials	154.07	197.68
Packing Materials	59.60	108.21
Semi-finished & Work-in-process	266.08	258.96
Finished Goods (including Goods in transit)	107.79	75.77
<b>Total Inventories</b>	<b>587.55</b>	<b>640.62</b>

**Note:**

- a. The Group periodically reviews the value of items in inventory and provides write-downs or write-offs of inventory based on its assessment of market conditions.

### 8 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables considered Good- Unsecured	741.10	888.46
<b>Total</b>	<b>741.10</b>	<b>888.46</b>
Less: Allowance for doubtful receivables	0.00	(60.26)
<b>Total Trade receivables</b>	<b>741.10</b>	<b>828.20</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## Ageing of trade receivables

### As of March 31, 2025

Particulars	less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables - Considered good	205.97	82.79	8.09	121.54	321.34	739.73
Disputed Trade Receivables - Considered good		1.28				1.28
Less: Allowance for credit loss						0
<b>Total Trade Receivables</b>	<b>205.97</b>	<b>84.07</b>	<b>9.37</b>	<b>121.54</b>	<b>321.34</b>	<b>741.01</b>

### As of March 31, 2024

Particulars	less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables - Considered good	255.61	70.85	43.72	217.91	299.12	887.21
Disputed Trade Receivables - Considered good			1.25			1.25
Less: Allowance for credit loss					-60.26	-60.26
<b>Total Trade Receivables</b>	<b>255.61</b>	<b>70.85</b>	<b>44.97</b>	<b>217.91</b>	<b>238.86</b>	<b>828.20</b>

## 9 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
i) Balances with banks:		
- In current accounts	5.00	13.91
ii) Cash on hand	2.08	2.35
<b>(A) Total - (i+ii)</b>	<b>7.08</b>	<b>16.26</b>
iii) Bank balances other than cash and cash equivalents stated above	0.00	4.00
<b>(B) Total (iii)</b>	<b>-</b>	<b>4.00</b>
<b>Total (A+B)</b>	<b>7.08</b>	<b>20.26</b>

## 10 LOANS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Loans and advances to related parties	53.40	72.75
Loans and advances to Others	415.86	341.46
<b>Total</b>	<b>469.26</b>	<b>414.21</b>

Loans to related parties are interest free and repayable on demand

## 11 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Security deposits	30.47	701.53
Other Financial assets	454.81	0
<b>Total Other financial assets</b>	<b>485.29</b>	<b>701.53</b>



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 12 CURRENT TAX ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and TDS receivable	101.92	100.13
<b>Total Current tax assets</b>	<b>101.92</b>	<b>100.13</b>

### 13 OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Unsecured, considered good		
Duties and Taxes	158.56	-
Other advances	723.74	624.98
Prepaid expenses	1.05	95.91
<b>Total other current assets</b>	<b>883.34</b>	<b>720.89</b>

### 14 EQUITY SHARE CAPITAL

#### (i) Authorised equity share capital

Particulars	Number of shares	Amount
<b>As at April 1, 2024</b>	200,000,000	400.00
Movement during the year	-	-
<b>As at March 31, 2025</b>	<b>200,000,000</b>	<b>400.00</b>

#### Authorised preference share capital

Particulars	Number of shares	Amount
<b>As at April 1, 2024</b>	710,000	710.00
Movement during the year	-	-
<b>As at March 31, 2025</b>	<b>710,000.00</b>	<b>710.00</b>

#### Total share capital

Particulars	Number of shares	Amount
<b>As at April 1, 2024</b>	200,710,000	1,110
Movement during the year	-	-
<b>As at March 31, 2025</b>	<b>200,710,000</b>	<b>1,110</b>

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

Particulars	Number of shares	Amount
<b>As at April 1, 2024</b>	82,913,915	165.83
Movement during the year	-	-
<b>As at March 31, 2025</b>	<b>82,913,915.00</b>	<b>165.83</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### (B) 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Equity shares of ₹2/- each fully paid</b>		
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	7,766,387
% of holding	9.37%	9.37%

### (iv) Disclosure of share holding of promoters

Promoter name	31 March 2025			31 March 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Santosh Varalwar	13,00,254	1.57%	0.00%	13,00,254	1.57%	0.00%
Manohar Rao Varalwar	10,34,225	1.25%	0.00%	10,34,225	1.25%	0.00%
Varalwar Subash	16,16,200	1.95%	0.00%	16,16,200	1.95%	0.00%
Varalwar Sandeep	18,75,647	2.26%	0.00%	18,75,647	2.26%	0.00%
Vithabai Varalwar	23,345	0.03%	0.00%	23,345	0.03%	0.00%
Mamatha Gurnukar	1,50,000	0.18%	0.00%	1,50,000	0.18%	0.00%
Sujatha Varalwar	3,93,995	0.48%	0.00%	3,93,995	0.48%	0.00%
Madhavi Varalwar	2,00,000	0.24%	0.00%	2,00,000	0.24%	0.00%
Neelima Vijaya Varalwar	1,00,000	0.12%	0.00%	1,00,000	0.12%	0.00%
Vijay Kumar Varalwar	1,50,000	0.18%	0.00%	1,50,000	0.18%	0.00%
Satish Gooty Agraharam	55,635	0.07%	0.00%	55,635	0.07%	0.00%
Sheetal Varalwar	5,68,985	0.69%	0.00%	5,68,985	0.69%	0.00%
Varalwar Padma	33,250	0.04%	0.00%	33,250	0.04%	0.00%
S Raghunandan	3,17,500	0.38%	0.00%	3,17,500	0.38%	0.00%
Chandrashekar Rao Sudigali	50,095	0.06%	0.00%	50,095	0.06%	0.00%
<b>Promoters Group</b>						0.00%
BBR Projects Private Limited	94,95,504	11.45%	0.00%	94,95,504	11.45%	0.00%



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# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 15 OTHER EQUITY

Particulars	31 March 2025	31 March 2024
Securities premium		
Opening balance	2,313.80	2,313.80
Additions during the year	0	0
<b>Closing balance</b>	<b>2,313.80</b>	<b>2,313.80</b>
Securities premium consists of the difference between the face value of the equity shares and the consideration received in respect of shares issued.		
Capital reserve		
Opening balance	8.57	8.57
Additions during the year	0	0
<b>Closing balance</b>	<b>8.57</b>	<b>8.57</b>
General reserve		
Opening balance	141.16	141.16
Add: Transfers during the year	0	
<b>Closing balance</b>	<b>141.16</b>	<b>141.16</b>
The general reserve is used from time to time to transfer profits from retained earnings for propriation 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.		
Revaluation reserve		
Opening balance	380.00	380.00
Add: Additions during the year	0	-
<b>Closing balance</b>	<b>380.00</b>	<b>380.00</b>
Foreign currency adjustment		
Opening balance	(156.30)	(156.30)
Add: Additions during the year	17.9	-
<b>Closing balance</b>	<b>(138.40)</b>	<b>(156.30)</b>
Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to share holders.		
Retained earnings		
Opening balance	(2,907.67)	(2,458.84)
Profit/(loss) for the year	(319.61)	(454.46)
Additions during the year		
Ind AS Adjustment		
Dividend paid/sale of subsidiaries		
Other comprehensive income	4.63	5.63
<b>Closing balance</b>	<b>(3,222.65)</b>	<b>(2,907.67)</b>
<b>Total other equity</b>	<b>(517.52)</b>	<b>(220.44)</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 16 FINANCIAL LIABILITIES

### 16 (A) NON-CURRENT BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured loans</b>		
Sales tax deferment loan	3.66	3.66
Term loans-Vehicle	2.99	2.49
FCCB's From Financial Institutions	629.50	629.50
<b>Total non-current borrowings</b>	<b>636.15</b>	<b>635.65</b>

### 16 (B) CURRENT BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(b) Current Borrowings</b>		
<b>Secured loans repayable on demand</b>		
Working capital loans		
- Cash credit loans	3127.13	3,133.64
<b>Total current borrowings</b>	<b>3,127.13</b>	<b>3,133.64</b>

#### A. Loans:

(i) Loan taken from SBI for the outstanding amount as on 31<sup>st</sup> march 2025 ₹1810 millions is repayable. This loan carries an interest rate of 16.5%. The same has been defaulted by the Company and the company is in negotiation with SBI for settlement.

(ii) Outstanding balance of ECB loan taken from IFC is USD 2.36 million Company has applied for extension and it is under process. 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.

#### (iii) Sales tax deferment loan:

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

#### (iv) FCCB's from Financial Institutions:

The Company has obtained an FCCB from IFC outstanding as on 31 March 2025 amounting to ₹ 629.50 million with a coupon rate of 0.55% per annum and compounded semi-annually if the conversion option is not exercised. Subsequently, The Company has applied for extension and its under process.

#### (v) Cash Credit loans:

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

(vi) The Company has defaulted in repayment of dues to banks and Financial Institution amounting to ₹ 3,744.56 million as on 31.3.2025 as per books of account. All the loan accounts outstanding as on 31.03.2025 are classified as NPA by the banks. In view of ongoing negotiation with lenders for settlement, interest for the year is not accounted.

(vii) The company has not been declared as wilful defaulter by any bank or financial institution.



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 17 OTHER FINANCIAL LIABILITIES

#### 17(A) OTHER FINANCIAL LIABILITIES- NON-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Payable to others	594.69	563.22
Lease Liability	0	9.50
Payable to related parties	4107.59	4106.46
<b>Total Other Financial Liabilities- Non-Current</b>	<b>4702.28</b>	<b>4,679.18</b>

#### 17(B) OTHER FINANCIAL LIABILITIES- CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(B) Current</b>		
Employee salaries payable	25.11	21.18
Employee bonus payable	17.35	29.61
Provision for expenses	7.29	2.91
Lease Liability	0	9.08
Creditors for Other Expenses	37.78	87.85
Directors Remuneration Payable	30.99	23.28
<b>Total Other financial liabilities</b>	<b>118.53</b>	<b>173.92</b>

### 18 PROVISIONS

#### 18 (A) PROVISIONS- NON-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
- Gratuity/Sick leave/Leave Encashment	44.85	49.00
Others	3.36	
<b>Total Provisions-Non-current</b>	<b>48.21</b>	<b>49.00</b>

#### 18(B) PROVISIONS- CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Gratuity/Sick leave/Leave Encashment	14.83	13.89
<b>Total Provisions-Current</b>	<b>14.83</b>	<b>13.89</b>

### 19 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Deferred Tax Liability	86.20	90.33
<b>Deferred tax liability(net)</b>	<b>86.20</b>	<b>90.33</b>

Note: 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.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 20 OTHER LIABILITIES

### 20(A) OTHER LIABILITIES-NON-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advances received	5.22	6.30
<b>Total Non-Current liabilities</b>	<b>5.22</b>	<b>6.30</b>

### 20(B) OTHER LIABILITIES-CURRENT

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(B) Current</b>		
Statutory Liabilities	180.15	160.54
Other Current Liabilities	66.5	0.00
<b>Total Current liabilities</b>	<b>246.65</b>	<b>160.54</b>

## 21 TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current</b>		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of others	394.25	440.69
<b>Total Trade payables</b>	<b>394.25</b>	<b>440.69</b>

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

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	
<b>As on 31-03-2025</b>							
Undisputed trade payables							
- Micro and small enterprises		8.43					8.43
- Others		20.92	255.41	85.2	24.29		385.82
<b>Total trade payables</b>		<b>29.35</b>	<b>255.41</b>	<b>85.2</b>	<b>24.29</b>		<b>394.25</b>

### Ageing of trade payables

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	
<b>As on 31-03-2024</b>							
Undisputed trade payables							
- Micro and small enterprises							
- Others			420.59	20.1			440.69
<b>Total trade payables</b>			<b>420.59</b>	<b>20.1</b>			<b>440.69</b>



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 22 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for taxes	180.70	184.44
Less: Advance tax and TDS receivable	0.11	3.86
<b>Total current tax liabilities</b>	<b>180.59</b>	<b>180.58</b>

### 23 REVENUE FROM OPERATIONS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Revenue from sale of products		
Domestic	908.21	1406.39
Export	254.48	84.32
<b>Total Revenue from operations</b>	<b>1,162.69</b>	<b>1,490.71</b>

### 24 OTHER INCOME

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Scrap Sales	0.09	0.00
Balances Written Back	41.76	0.00
other Income	1.86	99.76
<b>Total Other Income</b>	<b>43.71</b>	<b>99.76</b>

### 25 COST OF MATERIALS CONSUMED

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Raw Materials and Consumables at the beginning of the year	186.06	351.54
Packing Materials at the beginning of the year	106.89	107.65
Add : Opening Stock of Raw Material on Amalgamated Entities		
Add : Opening Stock of Packing Material on Amalgamated Entities		
Add : Purchases during the year	480.50	824.95
	<b>773.45</b>	<b>1,284.14</b>
Less: Stock of Bidar Plant disposed off	0.00	82.80
Less : Raw Materials and Consumables at the end of the period	136.24	197.68
Less : Packing Materials at the end of the period	59.60	108.21
<b>Total cost of raw materials consumed</b>	<b>577.61</b>	<b>895.45</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK- IN-TRADE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Finished Goods</b>		
Inventories at the beginning of the year	75.77	68.50
Add: Purchases	56.74	0
Less : Inventories at the end of the year	105.87	75.77
<b>Sub Total (A)</b>	<b>26.64</b>	<b>(7.27)</b>
<b>Semi Finished Goods &amp; Work-in-Progress</b>		
Inventories at the beginning of the year	258.96	271.91
Less: Stock of Bidar Plant disposed off / Obsolete Stock Disposed off	0.00	(186.40)
Less : Inventories at the end of the year	264.68	258.96
<b>Sub Total (B)</b>	<b>(5.72)</b>	<b>(173.45)</b>
<b>Goods in transit</b>		
<b>(Increase)/Decrease in Inventories</b>	<b>20.92</b>	<b>(180.71)</b>

### 27 EMPLOYEE BENEFITS EXPENSE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Salaries, wages and bonus and other allowances	272.15	284.09
Staff welfare expenses	2.09	3.04
Contribution to provident and other funds	9.70	54.42
<b>Total Employee benefit expense</b>	<b>283.94</b>	<b>341.55</b>

### 28 FINANCE COSTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Interest on term loans, ECB loans and vehicle loans	0.26	0.32
Interest on working capital loan and cash credit	17.09	9.31
Other borrowing cost	12.13	14.69
<b>Total Finance costs</b>	<b>29.47</b>	<b>24.32</b>

### 29 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Depreciation on property, plant and equipment	170.48	169.66
Amortization of intangible assets	31.77	29.75
<b>Total Depreciation and amortisation expense</b>	<b>202.24</b>	<b>199.41</b>



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 30 OTHER EXPENSES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Consumption of Stores & Spares	17.89	12.85
Power & Fuel	39.69	53.64
Labour Charges	23.61	30.74
Repairs to Building	2.88	2.46
Repairs to Machinery	11.21	0.00
Repairs - Others	3.57	5.51
Other Manufacturing Expenses	19.81	47.08
Job Work Charges	0.00	10.32
R & D Expenses	4.22	2.11
Business & Marketing Expenses	19.46	12.49
Bank charges	0.33	3.02
Commission & Discounts	26.01	33.21
Listing Fee	0.34	0.00
Travelling Expenses - Foreign	2.26	0.35
Interest on security Deposit		2.50
Printing & Stationery	2.50	2.80
Telephone & Postage Expenses	2.46	2.31
Travelling Expenses	46.79	41.64
Rates & Taxes	3.34	17.74
Conveyance	1.04	3.78
Professional & Consultancy	10.60	14.17
Directors' Sitting Fee	0.30	0.25
Freight Charges	9.64	0.00
Insurance	94.58	61.64
Rent	4.21	20.08
Other Administrative Expenses including provision impairment of Investment	31.85	39.03
Vehicle Hire Charges	2.21	0.00
Security Expenses	0.90	0.00
Provision against doubtful receivables & Advances	1.26	0.00
Reversal of Investments through fair value of corporate guarantees	0.00	39.21
Stock Disposed off	0.01	269.18
Fluctuation on Foreign exchange	0.51	13.34
Directors' Remuneration - Salary	25.00	25.00
Payment to Auditors (Refer Note no. 30(a))	2.22	2.23
<b>Total other expenses</b>	<b>410.70</b>	<b>768.68</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 30(A) AUDITORS FEES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
- As Statutory Auditor	2.22	2.23
- For Taxation Matters	-	-
<b>Total Auditor's fees</b>	<b>2.22</b>	<b>2.23</b>

## 31 TAX EXPENSES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(i) Current tax expense:</b>		
Current tax on profits for the year	2.26	
Current tax charge/(reversals) of earlier years		
<b>Total current tax expense</b>		
<b>(ii) Deferred tax expense*</b>		
Relating to originating and reversal of temporary differences	(1.13)	(3.95)
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>1.13</b>	<b>(3.95)</b>

## 32 DEFERRED TAX RELATED TO ITEMS CONSIDERED IN OCI DURING THE YEAR

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Re-measurement gains/ (losses) on defined benefit plan	4.24	5.92
<b>Income tax charge to OCI</b>	<b>4.24</b>	<b>5.92</b>

## 33 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>i) Contingent liabilities:</b>		
- Corporate guarantees given on behalf of others	2.25	2.25
- Letter of credit outstanding		
- Bank guarantees	5.16	45.08
- Income tax demand	1,821.57	1,110.59
<b>ii) Commitments:</b>		
- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances		

**34** There are no proceedings initiated or pending against the company or the group for holding any benami property under the benami transactions (prohibition) Act, 1988

**35** The Company doesn't have any transactions or relationship with struck off companies.

**36** The company has not made any long term contracts including derivative contracts for which there were material foreseeable losses as on 31-03-2025

**37** None of the companies included in the group have been declared as wilful defaulter by any bank or financial institution.



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

**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** The Company and its subsidiaries doesn't have any transactions which are not recorded in books of accounts that has been surrendered or disclosed for tax assessments under Income Tax Act, 1961 during the year.

### 40 RELATED PARTY TRANSACTIONS

#### a) Names of related parties and description of relationship

<b>Subsidiary Companies</b>	Finoso Pharma Private Limited
	Vivimed Holdings Limited
	Vivimed Labs USA INC.
	Vivimed Labs Mauritius Limited
	Vivimed Labs Spain
<b>Associate Company</b>	Union Quimico Farmaceutica SAU, Spain
<b>Associate Company</b>	Yantra Green Power Pvt Limited
<b>Associate Company</b>	Uquifa Mexico S.A. DE
<b>Controlled by Relatives</b>	BBR Green fields Private Limited
	Nisarg Biosciences Private Limited
<b>Key Management Personnel ("KMP")</b>	Santosh Varalwar (Managing Director)
	Manohar Rao Varalwar (Executive Director)
	Sandeep Varalwar (Executive Director)
	P S Phanindernath (Chief Financial Officer)
	Yugandhar Kopparthi (Company Secretary)

#### b) Transactions with related parties

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Key Management Personnel</b>		
Remuneration Paid/Payable *	28.60	40.19
<b>Subsidiaries and step down subsidiaries</b>		
Sale of goods	48.38	63.02
Purchase of goods	45.16	6.62
Advances given	-	4.9
Investment Reversed	-	773.95

\*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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Finoso Pharma Private Limited	32.17	71.34
Vivimed Labs USA <a href="#">Inc.USA</a>	36.42	33.20
Vivimed Labs Mauritius Limited	(967.85)	(967.85)
Vivimed Labs Spain SL	-	(169.44)
Union Quimico Farmaceutica SAU, Spain	8.13	8.22

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Name of Related Party	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Yantra Green Power Pvt Limited	3.32	3.32
Vivimed Holdings Ltd	10.04	10.04
Uquifa Mexico S.A. DE	0.45	0.94
BBR Green fields Private Limited	(505.69)	(505.69)

**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 ₹ 2.25 Mn availed by the Subsidiaries.

## 41 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) Speciality Chemicals	0	58.98
b) Pharma	1162.69	1431.73
c) Others		
<b>Total revenue</b>	<b>1,162.69</b>	<b>1,490.71</b>

Segment Results	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(Profit before Tax & Interest)		
a) Speciality Chemicals	-	(260.33)
b) Pharma	(318.48)	(273.34)
c) Others	-	-
<b>Total:</b>	<b>(318.48)</b>	<b>(533.67)</b>
Less: (i) Interest		24.32
(ii) Other Un-allocable Expenditure	-	-
(iii) Un-allocable Income		(99.76)
<b>Total Profit before tax</b>	<b>(318.48)</b>	<b>(458.23)</b>





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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Segment Assets	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) Speciality Chemicals	1,429.23	1,429.23
b) Pharma	7,779.11	6,567.19
<b>Total</b>	<b>9,208.34</b>	<b>7,996.42</b>
Segment Liabilities		
a) Speciality Chemicals	1,364.00	1,364.00
b) Pharma	8196.04	8199.72
<b>Total</b>	<b>9560.04</b>	<b>9563.72</b>
Capital Employed		
a) Speciality Chemicals	554.7	555.7
b) Pharma	4571.66	4850.18
<b>Total</b>	<b>5126.36</b>	<b>5405.85</b>

### 42 AUDITORS' REMUNERATION INCLUDE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Statutory audit fee (including limited review)	2.22	2.23
Taxation matters		-
<b>Total</b>	<b>2.22</b>	<b>2.23</b>

### 43 GRATUITY / LEAVE ENCASHMENT / SICK LEAVE

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:

#### Gratuity / Leave Encashment / Sick Leave

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Other current assets</b>	<b>43.48</b>	<b>38.04</b>
Current service cost	6.61	7.35
Interest cost	3.76	4.03
Benefits paid	(3.09)	(2.34)
Actuarial gain	(5.79)	(3.60)
<b>Closing balance</b>	<b>44.98</b>	<b>43.48</b>
Present value of projected benefit obligation at the end of the year	44.98	43.48
Fair value of plan assets at the end of the year	-	-
<b>Net liability recognised in the balance sheet</b>	<b>44.98</b>	<b>43.48</b>
Current provision	14.16	12.06
Non current provision	40.13	40.72

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Expenses recognised in statement of profit and loss	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Service cost	6.61	7.35
Interest cost	3.76	4.03
<b>Gratuity cost</b>	<b>10.38</b>	<b>11.38</b>
<b>Re-measurement gains/ (losses) in OCI</b>		
Actuarial gain / (loss) due to others	(5.79)	(4.76)
Remeasurement because of OB difference	-	-
Return on plan assets greater (less) than discount rate	-	-
<b>Total expenses routed through OCI</b>	<b>(5.79)</b>	<b>(4.76)</b>

Assumptions	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate (per annum)	6.64%	7.13%
Future salary increases	8.00%	5.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Impact of 1% increase in discount rate	51.51	50.14
Impact of 1% decrease in discount rate	57.44	55.77
Impact of 1% increase in salary growth rate	57.32	55.64
Impact of 1% decrease in salary growth rate	51.53	50.19
Impact of 1% increase in withdrawal rate	53.64	52.26
Impact of 1% decrease in withdrawal rate	55.01	53.36

These sensitives have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.

### 44 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, 2025 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) the principal amount due thereon remaining unpaid to any supplier at the end of each accounting year.	8.42	8.34
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	0.2



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	1.07
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

### 45 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Not later than 1 year	-	13.02
Later than 1 year and not later than 5 years	-	11.30
Later than 5 years	-	-

#### ii) Amounts recognised in statement of profit and loss:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Cancellable lease expense	-	17.93
Non - cancellable lease expense	-	2.15
<b>Total</b>	<b>-</b>	<b>20.08</b>

### 46 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 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Profit for the year attributable to equity share holders	(319.61)	(454.46)
<b>Shares</b>		
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
<b>Earnings per share</b>		
Earnings per share of par value ₹ 2 – basic (₹)	(3.85)	(5.48)
Earnings per share of par value ₹ 2 – diluted (₹)	(3.74)	(5.32)



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

## 47 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

### a) Market risk

#### Interest rate risk

	Increase/Decrease in Interest rate
<b>March 31, 2025</b>	
INR	+1%
INR	-1%
<b>March 31, 2024</b>	
INR	+1%
INR	-1%

### b) Credit risk

Allowance for credit loss	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening balance	-	60.35
Credit loss provided/ (reversed)	-	-
Closing balance	-	60.35

No single customer accounts for more than 10% of the revenue as of March 31, 2024, March 31, 2023 and hence there is no significant concentration risk of revenue .

### c) Liquidity risk

Particulars	On demand
<b>Year ended March 31, 2025</b>	3,127
Borrowings	394
Trade payables	
<b>Year ended March 31, 2024</b>	3,134
Borrowings	441
Trade payables	

**48** The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future

The capital structure as of March 31, 2025, March 31, 2024 was as follows:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total equity attributable to the equity shareholders of the Company	(352)	(55)
As a percentage of total capital	-10.31%	-1.47%
Long term borrowings	636	636
Short term borrowings	3,127	3,134
Total borrowings	3,763	3,769
As a percentage of total capital	110.31%	101.47%
<b>Total capital (equity and borrowings)</b>	<b>3,412</b>	<b>3,715</b>



**Vivimed**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March, 2025

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

### 49 SUBSEQUENT EVENTS

There are no significant events that occurred after the balance sheet date.

### 50 PRIOR YEAR COMPARATIVES

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As per our report of even date attached

for **SVRL & Co**

*Chartered Accountants*

ICAI Firm Registration Number: 016182S

**G Ramakrishna**

*Partner*

Membership No.: 213487

UDIN: 25213487BMMM KV2499

Place: Hyderabad

Date: 30-05-2025

for and on behalf of the Board of Directors of

**Vivimed Labs Limited**

CIN: L02411KA1988PLC009465

**Sandeep Varalwar**

*Whole time Director*

DIN: 01682951

**Phanindernath PS**

*Chief Financial Officer*

**Manohar Rao Varalwar**

*Chairman cum Whole time Director*

DIN: 00059815

**Yugandhar Kopparthi**

*Company Secretary*

M. No:ACS19315

# NOTICE

**NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting (AGM) of the Members of M/s. Vivimed Labs Limited ('the Company') will be held on Tuesday, the 30<sup>th</sup> day of September, 2025 at 3.00 P.M. (IST) through Video Conferencing / Other Audio-Visual Means, to transact the following business:**

## ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2025 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, 2025 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

- (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2025 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, 2025 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."

## SPECIAL BUSINESS:

3. To appoint Secretarial Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ("SEBI Listing Regulations"), other applicable laws/statutory provisions, if any, as amended from time to time, NVSS Suryanarayana Rao, Company Secretary in practice, ACS No.5868, CP NO.2886 be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2025-2026 till financial year 2029-2030, at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors."

**RESOLVED FURTHER THAT** approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

4. **To ratify the remuneration payable to M/s. JK & Co, Cost Accountants to audit the cost records for the financial year ending 31<sup>st</sup> March 2026.**

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. JK & Co, Cost Accountants (Firm Registration No.004010), appointed as the Cost Auditors of the Company for conducting audit of the cost records, if required, for the financial year ending 31<sup>st</sup> March, 2026, 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 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”.

5. **To re-appoint Mr. Santosh Varalwar as Managing Director of the Company in terms of provisions of Sections 196, 197, 203 read with schedule V to the Companies Act, 2013, and in this regard.**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and subject to such other laws, regulations, approvals and consents as may be necessary including the approval of the Central Government, the consent of the members be and is hereby accorded for the reappointment of Mr. Santosh Varalwar (holding DIN 00054763), as Managing Director (Whole Time Key Managerial Personnel) of the Company, being a director not liable to retire by rotation, for a period of five years effective from 14<sup>th</sup> August, 2025 on a remuneration inclusive of all perquisites and allowances aggregating to INR 1.2 Crore per annum (for each financial year ) and in addition, commission on net profits provided however, that the said salary, commission and all perquisites together shall not exceed 4(four) percent of the net profits of the of Company calculated in accordance with the procedure laid down under section 198 of the Companies Act, 2013

**RESOLVED FURTHER THAT** the aggregate of above salary, perquisites and allowances taken together shall be subject to the overall ceilings laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Santosh Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances as specified above and in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

**RESOLVED FURTHER THAT** as Mr. Santosh Varalwar, Managing Director shall not be paid sitting fees for attending meetings of the Board of Directors or any Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, ambiguity or doubt that may arise in relation thereto, in order to give effect to the foregoing resolution.

The limits of the remuneration specified above are the maximum limits and the Board / Nomination and Remuneration Committee at its discretion may revise the above limits within the maximum limits to comply with the requirements of sections 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act.

6. **To re-appoint Mr. Manohar Rao Varalwar as Whole Time Director of the Company in terms of provisions of Sections 196, 197, 203 read with schedule V to the Companies Act, 2013, and in this regard.**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and subject to such other laws, regulations and subject to such other approvals and consents as may be necessary including the approval of the Central Government, the consent of the members be and is hereby accorded for the reappointment of Mr. Manohar Rao Varalwar (holding DIN.00059815) (Aged about 89 years), as Whole Time Director (Whole Time Key Managerial Personnel) of the Company, being a director liable to retire by rotation, for a period of five years effective from 14<sup>th</sup> August, 2025 on a remuneration inclusive of all perquisites and allowances aggregating to INR 1.2 Crore per annum (for each financial year ) and in addition, commission on net profits provided however, that the said salary, commission and all perquisites together shall not exceed 2(two) percent of the net profits of the Company calculated in accordance with the procedure laid down under section 198 of the Companies Act, 2013

**RESOLVED FURTHER THAT** the aggregate of above salary, perquisites and allowances taken together shall be subject to the



overall ceilings laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Manohar Rao Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances as specified above and in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

**RESOLVED FURTHER THAT** as Mr. Manohar Rao Varalwar, Whole Time Director shall not be paid sitting fees for attending meetings of the Board of Directors or any Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, ambiguity or doubt that may arise in relation thereto, in order to give effect to the foregoing resolution.

The limits of the remuneration specified above are the maximum limits and the Board / Nomination and Remuneration Committee at its discretion may revise the above limits within the maximum limits to comply with the requirements of sections 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act.

7. **To re-appoint Mr. Sandeep Varalwar as Whole Time Director of the Company in terms of provisions of Sections 196, 197, 203 read with schedule V to the Companies Act, 2013, and in this regard.**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and subject to such other laws, regulations, and subject to such other approvals and consents as may be necessary including the approval of the Central Government, the consent of the members be and is hereby accorded for the reappointment of Mr. Sandeep Varalwar (holding DIN.01682951), as Whole Time Director (Whole Time Key Managerial Personnel) of the Company, being a director liable to

retire by rotation, for a period of five years effective from 14<sup>th</sup> August, 2025 on a remuneration inclusive of all perquisites and allowances aggregating to INR 1.2 Crore per annum (for each financial year) and in addition, commission on net profits provided however, that the said salary, commission and all perquisites together shall not exceed 4(four) percent of the net profits of the Company calculated in accordance with the procedure laid down under section 198 of the Companies Act, 2013

**RESOLVED FURTHER THAT** the aggregate of above salary, perquisites and allowances taken together shall be subject to the overall ceilings laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Sandeep Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances as specified above and in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

**RESOLVED FURTHER THAT** as Mr. Sandeep Varalwar, Whole Time Director shall not be paid sitting fees for attending meetings of the Board of Directors or any Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, ambiguity or doubt that may arise in relation thereto, in order to give effect to the foregoing resolution.

The limits of the remuneration specified above are the maximum limits and the Board / Nomination and Remuneration Committee at its discretion may revise the above limits within the maximum limits to comply with the requirements of sections 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act.

8. **Issuance of securities upto an aggregate amount of ₹ 500 Crore**

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

**"RESOLVED THAT** in accordance with the relevant enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to the applicable provisions of Sections 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force ("the Act") and the rules made thereunder, including the Companies



(Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and other applicable rules made thereunder, the Foreign Exchange Management Act, 1999, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non debt Instruments) Regulations, 2019, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Reserve Bank of India Master Directions on Foreign Investment in India, 2018, the Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations, 2019 including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, as amended and replaced from time to time, the relevant regulations of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, including any amendment(s), modification(s), variation or re-enactment thereof (the **"ICDR Regulations"**), the Securities and Exchange Board of India (Issue and Listing of the Non-Convertible Securities) Regulations, 2021, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended (the **"FCCB Scheme"**), the Depository Receipts Scheme, 2014 and the Framework for Issue of Depository Receipts dated October 10, 2019 issued by the Securities and Exchange Board of India (together, the **"GDR Scheme"**), the applicable listing agreement(s) entered into by the Company with the Stock Exchange(s) where the equity shares of the Company of the face value of ₹10/- each (the **"Equity Shares"**) are listed, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and all other applicable statutes, clarifications, rules, regulations, circulars, notifications, directions, guidelines, as may be applicable, and as amended from time to time, issued by the Government of India (the **"GoI"**), Ministry of Corporate Affairs (the **"MCA"**), Reserve Bank of India (the **"RBI"**), Securities and Exchange Board of India (the **"SEBI"**), BSE Limited and National Stock Exchange of India Limited (collectively referred to as **"Stock Exchanges"**) and/or any other regulatory/statutory authorities in India or abroad for the time being in force, to the extent applicable and subject to all other approval(s), consent(s), permission(s) and/or sanction(s) as may be required from any regulatory/statutory authorities and guidelines and clarifications issued thereon from time to time, including by the Registrar of Companies, Karnataka at

Bengaluru (**"RoC"**), GoI, MCA, RBI, SEBI and the Stock Exchanges (hereinafter singly or collectively referred to as the **"Appropriate Authorities"**) as may be required and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approvals, consents, permissions and sanctions, as may be applicable on the Company and in accordance with the applicable laws in force, which may be agreed to by the Board of Directors of the Company (the **"Board"**) (which term shall be deemed to include any committee constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the best interest of the Company, the consent, authority and approval of the Members of the Company be and is hereby accorded to create, issue, offer and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted under the applicable laws) such number of Securities (as defined hereinafter), for cash at such price that may be decided by the Board in terms of the applicable regulations and as permitted under the applicable laws, in one or more tranches, with or without a green shoe option for an aggregate amount of up to ₹ 500 Crore (Rupees Five Hundred Crore) or its equivalent amount in such foreign currencies as may be necessary to such investors, whether Indian or foreign, that may be permitted to invest in such issuance of Securities, including eligible Qualified Institutional Buyers (the **"QIBs"**) as defined in the ICDR Regulations, by way of a private placement including Qualified Institutions Placement (the **"QIP"**) in accordance with the provisions of Chapter VI of the ICDR Regulations, or through a Further Public Offer (**"FPO"**) (including under the fast track route, subject to meeting the requisite prescribed criteria, in accordance with and under the provisions of Chapter IV of the ICDR Regulations), or through any other permissible mode and/or combination thereof as may be considered appropriate, by way of issue of Equity Shares (whether fully or partly paid-up) or by way of issue of any other instrument or security, including fully/partly/optionally convertible debentures, warrants, securities convertible into Equity Shares, Global Depository Receipts (the **"GDRs"**), American Depository Receipts (the **"ADRs"**), bonds including Foreign Currency Convertible Bonds (the **"FCCBs"**) or non-convertible securities, or by way of a composite issue of Non-Convertible Debentures with warrants entitling the warrant holder(s) to apply for Equity Shares and/or any other eligible Securities which may or may not be listed (all instruments mentioned above collectively with the Equity Shares (whether fully or partly paid-up) to be hereinafter referred to as the **"Securities"**) or any combination of Securities, with or without premium or discount (as may be permitted), to be subscribed to in Indian and/or any foreign currency(ies) by all eligible investors, who may or may not be shareholders of the

Company as the Board may decide, including resident and/or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or trusts or otherwise)/foreign portfolio investors/anchor investors/Hindu undivided families/mutual funds/pension funds/venture capital funds/banks/alternate investment funds/Indian and/or multilateral financial institutions, insurance companies and any other category of persons or entities who/which are permitted to invest in Securities of the Company as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and whether or not such investors are members of the Company (collectively referred to as the **"Investors"**), to all or any of them, jointly and/or severally through an offer/placement document and/or other letter or circular and/or on private placement basis, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, including securities premium, or its equivalent amount in such foreign currencies as may be necessary inclusive of any premium and green shoe option attached thereto, in one or more tranche or tranches, at such price or prices, (whether at prevailing market price or at permissible discount or premium to market price in terms of applicable regulations) and on such terms and conditions at the Board's absolute discretion, including the discretion to determine the categories of Investors, considering the prevailing market conditions and other relevant factors wherever necessary, to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilizing agent in terms of green shoe option, if any, exercised by the Company and where necessary, in consultation with the book running lead managers and/or underwriters and/or stabilizing agent and/or other advisors or otherwise on such terms and conditions, including making of calls and manner of appropriation of application money or call money, in respect of different class(es) of Investor(s) and/or in respect of different Securities, deciding of other terms and conditions including number of securities to be issued, face value, number of Equity Shares to be issued and allotted on conversion/redemption/extinguishment of debt(s), rights attached to the warrants, terms of issuance, period of conversion, fixing of record date or book closure dates, if any, as the Board may in its absolute discretion decide, in each case, subject to the applicable laws.

**RESOLVED FURTHER THAT** the relevant date (where applicable) for the purpose of pricing the Securities in case of a QIP or issuance of FCCBs/ADRs/GDRs shall be the date of the meeting in which the Board or any Committee duly authorised by the Board decides to open the issue of such Securities and the pricing shall be determined by the Board or any Committee duly authorised by the Board at or above the floor price determined on the basis of such formula and relevant date as provided under the Act, the ICDR Regulations,

the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines; in the event that convertible securities (as defined under the ICDR Regulations) are to be issued in the QIP, the relevant date for pricing of such Securities shall be either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as determined by the Board or any Committee duly authorised by the Board; and in the event of issuance of Securities by way of further public offer as per provisions of Chapter IV of the ICDR Regulations, an issue of Securities shall be made at a price which will be determined through book building process or any other permissible method under the ICDR Regulations as the Board may decide in consultation with book running lead managers.

**RESOLVED FURTHER THAT** in case of an issue and allotment of Securities by way of a QIP in terms of Chapter VI of the ICDR Regulations:

- (i) the allotment of Securities shall only be made to qualified institutional buyers as defined in the ICDR Regulations;
- (ii) the allotment of Securities, or any combination of Securities as may be decided by the Board, shall be completed within 365 days from the date of the resolution of the members of the Company or such other time as may be allowed under the ICDR Regulations, the Act, and/or applicable and relevant laws/guidelines, from time to time;
- (iii) the Equity Shares (including issuance of the Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) issued shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Company as may be provided under the terms of issue and in accordance with the placement document(s);
- (iv) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (v) any issue of Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations (the **"QIP Floor Price"**). The Board may, however, in its absolute discretion, issue Securities at a discount of not more than five percent or as may be in accordance with the applicable laws on such QIP Floor Price;



- (vi) the tenure of any convertible or exchangeable Securities issued through the QIP shall not exceed sixty months from the date of allotment;
- (vii) a minimum of ten percent of the allotment of Securities by of a QIP shall be to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;
- (viii) no allotment shall be made, either directly or indirectly, to any QIB who is a Promoter of the Company or any other person related to the Promoters of the Company;
- (ix) the allotment to a single Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 50% of the total issue size and the minimum number of allottees shall not be less than two (in case the issue size is less than or equal to ₹ 250 Crore) or five (in case the issue size is more than ₹ 250 Crore), as applicable, or such other limit as may be permitted under applicable laws; and
- (x) the Securities shall not be sold for a period of one year from the date of allotment, except on a recognised Stock Exchange or except as may be permitted from time to time by the ICDR Regulations.

**RESOLVED FURTHER THAT** in case of an issue and allotment of Securities by way of a QIP in terms of Chapter VI of the ICDR Regulations, which are convertible into equity shares, the price determined for the QIP shall be subject to appropriate adjustments if the Company, pending allotment under this resolution:

- (i) makes an issue of Equity Shares by way of capitalization of profits or reserves, other than by way of dividend on Equity Shares;
- (ii) undertakes a rights issue of Equity Shares;
- (iii) consolidates its outstanding Equity Shares into a smaller number of Equity Shares;
- (iv) divides its outstanding Equity Shares including by way of stock split;
- (v) re-classifies any of its Equity Shares into other Securities of the Company; and
- (vi) is involved in such other similar events or circumstances, which in the opinion of the concerned stock exchange, requires adjustments.

**RESOLVED FURTHER THAT** in case of an issue and allotment of Securities under the FCCB Scheme and/or the GDR Scheme and

other applicable laws, the FCCBs and/or the GDRs to be created, offered, issued, and allotted shall be subject to the provisions of the Memorandum and Articles of Association and any Securities that may be created, offered, issued and allotted by the Company shall rank pari-passu in all respects with the existing Equity Shares of the Company in all respects, except as may be provided otherwise under the terms of issue/ offering and in the offer document and/ or placement document and/or offer letter and/or offering circular and/or listing particulars. The Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon issuance / conversion of any FCCB or as may be necessary. Further, the Board be and is hereby authorized to decide upon, at its discretion, the facilitation of an exit by any current or future holder of Equity Shares ("**Permissible Securities**") through the issue of Depository Receipts ("**DRs**"), and a transfer of Permissible Securities by any current or future holder of a Permissible Security to a foreign depository for the purpose of issue of DRs, pursuant to a sponsored depository receipt program to the extent permitted under applicable laws, through transactions permitted under applicable law (including without limitation on a recognized stock exchange, in bilateral transactions or by tendering through a public platform), where such DRs may be issued by the foreign depository and offered and sold in one or more transactions by way of a private placement, public offering or in any other manner prevalent and permitted in a permissible jurisdiction under applicable law, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws.

**RESOLVED FURTHER THAT** in case of an allotment of Securities by way of a FPO in terms of Chapter IV of the ICDR Regulations and other applicable laws:

- (i) The Company may determine the price of Equity Shares, and in case of convertible securities, the coupon rate and conversion price in consultation with the book running lead managers or by way of a book building process, for cash at par or at such premium or discount per Equity Share as allowed under the applicable laws, to such category of persons as may be permitted or in accordance with the ICDR Regulations or other applicable laws, if any, as may be prevailing at that time and in such manner as may be determined by the Board in consultation with the book running lead managers and / or underwriters and / or the stabilizing agent and / or other advisors or such persons appointed for the FPO;
- (ii) the Board be and is hereby authorized on behalf of the Company to make available for allocation a portion of the FPO to any category(ies) of persons permitted under applicable laws, including without limitation, eligible employees and promoters of the Company or to provide a discount to the

offer price to retail individual bidders or eligible employees; and to take any and all actions in connection with any reservation or discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing;

- (iii) the Equity Shares allotted pursuant to the FPO shall be listed on the Stock Exchanges; and
- (iv) the Equity Shares so allotted under the FPO (including any reservation or green shoe option) shall be subject to the provisions of the Memorandum and Articles of Association and rank pari passu in all respects with the existing Equity Shares of the Company including voting rights and rights in respect of dividend, however, in case of any partly paid-up Equity Shares issued pursuant to the FPO, such partly-paid up Equity Shares, shall, upon being fully paid-up, rank pari passu in all respects with the existing Equity Shares of the Company including voting rights and rights, including in respect of dividend

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any Appropriate Authorities including any conditions as may be prescribed in granting such approval or permissions by such Appropriate Authorities, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with the domestic and international practices to provide for the tradability and free transferability thereof as per the applicable laws and prevailing practices and regulations in the capital markets and the Board be and is hereby authorised, in its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed, in accordance with the applicable laws.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities, as described above, the Board and any committee of the Board constituted thereof be and is hereby authorised on behalf of the Company to take all such actions and do all such acts, deeds, actions, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for

issuance of Securities including the number of Securities that may be offered in domestic and/or international markets and proportion thereof, issue price and discounts permitted under applicable laws, premium amount on issue/conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, appoint /engage book running lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, credit rating agencies, monitoring agency(ies), stabilizing agents, and all such agencies as are or may be required to be appointed, involved or concerned as it may deem expedient, seek listing of any or all of such Securities on the Stock Exchanges in India and in case of GDRs or ADRs internationally, enter into and execute arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate, to open such bank accounts, including escrow accounts, share/securities accounts, custodian accounts in India or abroad as required, in accordance with applicable law, to seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and/or any third parties (including industry data providers, customers, suppliers) with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government, statutory and regulatory authorities, and/or any other approvals, consents or waivers that may be required, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by any Appropriate Authorities, and to finalise, approve and issue any document(s) or agreements including but not limited to prospectus and/or letter of offer and/or circular and/or offering circular and/or placement memorandum and/or preliminary placement documents and/or placement document, registration statement and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise with regard to the issue, offer or allotment of Securities and take all such steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion, deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.





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**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of its powers herein conferred by this resolution to any Committee duly authorised by the Board or subject to applicable laws to any one or more director and/or any one or more officers of the Company to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

By order of the Board  
for Vivimed Labs Limited

Sd/-  
**Kopparthi Yugandhar**  
Company Secretary

Place: Hyderabad  
Date: 13.08.2025

## NOTES:

1. Pursuant to the SEBI Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/ CIR/2024/133 dated 3<sup>rd</sup> October, 2024 and General Circular No.09/2024 dated September 19, 2024, read together with Circular No.09/2023 dated September 25, 2023 Circular No.11/2022 dated December 28, 2022, Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated December 28, 2022, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating

voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by CDSL.

6. The Notice calling the AGM has been uploaded on the website of the Company at [www.vivimedlabs.com](http://www.vivimedlabs.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e- Voting facility) i.e. [www.cdslindia.com](http://www.cdslindia.com).
7. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer books will remain closed from Wednesday, September 24, 2025 to Tuesday, September 30, 2025 (both days inclusive).
8. TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY: SEBI vide its circular dated 8<sup>th</sup> June, 2018 amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of transmission or transposition of securities.

Further, SEBI vide its Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2023/8 dated 25<sup>th</sup> January, 2022, has mandated that securities shall be issued only in dematerialized mode while processing shares related service requests received from physical securities holders.

SEBI vide its circular dated 02 July, 2025, has provided a special window facility only for re-lodgement of transfer deeds, which were lodged prior to the deadline of and rejected/returned/not attended due to deficiency in the documents/process/or otherwise, for a period of six months from 07 July, 2025 till 06 January, 2026. Shareholders are requested to complete their process, if applicable.

Members are accordingly requested to get in touch with any DP having registration with SEBI to open a Demat account or alternatively, contact Aarthi to seek guidance in the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at <https://eservices.nsdl.com> or Central Depository Services (India) Limited at [www.cdslindia.com](http://www.cdslindia.com). The ISIN code of the Equity Shares is changed to INE526G01021.

9. The Register of Directors' and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all the documents referred to in the accompanying Notice and Explanatory Statement will be available for inspection in electronic mode by sending a request via mail well in advance.





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10. In continuation to this Ministry's General Circular No.14/2020 dated 08.04.2020, General Circular No.03/ 2022 dated 05.05.2022 and General Circular No.11/2022 dated 28.12.2022 and after due examination, it has also been decided to allow companies to conduct their AGM's through video Conference (VC) or other Audio Visual Means (OAVM) in accordance with framework provided in the aforesaid Circulars up to 19<sup>th</sup> September, 2024.

### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**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 **9:00 a.m. IST on Saturday, September 27, 2025** and ends on **5:00 p.m. IST on Monday, September 29, 2025**. 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, September 23, 2025** 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **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"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on <b>company name or e-Voting service provider name</b> and you will be re-directed to <b>e-Voting service provider website</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000



## Vivimed

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

- (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 VIVIMED LABS LTD 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.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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](mailto: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.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/ EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of

the AGM/ EGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



**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 attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No.3: To appoint Secretarial Auditors of the Company**

The Board at its meeting held on August 13, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of Mr. NVSS Suryanarayana Rao, Peer Reviewed Company Secretary in Practice as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-2026 till FY 2029-2030, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Mr. NVSS Suryanarayana Rao Peer Reviewed Company Secretary in Practice, established in the year FY1996, is a reputed Company Secretary in practice. He has 30 years expertise in Secretarial matters, Corporate laws & taxation, Securities law including Corporate Governance & CSR, Capital markets, RBI, etc.

Over the years, Mr. NVSS Suryanarayana Rao, has built a diverse client base and has served corporate clients. Its clientele spans across corporates in the public sector, listed and multinational companies, leading corporates, MSMEs and firms. He is Peer reviewed and Quality reviewed in terms of the guidelines issued by the ICSI.

Mr. NVSS Suryanarayana Rao, has been the Secretarial Auditors of the Company from FY2005 and as part of their Secretarial audit they have demonstrated their expertise and proficiency in handling Secretarial audits of the Company till date.

Mr. NVSS Suryanarayana Rao, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified by the Institute of Companies Secretaries of India. They have further confirmed that they are not disqualified to be appointed as Secretarial Auditors in term of provisions of the Companies Act, 2013, the Companies Secretaries Act, 1980 and Rules and Regulations made thereunder and the SEBI Listing Regulations read with SEBI Circular dated December 31, 2024.

The proposed fees in connection with the secretarial audit shall be ₹ 50,000/- (Rupees Fifty thousand only) plus applicable taxes and other out of pocket expenses for FY 2026, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and secretarial auditor.

In addition to the secretarial audit, Mr. NVSS Suryanarayana Rao shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 3 of this Notice.

**ITEM NO.4: TO RATIFY THE REMUNERATION PAYABLE TO M/S. JK & CO, COST ACCOUNTANTS TO AUDIT THE COST RECORDS FOR THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH 2026**

The Board of Directors at its meeting held on 13.08.2025, had approved the re-appointment of M/s. J K & Co, Cost Accountants (Firm Registration No.004010), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31<sup>st</sup> March, 2026, 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 31<sup>st</sup> March, 2026.

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.

#### **ITEM NO.5: TO RE-APPOINT MR. SANTOSH VARALWAR AS MANAGING DIRECTOR OF THE COMPANY**

Mr. Santosh Varalwar aged about 63 years is a Management Graduate. He is the driving force behind the phenomenal growth of Vivimed Labs Limited. He worked in Shipping Corporation of India (SCI) and had an opportunity to understand in depth mercantile trade and had immense global exposure, which helped him subsequently to focus on international marketing. He served Mercantile Marine for about seven years before embarking on a highly successful entrepreneurial journey. He has played an active role in VVS Pharmaceuticals from the year 1985 and later on expanded the business to manufacture of API's by acquiring EMGI Pharmaceuticals and Chemicals Private Limited, Bidar, which was later converted into a public limited company and named as Vivimed Labs Limited. Vivimed Labs Limited was listed on BSE/ NSE in the year 2005 and the public issue was all time success having been oversubscribed 40 times. Since then, he steered the Company to various successful milestones and merged VVS Pharmaceuticals in the year to consolidate and create a global entity. In the years 2008 and 2009 under his leadership, the Company successfully acquired two overseas companies namely James Robinson Europe Limited and Har – Met International Inc, US. In November, 2011, Mr Santosh Varalwar successfully led USD 55 million of the 75-year old prestigious Barcelona, Spain based API firm Uquifa. In the year 2013, acquired two Indian companies namely Vivimed Labs (Alathur) Pvt Ltd and Finoso Pharma Pvt Ltd and in 2018, acquired two Hungary companies namely Soneas Chemicals Ltd and Soneas Research Ltd .

In view of his expertise and managerial abilities, Mr. Santosh Varalwar was re-appointed as an MD by the members in the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December 2020 for a period of five years w.e.f.14<sup>th</sup> August 2020. The current term of office of Mr. Santosh Varalwar as an MD expired on 13<sup>th</sup> August 2025. Considering the commitment consistently shown and results exhibited, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, has

decided to re-appoint Mr. Santosh Varalwar as an MD of the Company for a further period of 5 (five) years effective from 14<sup>th</sup> August 2025. The re-appointment of Mr. Santosh Varalwar is appropriate and in the best interest of the Company. The approval of the members is being sought to the terms and conditions of the re-appointment of Mr. Santosh Varalwar as an MD and the remuneration payable to him. The re-appointment of Mr. Santosh Varalwar as an MD is subject to necessary approvals if any.

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Santosh Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the re-appointment of Mr. Santosh Varalwar as an MD of the Company for a period of five years commencing from 14<sup>th</sup> August 2025.

Brief resume of Mr. Santosh Varalwar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure-B to this notice.

Mr. Manohar Rao Varalwar and Mr. Sandeep Varalwar Directors along with their relatives are deemed to be concerned or interested in the proposed Resolution. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution

The Board recommends the Special Resolution set forth in Item No.5 for approval of the Members

#### **ITEM NO.6: TO RE-APPOINT DR. MANOHAR RAO VARALWAR AS WHOLE TIME DIRECTOR OF THE COMPANY**

Dr. V. Manohar Rao aged 89 years, Retired as Joint Director of "The Veterinary Biological and Research Institute" (VBRI) has done his post-graduation in Veterinary Sciences from Edinburgh University, U.K. He has more than 31 years experience in The Municipal Corporation of Hyderabad and Department of Animal Husbandry, Government of Andhra Pradesh. During his tenure with Department of Animal Husbandry, he was involved in administration and production of various vaccines for livestock and poultry. He worked as a special officer for Meat and Poultry Department Corporation Andhra Pradesh Government Enterprises. He conceptualised and started VVS Pharmaceuticals and Chemicals Pvt. Ltd. (VVS), (Now stands merged with Vivimed Labs Limited). He is mainly responsible for



developing a Sophisticated and well-equipped in-house Quality Control and introduced various cost control systems in production process. His expertise, knowledge and vision helped VVS to transform from a Biological Processing Unit into a Pharmaceutical Manufacturing Unit for manufacturing of Liquid Orals, Tablets, Capsules, Ointments etc.

In view of his expertise, Mr. Manohar Rao Varalwar was re-appointed as a WTD by the members in the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December, 2020 for a period of five years w.e.f.14<sup>th</sup> August 2020. The current term of office of Mr. Manohar Rao Varalwar as a WTD expired on 13<sup>th</sup> August 2025. Considering the commitment consistently shown and results exhibited, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, has decided to re-appoint Mr. Manohar Rao Varalwar as a WTD of the Company for a further period of 5 (five) years effective from 14<sup>th</sup> August 2025. The re-appointment of Mr. Manohar Rao Varalwar is appropriate and in the best interest of the Company. The approval of the members is being sought to the terms and conditions of the re-appointment of Mr. Manohar Rao Varalwar as WTD and the remuneration payable to him. The re-appointment of Mr. Manohar Rao Varalwar as a WTD is subject to necessary approvals if any.

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Manohar Rao Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the re-appointment of Mr. Manohar Rao Varalwar as a WTD of the Company for a period of five years commencing from 14<sup>th</sup> August 2025.

Brief resume of Mr. Manohar Rao Varalwar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure-B to this notice.

Mr Sandeep Varalwar, and Mr. Santosh Varalwar, Directors along with their relatives are deemed to be concerned or interested in the proposed Resolution. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution

The Board recommends the Special Resolution set forth in Item No.6 for approval of the Members.

#### **ITEM NO.7: TO RE-APPOINT MR. SANDEEP VARALWAR AS WHOLE TIME DIRECTOR OF THE COMPANY.**

Mr. Sandeep Varalwar, aged 57 years has completed his Graduation in B. Pharmacy. After completion of graduation, he gained more than 25 years of rich experience in manufacturing and marketing divisions of Pharma industry. He is the main strength behind the growth of Pharma division of the Company and took an active role in VVS Pharmaceuticals and Chemicals Pvt Ltd. After the Company's merger with Vivimed Labs Limited, Mr. Sandeep is appointed as a whole time Director on the Board of Vivimed Labs Limited

In view of his expertise, Mr. Sandeep Varalwar was re-appointed as a WTD by the members in the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> December 2020 for a period of five years w.e.f.14<sup>th</sup> August 2020. The current term of office of Mr. Sandeep Varalwar as a WTD expired on 13<sup>th</sup> August 2025. Considering the commitment consistently shown and results exhibited, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, has decided to re-appoint Mr. Sandeep Varalwar as a WTD of the Company for a further period of 5 (five) years effective from 14<sup>th</sup> August 2025. The re-appointment of Mr. Sandeep Varalwar is appropriate and in the best interest of the Company. The approval of the members is being sought to the terms and conditions of the re-appointment of Mr. Sandeep Varalwar as a WTD and the remuneration payable to him. The re-appointment of Mr. Sandeep Varalwar as a WTD is subject to necessary approvals if any.

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Sandeep Varalwar, the remuneration by way of salary, perquisites, commission or any other allowances in accordance with the limits and conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the re-appointment of Mr. Sandeep Varalwar as a WTD of the Company for a period of five years commencing from 14<sup>th</sup> August 2025.

Brief resume of Mr. Sandeep Varalwar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure-B to this notice.

Mr. Manohar Rao Varalwar, and Mr. Santosh Varalwar, Directors along with their relatives are deemed to be concerned or interested in the proposed Resolution. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such



Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution

The Board recommends the Special Resolution set forth in Item No.7 for approval of the Members.

#### **ITEM NO.8: ISSUANCE OF SECURITIES UPTO AN AGGREGATE AMOUNT OF ₹500 CRORES**

As the Members are aware, the Company, is engaged in the business of manufacturing & dealing in Pharmaceuticals. The Company requires additional funding for its operations including for servicing and/or repayment of existing debts, capital expenditure, payment to vendors, other working capital requirements of the Company, and / or general corporate purposes. It is therefore necessary that the Company should have necessary enabling approvals for accessing various opportunities for raising equity and debt capital going forward. Accordingly, the Board, at its meeting held on August 13, 2025 has, subject to requisite consents and approvals including from the shareholders of the Company, approved raising of funds, in one or more tranches, by issuance of Equity Shares or by way of issue of any instrument or security, including fully/ partly/optionally convertible debentures, warrants, securities convertible into Equity Shares, Global Depository Receipts (the “GDRs”), American Depository Receipts (the “ADRs”), bonds including Foreign Currency Convertible Bonds (the “FCCBs”) or non-convertible securities, or by way of a composite issue of non-convertible debentures with warrants entitling the warrant holder(s) to apply for Equity Shares and/ or any other eligible Securities which may or may not be listed (instruments mentioned above collectively with the Equity Shares to be hereinafter referred to as the “Securities”) or any combination of Securities for an aggregate amount of up to ₹ 500 Crore through private placement including qualified institutions placement, or through a further public offer or through any other permissible mode and/or a combination thereof, as may be considered appropriate under the applicable laws.

The issue of Securities may be consummated in one or more tranches at such time or times at such price as may be determined by the Board (including any Committee thereof) in its absolute discretion, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and such other authority or authorities as may be necessary and subject, as applicable, to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “ICDR Regulations”) and other applicable laws, guidelines, notifications, rules and regulations, each as amended.

The proposed Special Resolution seeks to confer upon the Board (including any Committee thereof) the absolute discretion to issue Securities in one or more tranches, determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on analysis of the specific requirements. The

detailed terms and conditions of such issuance will be determined by the Board (including any Committee thereof), considering prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and such other authority or authorities as may be necessary and subject, as applicable, to the ICDR Regulations, and other applicable law, guidelines, notifications, rules and regulations. Accordingly, the Board (including any Committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company.

The proceeds from the issuance of Securities may be used as may be decided by the Board of the Company in accordance with applicable Regulations, including but not limited to capital expenditure, working capital requirements, payment to vendors, repayment / prepayment of debt, including interest and taxes, as applicable on the aforesaid payments and general corporate purposes.

The relevant date (where applicable) for the purpose of pricing the Securities shall be the date of the meeting in which the Board or any Committee duly authorised by the Board decides to open the issue of such Securities, subsequent to receipt of Members’ approval in terms of the applicable laws. For the purposes of clarity:

- (a) In the event that Securities are issued by way of a QIP, the relevant date for the purpose of pricing of such Securities shall be either the date of the meeting in which the Board decides to open the issue of such Securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as determined by the Board or any Committee duly authorised by the Board;
- (b) In the event the Securities are proposed to be issued as FCCBs and/ or GDRs and/ or ADRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the FCCB Scheme and/ or the GDR Scheme and the other applicable pricing provisions issued by the Ministry of Finance.

In the event of issuance of Securities by way of a QIP, as per the provisions of Chapter VI of the ICDR Regulations, an issue of Securities shall be made at a price not less than the floor price calculated in accordance with Chapter VI of the ICDR Regulations. The Board or any Committee duly authorised by the Board may offer a discount of not more than five percent on such price determined in accordance with the pricing formula provided under the said Chapter, in accordance with the applicable laws. Further, in the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the Special Resolution by the Members.



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In the event of issuance of Securities by way of further public offer as per provisions of Chapter IV of the ICDR Regulations, an issue of Securities shall be made at a price which will be determined through book building process or any other permissible method under the ICDR Regulations as the Board may decide in consultation with book running lead managers. The Securities shall be made available for allocation to all category(ies) of persons as permitted under the applicable laws, including without limitation, eligible employees and promoters of the Company.

Pursuant to Sections 23, 42, 62, 71 of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, including any amendment(s), statutory modification(s) and/ or re-enactment thereof for the time being in force, ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members is required to be obtained by a special resolution for making any further issue of Equity Shares or Securities to any person(s) other than the existing members of the Company.

The Board believes that the issue of Securities of the Company is in the best interest of the Company and none of the directors and key managerial personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding, if any, and to the extent of any Securities that may be subscribed by the companies/ institutions in which they are directors or members. No change in control of the Company or its management or its business is intended or expected pursuant to issuance of Securities as proposed hereinabove.

The Board accordingly recommends the **Special Resolution** as set out in Item No.8 of this Notice for your approval.

By order of the Board  
for Vivimed Labs Limited

Place: Hyderabad  
Date: 13.08.2025

Sd/-  
**Kopparthi Yugandhar**  
Company Secretary

**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](mailto:info@aarthiconsultants.com).**Company: Vivimed labs Limited**

I agree to receive all documents / notices including the 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)



**Vivimed**

## ANNEXURE – B

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	Mr. Santosh Varalwar	Dr. Manohar Rao Varalwar	Mr. Varalwar Sandeep
Date of Birth	29.03.1962	01.09.1936	29.09.1968
Age	63 years	89 years	57 years
Date of Appointment	09/11/1989	10/11/1994	23/01/2008
Relationship with Directors and Key Managerial Personnel	Son of Manohar Rao Varalwar, Brother of Sandeep Varalwar	Father of Santosh Varalwar & Sandeep Varalwar	Son of Manohar Rao Varalwar, Brother of Santosh Varalwar
Expertise in specific functional area	He has around 39 years of experience in General Management, cost efficient, quality complaint pharmaceutical / chemicals products manufacturing and marketing	He has around 55 years of experience in Administration, Biotechnology, pharmaceutical / chemicals products manufacturing and marketing	He has more than 30 years of rich experience in manufacturing and marketing divisions of Pharma industry
Qualifications	Management Graduate	Post-graduation in Veterinary Sciences from Edinburgh University, U.K.	Graduation in B. Pharmacy
Names of Listed Entities from which the Director has resigned in the past three years	NIL	NIL	NIL
Board Membership of other companies as on the date of Notice	1. BBR Projects Private Limited 2. Atri Pharma Research India Private Limited 3. Anand Eye Institute Private Ltd 4. Uquifa India Private Limited	BBR Projects Private Limited	BBR Projects Private Limited
Committees Membership of other companies as on the date of Notice	NIL	NIL	NIL
Number of equity shares held in the Company as on the date of Notice	13,00,254 Equity shares	10,34,225 Equity shares	18,75,647 Equity shares

For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report. Information pertaining to remuneration paid to the Directors who are being appointed/ re-appointed and the number of Board Meetings attended by them during the year 2024-25 have been provided in the Corporate Governance Report forming part of the Annual Report.

By order of the Board  
for Vivimed Labs Limited

Sd/-  
**Kopparthi Yugandhar**  
Company Secretary

Place: Hyderabad  
Date: 13.08.2025

## NOTES

[illegible]







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**Vivimed labs limited**

(Cin: I02411ka1988plc009465)

Plot No. 78-A, Kolhar Industrial Area Bidar,

Karnataka - 585403

[www.vivimedlabs.com](http://www.vivimedlabs.com)