

**Vivo Bio Tech Limited**

CIN: L65993TG1987PLC007163

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**Transcript of Thirty Fifth (35<sup>th</sup>) Annual General Meeting of the members of Vivo Bio Tech Limited held on Wednesday, September 28, 2022 at 03.00 P.M. (IST) through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM')**

**A. Directors and KMP's Present:**

- |                            |   |   |
|----------------------------|---|---|
| 1. Mr. Sunder Kanaparthi   | - | Non-Executive Chairman & Independent Director & Chairman of Audit & Stakeholders Relationship Committees. |
| 2. Mr. Kalyan Ram          | - | Whole Time Director   |
| 3. Dr. A. Sankaranarayanan | - | Whole Time Director   |
| 4. Mr. K. Sri Kalyan       | - | Whole Time Director & CFO   |
| 5. Mr. Hariharan Ravindran | - | Independent Director  |
| 6. Ms. K. Kalpana          | - | Independent Director and Chairperson of Nomination & Remuneration Committee                               |
| 7. Dr. K.S. Nayak          | - | Non-Executive Director  |
| 8. Ms. Jyotika Aasat       | - | Company Secretary   |

**B. Statutory Auditors:**

- |                       |   |                           |
|-----------------------|---|---------------------------|
| Mr. M. Mohana Saradhi | - | Partner, PCN & Associates |
|-----------------------|---|---------------------------|

**C. Secretarial Auditor:**

Mr. G. Vinay Babu

The Meeting commenced at 03.00 pm.

**WELCOME ADDRESS:**

**Ms. Jyotika Aasat, Company Secretary,** started the Meeting with the welcome Note as below.

Good Afternoon to all the shareholders. I am Jyotika Aasat, Company Secretary of the Company.

A very warm welcome to each and every one of you. It gives me great pleasure to greet you all at the 35<sup>th</sup> Annual General Meeting (AGM) of Vivo Bio Tech Limited.

I hope you and your family members are all safe and in good health.

In view of the challenges and risks posed by COVID-19 pandemic, the Ministry of Corporate Affairs and the Securities and Exchange Board of India have permitted Companies to hold their Annual General Meeting through Video Conference or Other Audio-Visual Means and send Annual Report and the Notice convening the Annual General Meeting electronically.

Considering the health and safety of all our stakeholders, and, in particular, the shareholders, the 35<sup>th</sup> Annual General Meeting of the Company is being conducted through Video Conference to avoid physical presence of Members at a common venue. The Annual Report has been sent in electronic mode to all the Members holding shares in dematerialised mode or in physical mode, and whose e-mail addresses are registered with the Company, or Registrar & Transfer Agent, or Depository Participant.

I would like to inform you that in accordance with the Articles of Association of the Company the Board of Directors have chosen Mr. Sunder Kanaparthi, Director of the Company, as the Chairman of the meeting to conduct the proceedings of the meeting.

As the requisite quorum is being present, I now request the Chairman of the Meeting - Mr. Sunder Kanaparthi to open the meeting and address the shareholders.

**INTRODUCTION OF DIRECTORS:**

**Mr. Sunder Kanaparthi, Chairman:**

Thank you Jyotika.

I am Sunder Kanaparthi, Chairman & Independent Director of the Company, participating in the meeting through Video Conference from my residence in Hyderabad.

Good Afternoon, I welcome all the Shareholders and Directors to the 35<sup>th</sup> Annual General Meeting of the Company and as the requisite quorum is present I now call the meeting to order.

Today, we have the full Board with us.

I request all the Directors who are attending this meeting through Video conference to introduce themselves.

Thank you.

**Mr. Kalyan Ram:**

Good Afternoon to all the shareholders, I am Kalyan Ram, Whole Time Director of the Company, participating through Video Conference from the Corporate Office of the Company.

Thank you.

**Mr. Kalyan Kompella:**

Good Afternoon to all the shareholders, I am Kalyan Kompella, Whole Time Director & CFO of the Company, participating through Video Conference from the Corporate Office.

Thank you.

**Dr. Sankaranarayanan:**

Good Afternoon to all the shareholders, I am Dr. Sankaranarayanan, Whole Time Director of the Company and I am attending the meeting through Video Conference from my residence in Ahmedabad.

Thank you.

**Dr. K.S. Nayak:**

Good Afternoon shareholders, I am Dr. K.S. Nayak, Non-Independent, Non-Executive Director of the Company attending the meeting through video conference from my office.

Thank you.

**Ms. Kunda Kalpana:**

Good Afternoon shareholders, I am Kunda Kalpana, Independent Director of the Company, Chairperson of Nomination and Remuneration Committee and also member of Audit & Stakeholders Relationship Committees attending the meeting through video conference from my home in Hyderabad.

Thank you. I welcome you all.

**Mr. Hariharan Ravindran:**

Good Afternoon shareholders, I am Hariharan Ravindran, Independent Director of the Company and also member of Nomination and Remuneration Committee attending the meeting through video conference from my office.

Thank you.

**Mr. Sunder Kanaparthi, Chairman:**

Thank you everyone for your introduction.

Apart from the Directors we also have representative of Statutory Auditors of the Company Mr. M. Mohana Saradhi, Partner, M/s. P C N & Associates, Chartered Accountants, Secretarial Auditor of the Company & Scrutinizer for the meeting Mr. G. Vinay Babu, attending this 35<sup>th</sup> Annual General Meeting through Video Conference.

Now, we will proceed with the meeting.

**PROCEEDINGS OF THE MEETING:**

Dear Shareholders,

I thank you all for joining the meeting. I hope that the members are safe and in good health.

Due to ongoing covid-19 pandemic and in order to ensure the safety and security of the stakeholders, members and employees of the Company this AGM is being held through video conference and other audio visual means in compliance with the directions of the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Company has taken requisite steps to enable the members to participate and vote on the items being considered in this AGM.

Since there is no physical attendance of the members, the requirement of appointing the proxy is not applicable.

The members who have not voted earlier through remote e-voting can cast their vote in the course of the meeting through e-voting facility.

The Notice dated August 30, 2022, convening this meeting, along with the copy of the Annual Report for the financial year ended March 31, 2022, has already been circulated electronically and with your permission, I shall take the same as read.

The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or arrangements in which the Directors are interested, Certificate obtained from Secretarial Auditor of the Company confirming that the Company's ESOP Schemes have been implemented in accordance with SEBI Regulations, the resolutions passed by the Members, and such other documents as mentioned in the Notice convening this meeting, will be available for inspection by the Members. Members seeking to inspect such documents may write to the Company at [investors@vivobio.com](mailto:investors@vivobio.com).

The Reports of the Statutory Auditors on the financial statements of the Company and the Secretarial Auditors for the financial year ended March 31, 2022, do not have any qualifications or observations or comments on the financial transactions or matters as having any adverse effect on the functioning of the Company. Accordingly, the Reports of the Statutory Auditors and the Secretarial Auditors are not required to be read out at the meeting.

Your Company, by virtue of being a listed Company, is required to provide e-voting facility to its shareholders. Voting by show of hands is no longer permitted.

The Company has engaged the services of M/s. Central Depository Services (India) Limited (CDSL) to provide the facility of remote e-Voting to all its Members to cast their votes on all businesses contained in the Notice.

Voting will be in proportion to the shares held by the Members as on the cut-off date, this being Wednesday, September 21, 2022, in our case. In line with the regulatory requirements, remote e-Voting facility on CDSL's e-Voting platform was made available from Saturday, September 24, 2022, at 9:00 AM and closed on Tuesday, September 27, 2022, at 5:00 PM.

As mentioned in the Notice convening the meeting, for those members who did not or could not avail the remote e-Voting facility, the Company is pleased to provide the facility to such members to cast their votes electronically during the AGM on all the proposed resolutions through CDSL's e-voting platform.

The e-voting facility will be activated at the end of the meeting. Members can avail this facility and cast their votes on the resolutions proposed in the Notice.

Let me please clarify that this facility is available only to those members who are present in the meeting and who have not cast their votes through the remote e-Voting facility provided earlier by the Company. If a member has already voted in the remote e-Voting, such member will not be able to cast the vote again.

The Board has appointed Mr. G. Vinay Babu, Practicing Company Secretary, for scrutinising the e-Voting process in a fair and transparent manner. Once all of you have cast your votes, the votes will be counted by Mr. G. Vinay Babu, the Scrutiniser. He will then unblock the results of the remote e-Voting which will then be consolidated with the results of the voting done today during the meeting.

The Voting Results along with Scrutinizer's report will be communicated to the Stock Exchanges within two working days and the same will be placed on the website of the Company and on e-Voting platform of CDSL.

I would now like to request Mr. Kalyan Kompella, Whole Time Director and CFO of the Company to share his thoughts and the Company's performance with the members.

**PERFORMANCE OF THE COMPANY:**

**Mr. Kalyan Kompella:**

Thank you Sunder.

A very good afternoon to members.

The year gone by 2021-22 has been a year of opportunities and challenges.

We were engaged in the laboratory animals segment; we are now a full service contract research Organization.

We were in a limited segment of the sector; we now provide drug development and discovery services with In vivo and in vitro toxicity studies.

We were growing moderately in the past; we are poised to Report attractive growth from this point onwards.

Let me provide the summary of the Company's performance during the financial year 2021-22.

The Company has achieved consolidated revenue of Rs. 51.48 Cr with an EBITDA of Rs. 15.91 Cr as compared to revenue of Rs. 51.85 Cr during the previous year with an EBITDA of Rs. 17.74 Cr.

Profit after tax stood at Rs. 2.20 Cr compared to Rs. 5.68 Cr during FY 2020-21.

The financial year 2021-22 witnessed a slight decline in revenues led by our animal breeding division due to covid-19. We expect the growth momentum across our business segments to continue in FY 2022- 23. We expect to sustain the healthy core EBITDA going further. We will continue ramping up our investments in portfolio expansion to secure our future growth.

**Latest Developments:**

The Company is focusing on growing its C.R.O personality and is on the way of climbing the value pyramid

The Company offers a diverse portfolio of studies comprising pharma, bio-pharma, agrochemicals, toxicology and biocompatibility.

The Company offers services from in vitro to preclinical development, one of India's largest full service CROs (within and beyond studies).

Vivo Bio is accredited with a large scope of Good Laboratory Practices studies, highly qualified Diplomate of the American Board of Toxicology (DABT) professionals working, experience of doing studies in a range of complex innovative methods, growing its Absorption, Distribution, Metabolism and Excretion (ADME) and drug metabolism and pharmacokinetics (DMPK) studies on large animals, toxicology facilities for large animals (canines, mini-pigs and pigs).

Now I would like to present a brief on future outlook.

**Business Outlook:**

By the close of the last year, our company was the only merchant producer of specific pathogen-free lab animals in India, the largest supplier in the country, the first on recall for a range of downstream companies and possessing a GLP-certified infrastructure that produced more than 200,000 animals a year. This validated the company's competence in addressing a growing global opportunity.

Our credibility at Vivo Bio Tech, are competently placed to address the widening opportunity.

**One**, the Company is positioning itself as a full cycle service provider; this end-to end positioning makes the Company a preferred partner for a range of outsourcing companies.

**Two**, the Company has established a rich track record in the sensitive area of managing data integrity and confidentiality, a critical pre-requisite in the business.

**Three**, we possess extensive documentation capabilities that can catalyse filings for international certifications.

**Four**, the Company has been certified for Good Laboratory Practices, a validation of its professional pedigree in a demand space.

**Five**, we have (as a Group and as a company) demonstrated the credentials for working with clients multi-year, graduating what could have been one-off transactions into ongoing relationships.

**How we Scaled the Lab Animals Business:**

Our competence at entering and scaling a segment has been reflected in our lab animals business. We entered this business in 2010; by the close of FY 2020-21, we were the only merchant producers of specific pathogen-free lab animals in India, the largest supplier in the country, the first on recall for a range of downstream companies and possessing a GLP-certified infrastructure that produces more than 200,000 animals a year.

**Our Versatile Engagement Format:**

At Vivo Bio Tech, we promise an engagement flexibility. One, we are open to engaging with large companies that provide their animals on which to conduct studies and provide comprehensive results. Two, we are open to providing customers with our facilities where their testing professionals can be deployed; this outsourced rent-lab-area model provides customers a comfort level of working in a world-class environment but keeping to their methodologies. Three, we provide customers the option of their scientists working with ours in a collaborative manner with the objective of jointly delivering credible outcomes.

**Opportunity-Ready:**

At Vivo Bio Tech, we are at the right place and the right time.

The Company is attractively placed to create a new revenue engine that accelerates organizational growth, widens margins, strengthens annuity revenues and enhances stakeholder value.

I would like to express my deep gratitude and appreciation for our bankers, our shareholders and our employees for their continued trust and consistent confidence in Vivo Bio Tech.

Thank you.



**Mr. Sunder Kanaparthi, Chairman:**

Thank you Kalyan.

I now request Ms. Jyotika, Company Secretary, to take up the resolutions as set forth in the notice of the meeting.

**Moderator:**

Sir, Ms. Jyotika has some technical issues, she requested to continue with the meeting.

**AGM RESOLUTIONS:**

**Mr. Sunder Kanaparthi, Chairman:**

The Ordinary businesses set out in the AGM notice pertain to:

1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, the Report of the Auditors' thereon and the Report of the Board of Directors.
2. Appointment of Dr. Sankaranarayanan Alangudi (DIN: 02703392) who retires by rotation, as a Director of the Company.
3. Appointment of M/s. P. Murali & Co, Chartered Accountants as the Statutory Auditors of the Company and fix their remuneration.

The Special businesses set out in the AGM notice pertain to:

4. Shifting of Registered Office of the Company.

The resolutions and the explanatory statement in respect of the special business have been provided in the Notice.

With this I thank all the members for joining in the meeting and I now request to proceed with the Q & A session.

**QUESTION AND ANSWER SESSION:**

**Mr. Sunder Kanaparthi, Chairman:**

Ladies & Gentlemen

A few shareholders have registered themselves as Speaker to make queries and comments at the meeting relating to the accounts and operations of the Company during the year 2021-22.

In the interest of time and with a view to give adequate opportunity to all, I request the Members to be judicious in time and restrict themselves to 2 - 3 minutes. After all the queries are raised, I would be pleased to give my response to your queries in a consolidated manner.

I now request the moderator to facilitate shareholders to speak and make their queries and comments.

**Moderator:**

Mr. Santosh Kumar Sharaf, please unmute yourself.

**Mr. Santosh Kumar Sharaf:**

Hello, mananye adhayak ji, Directors aur mere saathi shareholders, bhaiyo aur beheno joh aaj video conference ke through present hai, Mein Santhosh Kumar Sharaf, Kolkata ka rehne wala aaj aapko Bangalore se namaskar Karta hoon. Asha karta hoon ki jitney bhi Director hai, Jitne bhi Adjikari hai sab Swast hai. Company acha perform kar rahi hai aur shayad mein ne kuch questions likh ke bhi bheje hai aur mein zyada time nai lunga aur bas yahin kahunga ki Company isi tarah appke pradhan pe kaam kare aur aane wale years mein humhe bahut acha results pradhan kare. Sir mujhe bas yahi hai ki VC meetings continue rakhe, dekhiye mein Kolata ka rehne wala aaj Bangalore se appki meeting attend kar raha hu. Yeh sirf possible hai VC meeting ke karan nai toh yeh possible nai hota. Mein aapse haath jodkar request karta hu ki VC meetings hi continue karre aur agar aap physical meeting bhi rakhte hai toh hybrid meeting jarur rakhiye. Ek zamane mein hum paisa leke jaate they aur aaj mobile aur tablet se meeting attenda karte hai. Mein apni secretarial team ka dhanyawad karta hoon jinke karan hum aaj meeting attenda kar rahe aur isi se apne Directors, karamchari aur VC se attend kar rahe bahi beheno ko subhkamnaye deta hoon aur yeh saal 2022 hum sab ke liye healthy wealthy aur prosperous rahe.

Thank you.

**Moderator:**

Thank you sir.

We have no other speaker shareholder.

**Mr. Sunder Kanaparthi, Chairman:**

Thank you very much to the Members for your queries and interest in the operations of the Company.

**CONCLUSION OF THE MEETING:**

**Mr. Sunder Kanaparthi, Chairman:**

**Ladies and Gentlemen, this concludes the business part of the meeting.**

The E-voting facility is now open. Members who have not availed remote e-voting facility may please go to the e-voting page on the CDSL e-voting website i.e. [www.evotingindia.com](http://www.evotingindia.com) and cast their vote. This e-voting facility will remain open for 15 minutes, to enable the members to cast their votes.

Mr. G. Vinay Babu, Scrutiniser will submit a report to the Company after consolidating the remote e-Voting and voting at the e-AGM.

I also authorise the Company Secretary to accept and acknowledge and countersign the Scrutinizer's report and declare the consolidated voting results on receipt of the Scrutinizer's report.

The results would be announced within two working days from the conclusion of the meeting and the same will be informed to the Stock Exchanges and uploaded on the Company's website.

I thank all the Shareholders for attending the meeting and for their continued support. I also thank the Directors and Auditors for attending the meeting.

I request everyone to stay safe and healthy.

As there is no other business to be transacted, I declare the meeting as closed.

**Thank you very much.**

The meeting concluded at 03.30 p.m.