

Vivo Bio Tech Ltd.
Your Drug Discovery Partner



32nd Annual Report

2019

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32nd Annual General meeting on Saturday, 28th Day of September, 2019 at 1.30 P.M. at 8-2-672/5 & 6, 3rd Floor, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad, Telangana-500034. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the Meeting.

Registered office:

8-2-672/5&6, 3rd Floor, Ilyas
Mohammed Khan Estate,
Road No.1, Banjara Hills,
Hyderabad, Telangana - 500034
Phone: 040 - 23313288

Auditors**M/s. PCN & Associates**

(formerly Chandra Babu Naidu & Co.,)
Plot No.12, Ground Floor
Software Layout Unit, Cyberabad
Hyderabad - 500 081
Phone # 040-2311 9499

Secretarial Auditors

Patnaik & Associates
Company Secretaries
Flat no 301, 2nd Block,
Prajay Gruhatara Apartments,
Kompally, Secunderabad - 500100

Main Bankers

Canara Bank IF Branch,
Hyderguda, Hyderabad.

Registrar & Share Transfer Agents**M/s. Aarthi Consultants Private Ltd**

1-2-285, Domalguda,
Hyderabad - 500029.
Phone# 91-40-27634445, 27638111
Fax: 91-40-27632184

R & D Facility

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

M Kalyan Ram

Whole Time Director

Alangudi Sankaranarayanan

Director

Kunasingam V Sittampalam

Non-Executive Director
(Resigned w.e.f. from 22nd March, 2019)

Sunder Kanaparthi

Independent Director

Hariharan R

Independent Director

M Vijaya Lakshmi

Independent Director

Kalyan Kumar Korisapati

Chief Operating Officer

Ch Varun Kumar

Company Secretary
(Resigned w.e.f. from 18th May, 2019)

K T V Kaladhar

Executive Director & C.F.O.

Notice of Annual General Meeting

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of the Company will be held on Saturday, the 28th day of September, 2019, at 01.30 PM at 8-2-672/5&6, Conference Hall, 3rd Floor, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad, Telangana - 500034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial statements of the Company for the financial year ended March 31, 2019, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. M. Kalyan Ram (DIN 02012580) who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item# 3. Regularisation of Mr. K.T.V. Kaladhar

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

“RESOLVED THAT Mr. K.T.V Kaladhar (DIN 08450361), who was appointed as an Additional Director of the Company with effect from 17th May, 2019 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, from a member, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.”

Item# 4 Appointment of Mr.K.T.V.Kaladhar as Executive Director of the Company.

To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of sections 196, 197 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), as approved by the Nomination and remuneration cum compensation committee and Audit committee, consent of members be and is hereby accorded for appointment of Mr. K.T.V. Kaladhar (DIN:08450361) as the Executive Director of the Company for a period of 3(three) years w.e.f. 17th May, 2019 on the remuneration, terms and conditions as recommended by the Nomination & Remuneration Committee.

“RESOLVED FURTHER THAT Mr. K.T.V. Kaladhar, Executive Director will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges as any from time to time, be available to other Senior Executives of the Company.”

“RESOLVED FURTHER THAT in the event in any financial year during his tenure, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay, remuneration in accordance with the limits as per the provisions of Schedule V of Companies Act, 2013”

Item# 5 Re-Appointment of Mr. Sunder Kanaparthi as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sunder Kanaparthi (DIN : 00914869), a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 30th September, 2019, not liable to retire by rotation.”

Item# 6. Re-Appointment of Mr. Hariharan Ravindran as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Hariharan Ravindran (DIN : 06883959), a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 30th September, 2019, not liable to retire by rotation.”

Date : 28th August, 2019

Place: Hyderabad

By Order of the Board

For Vivo Bio Tech Limited

M. Kalyan Ram

Whole Time Director

DIN : 02012580

Registered Office :

8-2-672/5&6, 3rd Floor, Road # 1,
Banjara Hills, Hyderabad-500034, Telangana

CIN: L65993TG1987PLC007163

Email: investors@vivobio.com

Website:www.vivobio.com

Notes:

1. A shareholder entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll on behalf of him and the proxy need not be a member. The proxy form should be deposited at the registered office of the company not less than 48 hours before the commencement of the AGM. A person can act as proxy on behalf of shareholders not exceeding Fifty (50) in number and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other shareholder
2. Corporate shareholders intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the board resolution to the company authorizing them to attend and vote on their behalf at the AGM.
3. The relevant details as required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) and Secretarial Standard on General Meetings (SS 2) issued by the Institute of Company Secretaries of India, of director seeking re-appointment is annexed hereto.
4. The Register of Members / Register of Beneficiaries and Share Transfer books of the Company will remain closed from 22nd September, 2019 to 28th September 2019 (both days inclusive).
5. Members holding shares in physical form may write to the Company/Company's R&T agents for any change in their address and bank mandates. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants.
6. Members are requested to send all communication relating to shares to the Company's R&T Agents (Physical and Electronic) at the following address: M/s. Aarthi Consultants Private Ltd, Unit: Vivo Bio Tech Ltd, 1-2-285, Domalguda, Hyderabad-500029 Email-info@aarthiconsultants.com
7. The Certificate from the Auditors of the Company under SEBI(Share Based Employee Benefit) Regulations, 2014 as amended, will be available for inspection by the shareholders at the AGM.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN and other details to the company's R&T Agents in accordance with SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April 2018.
9. Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the R&T Agent of the company for assistance in this regard.
10. Pursuant to section 72 of the Act, shareholders are entitled to make a nomination in respect of shares held by them. Shareholders desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the R&T Agent of the company. Further, shareholders desirous of cancelling/ varying nomination pursuant to the rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the R&T Agent of the company.

11. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode the company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail
12. The Company has appointed Mr. V Chandra Sekhar Patnaik, Practicing Company Secretary as Scrutinizer for conducting remote e-voting and poll process for the 32nd Annual General Meeting of the Company in a fair and transparent manner.
13. The Notice of the Meeting, Annual Report along with Attendance Slip and proxy form etc. are being sent in electronic mode to Members whose email address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of the Meeting, Annual Report along with Attendance Slip and proxy form etc. are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the aforesaid documents in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the Meeting.
14. All documents referred to in the Notice will be available for inspection at the Company's registered Office during normal business hours on working days up to the date of AGM.
15. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged during the business hours of the company, provided that not less than three days of notice in writing is given to the company.
16. A Route Map showing direction to reach the venue of 32nd AGM is given in the Annual Report as per the requirement of the Secretarial Standard - 2 on General Meeting
17. Members may also note that the Notice of the 32nd AGM and the Annual report for the FY 2018-19 will be available on the company's website i.e., www.vivobio.com.
18. The facility for voting, either through electronic voting system or ballot or polling paper are available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting are entitled to exercise their right at the meeting; The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again;
19. In case of joint holders attending the meeting the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
20. Register of Directors and their shareholding Under Section 170 of the Companies Act, 2013 and the rules made thereunder and Register of Contracts maintained Under Section 189, of the Companies Act, 2013 and rules made their under are available for inspection at the Registered Office of the Company.
21. The Company is not providing video conferencing facility for this meeting.
22. In case of member desired to get hard copy of Annual Report, they can right to Company at Registered Office Address or email at investors@vivobio.com. or info@aarthiconsultants.com.

Voting through electronic means/ Guidelines for Electronic Voting

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rules 20 & 21 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 the Company is pleased to provide E-Voting facility to members to cast their vote on all the resolutions set forth in the Notice convening 32nd Annual General Meeting (AGM) to be held on 28.09.2019. The Company engaged the Services of Central Depository Services Limited (CDSL) to provide the e-Voting Facility:

The instructions for Members for e-voting are as under:

The voting period begins on Wednesday, 25th September, 2019 at 9.00 a.m. and ends on Friday, 27th September, 2019 at 5.00 p.m. During this period shareholders' of the company, holding shares either in Physical Form or Dematerialized form, as on the cutoff date 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

a) Instructions for e-voting

- i. The shareholders should log on to the e-voting website www.evotingindia.com
- ii. Click on "Shareholders" tab.
- iii. Now enter your User ID

For Members holding shares in Demat Form	Form For Members holding shares in Physical
For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the company

- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). ✦ Members who have not updated their PAN with the Company/Depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ✦ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA0000001 (Which is printed on address label) in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format

Dividend Bank Account Details	Enter the Dividend Bank Details as recorded in your demat account or in the Bank company records for the said demat account or folio. Please enter the DOB or Details Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the folio/client id.
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- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Members holding shares in Physical form will then reach directly to the voting screen.
- viii. Members 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.
- ix. If Demat account holder has forgotten the changed password then Enter the User ID and the imageverification code and click on Forgot Password & enter the details as prompted by the system.
- x. Click on the relevant EVSN for the “Vivo Bio Tech Limited” on which you choose to vote.
- xi. On the voting page, you will see Resolution Description and against the same the option ‘YES/ NO’ for voting. Enter the number of shares (which represents number of votes) under YES/NO
- xii. Click on the “RESOLUTION FILE LINK” if you wish to view the entire Notice of the Annual General Meeting.
- xiii. 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.
- xiv. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi. Note for Non-Individual Shareholders & Custodians:

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

- a) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

BY ORDER OF THE BOARD
For **VIVO BIO TECH LIMITED**

Place : Hyderabad
Date : 28th August, 2019

M. Kalyan Ram
Whole Time Director
DIN: 02012580

Registered Office:
8-2-672/5 & 6, 3rd Floor,
Ilyas Mohammed Khan Estate,
Road # 1, Banjara Hills,
Hyderabad-500034, Telangana
CIN: L65993TG1987PLC007163
Email: investors@vivobio.com
Website: www.vivobio.com

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

Name of the Director	K.T.V. Kaladhar
Date of Birth	17-02-1973
Qualifications:	M.Com
Expertise in Specific Functional Areas:	20 years of experience in Finance, Accounting, Audit & Taxations Fields across multiple industries. Worked with M/s. Vijaya Diagnostic Centre Pvt Ltd and was in-charge of the Fund Management and Statutory Compliances. Worked with Ratanam Dhaveji & Co, Chartered Accounts in the area of Internal & Statutory Audits.
Directorships held in other public companies (Excluding Foreign companies and Section 8 Companies)	Nil
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	NIL
Number of shares held in the company as on 31.03.2019	Nil
Relationship between directors inter-se / Key Managerial Personnel	There is no relationship with other directors on the board and KMPs.
Details of Last Remuneration Drawn	7,20,000 P.A.
Date of First appointment of Board	17/05/2019
Number of Meeting of the Board attended during the financial year (2018-19)	NA

Name of the Director	M. Kalyan Ram
Date of Birth	24-06-1978
Qualifications:	MBA
Expertise in Specific Functional Areas:	He has 18 years of experience in the field of Accounting,finance and Administration
Directorships held in other public companies (Excluding Foreign companies and Section 8 Companies)	NIL
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	NIL NIL
Number of shares held in the company as on 31.03.2019	Nil
Relationship between directors inter-se/ Key Managerial Personnel	There is no relationship with other directors on the board and KMPs..
Details of Last Remuneration Drawn	8,61,204 P.A.
Date of First appointment of Board	26/11/2009
Number of Meeting of the Board attended during the financial year (2018-19)	7

Name of the Director	Sunder Kanaparthi
Date of Birth	29-10-1964
Qualifications:	B.Sc, LLB
Expertise in Specific Functional Areas:	He has around 25 years of experience in corporate law practice and advisor to various corporate and government companies
Directorships held in other public companies (Excluding Foreign companies and Section 8 Companies)	NIL
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	NIL
Number of shares held in the company as on 31.03.2019	Nil
Relationship between directors inter-se/ Key Managerial Personnel	There is no relationship with other directors on the board and KMPs..
Details of Last Remuneration Drawn	No Remuneration paid to him except the sitting fees for attending the meetings.
Date of First appointment of Board	28-04-2011
Number of Meeting of the Board attended during the financial year (2018-19)	7

Name of the Director	Hariharan Ravindran
Date of Birth	03-01-1981
Qualifications:	M.com, CA
Expertise in Specific Functional Areas:	He has 15 years' experience in the field of accounting, finance and Taxation. He is a practicing Chartered Accountant from 2009.
Directorships held in other public companies (Excluding Foreign companies and Section 8 Companies)	NIL
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	NIL
Number of shares held in the company as on 31.03.2019	NIL
Relationship between directors inter-se/ Key Managerial Personnel	There is no relationship with other directors on the board and KMPs..
Details of Last Remuneration Drawn	No Remuneration paid to him except the sitting fees for attending the meetings.
Date of First appointment of Board	28-05-2014
Number of Meeting of the Board attended during the financial year (2018-19)	7

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No 3

Mr. K.T.V Kaladhar (DIN 08450361), was appointed as an Additional Director of the Company with effect from 17th May, 2019 by the Board of Directors under Section 161, 149 (1) of the Act. In terms of Section 161(1) of the Act, Mr. K.T.V Kaladhar (DIN 08450361) holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a member, signifying intention to propose Mr. K.T.V Kaladhar as a Director.

The Directors are of the view that the appointment of Mr. K.T.V Kaladhar, as Director will be beneficial to the operations of the Company and hence said resolution being placed before the members for their approval. Except Mr.K.T.V.Kaladhar, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this resolution.

Your Board recommends the resolution set out in Item No. 3 for approval of the members as Ordinary resolution.

Item# 4

Mr. K.T.V. Kaladhar is appointed as an Additional Director of the Company on 17th May, 2019. In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board Governance, Nomination and Remuneration cum Compensation Committee the Board of Directors and subject to approval of the members and in compliance with section 196 & 197 of Companies act, 2013 read with rules thereof and Schedule V of the Companies Act, 2013 proposed for the appointment of Mr. K.T.V.Kaladhar as Executive director of the company for a period from 17th May, 2019 to 16th May, 2022 on the remuneration, terms and conditions as recommended by the Nomination & Remuneration cum compensation Committee. Your Directors recommend that the said resolution may be passed as an Ordinary resolution. The details of remuneration payable to Mr. K.T.V. Kaladhar and the terms and conditions of the appointment are given below:

Salary: Rs.60,000 /- per month. Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. K.T.V. Kaladhar.

The Board of Directors recommends the resolution in relation to the appointment of Executive Director, for the approval of the members of the Company. Notice has been received from member signifying their intention to propose appointment of Mr. K.T.V. Kaladhar as Executive Director of the Company.

The disclosure under SEBI (LODR) Regulations, 2015 is provided at Annexure to this Notice. Except Mr. K.T.V. Kaladhar and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 4

Your Board recommends the resolution set out in Item No. 4 for approval of the members as Ordinary resolution.

Item# 5

Mr. Sunder Kanaparth, being eligible and offers himself for re-appointment as Independent Director of the company for a further period of 5 years. It is proposed to be re-appointed as Independent Directors for five (5) consecutive years commencing from 30th September, 2019, respectively . Except Mr. Sunder Kanaparth, none of the Directors and Key Managerial Personnel of the Company and their respective relatives, in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 respectively of the Notice.

In the opinion of the Board Mr. Sunder Kanaparth fullfills the conditions specified in the Companies Act, 2013 for such re-appointment. His guidance is very valuable to the company and also is playing a vital role in audit committee and other committees.

Your Board recommends the resolution set out in Item No. 5 for approval of the members as Special resolution.

Item# 6

Mr. Hariharan Ravindran, being eligible and offers himself for re-appointment as Independent Director of the company for a further period of 5 years. It is proposed to be re-appointed as Independent Directors for five (5) consecutive years commencing from 30th September, 2019, respectively. Except Mr. Hariharan Ravindran, none of the Directors and Key Managerial Personnel of the Company and their respective relatives, in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 respectively of the Notice.

In the opinion of the Board Mr. Hariharan Ravindran fullfills the conditions specified in the Companies Act, 2013 for such re-appointment. His guidance is very valuable to the company and also is playing a vital role in various committees.

Your Board recommends the resolution set out in Item No. 6 for approval of the members as Ordinary resolution.

BY ORDER OF THE BOARD
For **VIVO BIO TECH LTD**

Place : Hyderabad
Date : 28th August, 2019

M. Kalyan Ram
Whole Time Director
DIN: 02012580

Registered office:

8-2-672/5&6, 3rd Floor,
Ilyas Mohammed Khan Estate,
Road No.1, Banjara Hills,
Hyderabad, Telangana - 500034
Phone : 040 - 23313288
CIN: L65993TG1987PLC007163
Email: investors@vivobio.com
Website: www.vivobio.com

DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the report of the Business and Operations of your Company ('the Company' or 'Vivo'), along with the audited financial statements, for the financial year ended March 31, 2019. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required

Financial Highlights

Rs. In Lacs

Particulars	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Total Income	5584.56	4713.47	5584.56	4713.47
Profit before finance cost, Depreciation & Amortization, Taxation	952.34	1101.29	952.52	1101.47
Less: Finance Cost	264.11	236.75	264.09	236.75
Depreciation & Amortization Expenses	505.77	463.94	505.77	463.94
Profit Before Tax	182.46	400.61	182.66	400.78
Less: Tax Expenses	42.33	88.48	42.33	(88.48)
Profit After Tax	224.79	312.13	224.99	312.30

STATE OF AFFAIRS/COMPANY'S PERFORMANCE

Revenues: The total income of the Company for the FY 2018-19 comprises operating revenues of Rs 5583.35 Lakhs as against Rs. 4700.12 Lakhs in FY 2017-18

Profits:

Profit before Tax (PBT) stood at Rs.182.66 Lakhs as against Rs. 400.78 Lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 224.99 Lakhs as against Rs. 312.30 Lakhs for the previous year.

OUTLOOK

FY19 witnessed a moderate growth in revenues led by our CRO and pre-clinical business which also contributed to the significant margin expansion over FY18. We expect the growth momentum across our business segments to continue in FY20. We expect to sustain the healthy core EBITDA margins witnessed in FY19. We will continue ramping up our investments in portfolio expansion to secure our future growth

RESERVES AND SURPLUS

During the year the Company has transferred an amount of Rs.224.99 Lakhs to Reserves and Surplus.

DIVIDEND

Your directors did not recommend any dividend on shares for this year.

SUBSIDIARIES INFORMATION

The company has the following wholly owned subsidiaries as on 31st March, 2019

1. Vivobio Labs Private Ltd
2. Vivobio discovery services Private Ltd
3. Surlogic Life Consultancy Private Ltd

The company acquired 100% shareholding in M/s. Donakanti Consulting Services Private Ltd on 17th April, 2019. The investment of Rs.3.18 Crores will help the company to acquire E-governance projects with the Government of India.

There is no significant activity going on in the subsidiaries to report.

During the Financial Year, no Company is ceased to be the Company's Subsidiary, joint venture or associate Company.

Directors

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, M. Kalyan Ram, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mr.M. Kalyan Ram has been given in the Notice convening the Annual General Meeting.

Appointments:

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. K.T.V. Kaladhar as an Executive Director on the Board of Directors of the Company in accordance with Section 196 of the Act, with effect from 17th May, 2019 to hold office for a term of 3 (Three) consecutive years.

During the year under review, the Board of Directors on recommendation of the Nomination and Remuneration Committee proposed for re-appointment of Mr. Sunder Kanaparthi, Mr. Hariharan Ravindran as Independent Directors on the Board of Directors of the Company in accordance with Section 149(4) of the Act, with effect from 30th September, 2019 to hold office for a term of 5 (five) consecutive years.

In the opinion of the Board Mr. Sunder Kanaparthi and Mr. Hariharan Ravindra fulfill the conditions specified in the Companies Act, 2013 for such re-appointment. Their guidance is very valuable to the company and they are also playing a vital role in various committees.

Cessations:

Tan Kunasingam V. Sittampalam resigned to the office of Director to pursue other interest and commitments w.e.f 22nd March, 2019.

The Directors place on record their deep appreciation for his valuable guidance and assistance received during the tenure as a Director and Member of various committees of the Board of Directors of the Company.

Change in Capital Structure and Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Ltd. (BSE) During the financial year under review, equity shares were allotted on exercise of the options vested under the Employee Stock Option Scheme and 24,00,000 equity shares were allotted to the strategic investors under the Chapter VII of the SEBI (ICDR) Regulations, 2018 and admitted for trading on BSE. Consequently, the Equity Share Capital of your Company increased from 98,50,520 equity shares of Rs.10/- each to 1,23,50,520 shares of Rs.10/- each as on March 31, 2019.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Rs.	Number of Shares	Rs.
Share capital	1,60,00,000	16,00,00,000	1,50,00,000	15,00,00,000
(a) Authorised Equity Shares of Rs.10/-each				
b) issued Subscribed and fully paid up: Equity Shares of Rs. 10/-each	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200
	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200

Reconciliation of Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Rs.	Number of Shares	Rs.
Shares outstanding at the beginning of the year	98,50,520	9,85,05,200	93,50,520	9,35,05,200
Add: issued and allotted during the year				
i. Allotment of shares pursuant to ESOP Scheme	1,00,000	10,00,000	-	-
iii. Allotment of shares under preferential issue guidelines	24,00,000	2,40,00,000	5,00,000	50,00,000
Less: Shares bought Back during the year	-	-	-	-
Shares outstanding at the end of the year	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200

Terms/Rights and restrictions attached to the Equity Shares:

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

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any

form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as “code of business conduct” which forms an Appendix to the Code.

The Code is available on company’s website under following link:

<http://www.vivobio.com/policies.php>

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board. Whistle Blower Policy is posted on company’s website under following link

<http://www.vivobio.com/policies.php>

PREVENTION OF INSIDER TRADING

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

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

Pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which is effective from April 1, 2019, the Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of unpublished price sensitive information.

DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from all the independent directors of the company confirming that they continue to meet the criteria of independence as prescribed under sub-section (6) of section 149 of the companies act, 2013 and under Regulation 25 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

Key Managerial Personnel

Mr. M. Kalyan Ram Whole Time Director, Mr. K.T.V. Kaladhar, CFO and Mr Ch. Varun Kumar, Company Secretary are the Key Managerial Personnel (KMP) of the company in terms of the provisions of the Act.

However Mr. Ch. Varun Kumar, Company secretary resigned from the company w.e.f 18th May, 2019.

Familiarization Programme for Independent Directors

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

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

Accordingly, your Company arranged technical sessions to familiarize the Independent Directors, the details of which are disclosed on the website of the company at

<http://www.vivobio.com/policies.php>

Transfer of unclaimed dividend and corresponding equity shares

Pursuant to the provisions of Companies Act, 1956/2013, there are no unclaimed dividend amount due for transfer to Investor Education and Protection Fund (IEPF) and also the corresponding equity shares.

Particulars Of Loans, Guarantees Or Investments By The Company

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

Board Evaluation

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

Material Subsidiary

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

Sexual Harassment Policy

The company as required under the provisions of "The Sexual Harassment of women at Workplace (Prohibition, prevention and Redressal) Act, 2013 has framed a policy on Prohibition, Prevention and

Redressal of Sexual Harassment of women at workplace and matters connected therewith or incidental thereto. Internal complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy

- a. number of complaints filed during the financial year - NIL
- b. number of complaints disposed of during the financial year -NIL
- c. number of complaints pending as on end of the financial year - NIL

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted formally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Directors takes appropriate steps to present their views to the Chairperson

One such meeting of Independent Directors was held during the year on 11th March, 2019 without the presence of Executive Directors and management personnel. All the Independent Directors attended the meeting.

Governance Policies

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

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Whistle Blower Policy
- Code of Conduct for Board of Directors and Officers of Senior Management
- Policy for determining materiality for disclosure
- Document Retention and Archival Policy
- Sexual Harassment Policy

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

Board Disclosures

- i. Risk Management

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

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks are being identified by a detailed study. Senior Management are analyzing and working in mitigating them through co-ordination among the various departments. Insurance coverage and personal accident coverage for lives of all employees are also being taken.

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

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

ii. Internal Control System

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

Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management, and after due enquiry, confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed and there are no material departures.
- b) The directors have selected appropriate accounting policies and applied them consistently and have 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 at the end of financial year and of the profit of the company for that period.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) We have prepared the annual accounts for the financial year ended 31st March, 2019 on a going concern basis.
- e) The Directors have laid down internal financial controls, which are adequate and are operating effectively.
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2019.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As required under Regulation 34 (3) read with schedule V (E) of the SEBI (LODR) Regulations, 2015, Auditor's certificate on corporate governance is enclosed as Annexure-J to Board's Report.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT

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

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

AUDITORS

M/s. PCN & Associates., Chartered Accountants, (ICAI firm Registration Number : 016016S) were appointed as Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the Annual General Meeting (AGM) held on 28th September, 2017 until the conclusion of AGM of the company to be held in the year 2022.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s PCN & Co. Chartered Accountants, at the forthcoming AGM. The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer

The company has received consent letter from the statutory auditors and certificate indicating satisfaction of criteria stated in Section 141 of Companies Act, 2013.

MAINTENANCE OF COST RECORDS

The maintenance of Cost Records as specified by Central Government under section 148(1) of Companies Act, 2013 is not applicable to the company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. V. Chandra Sekhar Patnaik, Practising Company Secretary, to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit is annexed as Annexure - D.

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

SIGNIFICANT AND MATERIAL ORDERS

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

STATUTORY INFORMATION AND OTHER DISCLOSURES

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure E and forms an integral part of this Report. The Disclosure required

under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure A and forms an integral part of this Report. A statement comprising the names of top 10 employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 'B' and forms an integral part of this annual report. The above Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the Equity Shares of the Company.

FIXED DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014

Meetings of the Board and Committees

7(Seven) Meetings of the Board of Directors were held during the year. For further details on the meetings and the attendance of directors/members, please refer report on Corporate Governance of this Annual Report.

Consolidated Financial Statements

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

Consolidated financial statements incorporating the operations of the company, its subsidiaries are appended. As required under the provisions of the Act, a statement showing the salient features of the financial Statements of the subsidiaries is enclosed to this report.

The financial statements of the subsidiary companies will be made available to the members of the company and its subsidiary companies on request and will also be kept for inspection in the registered office of the company.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures is given in Form AOC-1 as Annexure-G which forms an integral part of this Report.

Corporate Social Responsibility (CSR)

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

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure-C.

The Annual Return of the company has been published on the website of the company at www.vivobio.com

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report

Details about Employees Stock Option Scheme,

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is annexed as Annexure-F.

Related Party Transactions

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

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

Your Directors have on the recommendations of the Audit Committee, adopted a policy to regulate transactions between your Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Report on Corporate Governance

Corporate Governance Report is set out as separate Annexure to this Report.

Management Discussion and Analysis Report

Management's Discussion and Analysis report for the year under review as stipulated under Regulation 34(2) (e) SEBI (LODR) Regulation, 2015 of the Listing Agreement with the stock exchanges is presented in a separate section forming part of the Annual report.

GENERAL

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of your Company under any scheme save and except ESOS referred to in this Report.

3. 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.
4. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
5. During the period under review, there were no frauds reported by the auditors under provisions of the Companies Act, 2013.
6. There were no material changes commitments affecting the financial position of your Company between the end of financial year (March 31, 2019) and the date of the report (August 28th, 2019).

CAUTIONARY STATEMENT

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

Acknowledgments

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

Date: 28th August, 2019
Place : Hyderabad

For Vivo Bio Tech Ltd.

M. Kalyan Ram
Chairman & Whole Time Director
DIN: 02012580

Annexure-A

STATEMENT OF DISCLOSURE OF REMUNERATION

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

Sl.No	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year.	Name of the Director	Ratio (In X Times)
		M. Kalyan Ram	6.17
		a. The Median Remuneration of all the employees of the company was 1,39,668. b. For this purpose sitting fees paid to the directors has not been considered as remuneration.	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year	Name of the Directors / KMPs	increase in Remuneration
		M. Kalyan Ram	20.08
		A. Sankaranarayanan	N.A.
		M. Vijaya Lakshmi	N.A.
		Hariharan Ravindran	N.A.
		Kunasingam V. Sittampalam	N.A.
		Sunder Kanaparthi	N.A.
		Ch Varun Kumar	17.82
KTV Kaladhar	NIL		
3.	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2019, the percentage Increase/decrease in the median remuneration of employees as compared to previous year was approximately(144%)	
4.	The number of permanent employees on the rolls of Company.	There were 201 employees as on March 31, 2019	
5.	The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration is 25% for Employees other than Managerial Personnel and 20.08% for Managerial Personnel	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, It is confirmed.	

Note: The Independent Directors in the company does not receive any remuneration from the company apart from the sitting fees for attending board and committee meetings.

Annexure - C
Annexure to Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:

i)	CIN	L65993TG1987PLC007163
ii)	Registration Date	12/02/1987
iii)	Name of the Company	Vivo Bio Tech Limited
iv)	Category/Sub-category of the Company	Company Limited by Shares
v)	Address of the Registered Office & contact details.	8-2-672/5 & 6, 3 rd Floor, Road No 1. Banjara Hills, Hyderabad-500034 Phone# 040-23313288 E-mail: Investors@vivobio.com
vi)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Aarthi Consultants Private Ltd 1-2-285, Domalguda, Hyderabad - 500029 Phone # 91-40-27634445, 27638111 Fax: 91-40-27632184

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Bio Technology	9981112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES.

SN	Name and address of the Company	Holding/Subsidiary/ Associate	% of shares Held	Applicable Section
1	Vivobio Discovery Services Private Limited Address: 8-2-672/5&6, 3 rd Floor, Road no. 1 Banjara Hills, Hyderabad-500034 CIN: U24232TG2009PTC065604	Subsidiary	100%	Sec.2(87)(ii)
2	Vivobio Labs Private Limited Address: 8-2-672/5&6, 3 rd Floor, Road no. 1 Banjara Hills, Hyderabad-500034 CIN No. U73100TG2009PTC065603	Subsidiary	100%	Sec.2(87)(ii)
3	Surlogic Life Consultancy Private Limited Address: 8-2-672/5&6, 3 rd Floor, Road no. 1, Banjara Hills, Hyderabad-500034 CIN: U74999TG2010PTC068943	Subsidiary	100%	Sec.2(87)(ii)

IV) Shareholding pattern (Equity Share Capital Breakup as percentage of Total Equity) i) Category –wise Shareholdin.

Category of Shareholders	No. of shares held at the beginning of the year (As on 1st April, 2018)				No. of Shares held at the end of the year (As on 31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1 Indian									
(a) Individuals/Hindu undivided Family	459500	0	459500	4.66	459500	0	459500	3.72	0.00
(b) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(d-i) Corporate Bodies	4012000	0	4012000	40.73	4012000	0	4012000	32.48	0.00
(d-ii) Trust/ Promoter	-	-	-	-	-	-	-	-	-
(d-iv) Directors/Promoters & their Relatives & Friends	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1)	4471500	0	4471500	45.39	4471500	0	4471500	36.20	0.00
2 Foreign									
(a) Individuals(Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0
(b) Government	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-

(d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(f-i) Corporate Bodies - Foreign Body	-	-	-	-	-	-	-	-	-
(f-ii) Corporate Bodies - OCB Non Repatriable	-	-	-	-	-	-	-	-	-
(f-iii) Corporate Bodies - OCB Repatriable	0	0	0	0.00	0	0	0	0.00	0
(f-iv) Foreign Institutional Investor (FI) - Others	-	-	-	-	-	-	-	-	-
(f-v) Foreign Institutional Investor (FI) - DR	-	-	-	-	-	-	-	-	-
(f-vi) Bank - Foreign Bank	-	-	-	-	-	-	-	-	-
(f-vii) Trust	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of Promoter and Promoter Group (A)-(A)(1)-(A)(2)	4471500	0	4471500	45.39	4471500	0	4471500	36.20	0.00
Public Shareholding									
1 Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
(g) Insurance Companies	-	-	-	-	-	-	-	-	-
(h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i-i) Bank - Foreign Bank	-	-	-	-	-	-	-	-	-
(i-ii) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2 Central Government/State Government(s)/President of India									
(a) Central Government/State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
3 Non-Institutions									
(a-i) i. Individual shareholders holding nominal share capital up to Rs.2 lakhs	423942	256817	680759	6.91	476190	253427	729617	5.91	7.18
(a-ii) ii. Individual shareholders holding nominal share capital excess Rs.2 lakhs	500210	0	500210	5.08	412710	135000	547710	4.43	9.50
(b) NBFCs Registered with RBI	0	0	0	0.00	-	-	0	0.00	0
(c) Eployess Trusts	0	0	0	0.00	-	-	0	0.00	0
(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	-	-	0	0.00	0
(e-i) Non-Resident Indian (NRI)	169888	0	169888	1.72	165245	0	165245	1.34	-2.73
(e-ii) Corporate Bodies - Indian	1144510	538970	1683480	17.09	4090069	-	4090069	33.12	142.95
(e-iii) Corporate Bodies - Foreign Bodies	1035000	1300000	2335000	23.70	1035000	1300000	2335000	18.91	0
(e-iv) Clearing Member	9683	-	9683	0.10	11379	0	11379	0.09	17.52
(e-v) Corporate Bodies - OCB Non Repatriable	-	-	-	-	-	-	-	-	-
(e-vi) Corporate Bodies - OCB Repatriable	-	-	-	-	-	-	-	-	-
(e-vii) Foreign National - FN	-	-	-	-	-	-	-	-	-
(e-viii) Trust	-	-	-	-	-	-	-	-	-
(e-ix) Qualified Foreign Investor - Individual	-	-	-	-	-	-	-	-	-
(e-x) Qualified Foreign Investor - Corporate	-	-	-	-	-	-	-	-	-
(e-xi) Unclaimed Susp A/c	-	-	-	-	-	-	-	-	-
(e-xii) IEPF	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total(B)(3)	3283233	2095787	5379020	54.61	6190593	1688427	7879020	63.80	46.48
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	3283233	2095787	5379020	54.61	6190593	1688427	7879020	63.80	46.48
Non-Promoter -Non Public Shareholding									
1 Custodian/DR Holder									
(a) Custodian/DR Holder	-	-	-	-	-	-	-	-	-
Sub-Total(C)(1)	0	0	0	0.00	0	0	0	0.00	0
2 Employee Benefit Trust (under SEBI (Share based Employee Benefit Regulations, 2014)									
(a) Employees Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014	0	0	0	0.00	0	0	0	0.00	0
Sub-Total(C)(2)	0	0	0	0.00	0	0	0	0.00	0
Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	7754733	2095787	9850520	100.00	10662093	1688427	12350520	100.00	25.38

ii) Shareholding of promoters

Sl. No	Shareholder's Name	No. of shares held at the beginning of the year			No. Of Shares held at the end of the year			% Change during the year
		No. of Shares	% of Total Share Capital of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of Total Share Capital of the Company	% of Shares pledged/encumbered to total shares	
1	VISWANATH KOMPELLA	250000	2.54	0	250000	2.02	0	0
2	MADHAVI LATHA KOMPELLA	150100	1.52	0	150100	1.22	0	0
3	TOOMULURU SITAMMA	59400	0.60	0	59400	0.48	0	0
4	VIRA SYSTEMS PRIVATE LIMITED	1345000	13.65	0	1345000	10.89	0	0
5	MAX CELL PHONE COMMUNICATIONS INDIA PRIVATE LIMITED	800000	8.12	0	800000	6.48	0	0
6	IRON AGE INDIA LTD	600000	6.09	0	600000	4.86	0	0
7	IRAGAVARAPU CONSTRUCTIONS PRIVATE LIMITED	600000	6.09	0	600000	4.86	0	0
8	P.K.I. SOLUTIONS PRIVATE LTD	600000	6.09	0	600000	4.86	0	0
9	SHRI SHRI RESORTS PRIVATE LTD	67000	0.68	0	67000	0.54	0	0
	Total shareholding of Promoter and Promoter Group	4471500	45.39		4471500	36.20		
	Total Share Capital of the company	9850520			12350520			

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

Sl.No	Shareholder's Name	No. of Shares at the Beginning of the Year (01.04.2018)	%of Total Shares of the Company	Date	Increase/Decrease in Shareholding	Reason	Cumulative Shares Durign the year	%of Total Shares of the Company during the year
1	VISWANATH KOMPELLA	250000	2.54		No Change		250000	2.02
2	MADHAVI LATHA KOMPELLA	150100	1.52		No Change		150100	1.22
3	TOOMULURU SITAMMA	59400	0.60		No Change		59400	0.48
4	VIRA SYSTEMS PRIVATE LIMITED	1345000	13.65		No Change		1345000	10.89
5	MAX CELL PHONE COMMUNICATIONS INDIA PRIVATE LIMITED	800000	8.12		No Change		800000	6.48
6	IRON AGE INDIA LTD	600000	6.09		No Change		600000	4.86
7	IRAGAVARAPU CONSTRUCTIONS PRIVATE LIMITED	600000	6.09		No Change		600000	4.86
8	P.K.I. SOLUTIONS PRIVATE LTD	600000	6.09		No Change		600000	4.86
9	SHRI SHRI RESORTS PRIVATE LTD	67000	0.68		No Change		67000	0.54
	TOTAL	4471500	45.39				4471500	36.20

iv) Shareholding Pattern of of TOP10 Shareholders : (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.No	Shareholder's Name	No. of Shares at the Beginning of the Year (01.04.2018)	%of Total Shares of the Company	Date	Increase/Decrease in Shareholding	Reason	Cumulative Shares Durign the year	%of Total Shares of the Company during the year
1	Elite Class Asset Holdings Ltd At the End of Year	1300000	13.2		No Change	1300000	10.53 1300000	10.53
2	Mallemkonda Realities Private Ltd	275000	2.79	23/01/2019	825000	Preferential allotment	1100000 1100000	8.91 8.91
3	Northtern Union Ltd At the End of Year	1035000	10.51		No Change		1035000 1035000	8.38 8.38
4	Every Wear Import and Export Private Ltd At the End of Year	916693	9.31		No Change		916693 916693	7.42 7.42
5	Magadha Infracon Private Ltd At the End of Year	225000	2.28	23/01/2019	675000	Preferential allotment	900000 900000	7.29 7.29
6	More Agri supplies and Services Private Ltd At the End of Year	0	0	23/01/2019	900000	Preferential allotment	900000 900000	7.29 7.29
7	Anil Kumar Pinapala At the End of Year	260000	2.64		No Change		260000 260000	2.11 2.11
8	Aarthi Comptec Limited At the End of Year	100050	1.02		No Change		100050 100050	0.81 0.81
9	K. Kalyan Kumar At the End of Year	0	0	28/05/2018	100000	ESOP	100000 100000	1.00 0.81
10	AMN Hotels Private Ltd At the End of Year	100000	1.02		No Change		100000 100000	0.81 0.81

v) Shareholding of Directors and Key Managerial Personnel :

Sl.No	Shareholder's Name	No. of Shares at the Beginning of the Year (01.04.2018)	%of Total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shares Durign the year	%of Total Shares of the Company during the year
1	M. Kalyan Ram At the End of Year	- -	- -	- -	- -	- -	- -	
2	Dr.A.Sankaranarayanan At the End of Year	- -	- -	- -	- -	- -	- -	
3	M. Vijaya Lakshmi At the End of Year	- -	- -	- -	- -	- -	- -	
4	Hariharan Ravindran At the End of Year	- -	- -	- -	- -	- -	- -	
5	Sunder Kanaparthi At the End of Year	- -	- -	- -	- -	- -	- -	
6	Kunasingam V. Sittampalam At the End of Year	- -	- -	- -	- -	- -	- -	
7	Ch. Varun Kumar At the End of Year	- -	- -	- -	- -	- -	- -	

V) INDEBTEDNESS : Indebtedness of the Company including interest outstanding / accrued but not due for payment .

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,72,25,653	11,38,97,156		25,11,22,809
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	13,72,25,653	11,38,97,156	-	25,11,22,809
Change in Indebtedness during the financial year				-
*Addition	2,94,12,284	-	-	2,94,12,284
*Reduction	1,13,52,261	7,51,70,350		8,65,22,611
Net Change	4,07,64,545	(7,51,70,350)	-	(3,44,05,805)
Indebtedness at the end of the financial year				-
i) Principal Amount	17,79,90,198	3,87,26,806	-	21,67,17,004
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17,79,90,198	3,87,26,806	-	21,67,17,004

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager : (Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount
	Name of the Director	M.Kalyan Ram	
		Whole Time Director	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,61,204	8,61,204
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option*	Nil	-
3	Sweat Equity	Nil	Nil
4	Commission	NNil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	8,61,204	8,61,204
Ceiling as per the Act		Rs.21.18 Lakhs (being the 11% of Net Profit of the Company calculated as per Section 198 of Companies Act, 2013)	

B. Remuneration to other Directors (Amount in Rs.)

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount (Rs)
		Kunasingam V Sittampalam	Sunder Kanaparthi	Hariharan Ravindran	M. Vijaya Lakshmi	Dr.A. Sankara narayanan	
1	Independent Directors						
	Fee for attending board and committee meetings	-	1,30,000	90,000	130000	60,000	4,10,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors						
	Fee for attending board and committee meetings						
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	1,30,000	90,000	1,30,000	60,000	4,10,000
	Overall Ceiling as per the Act	Rs. 21.18 Lakhs(being the 11 % of Net Profit of the Company calculated as perSection 198 of Companies Act, 2013)					

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

(Rs. in Lakhs)

SN.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rs.)
	Name	K. T.V. Kaladhar CFO	Ch. Varun Kumar Company Secretaary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,11,204	8,01,204	14,12,408
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil		Nil
3	Sweat Equity	Nil		Nil
4	Commission			
	- as % of profit	Nil		Nil
	- others, specify	Nil		Nil
5	Others, please specify	Nil		Nil
	Total (C)	6,11,204	8,01,204	14,12,408

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ P u n i s h m e n t / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

Annexure - D
SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2019

Form No MR-3

**(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)**

**To,
The Members,
Vivo Bio Tech Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vivo Bio Tech Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the financial year ended on March 31, 2019 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of :
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowing.
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Compliance Requirement	Deviations	Observation/Remarks of the Practicing Company Secretary
1.	Regulation 34 of LODR Regulations Non-submission of the Annual Report within the period prescribed under this regulation	The company has not submitted the Annual Report to the exchange with in the prescribed time and delayed by 2 days.	As discussed and informed by the management the company secretary out of his busy schedule of works missed this advertantly. The company has paid the amount of Rs.4,000+Taxes to BSE Ltd for this violation.

The following are the details of actions taken against the listed entity by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Compliance Requirement	Deviations	Observation/Remarks of the Practicing Company Secretary
1.	Regulation 34 of LODR Regulations Non-submission of the Annual Report within the period prescribed under this regulation	The company has not submitted the Annual Report to the exchange with in the prescribed time and delayed by 2 days.	As discussed and informed by the management the company secretary out of his busy schedule of works missed this advertantly. The company has paid the amount of Rs.4,000+Taxes to BSE Ltd for this violation.

- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014);
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
- vi. Other laws applicable specifically to the Company namely:
 - a. Payment of Wages Act, 1936 and the rules made thereunder
 - b. The minimum Wages Act, 1948 and the Rules made thereunder
 - c. The Water (Prevention & Control of Pollution)Act,1974 Read with Water(Prevention & Control of pollution) Rules, 1975
- 2. During the year the Company has conducted 7 Board Meetings, 4 Audit Committee Meetings, 1 Independent Director's Meeting, 4 Nomination and Remuneration Committee and 4 Stakeholders Relationship Committee Meeting. We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors and General Meeting.
- 3. I 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.
- 4. I further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals
- 5. I 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.
- 6. The Company has framed various policies and displayed the same on the company's website i.e.,www.vivobio.com
 - ✦ Policy on Preservation of Documents
 - ✦ Whistle Blower Policy
 - ✦ Related Party Transaction Policy
 - ✦ Familiarization programme for Independent Directors
 - ✦ Nomination and remuneration Policy
- 7. We further report that:-
 - a. 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.

- b. Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- c. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- d. 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.
- e. We further report that during the year under report, the Company has not undertaken any event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For PATNAIK & ASSOCIATES
Company Secretaries

Place : Hyderabad
Date : 28th August, 2019

V Chandra Sekhar Patnaik
Practicing Company Secretary
COP No.: 16619

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Vivo Bio Tech Limited
8-2-672/5&6, 3rd Floor, Estate Road No.1,
Banjara Hills Hyderabad, TG 500034 IN

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

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

For PATNAIK & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date : 28th August, 2019

V Chandra Sekhar Patnaik
Practicing Company Secretary
COP No.: 16619

Annexure - E

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTFLOW REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

Conservation of Energy:

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

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

Research and Development

A. Specific Areas in which R&D work has been carried out by the company

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

B. Benefits derived as a result of R&D (Wet Lab) Activities

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

C. Future plan of action

- Research and Development activity for further improvement of quality and yield of desired protein to get cost effective technology, that can minimize the cost incurred to customers
- Establishment of radioactive lab for providing services in the area of bioassay development, and also for different laboratory experiment.
- Establishment of Mammalian and Pichia cell culture lab for providing specific services associated

Foreign Exchange Earnings and Outgo:

Most of your Company's earnings are from the export of Computer Software and Services. In order to promote product sales and services, your Company participated in various exhibitions and carried product promotion activities.

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

(Rs. in Crores)

Particulars	FY 2018-19	FY 2017-18
Foreign Exchange Earnings	16.83	0.49
Foreign Exchange Outgo	6.79	4.62

Technology Absorption, Adaptation and Innovation

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

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

Annexure - F

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI forms part of the notes to the financial statements provided in this Annual Report.

SI.No	Description	Year ended 31st March, 2019
1	Date of Shareholder's Approval	10 th February, 2017
2	Total number of options approved under ESOS	30,00,000
3	Vesting requirements	Commences at the expiry of one year from the date of grant
4	Exercise price or pricing formula	Pricing as decided by the nomination committee as on the date of committee meeting.
5	Maximum term of options granted	5 years
6	Source of shares (primary, secondary or Primary combination)	Primary
7	Variation of terms of options	Nil
8	Method used to account for ESOS - Intrinsic or fair value	The company has calculated the employee compensation cost using the intrinsic value of the stock options
9	Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options	Nil
10	The impact of this difference on profits and on EPS of the company on the current year profits (for the year grants)	Profit (Loss) after Tax (in Rs) Less: Additional Employee Compensation cost of Fair Value over Intrinsic Value (in Rs) } NIL Adjusted PAT (Loss) (in Rs) Adjusted weighted avg. EPS (in Rs)
Details of ESOS during the financial year		
SI.No	Description	Year ended 31st March, 2019
1	Number of Options Outstanding at the beginning of the year (Un-granted)	20,70,000
2	Number of options granted during the year	1,50,000

3	Number of options forfeited/lapsed during the year	-
4	Number of options vested during the year	2,56,000
5	Number of options exercised during the year	1,00,000
6	Number of shares arising as a result of exercise of options	1,00,000
7	Amount realized by exercise of options (Rs.)	30,00,000
8	Loan repaid by the Trust during the year from exercise price received	NA
9	Number of options outstanding at the end of the year (out of total number of options approved under ESOS)	19,20,000
10	Number of options exercisable at the end of the year (out of total number of options approved under ESOS)	1,56,000
11	Weighted-average exercise	
	Stock Options Granted on	Weighted average exercise price (in Rs.)
	08 th May, 2017	30
		Weighted average fair value (in Rs.)
		30
12	Employee wise details of options granted to	
	1. Senior Manager Personnel	NA
	a. Any other employee who receive a grant of options in any one year of option amounting to 5% or more of option granted during the year.	Nil
	b. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant	Nil
13	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information.	The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options

14	The main assumptions used in the Black Scholes option-pricing model during the year were as follows: (i) Weighted average values of share price (ii) exercise price (iii) Risk free interest rate (iv) Expected Life of Options (v) Expected volatility (vi) Dividend yield	Refer Point #11 Refer Point #11 Nil 5 years NA NA
15	The method used and the assumptions made to incorporate the effects of expected early exercise.	NA
16	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility.	NA
17	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Yes and other standard methods accepted by ICAI

Annexure - G

AOC - I PART - A

STATEMENT SHOWING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES AS PER THE COMPANY ACT, 2013

Sl.No.	Name of the subsidiary	Vivo Bio Labs Private Limited	Vivo Bio Discovery Services Pvt Ltd	Surlogic Life Consultancy Pvt Ltd
1.	Share Capital	100,000	100,000	1,00,000
2.	Reserves & Surplus	(40,554)	(34,654)	(23,807)
3.	Total assets	14,43,146	1,71,246	8,40,393
4.	Total Liabilities	13,83,700	1,05,900	7,64,200
5.	Investments	Nil	Nil	Nil
6.	Turnover	Nil	Nil	Nil
7.	Profit before taxation	(6,432)	(6,432)	(6,432)
8.	Provision for taxation	Nil	Nil	Nil
9.	Profit after taxation	(6,432)	(6,432)	(6,432)
10.	Proposed Dividend	Nil	Nil	Nil
11.	% of shareholding	100%	100%	100%

Notes:

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

PART - B :

JOINT VENTURE :

There are no joint ventures to report.

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants

Firm Registration No. 016016S

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram

Whole Time Director

DIN : 02012580

K.T.V. Kaladhar

Executive Director & CFO

DIN : 08450361

Chandra Babu M

Partner

Membership No. 227849

Ch. Varun Kumar

Company Secretary

M.No. : A31280

Place : Hyderabad

Date : 17th May, 2019

Annexure-H

Form No. AOC-2

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

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

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

The company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2018-19.

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

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

Sl.No.	Name of the Company	Relationship
1	Vivobio Discovery Services Private Ltd	Wholly owned Subsidiary
2	Vivobio Labs Private Ltd	Wholly owned Subsidiary
3	Surlogic Life Consultancy Private Ltd	Wholly owned Subsidiary
4	Virinchi Ltd	Common Promoters

(b) Nature of contracts/arrangements/transactions

The company took leased premises from Virinchi Ltd.

(c) Duration of the contracts/arrangements/transactions

Inter-company agreements entered into with subsidiary companies, as amended and ongoing. The lease agreement extended for another 11 months

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

To provide IT Services to the client/customers as per agreement.

The payment terms of each project as per the intercompany agreements entered with the respective subsidiaries.

For the lease transaction it is Rs. 30 Lakhs per year.

(e) Date(s) of approval by the Board, if any: Not applicable as these are at arms' length basis and in the ordinary course of the business. 30/08/2014 is the date of board meeting on which the transaction of lease agreement with Virinchi approved.

(f) Amount paid as advances, if any : Nil

Annexure-I

Certification as required under Regulation 17 (8) SEBI (LODR) Regulations, 2015

We, M. Kalyan Ram, Whole Time Director, K .T.V. Kaladhar, Executive Director & CFO of Vivo Bio Tech Limited to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account, and its Schedules and Notes on Accounts, as well as the Cash Flow statement and the Directors Report.
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's code of conduct.
5. The Company's other certifying officers and we, are responsible for establishing and maintaining disclosure controls and procedures for the company, and we have:
 - a) Designed such disclosure controls and procedures to ensure that material information relating to the company is made known to us particularly during the period in which this report is being prepared. And
 - b) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. We have disclosed to the Company's auditors and the audit committee
 - a) significant changes, if any, in internal control over financial reporting during the year;
 - b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - c) 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.

M. Kalyan Ram
Whole Time Director
DIN:02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

PLACE : HYDERABAD

DATE : 17-05-2019

Report on Corporate Governance

Company's Philosophy:

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

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

Board of Directors:

Composition and Category of Directors:

The Company has an Executive Chairperson cum whole time director and to have a more professional outlook your company is having 3 Non- Executive independent directors and 1 Non Executive Director which composition is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

7 Board Meetings were held during the Financial Year 2018-19 and the gap between two Meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

28th May, 2018, 30th June, 2018, 13th August, 2018, 29th August, 2018, 13th November, 2018, 7th January, 2019, 12th February, 2019

The necessary quorum was present for all meetings.

Attendance of each Director at the Board Meetings and the last AGM and their Category

Name of the Director	Category	No. of Board Meetings Attended	Whether attended last AGM	No of Other Director -ships#	Committee Member-Ships	Committee Chairman -ship
M.Kalyan Ram	Whole Time Director	7	Yes	0	0	0
Dr.A. Sankaranarayanan	Non Executive Director	6	No	0	0	0
Sunder Kanaparthi	IndependentNon-Executive Director	7	Yes	0	0	0
Hariharan Ravindran	IndependentNon-Executive Director	7	Yes	0	0	0
M. Vijaya Lakshmi	IndependentNon-Executive Director	7	Yes	0	0	0
K.V.Sittampalam*	IndependentNon-Executive Director	1	No	0	0	0

*Resigned During the year

None of the directors are related to any other director on the board.

None of the directors are holding any directorships in any other listed entities.

The Directorships held by Directors as mentioned above do not include alternate directorships and directorships of foreign companies, section 8 companies, private limited companies, wholly owned subsidiaries.

in accordance with SEBI (LODR) Regulations, 2015, memberships/chairmanships of only the Audit Committee and shareholders/ investors grievance committees all Public Limited Companies (Excluding Vivo Bio Tech Ltd) have been considered.

None of the directors on the board is a member of more than 10 committees or Chairman of more than 5 committees, across all companies in which he/she is a director. The necessary disclosures regarding committee positions have been made by the directors. All independent directors have provided an affirmation of their independence as required under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board also confirms that the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Training of board members

Non-executive directors who are inducted on the board are given an orientation about the company, its operations, services, details of subsidiaries and joint ventures, board procedures and processes and major risks and risk management strategies. The company ensures that directors are inducted through a familiarization process comprising, inter alia, their roles and responsibilities.

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

Separate meetings of the Independent Directors

During the year under review, the Independent Directors met on 11th March, 2019, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

The Web link for details of familiarisation programmes imparted to independent directors is <http://www.vivobio.com/policies.php>

Details of skills / expertise / competence available with the Board

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

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

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

Resignation of Independent directors during the year

During the year the independent director Tan Kunasingam. V. Sittampalam resigned to the Board before the expiry of their term and he has mentioned in his Resignation letter that there are no other material reasons other than those provided in the letter.

3. AUDIT COMMITTEE:

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

During the year under review Four (4) meetings were held for approval of Unaudited Financial Results and Audited results. The constitution of the Committee and the attendance of each member of the Committee are given below:

Name of the Director	Designation	Nature of Directorship	Committee Meetings attended
Sunder Kanaparthi	Chairman	Independent Non-Executive Director	4
M. Kalyan Ram	Member	Executive Director	4
M. Vijaya Lakshmi	Member	Independent Non-Executive Director	4

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

The primary responsibilities of the Audit Committee are to

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

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

In addition to the above, the detailed role of the Audit committee and review of information by audit committee is mentioned in the Part C of Schedule II of SEBI(LODR) Regulations, 2015.

4. Nomination and Remuneration Committee:

The terms of reference of the remuneration committee are as follows:

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

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

The Nomination and Remuneration Committee is constituted as follows.

Name of Director	Designation	Nature of Directorship	Meetings attended
Sunder Kanaparthi	Chairman	Independent Non-Executive	4
Hariharan Ravindran	Member	Independent Non-Executive	4
M. Vijaya Lakshmi	Member	Independent Non-Executive	4

Remuneration policy:

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

This Policy is accordingly derived from the said Charter. The policy is available at <http://www.vivobio.com/policies.php>

1. Criteria of Selection of Non-Executive Directors

- i. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Bio-Technology, marketing, finance, taxation, law, governance and general management.
- ii. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the criteria of Independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties Effectively.
- iii. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- iv. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - a) Qualification, expertise and experience of the Directors in their respective fields;
 - b) Personal, Professional or business standing;
 - c) Diversity of the Board.
- v. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level

2. Remuneration

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

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

Board member Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees and executive / non-executive / independent directors through a peer evaluation, excluding the director being evaluated.

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

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

REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors during the financial year 2018-19 are as follows:

a. Executive Directors

Name	Salary	Benefits (perquisites)	Bonus	Pension	Commission	TOTAL
M.Kalyan Ram	8,61,204	-	-	-	-	8,61,204
TOTAL						8,61,204

Mr. M. Kalyan Ram was re-appointed as Whole Time director w.e.f 29th July, 2016 for a period of 5 years on the terms and conditions contained in the respective resolutions passed by the Members in the General Meetings. The Notice period is as per the rules of the Company. There was no severance fee payable to them for cessation of their executive directorship.

No directors were granted options under ESOP.

b. Non-Executive Directors

There were no pecuniary transactions with any non-executive director of the Company

Non-Executive Directors are paid sitting fee for attending the Board and Committee meetings. Sitting fee of 10,000 is being paid to Non-Executive Directors for attending each meeting of the Board of Directors and 5000 for each meeting of the Committees of Board of Directors. During the year, the sitting fees paid was as follows

Sl.No.	Name of the Director	Sitting Fees	Shares held as on 31 st March, 2019
1	Mr. Sunder Kanaparthi	1,30,000	Nil
2	Ms. M. Vijaya Lakshmi	1,30,000	Nil
3	Mr. Hariharan Ravindran	90,000	Nil
4	Tan Kunasingam V. Sittampalam*	Nil	NA
5	Dr. A. Sankaranarayanan	60,000	Nil

*Resigned.

5. Stakeholders Relationship Committee:

- The Board constituted an stakeholders Relationship committee which looks into shareholders and investors grievances under the Chairmanship of Sunder Kanaparthi who is an Independent and Non- Executive director. The Committee inter alia approves issue of duplicate certificates and oversees and reviews all matters connected with the transfer of securities. The committee looks into shareholders complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- The Board of Directors has delegated the power of approving transfer of securities to M/s. Aarthi Consultants Private Limited.

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

Composition of the Committee:

Name	Designation	Category
Sunder Kanaparthi	Chairman	Independent Non-Executive Director
M. Vijaya Lakshmi	Member	Independent Non-Executive Director
M. Kalyan Ram	Member	Executive Director

The total No. of Complaints received and complied during the year were; Opening: 0 Complaints Received: 4 Complied-: 4 Pending: 0

The Complaints had been attended to within seven days from the date of receipt of the complaint, as communicated by our Registrars and Share Transfer Agents M/s. Aarathi Consultants Pvt. Ltd.

The outstanding complaints as on 31st March, 2019 were: NIL

Name & Designation of the Compliance officer:

Mr. M. Kalyan Ram
Whole Time Director
8-2-672 / 5 & 6, 3rd Floor
Illyas Mohammed Khan Estate,
Road No. 1, Banjara Hills
Email:investors@vivobio.com, www.vivobio.com

7) a) Details of Annual General Meetings: Location and time of the last three AGM's.

Financial Year	Date & Time	Venue	No. of Special Resolutions Passed
2017-18	28/09/2018 01.00 PM	8-2-672/5 & 6, 3 rd Floor, Road No. 1, Banjara Hills, Hyderabad-34	4
2016-17	28/09/2017 2.30 P.M.	8-2-672/5 & 6, 3 rd Floor, Road No. 1, Banjara Hills, Hyderabad-34	1
2015-16	30/09/2016 01.00 P.M	Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad, Telangana-500026	0

b) Extraordinary General Meeting:

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

Postal Ballot.

Special Resolution was passed pursuant to Postal ballot Notice dated 7th January, 2019 for the following items.

1. To Continue the directorship of Dr. A. Sankaranarayanan who attained the age of 75 years as Non-Executive Director in the company.

Mr. V. Chandra Sekhar Patnaik (CP. No16619), Practicing Company Secretary was appointed as the Scrutinizer for conducting the e-voting in fair and transparent manner. The details of voting pattern are as follows.

Resolutions	Number of Valid Votes Cast					
	For			Against		
	Number of members voted through electronic voting system and through physical ballot form	Number of valid Votes cast (Shares)	% of number of valid votes cast	Number of members voted through electronic voting system and through physical ballot form	Number of Votes cast (Shares)	% of number of valid votes cast
ITEM #1: Continuing the Directorship of Dr. A. Sankaranarayanan-Special Resolution	9	635311	100	1	200	99.96

The procedure for postal ballot is as per section 110 of the companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014. The Scrutinizer has submitted report to the Chairman Stating that the resolution has been duly passed by the members of the company with requisite majority.

8. Means of Communication

i. publication of Results

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the Company were generally published in Financial Express, national level English newspaper(s) and Nava Telangana, regional language newspaper circulating in the state of Telangana

ii. Website and news release

The quarterly, half-yearly & nine months un-audited financial results and annual audited results are available on the website of the Company i.e. "www.vivobio.com". Official news releases, detailed presentations made to media, analysts, institutional investors, etc are available on the website of the Company i.e. www.vivobio.com. Official media releases are sent to BSE Limited. Your Company also make timely disclosure of necessary information to BSE Limited in terms of the Listing Regulation and other rules and regulation issued by the Securities and Exchange Board of India.

Further following information is available on the website of the Company i.e. www.vivobio.com:

- Details of business of the Company;
- Terms and conditions of appointment of Independent Directors;
- Composition of various Committees of Board of Directors;
- Code of Conduct for Board of Directors and Senior Management Personnel;
- Details of establishment of vigil mechanism/ Whistle Blower policy;
- Criteria of making payments to Non-Executive Directors;
- Policy on dealing with Related Party Transactions;
- Details of familiarization programs imparted to Independent Directors;
- Policy for determination of materiality of events.

Annual Report:

The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Directors' Report, Auditors' Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto.

Disclosures to Stock Exchanges:

The Company informs BSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

E-voting

Pursuant to the requirements of the Companies Act, 2013, and the SEBI Listing Regulations, company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

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

Investors@vivobio.com

9. General Shareholder Information :

Annual General meeting

Date:28th September,2019

Time: 01.30 P.M

Venue:8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate Road No.1, Banjara Hills Hyderabad, Telangana - 500 034

Financial Calendar : Financial year 1st April to 31st March

Tentative calendar for declaration of financial results in Financial Year 2019-20

Tentative calendar for declaration of financial results in Financial Year 2019-20	
Results for the quarter ended June 30, 2019	on or before August 14, 2019
Results for the quarter ended September 30, 2019	on or before November 14, 2019
Results for the quarter ended December 31, 2019	on or before February 14, 2020
Results for the year ended March 31, 2020	on or before May 30, 2020

Book Closure dates:

The dates for book closure are from 22nd September, 2019 to, September 28th, 2019 (both days inclusive).

Listing on Stock Exchanges

The Company's shares are listed on BSE Limited (BSE), Floor 25, Phiroze Jee jee bhoy Towers, Dalal Street, Mumbai - 400 001

The listing fee for the financial year 2019-20 has been paid to the above stock exchange.

Stock Code & ISIN

Trading scrip code on BSE : 511509

International Securities Identification Number (ISIN):

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

Market Price Data :

The Monthly high and low prices of your company's share at BSE for the year ended March 31, 2019 are as under:

Month	Highest (Rs.)	Lowest (Rs.)	Volume of Shares traded
April, 2018	67.40	54.15	43,867
May, 2018	67.50	54.50	70,625
June, 2018	63.90	48.25	14,982
July, 2018	56.90	43.25	15,074
August, 2018	73.00	48.20	82,836
September, 2018	67.95	54.10	37,084
October, 2018	61.75	50.00	19,529
November, 2018	69.90	50.00	35,131
December, 2018	84.20	54.50	99,011
January, 2019	76.55	61.05	48,402
February, 2019	72.90	50.15	20,211
March, 2019	69.80	51.50	74,318

Share price performance in comparison to broad based indices – BSE

Vivo Share Price Vs BSE		
Particulars	Share price	BSE Sensex
As on April 1, 2018	56.26	33255.36
As on March 31, 2019	52.71	38672.91
Change (%)	(6.31)	14.00

Registrar and Share Transfer Agents, Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent. As regards transfer of shares held in physical form the transfer documents can be lodged with M/s. Aarthi Consultants Private Limited. Share transfers, if documents are found to be in order, are registered and returned within stipulated time from the date of receipt of the documents.

M/s. Aarthi Consultants Private Ltd

(Unit : Vivo Bio Tech Ltd)

1-2-285, Domalguda, Hyderabad

Phone# 040-2763 4445, 2763 8111

Email: info@aarthiconsultants.com

Distribution of Shareholding as on 31st March, 2019						
Sl. No.	Category	Holder	Holder Percentage	Shares	Amount	Amount Percentage
1	1 – 5000	6422	96.38	303288	3032880	2.46
2	5001 - 10000	91	1.37	72492	724920	0.59
3	10001 - 20000	68	1.02	100911	1009110	0.82
4	20001 - 30000	17	0.26	42692	426920	0.35
5	30001 - 40000	6	0.09	20064	200640	0.16
6	40001 - 50000	8	0.12	37723	377230	0.31
7	50001 - 100000	16	0.24	132297	1322970	1.07
8	100001 & Above	35	0.53	11641053	116410530	94.26
Total:		6663	100.00	12350520	123505200	100.00

Dematerialisation of Shares and liquidity

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2019 1,05,19,238 equity shares forming part of 85.17% of the share capital are in demat form and 18,31,282 equity shares forming 14.83% of the share capital are in physical form. Dematerialization of shares is done through M/s. Aarthy Consultants Private Limited and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant documents

Distribution of Shareholding on the basis of ownership as on March 31, 2019			
Sl.No	Description	No. of Shares	% of Total Capital
1	Promoter / Promoter group	4471500	36.20
2	Foreign Institutional Investors	NIL	NIL
3	Banks / Mutual Funds / NBFC	NIL	NIL
4	Bodies Corporate	4090069	33.12
5	Individuals / HUF	1277327	10.34
6	Non Resident Indians	165245	1.34
7	Foreign Bodies	2335000	18.91
8	Clearing Members / Trusts	11379	0.09

TOTAL**12350520****100.00**

Dematerialisation of Shares and Liquidity as on 31st March 2019		
	No. of Shares	% of Total
NSDL	8292851	67.14
CDSL	2226387	18.03
Physical	1831282	14.83
Total	12350520	100.00

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs. However 4,00,000 Warrants are pending for exercise during the year 2018-19 and they are exercised in 2019-20 as per the preferential issue guidelines. The updated share capital with the exercise of 4,00,000 warrants is Rs.127505200 comprising of 12750520 equity shares of Rs.10/-each.

Commodity Price Risk or foreign exchange risk and hedging activities.

The commodity price risk is not applicable to the company as it is the business of CRO and with in india only.

Plant Locations

The Company has R&D Facility at Pregnapur Village and Registered Office at Banjara Hills, Hyderabad. The following are the addresses.

Place	Facilities
Hyderabad	1. Survey # 349/A, Pregnapur Village, Gajwel -502311, Siddipet District, Telangana, India 2. 8-2-672/5&6, 3 rd Floor, illyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad-500034

Address for Correspondence:

For queries relating to shares

For queries relating to Financial Statements and other contents of Annual Report

M/s. Aarathi Consultants Private Limited

(Unit-Virinchi Ltd)

1-2-285, Domalguda, Hyderabad.

Phone # 040-27634445 / 27638111

Email : info@aarthiconsultants.com**M/s. Vivo Bio Tech Ltd**8-2-672/5 & 6, 3rd Floor,

Illyas Mohammed Khan Estate

Banjara Hills, Road # 1, Above Kotak Mahindra

Bank, Hyderabad - 500034.

Phone # 040-23313288

Email : investors@vivobio.com

List of all credit ratings obtained by the entity along with any revision thereto:

The Brickwork Ratings assigned the long term rating of BWR BB+ (Outlook: Stable) and short term rating of BWR A4+ for the Bank Loan Facilities of Rs. 16.83 Crores of Vivo Bio Tech Limited.

Other Disclosures:

Related party transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.vivobio.com/policies.php>

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

Disclosures on materially significant related party transactions, which may have potential conflict with the interest of the Company at large: There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. However, the other related party transactions form part of the financial statements. The related party transactions policy is available on the website of the Company at

<http://www.vivobio.com/policies.php>

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

Sr. No.	Compliance Requirement	Deviations	Observation/Remarks of the Practicing Company Secretary
	Regulation 34 of LODR Regulations Non-submission of the Annual Report within the period prescribed under this regulation	The company has not submitted the Annual Report to the exchange within the prescribed time and delayed by 2 days.	As discussed and informed by the management the company secretary out of his busy schedule of works missed this advertantly. The company has paid the amount of Rs.4,000+Taxes to BSE Ltd for this violation.

Details of establishment of Vigil Mechanism (Whistle Blower policy)

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee.

The Vigil Mechanism Policy is available on the website of the Company i.e. <http://www.vivobio.com/policies.php>

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

Policy on Material Subsidiaries

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. However the company don't have any material subsidiaries.

The policy for determining 'material' subsidiaries is available on <http://www.vivobio.com/policies.php>

A Certificate from a Company Secretary in Practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The certificate issued by Mr. V. Chandra Sekhar Patnaik, Practicing Company Secretary is attached to this report as Annexure-K.

Disclosure of commodity price risks and commodity hedging activities.- Not applicable

Details of Utilisation of funds raised through preferential allotment.

During the year the company raised Rs.5,40,00,000 (Five Crore Forty Lacs) through the allotment of 24,00,000 equity shares of Rs.10/- at a premium of Rs.20/-. The proceeds of the preferential issue have been utilized towards augmenting the working capital requirements and meeting other business requirements as per the object of the preferential issue.

Recommendations of Committees of the Board

There were no instances during the financial year 2018-19 wherein the Board had not accepted the recommendations made by any Committee of the Board.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

During the year ended March 31, 2019, fees paid to the Statutory Auditors (P C N & Associates) and its network firms are as follows:

Fees(Including Taxes)	Vivo Bio Tech Limited to Statutory Auditors	Vivo Bio Tech Ltd to network firms of Statutory Auditors	Subsidiaries of Vivo Bio Tech Limited to Statutory Auditors and its network firms
Statutory Audit	88,500	-	-
Certification and other attestation services	-	-	-
Non Audit Services	-	-	-
Outlays and Taxes	-	-	-

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as on end of the financial year: Nil

Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl.No	Requirement	Status of Implementation
1.	A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not applicable as the company has an executive chairman
2.	A half-yearly declaration of financial performance including summary of the significant events in last six-months, maybe sent to each household of Shareholders.	The company is in process to implement this
3.	The listed entity may move towards a regime of financial statements with unmodified audit opinion.	The company has constantly endeavoured towards this and until now the company's audit reports are all 'clean reports/ unmodified opinions
4.	The listed entity may appoint separate persons to the post of chairperson and managing director or chief executive officer.	The offices of Executive Chairman and Managing Director & CEO are different.

Sl.No	Requirement	Status of Implementation
5.	The internal auditor may report directly to the audit committee.	The Internal auditor directly makes a presentation to the Audit Committee and the internal auditor has the direct access to the Audit Committee.

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

EQUITY SHARES IN DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015, the Company reports that No Equity Shares are lying in the suspense account as on 31st March 2019

CEO and CFO Certification:

The Chief Executive Officer and the Chief Financial Officer of the Company gave certification on financial reporting and internal controls for the financial year 2018-19 to the Board of Directors at their meeting held on May 17, 2019, as required under regulation 17(8) of SEBI Listing Regulations. See Annexure-I.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

Annexure-J

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Vivo Bio Tech Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Vivo Bio Tech Limited ("the company") for the year ended March 31, 2019, as stipulated in 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").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the year ended 31st March, 2019.

We further state that such compliance 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.

Restrictions on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Place: Hyderabad
Date: 28th August, 2019

For PCN & Associates
Chartered Accountants
FRN : 016016S

Chandra Babu M
Partner
M.No: 227849

ANNEXURE TO THE DIRECTORS' REPORT

Pursuant to Regulation 34(2) (c) of SEBI (LODR) Regulations, 2015, a report on Management Discussion and Analysis Report is given below:

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Overview

Vivo Tech is a full service CRO offering drug development & discovery services to pharmaceutical & biotech companies world-wide in accordance with OECD, AAALAC & IND guidelines. The company offers services in the areas of In vitro, In vivo, toxicity studies, pharmacological investigations, pharmacokinetics & toxic kinetic studies etc. Our experienced & talented scientists offer advice on defining drug development paths tailored to specific molecules. Tailored and dedicated to our clients, we distinguish your development plan is as superlative as the products you bring to our testing facilities.

The Biologic Research Services group at Vivo Bio Tech offers a complete line of protein services, including gene synthesis, cloning, expression and purification of recombinant proteins and monoclonal antibodies. Our scientists will team up with you to develop solution for the most difficult to deal products including purification of untagged & poorly expressed proteins.

In-vitro Services offers solutions for pharmacologic, toxicological & bioanalytical investigations in drug discovery & development. Critical investigations like bacterial reverse mutation assays, chromosomal aberration, and micronucleus are specialty services by our scientists.

The In-vivo Services group at Vivo Bio Tech provides both non-regulatory and regulatory IND enabling preclinical development services. We are capable of screening & evaluating molecules for various pharmacological & therapeutic properties. Specifically for oncology, our scientists can provide design & development of xenograft models for evaluation of anti-cancer agents. Further, our scientists can customize in-vivo DMPK studies to help profile your drug candidate in both rodent and non-rodent animal models.

Vivo Bio has partnered with Taconic for sourcing foundation and expansion colonies of the animal models and have started in-house breeding of Specific Pathogen Free rodents.

Industry structure and developments

The biotechnology sector is one of the sectors which have contributed to enhancing the global profile of India in the last decade. At the beginning of the decade, this industry began to take shape with the sprouting of dozens of start-up companies as well as the diversification of established pharma players which set up biotech divisions to focus on this segment. A lot of significant developments have taken place in the sector.

The sector has witnessed some emerging trends. Bio-pharma, which constitutes nearly two-thirds of the Indian biotech sector, invests in innovative product development. Clearly, a lot of companies see more value in ramping up their service offerings even as they try to master the technological, financial and regulatory challenges, before they are able to offer cutting edge drugs in the market place

Investments, along with outsourcing activities and exports, are key drivers for growth in the biotech sector. Foreign Direct Investment (FDI) up to 100 per cent is permitted through the automatic route for manufacturers of drugs and pharmaceuticals.

The Government of India (GOI) through the Department of Biotechnology (DBT) has helped nurture the biotechnology field in India since its inception in 1986. India now has a large pool of outstanding people and infrastructure, created through several innovative schemes, which can serve as the capstone for the future growth of this sector and help the country achieve its vision to become a bio-economy and to extend benefits of biotechnology to its people.

India is now recognized as a global destination for vaccines, bio-services and increasingly for contract manufacturing, especially bio-similar. Many firms are exploring exciting areas of stem cell biology,

synthetic biology, agri-biotechnology systems biology and evidence-based traditional medicine. The dynamic changes in the economy will make India a leading economic power in the world. The growth in gross domestic product (GDP) over the next decade will expand the domestic market and Indians will be able to afford healthcare products, and demand for food commodities and energy will grow too.

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Opportunities:

India offers numerous comparative advantages in terms of R&D facilities, technical know-how, skill set and cost effectiveness. This presents the biotechnology industry in India, immense potential to emerge as a key global player particularly in the bio agriculture and bio industrial segments. There is a rising opportunity in focused R&D and knowledge based innovation that can deliver environmental sustainability in the long run. The Government of India has been supportive and has taken initiatives to improve the biotechnology sector in the country as well as offer enough scope for research in this field.

Threats

Government Regulations

The Biotechnology Industry is highly regulated and product commercialization can only occur after many years of compliance with required product standards. Taking a risk-based approach to compliance planning, execution, and monitoring makes good business sense in a heightened regulatory environment. A top priority for drug and device manufacturers is to identify ways to counter increasing instances of unsustainable pricing (extremely high-priced innovations), which elicit defensive legislative responses from the government.

Long Gestation Period: Developing a new product is an ambitious venture characterized by high cost, long gestation period, high risk, a lengthy period without revenue, and even longer periods without profit. All of this requires a degree of persistence, patience, and, above all capital to invest..compared to pharmaceutical Industry the products in Biotechnology tend to have fewer safety and toxicity issues. During the lengthy gestation period the companies' profit is deferred because delay before saleable products come out of the pipeline.

Risks & concerns:

The biotechnology industry is a high risk industry as the major part of the capital in spending on the Research and development for the development of the new products in the process the product may or may not emerge. Even after the development of new product, there is no assurance regarding generation of revenue or profitable operations. There are many factors such as competition, patent protection and the regulatory environment that can influence a product's profitability potential.

OUTLOOK

FY19 witnessed a moderate growth in revenues led by our CRO and pre-clinical business which also contributed to the significant margin expansion over FY18. We expect the growth momentum across our business segments to continue in FY20. We expect to sustain the healthy core EBITDA margins witnessed in FY19. We will continue ramping up our investments in portfolio expansion to secure our future growth.

Internal Control Systems & their adequacy:

The Management Information Systems is the backbone of our internal control mechanism. The Company has adequate internal control systems and procedures in all operational areas and at all levels equipment procurement, finance and administration marketing and personnel departments. The Company also has an internal Audit system commensurate with its size and nature of business. The Audit Committee reviews the internal audit reports and the adequacy of internal controls from time to time. In order to ensure that all checks and balances are in place and all internal control systems and procedures are in order, regular and in- depth internal audit is conducted by the qualified chartered accountants. Internal audit reports are reviewed by the audit committee on a quarterly basis.

Discussion on financial performance with respect to operational performance: The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. The Management of the Company accepts responsibility for the integrity and objectivity of the financial statements as well as for the various estimates used therein. The financial statements have been prepared on a prudent basis to reflect an accurate picture of the Company's state of affairs.

Revenues: The total income of the Company for the FY 2018-19 comprises operating revenues of Rs. 5583.35 lakhs as against Rs. 4700.12 Lakhs in FY 2017- 18.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATION THEREOF.

	2019	2018
Debtors Turnover	5.53 Times	4.83 Times
Inventory Turnover	1.49	1.58
Interest Coverage Ratio	1.69	2.69
Current Ratio	1.34	1.10
Debt Equity Ratio	1.02	2.08
Operating Profit Margin	0.08	0.14
Net Profit Margin	0.04	0.07
Details of Any change in Return of Net worth	0.08	0.16

The reduction of Return on Networkth is on account of write off of pending receivables from EESL

Profits: Profit before Tax (PBT) stood at Rs.182.66 Lakhs as against Rs 400.78 Lakhs for the previous year. Profit after Tax (PAT) stood at Rs.224.99 Lakhs as against Rs. 312.30 Lakhs for the previous year

Material Developments in Human Resources: Vivo is a performance-driven organization. Our performance management system strongly links organizational values and objectives with individual targets and performance metrics to create a harmonious growth path for all employees. The total number of permanent employees is 201 as on March 31, 2019. This year, the performance management system was modified to make it more robust and transparent, which provided an excellent user experience to all employees undergoing appraisals. Vivo encourages employees to aspire for higher professional goals and supports them in achieving them. The Internal Job Postings initiative helps employees realize their Professional goals through internal promotions/ transfer opportunities. The HR team delivered quality training solutions in a timely manner. A survey launched to measure the effectiveness of training programs revealed that almost 98% employees were able to enhance their skill/knowledge and apply it on the job. As a part of our ongoing effort to enhance leadership skills at Vivo, we initiated the Leadership Talk series. Workshops were conducted for the businesses in order to formulate a common mission and objectives for the year. An engaged employee is a motivated and effective employee. At Vivo we make every effort to make the workplace engaging and encouraging for our staff. Vivo aims at developing industry-ready, high-end talent by equipping bio scientists with skills that enhance their employability.

Annexure-K

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 of Vivo Bio Tech Ltd

8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate
Road #1, Banjara Hills, Hyderabad-500034

I V.Chandra Sekhar Patnaik, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Vivo Bio Tech Limited having CIN L65993TG1987PLC007163 and having registered office at 8-2-672/5 & 6, 3rd Floor, Ilyas Mohammed Khan Estate, Road#, Banjara Hills, Hyderabad-500034 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V 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 my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 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 .

SI.No	Name of the Director	DIN	Date of appointment in Company
1	Mr. M. Kalyan Ram	02012580	26-11-2009
2	Dr. A. Sankaranarayanan	02703392	31-07-2009
3	Mr. Sunder Kanaparthu	00914869	28-04-2011
4	Ms.M.Vijaya Lakshmi	07803294	26-04-2017
5	Mr.Hariharan Ravindran	06883959	28-05-2014

Ensuring the eligibility of 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 : 28/08/2019

M/S. PATNAIK & ASSOCAITES
COMPANY SECRETARIES

V.CHANDRA SEKHAR PATNAIK
COMPANY SECRETARY IN PRACTICE
COP.NO:16619



Declaration regarding compliance with the code of conduct and ethics

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Vivo Bio Tech Limited Code of Business Conduct and Ethics for the year ended March 31, 2019.

Place : Hyderabad
Date : 28th August, 2019

M. Kalyan Ram
Whole Time Director
DIN : 02012580



STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/s VIVO BIO TECH LTD

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of M/s VIVO BIO TECH LTD (“the Company”), which comprises the Standalone Balance Sheet as at March 31, 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“IndAS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would have impact on its standalone financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For P C N & Associates.,
Chartered Accountants
FRN : 016016S

Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date: 17-05-2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VIVO BIO TECH LTD of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) Of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s VIVO BIO TECH LTD (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal

financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P C N & Associates.,

Chartered Accountants
FRN: 016016S

Chandra Babu M

Partner
M.No:227849

Place: Hyderabad

Date: 17-05-2019


ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VIVO BIO TECH LTD of even date

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the title deeds of immovable properties, they are held in the name of the company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.
- iii. According the information and explanations given to us, the Company has granted unsecured loans to its Wholly owned subsidiaries, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted and investments made.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause (v) of the Order are not applicable to the Company.
- vi. In respect of the company, the central government has not prescribed maintenance of cost records under sub section (1) of section 148 of the companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company delayed in depositing some undisputed statutory dues including Provident Fund, Employees' State Insurance, TDS and Income Tax as applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanation given to us and based on the records of the company examined by us, there are no dues of Income Tax, Goods and Service Tax and Customs Duty which have not been deposited as at March 31, 2019 on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) According to the information and explanations given by the management, the company has made preferential allotment during the year.
- (b) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 42 of the companies Act 2013 in respect of preferential allotment of shares.
- (c) Amount raised by way of Preferential allotment was solely utilized for the purpose for which amount was raised. Details of Preferential Allotment are given below:

Date of allotment	Parties to whom Shares/Share warrants are allotted	Class of Instrument	No. of Shares /Share warrants	Face Value	Issue price	Total amount received during the year 2018-19
23 rd Jan 2019	Magadha Infracon Pvt Ltd	Equity Instrument	6,75,000	10	30	1,51,87,500
23 rd Jan 2019	Mallemkonda Realities Pvt Ltd	Equity Instrument	8,25,000	10	30	1,85,62,500
23 rd Jan 2019	More Agri Supplies and Services Pvt Ltd	Equity Instrument	9,00,000	10	30	2,02,50,000

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- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date: 17-05-2019

**M/s. VIVO BIO TECH LTD
BALANCE SHEET**

Particulars	Note No	As at 31/03/2019 Rs.	As at 31/03/2018 Rs.
1) NON CURRENT ASSETS			
Property, Plant and Equipment	1	24,61,01,483	21,11,65,341
Capital Work-In-Progress	1	6,60,224	3,94,42,795
Intangible Assets	1	5,20,81,254	6,35,06,020
Financial Assets			
Non-Current Investments	2	3,00,000	3,00,000
Other Non-Current assets	3	9,74,300	3,90,553
2) CURRENT ASSETS			
Inventories	4	8,23,63,353	7,58,62,445
Financial assets			
Trade and Other Receivables	5	8,40,99,715	11,77,64,845
Cash and Cash Equivalents	6	52,75,961	4,14,51,949
Short Term Loans and Advances	7	7,34,24,652	4,00,12,516
Other current assets	8	54,93,223	53,85,610
Total Assets		55,07,74,165	59,52,82,074
EQUITY AND LIABILITIES			
Equity			
Share Capital	9	12,35,05,200	9,85,05,200
Other Equity	10	14,63,18,711	7,38,20,202
Money Received Against Share Warrants		30,00,000	2,10,00,000
1) Non-Current Liabilities			
Financial Liabilities			
Long-Term Borrowings	11	8,89,93,949	13,89,81,331
Long Term Provision	12	35,85,651	30,58,239
Deferred Tax Liabilities	13	(23,68,915)	56,24,369
2) Current Liabilities			
Financial Liabilities			
Short Term Borrowings	14	12,77,23,056	11,21,41,479
Trade Payables	15	3,86,76,522	7,98,00,329
Other Current Liabilities	16	1,03,25,363	3,46,81,041
Short Term Provisions	17	1,10,14,629	2,76,69,886
Total		55,07,74,165	59,52,82,074

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integral part of the Standalone financial statements

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 016016S

Chandra Babu M

Partner
Membership No. 227849

Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of
M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

Ch. Varun Kumar
Company Secretary
M.No. : A31280

STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED

PARTICULARS	Note No	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
1. Revenue from Operations	18	55,83,34,546	47,00,11,673
2. Other Income	19	1,21,051	13,34,995
3. Total Revenue (1+2)		55,84,55,597	47,13,46,668
4. Expenses:			
a) Purchases		12,40,92,452	12,59,59,868
b) Changes (Increase) / decrease in Inventories	20	(65,00,908)	(3,02,76,563)
c) Employee Benefit Expense	21	9,57,79,725	7,65,69,523
d) Other Operating Expenses	22	11,13,41,313	9,12,39,755
e) Administrative Expenses	23	13,84,91,114	9,77,07,285
f) Financial Costs	24	2,64,08,932	2,36,74,875
g) Depreciation and Amortization Expense	1	5,05,77,457	4,63,93,684
Total Expenses		54,01,90,084	43,12,68,427
5. Profit before Tax (3-4)		1,82,65,512	4,00,78,241
6. Tax expense:			
(1) Current tax		37,60,285	1,10,41,624
(2) Deferred tax		(79,93,283)	(21,93,545)
7. Profit After Tax		2,24,98,510	3,12,30,161
8. Other Comprehensive Income			
Items that will not be reclassified to P&L Account (Net of Tax)		-	1,12,689
9. Total Other Comprehensive Income		2,24,98,510	3,13,42,850
10. Earning per equity share:			
(1) Basic		2.17	3.18
(2) Diluted		2.09	3.18

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integral part of the Standalone financial statements

As per our report of even date.
For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 016016S

Chandra Babu M
Partner
Membership No. 227849

Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of
M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

Ch. Varun Kumar
Company Secretary
M.No. : A31280

M/s. Vivo Bio Tech Limited
Standalone Cash Flow Statement for the Year Ended

Particulars	March 31,2019	March 31,2018
A. Cash Flow from Operating Activities:		
Net Profit before taxation and extraordinary items	1,82,65,512	4,01,90,930
Adjustments for:		
Depreciation	5,05,77,457	4,63,93,684
Interest expenses	2,64,08,932	2,36,74,875
Operating Profit before Working Capital Changes	9,52,51,901	11,02,59,489
Working Capital Changes		
Trade and other receivables Including Inventory	(69,39,275)	(5,35,47,288)
Trade and Other payables	(7,40,19,038)	8,69,26,988
Cash Generated from Operations	1,42,93,589	14,36,39,189
Interest paid	2,64,08,932	2,36,74,875
Taxation for the year	(42,32,998)	88,48,079
Net Cash from Operating Activities	(78,82,345)	11,11,16,235
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(3,53,06,260)	(4,71,67,760)
Investment	-	-
Net Cash used in Investing Activities	(3,53,06,260)	(4,71,67,760)
C. Cash Flow From Financial Activities:		
Proceeds from Equity Shares	5,70,00,000	1,50,00,000
Net Proceeds from Long Term Borrowings	(4,99,87,382)	(4,93,41,703)
Net Cash used in Financing Activities	70,12,618	(3,43,41,703)
Net increase in Cash and Cash equivalents	(3,61,75,987)	2,96,06,771
Cash and Cash equivalents as at Beginning of the Year	4,14,51,948	1,18,45,177
Cash and Cash equivalents as at End of the Year	52,75,961	4,14,51,949

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integral part of the Standalone financial statements

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 016016S

Chandra Babu M

Partner
Membership No. 227849

Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

Ch. Varun Kumar
Company Secretary
M.No. : A31280

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information

Vivo Bio Tech is engaged in service of CRO offering Drug Development & Discovery Services to Pharmaceutical & Biotech Companies world-wide in accordance with OECD - GLP, AAALAC & IND guidelines. The company offers services in the areas of *In vivo* & *In vitro* toxicity studies, Pharmacological investigations, Pharmacokinetic & toxic kinetic studies, Genotoxicity screening, Analytical services etc. Our experienced & talented scientists offer advice on defining drug development paths tailored to specific molecules.

Our Scientific team provides both regulatory and non-regulatory IND enabling preclinical development services. We are capable of screening & evaluating molecules for various pharmacological & therapeutic properties. Specifically for oncology, our scientists can provide design & development of syngeneic / xenograft models for evaluation of anti-cancer agents. Further, our scientists can customize *In vivo* DMPK studies to help profile your drug candidate in both rodent and non-rodent animal models.

Vivo Bio has partnered with Taconic Biosciences for sourcing foundation and expansion colonies of the SPF rodent models and have started in-house Breeding & Trading. Vivo Bio has also partnered with Cyagen Biosciences to provide easy access to Genomic Technologies to Indian Biomedical R&D

2. Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Basis of Preparation

These Financial statements have been prepared in Indian Rupee (₹) which is the Functional Currency of the Company.

These financial statements have been prepared on a historical cost basis, except for certain Financial Instruments which are measured at Fair Value or amortised cost at the end of each reporting Period, as explained in the Accounting Policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

(c) **USE OF ESTIMATES AND JUDGEMENTS:**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

- i) **Income tax** expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
- ii) **Current income taxes:** The company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.
- iii) **Deferred Income taxes:** Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.
- iv) **Useful Life of property, plant and equipment** The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(d) **Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 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 and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in standalone statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

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

- **Sale of Goods:**

Revenue from the sale of goods are recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is considered fixed and generally title has passed.

- **Sale of Services:**

Service income is recognized as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.

- **Interest Income:**

Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(e) **Cost Recognition** Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation expense, Finance Cost and Administrative and other Operating expenses. Employee benefit expenses include Salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Administrative and Other Operating expenses include Power & Fuel, Fees to external consultants, facility expenses, travel expenses, etc.

(f) **Foreign Currency** Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

(g) Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and Cash Equivalents Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

- (h) **Provisions and Contingent Liabilities** A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

There are no Contingent liabilities as at balance sheet date hence disclosure requirements in Financial statements are not arise.

- (i) **Investments in subsidiaries** Investment in subsidiaries are measured at cost.

- (j) **Property, plant and equipment** : Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Buildings	30
Plant and Machinery	15
Furniture & fixtures, Electrical Equipment, Lab Equipment	10
Vehicles	8
Office equipment	5
Computers	3

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

(K) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Product Development: Salaries and other cost paid to resources working on new products are capitalized as intangible asset under the head "Product Development". Management has estimated life of this product is about 10 years subject to certain improvements to the same product/source code.

Computer Software: The company amortizes Computer software using the straight-line method over a period of 6 years.

(I) Impairment

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

(m) Employee benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

(ii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, Bonus, Earned Leave etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Note No . 1

Particulars	FIXED ASSETS SCHEDULE						Net Block as on 31.03.2018
	Gross Block		Depreciation/Amortization		Net Block as on 31.03.2019		
	As on 01.04.2018	Additions during the year	As on 31.03.2019	As on 01.04.2018		Depn During the Period	
Tangible Assets							
Land	2,50,53,298	-	2,50,53,298	-	-	-	2,50,53,298
Plant & Machinery	1,64,75,997	51,200	1,65,27,197	40,00,113	16,51,251	56,51,364	1,08,75,833
Electrical Equipment	1,05,76,623	-	1,05,76,623	45,44,422	21,83,639	67,28,061	38,48,562
Laboratory Equipment	27,21,43,815	2,51,38,014	29,72,81,829	11,62,06,070	2,88,24,325	14,50,30,395	15,22,51,434
Office Equipment	50,85,616	3,12,700	53,98,316	38,64,605	3,32,609	41,97,214	12,01,102
Computers	50,94,626	2,53,400	53,48,026	33,37,299	11,47,704	44,85,003	8,63,023
Furniture	60,19,730	4,13,87,923	4,74,07,653	37,46,739	26,16,091	63,62,830	4,10,44,823
Vehicles	1,66,11,318	69,18,690	2,35,30,008	1,01,96,434	23,70,166	1,25,66,600	1,09,63,408
Sub Total (a)	35,70,61,023	7,40,61,927	43,11,22,950	14,58,95,682	3,91,25,785	18,50,21,467	24,61,01,483
Intangible Assets							
Technical Know How	11,25,06,244	-	11,25,06,244	4,99,58,860	1,12,24,604	6,11,83,464	5,13,22,780
Computer Software	65,48,149	26,904	65,75,053	55,89,511	2,27,068	58,16,579	7,58,474
Sub Total (b)	11,90,54,393	26,904	11,90,81,297	5,55,48,371	1,14,51,672	6,70,00,043	5,20,81,254
Capital Work In Progress (c)	3,94,42,795	(3,87,82,571)	6,60,224	-	-	-	6,60,224
Grand Total (a+b+c)	51,55,58,211	3,53,06,260	55,08,64,471	20,14,44,053	5,05,77,457	25,20,21,510	29,88,42,961
							31,41,14,158

M/s. VIVO BIO TECH LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 2 : NON- CURRENT INVESTMENTS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Investment in Subsidiaries		
Equity Shares		
100% Holding in Vivo Bio Discovery Services Pvt Ltd	1,00,000	1,00,000
100% Holding in Vivo Biolabs Pvt Ltd	1,00,000	1,00,000
100% Holding in Surlogic Life Consultancy Pvt Ltd	1,00,000	1,00,000
Total Non Current Investments	3,00,000	3,00,000

NOTE NO.3 : OTHER NON - CURRENT ASSETS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Unamortised Expenses	9,74,300	3,90,553
Total Other Non Current Assets	9,74,300	3,90,553

NOTE NO. 4 : INVENTORIES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Stock, Stores and spares	8,23,63,353	7,58,62,445
Total Inventories	8,23,63,353	7,58,62,445

NOTE NO. 5 : TRADE RECEIVABLES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Secured, Considered Good		
Below 6 months	8,40,99,715	2,90,95,133
Above 6 months	-	8,86,69,712
Total Trade Receivables	8,40,99,715	11,77,64,845

NOTE NO. 6 : CASH AND BANK BALANCES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Cash and cash equivalents :		
a) Balances with banks :		
On Current Accounts	14,42,810	3,34,38,345
b) Cash on hand	2,12,308	1,37,710
Sub Total	16,55,118	3,35,76,055
On Deposit Accounts		
a) Having Maturity more than 12 Months from the date of deposit	36,20,843	78,75,894
Sub Total	36,20,843	78,75,894
Total Cash and Cash Equivalents	52,75,961	4,14,51,949

NOTE NO. 7 : SHORT TERM LOANS AND ADVANCES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
a) Loans and advances to related parties Unsecured		
Vivo Bio Labs Pvt Ltd	13,71,900	12,71,900
Surlogic Life Consultancy Pvt Ltd Advances	7,06,250	6,06,250
Vivo Bio Discovery Services Pvt Ltd	1,00,000	-
b) Other loans And advances		
Secured		
Refundable Deposits	3,72,14,485	2,29,50,460
Unsecured	3,40,32,017	1,51,83,906
Total short term loans & advances	7,34,24,652	4,00,12,516

NOTE NO.8 : OTHER CURRENT ASSETS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
TDS Receivable and Others	54,93,223	53,85,610
Total Other Current Assets	54,93,223	53,85,610

NOTE NO. 9 : SHARE CAPITAL

PARTICULARS	As on 31/03/2019	As on 31/03/2018
AUTHORISED:		
16,00,00,000 Equity Shares of Rs.10/- each (Current year)		
15,00,00,000 Equity Shares of Rs.10/- each (Previous year)	16,00,00,000	15,00,00,000
ISSUED, SUBSRIBED & PAID UP SHARE CAPITAL:		
1,23,50,520 Equity shares of Rs.10/- each	12,35,05,200	9,85,05,200
Total Share Capital (Equity)	12,35,05,200	9,85,05,200

The company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- each.

The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	No. of shares	No. of shares
Equity Shares at the Beginning	98,50,520	93,50,520
Add: ESOP	1,00,000	-
Add : Preferential Shares issued	24,00,000	5,00,000
Equity Shares at the end of the year	1,23,50,520	98,50,520

Details of Shareholders Holding More than 5% of shares of the Company

Name of the Shareholder	No of shares in Current Year	% of shares held	No of shares in Previous Year	% of shares held
Vira Systems Private Ltd	13,45,000.00	10.89	13,45,000.00	13.65
Elite Class Assets Holdings Ltd	13,00,000.00	10.53	13,00,000.00	13.20
Mallemkonda Realities Private Ltd	11,00,000.00	8.91	-	-
Northern Union Ltd	10,35,000.00	8.38	10,35,000.00	10.51
Every Wear Import and Export Private Ltd	9,16,693.00	7.42	9,16,693.00	9.31
Magadha Infracon Private Ltd	9,00,000.00	7.29	-	-
More Agri Supplies and Services Private Ltd	9,00,000.00	7.29	-	-
Max Cell phone Communications India Private Ltd	8,00,000.00	6.48	8,00,000.00	8.12
Iron Age India Ltd	6,00,000.00	4.86	6,00,000.00	6.09
Iragavarapu Constructions Pvt Ltd	6,00,000.00	4.86	6,00,000.00	6.09
P.K.I Solutions Pvt Ltd	6,00,000	4.86	6,00,000.00	6.09

NOTE NO. 10 : OTHER EQUITY

PARTICULARS	As on 31/03/2019	As on 31/03/2018
OTHER EQUITY		
Securities Premium		
As at the commencement of the year	2,58,40,000	1,58,40,000
Add: Additions during the year	5,00,00,000	1,00,00,000
As at end of the year	7,58,40,000	2,58,40,000
General Reserves		
As at the commencement of the year	10,00,000	10,00,000
As at end of the year	10,00,000	10,00,000
Capital Reserve		
As at the commencement of the year	2,92,89,102	2,92,89,102
As at end of the year	2,92,89,102	2,92,89,102
Surplus		
As at the commencement of the year	1,76,91,099	(1,36,51,751)
Add: Additions during the year (Transfer from Profit & Loss a/c)	2,24,98,510	3,13,42,851
As at end of the year	4,01,89,609	1,76,91,100
Total Other Equity	14,63,18,711	7,38,20,202

NOTE NO. 11 : LONG TERM BORROWINGS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Term loans:		
From banks:		
Secured		
Vehicle Loans	61,60,403	13,66,478
Term Loans	3,39,66,546	5,48,84,668
From others		
Biotech Consortium India Ltd. A/c SBIRI	1,34,58,000	1,34,58,000
Unsecured	3,54,09,000	6,92,72,185
Total long term borrowings	8,89,93,949	13,89,81,331

NOTE NO. 12 : LONG TERM PROVISIONS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Provision for Gratuity	35,85,651	30,58,239
Total Long Term Provisions	35,85,651	30,58,239

NOTE NO. 13 : DEFERRED TAX LIABILITY

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Opening Deferred tax Liability	56,24,369	78,17,914
Add:		
Deferred Tax Liability for the year (Due to SLM and WDV Difference)	(73,47,866)	(19,87,095)
Deferred Tax Liability for the year (Due to Others)	(6,45,417)	(2,06,450)
Deferred Tax Liability/ (Asset) - Net	(23,68,915)	56,24,369

NOTE NO. 14 : SHORT TERM BORROWINGS.

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Loans repayable on demand:		
From banks		
Secured		
(Hypothecation of Stock and Book Debts, Personal Gurantee of Promoters of the company & Equitable Mortgagage of Lands)	10,44,05,250	8,20,43,910
Term Loan repayable in next 12 months Canara	2,00,00,000	2,00,00,000
Unsecured		
Term Loan repayable in next 12 months	33,17,806	1,00,97,569
Total short term borrowings	12,77,23,056	11,21,41,479

NOTE NO. 15 : TRADE PAYABLES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Trade Payable	1,99,59,267	1,78,83,074
EESL Payable	1,87,17,255	6,19,17,255
Total Trade Payables	3,86,76,522	7,98,00,329

NOTE NO. 16 : OTHER CURRENT LIABILITES

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Other Payables (Creditors for Expenses & Equipment)	1,03,25,363	3,46,81,041
Total other current liabilities	1,03,25,363	3,46,81,041

NOTE NO. 17 : SHORT TERM PROVISIONS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
Provisions for employee benefits	34,28,083	1,07,80,113
Provision for Expenses	75,86,546	1,68,89,773
Total short term provisions	1,10,14,629	2,76,69,886

NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS**NOTE NO. 18 : REVENUE FROM OPERATIONS**

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Revenue from Operations	55,83,34,546	47,00,11,673
Total Revenue from Operations	55,83,34,546	47,00,11,673

NOTE NO. 19 : OTHER INCOME

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Interest Income	1,21,051	13,34,995
Total Other Income	1,21,051	13,34,995

NOTE NO. 20 : CHANGE IN INVENTORIES & WIP.

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Finished Goods		
Finished goods at the beginning of the year	7,58,62,445	4,55,85,882
Less : Finished goods at the end of the year	8,23,63,353	7,58,62,445
Total Change in Inventories & WIP	(65,00,908)	(3,02,76,563)

NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Salaries & Wages	8,85,08,538	7,09,39,966
Contribution to Provident & Other Funds	41,69,051	40,48,111
Staff Welfare Expenses	31,02,136	15,81,446
Total Employee Benefit Expenses	9,57,79,725	7,65,69,523

NOTE NO. 22 : OTHER OPERATING EXPENSES

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Power & Fuel	2,93,49,887	2,87,35,356
Rent	5,74,22,575	5,53,95,482
Repairs & Maintenance	2,13,66,245	22,51,064
Insurance	23,24,084	44,65,359
Net loss on foreign currency transaction	7,90,022	3,06,243
Payment to Auditors:		
(i) As Auditor	88,500	86,250
Total Other Operating Expenses	11,13,41,313	9,12,39,755

NOTE NO. 23 : ADMINISTRATIVE EXPENSES

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Telephone, Postage and Others	36,46,079	26,26,991
Business Promotion Expenses	81,13,715	18,70,416
Travelling Expenses	1,10,44,834	47,06,069
Office Maintenance	88,74,534	1,22,16,801
Printing & Stationery Expenses	10,43,408	9,80,009
Rates & Taxes	1,15,63,666	1,55,68,169
Managerial Remuneration		
Consultancy Charges	2,76,66,535	3,74,79,902
Provision for Bad Debts	6,65,02,284	2,21,67,428
Seminar Fee	36,060	91,500
Total Administrative Expenses	13,84,91,114	9,77,07,285

NOTE NO. 24 : FINANCE COST

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Interest on Working Capital & Bank Charges	2,64,08,932	2,36,74,875
Total Finance Cost	2,64,08,932	2,36,74,875

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2019

Note No.25:

Details of Primary and Collateral Securities (For Liabilities referred in Note No.11 & 14)

Hypothecation of Plant and Machinery, Equipment (Movable Assets), Commercial Property and Personal guarantee of the Promoter of the Company.

Hypothecation of Movable Assets:

M/s. Canara Bank, IF Branch, Hyderabad, having Hypothecation of all Fixed assets on Term Loan.

Charge on Receivables and current assets except cash and Bank balances of the company.

Collateral Securities :

EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd and Acrs 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 91,92,101&102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Tem Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.

Note No.26:

Stocks are valued at cost or realizable value whichever is less. Since company is breeding and trading activity of Rodents and cost of rodents stock can't be ascertained hence the value of rodents in stock valued at realizable Value. With regards to other stock like rodent Feed, bedding material, Transit cages, Stores and Spares are valued at cost or realizable value whichever is lower.

Note No.27:

Investments

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable. Provision for diminution in the value of investments is not created as it is not a permanent decline.

Details of Investment in Subsidiaries:

Wholly Owned Subsidiaries.

S.No.	Name of the Subsidiary	Amount (Rs)
1.	Vivo bio Labs Pvt Ltd	1,00,000
2.	Vivo bio Discovery services Pvt Ltd	1,00,000
3.	Surlogic Life Consultancy Services Pvt Ltd	1,00,000

Note No.28: Earning per Share

The earnings considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Particulars	2018-19	2017-18
Profit available for the equity share holders	2,24,98,510	3,13,42,851
Weighted average number of shares for Basic EPS	1,03,82,027	98,50,520
Weighted average number of shares for Diluted EPS	1,07,82,027	98,50,520
Basic	2.17	3.18
Diluted	2.09	3.18

Note No.29:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project – “Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes” given specifically for the R&D work being carried out by company’s biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010. Separate No Lien Account is opened for the project funds and will be spent towards projects objectives directly from that account.

A separate mortgage is created for the whole of movable and immovable properties acquired from the loan sanctioned by the DBT under the SBIRI scheme including its movable plant and machinery, machinery spares, tools and accessories and other movables both present and future (except book debts).

Note No.30:

The company has taken lease of 12,500 sft area, at prevailing market rates, from M/s.Virinchi Limited for R&D division in which promoters are common.

Note No.31:

Related Party Transactions.

All related party transactions that were entered into during the financial year were on arm’s length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large.

Related Party Disclosures

a) Subsidiary Companies:

1. Vivobio Labs Pvt Ltd
2. Vivo Bio Discovery Services Pvt Ltd
3. Surlogic Life Consultancy Services Pvt Ltd

b) Key Management Personnel:

S.No.	Name	Designation
1	M. Kalyan Ram	Whole Time Director
2.	K T V Kaladhar	Executive & Chief Financial Officer
3.	Ch. Varun Kumar	Company secretary

c) Other Related Party:

- 1) Virinchi Limited

The followings are the related party transactions:

Name of the related Party	Nature of transaction	Current year (Rs)	Previous year (Rs)
M. Kalyan Ram	Remuneration	8,61,204	7,17,204
K T V Kaladhar	Remuneration	6,11,204	Nil
Ch. Varun Kumar	Remuneration	8,01,204	Nil
Virinchi Limited	Lease Rentals	30,00,000	30,00,000

Details of Loans and Advances given to Related Parties:

S.No.	Name of the Related Party	Relationship	Amount Outstanding as on 31-03-2019
1.	Vivo Bio Labs Pvt Ltd	Wholly Owned Subsidiary	13,71,900
2.	Surlogic Life Consultancy Pvt Ltd Advances	Wholly Owned Subsidiary	7,06,250
3.	Vivo Bio Discovery Services Pvt Ltd	Wholly Owned Subsidiary	1,00,000

Note No.32:

Statement of ESOP Vested and Exercised during the Current Financial Year:

Sl.No	Description	Year ended 31-03-2019
1	Number of Options Outstanding at the beginning of the year (Unvested)	9,30,000
2	Number of options granted during the year	1,50,000
3	Number of options forfeited/lapsed during the year	53,000
4	Number of options vested during the year	2,56,000
5	Number of options exercised during the year	1,00,000
6	Number of shares arising as a result of exercise of options	1,00,000
7	Amount realized by exercise of options (Rs.)	30,00,000
8	Number of Options Outstanding at the end of the year (Unvested)	7,71,000
9	Number of Options exercisable at the end of the year	1,56,000

Note No.33:

Foreign Currency Outflow during the year of Rs. 6.79 Crores (Previous Year – Rs.4.62 Crores).

Note No.34:

Foreign Currency Inflow during the year is Rs. 16.83 Crore (Previous Year – Rs. 0.49 Crores.)

Note No.35: There are no dues to SSI Units outstanding for more than 45 days.**Note No.36:** Previous year's figures have been regrouped wherever necessary.**Note No.37:** The figures have been rounded off to the nearest rupee.

As per our report of even date

For and on behalf of the Board of Directors of

For P C N & Associates.,
Chartered Accountants
FRN: 016016S

Vivo Bio Tech Limited

Chandra Babu M
Partner
M.No. 227849

M.Kalyan Ram
Whole Time Director
DIN:02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN:08450361

Place: Hyderabad
Date: 17th May 2019

Ch.Varun Kumar
Company Secretary
M.No. : A31280



CONSOLIDATED FINANCIALS

Independent Auditor's Report

To The Members of M/s. VIVO BIO TECH LTD

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M/s VIVO BIO TECH LTD (“the Company”) and its subsidiaries (the Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“IndAS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon:

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair

view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in : (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

We did not audit the financial statements of all the 3 subsidiaries whose financial statements/consolidated financial statements reflect total assets before elimination of Rs. 24,54,786/- as at 31.03.2019 and the total revenue of Rs. Nil for the year then ended which are considered in preparation of the Statement. These financial statements/financial information of 3 Subsidiary companies have been audited by other Auditors whose reports have 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 subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the Auditor's reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statement does not have any pending litigations which would have impact on its consolidated financial position of the group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date: 17-05-2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **VIVO BIO TECH LTD** of even date

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of VIVO BIO TECH LTD (herein after referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(10) of the Companies Act , 2013 , to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Subsidiary Companies.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date: 17-05-2019

M/s. VIVO BIO TECH LTD
CONSOLIDATED BALANCE SHEET

Particulars	Note No	As at 31/03/2019 Rs.	As at 31/03/2018 Rs.
1) NON CURRENT ASSETS			
Property, Plant and Equipment	1	24,80,41,683	21,31,05,541
Capital Work-In-Progress	1	6,60,224	3,94,42,795
Intangible Assets	1	5,20,81,254	6,35,06,020
Financial Assets			
Other Non-Current assets	2	11,38,214	3,90,553
2) CURRENT ASSETS			
Inventories	3	8,23,63,353	7,58,62,445
Financial assets			
Trade and Other Receivables	4	8,40,99,715	11,77,64,845
Cash and Cash Equivalents	5	56,26,632	4,15,10,117
Short Term Loans and Advances	6	7,12,46,502	3,81,34,366
Other current assets	7	54,93,223	53,85,610
Total Assets		55,07,50,800	59,51,02,292
EQUITY AND LIABILITIES			
Equity			
Share Capital	8	12,35,05,200	9,85,05,200
Other Equity	9	14,62,19,696	7,35,70,667
Money Received Against Share Warrants		30,00,000	2,10,00,000
(1) Non-Current Liabilities			
Financial Liabilities			
Long-Term Borrowings	10	8,90,45,999	13,90,33,381
Long Term Provision	11	35,85,651	30,58,239
Deffered Tax Liabilities	12	(23,68,915)	56,24,369
(2) Current Liabilities			
Financial Liabilities			
Short Term Borrowings	13	12,77,23,056	11,21,41,479
Trade Payables	14	3,86,76,522	7,98,00,329
Other Current Liabilities	15	1,03,25,363	3,46,81,041
Short Term Provisions	16	1,10,38,229	2,76,87,586
Total		55,07,50,800	59,51,02,292

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integralpart of the consolidated financial statements

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 016016S

Chandra Babu M

Partner
Membership No. 227849
Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

Ch. Varun Kumar
Company Secretary
M.No. : A31280

M/s. VIVO BIO TECH LTD
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED

PARTICULARS	Note No	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
1. Revenue from Operations	17	55,83,34,546	47,00,11,673
2. Other Income	18	1,21,051	13,34,995
3. Total Revenue (1+2)		55,84,55,597	47,13,46,668
4. Expenses:			
a) Purchases		12,40,92,452	12,59,59,868
b) Changes (Increase)/ decrease in Inventories	19	(65,00,908)	(3,02,76,563)
c) Employee Benefit Expense	20	9,57,79,725	7,65,69,523
d) Other Operating Expenses	21	11,13,59,013	9,12,57,455
e) Administrative Expenses	22	13,84,91,114	9,77,07,285
f) Financial Costs	23	2,64,10,528	2,36,74,875
g) Depreciation and Amortization Expense	1	5,05,77,457	4,63,93,684
Total Expenses		54,02,09,380	43,12,86,127
5. Profit before exceptional and extraordinary items and tax (3-4)		1,82,46,216	4,00,60,541
6. Tax expense:			
(1) Current tax		37,60,285	1,10,41,625
(2) Deferred tax		(79,93,283)	(21,93,545)
7. Profit after tax for the period		2,24,79,214	3,12,12,461
8. Other Comprehensive Income			
Items that will not be reclassified to P&L Account (Net of Tax)		-	1,12,689
9. Total Other Comprehensive Income		2,24,79,214	3,13,25,150
10. Earning per equity share:			
(1) Basic		2.17	3.18
(2) Diluted		2.09	3.18

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integral part of the consolidated financial statements

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 0160165

Chandra Babu M

Partner
Membership No. 227849
Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO
DIN : 08450361

Ch. Varun Kumar
Company Secretary
M.No. : A31280

M/s. Vivo Bio Tech Limited
Consolidated Cash Flow Statement for the Year Ended

Particulars	March 31,2019	March 31,2018
A. Cash Flow from Operating Activities:		
Net Profit before taxation and extraordinary items	1,82,46,216	4,01,73,230
Adjustments for:		
Depreciation	5,05,77,457	4,63,93,684
Interest expenses	2,64,10,528	2,36,74,875
Operating Profit before Working Capital Changes	9,52,34,201	11,02,41,789
Working Capital Changes		
Trade and other receivables Including Inventory	(68,03,188)	(5,35,47,288)
Trade and Other payables	(7,40,13,136)	8,69,30,725
Cash Generated from Operations	1,44,17,877	14,36,25,226
Interest paid	2,64,10,528	2,36,74,875
Taxation for the year	(42,32,998)	88,48,080
Net Cash from Operating Activities	(77,59,653)	11,11,02,271
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(3,53,06,260)	(4,71,67,760)
Investment	-	-
Net Cash used in Investing Activities	(3,53,06,260)	(4,71,67,760)
C. Cash Flow From Financial Activities:		
Proceeds from Equity Shares and Capital Reserve	5,71,69,810	1,50,00,000
Net Proceeds from Long Term Borrowings	(4,99,87,382)	(4,93,44,990)
Net Cash used in Financing Activities	71,82,428	(3,43,44,990)
Net increase in Cash and Cash equivalents	(3,58,83,485)	2,95,89,521
Cash and Cash equivalents as at Beginning of the Year	4,15,10,118	1,19,20,597
Cash and Cash equivalents as at End of the Year	56,26,632	4,15,10,118

NOTES TO FINANCIAL STATEMENTS & SIGNIFICANT OF ACCOUNTING POLICIES

Notes referred to above from an integral part of the consolidated financial statements

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants

Firm Registration No. 0160165

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram
 Whole Time Director
 DIN : 02012580

K.T.V. Kaladhar
 Executive Director & CFO
 DIN : 08450361

Chandra Babu M
 Partner
 Membership No. 227849

Place : Hyderabad
 Date : 17th May, 2019

Ch. Varun Kumar
 Company Secretary
 M.No. : A31280

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information

Vivo Bio Tech is engaged in service of CRO offering Drug Development & Discovery Services to Pharmaceutical & Biotech Companies world-wide in accordance with OECD - GLP, AAALAC & IND guidelines. The company offers services in the areas of *In vivo* & *In vitro* toxicity studies, Pharmacological investigations, Pharmacokinetic & toxic kinetic studies, Genotoxicity screening, Analytical services etc. Our experienced & talented scientists offer advice on defining drug development paths tailored to specific molecules.

Our Scientific team provides both regulatory and non-regulatory IND enabling preclinical development services. We are capable of screening & evaluating molecules for various pharmacological & therapeutic properties. Specifically for oncology, our scientists can provide design & development of syngeneic / xenograft models for evaluation of anti-cancer agents. Further, our scientists can customize *In vivo* DMPK studies to help profile your drug candidate in both rodent and non-rodent animal models.

Vivo Bio has partnered with Taconic Biosciences for sourcing foundation and expansion colonies of the SPF rodent models and have started in-house Breeding & Trading. Vivo Bio has also partnered with Cyagen Biosciences to provide easy access to Genomic Technologies to Indian Biomedical R&D Vivo together with subsidiary companies is hereinafter referred to as "The Group".

Separate companies setting up as subsidiary companies for In-vivo and In-vitro services

2. Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Company information

The consolidated financial statements of the Company includes subsidiaries listed in the table below:

Name of Investee	Principal activities	Country of incorporation	Percentage of ownership/ voting rights	
			31/Mar/19	31/Mar/18
<i>Vivo Bio Discovery Services Pvt Ltd</i>	<i>R&D activities</i>	<i>India</i>	<i>100</i>	<i>100</i>
<i>Vivo Bio Labs Pvt Ltd</i>	<i>R&D activities</i>	<i>India</i>	<i>100</i>	<i>100</i>
<i>Surlogic Life Consultancy Pvt Ltd</i>	<i>R&D activities</i>	<i>India</i>	<i>100</i>	<i>100</i>

(c) Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Company. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) 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 136 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.
- (iii) The consolidated financial statements of the Company combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-Company assets, liabilities, income, expenses and unrealised profits/losses on intra Company transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

(d) Basis of Preparation

These Financial statements have been prepared in Indian Rupee which is the Functional Currency of the Company.

These financial statements have been prepared on a historical cost basis, except for certain Financial Instruments which are measured at Fair Value or amortised cost at the end of each reporting Period, as explained in the Accounting Policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

(b) USE OF ESTIMATES AND JUDGEMENTS:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

- i) **Income tax** expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
- ii) **Current income taxes:** The company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.
- iii) **Deferred Income taxes:** Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.
- iv) **Useful Life of property, plant and equipment** The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- (c) **Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 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 and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in standalone statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

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

The Company's revenues are derived from sale of goods and services.

- **Sale of Services:**

Service income is recognized as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.

- **Sale of Goods:**

Revenue from sale of goods is recognized where control is transferred to the Company's customers at the time of shipment to or receipt of goods by the customers. There was no change in the point of recognition of revenue upon adoption of Ind AS 115

- 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.

(d) Cost Recognition Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation expense, Finance Cost and Administrative and other Operating expenses. Employee benefit expenses include Salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Administrative and Other Operating expenses include Power & Fuel, Fees to external consultants, facility expenses, travel expenses, etc.

(e) Foreign Currency Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

(f) Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and Cash Equivalents Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

(g) Provisions and Contingent Liabilities A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

There are no Contingent liabilities as at balance sheet date hence disclosure requirements in Financial statements are not arise.

(h) Investments in subsidiaries Investment in subsidiaries are measured at cost.

(i) Property, plant and equipment : Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Buildings	30
Plant and Machinery	15
Furniture & fixtures, Electrical Equipment, Lab Equipment	10
Vehicles	8
Office equipment	5
Computers	3

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

(K) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Product Development: Salaries and other cost paid to resources working on new products are capitalized as intangible asset under the head "Product Development". Management has estimated life of this product is about 10 years subject to certain improvements to the same product/source code.

Computer Software: The company amortizes Computer software using the straight-line method over a period of 6 years.

(I) Impairment

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

(m) Employee benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

(ii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, Bonus, Earned Leave etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Note No . 1

Particulars	FIXED ASSETS SCHEDULE						Net Net as on 31.03.2019	Net Net as on 31.03.2018
	Gross Block		Depreciation/Amortization					
	As on 01.04.2018	Additions during the year	As on 31.03.2019	As on 01.04.2018	Depn During the Period	As on 31.03.2019		
Tangible Assets								
Land	2,69,93,498		2,69,93,498			-	2,69,93,498	
Plant & Machinery	1,64,75,997	51,200	1,65,27,197	40,00,113	16,51,251	56,51,364	1,24,75,884	
Electrical Equipment	1,05,76,623		1,05,76,623	45,44,422	21,83,639	67,28,061	60,32,201	
Laboratory Equipment	27,21,43,815	2,51,38,014	29,72,81,829	11,62,06,070	2,88,24,325	14,50,30,395	15,22,51,434	
Office Equipment	50,85,616	3,12,700	53,98,316	38,64,605	3,32,609	41,97,214	12,21,011	
Computers	50,94,626	2,53,400	53,48,026	33,37,299	11,47,704	44,85,003	17,57,327	
Furniture	60,19,730	4,13,87,923	4,74,07,653	37,46,739	26,16,091	63,62,830	22,72,991	
Vehicles	1,66,11,318	69,18,690	2,35,30,008	1,01,96,434	23,70,166	1,25,66,600	64,14,884	
Sub Total (a)	35,90,01,223	7,40,61,927	43,30,63,150	14,58,95,682	3,91,25,785	18,50,21,467	21,31,05,541	
Intangible Assets								
Technical Know How	11,25,06,244		11,25,06,244	4,99,58,860	1,12,24,604	6,11,83,464	6,25,47,384	
Computer Software	65,48,149	26,904	65,75,053	55,89,511	2,27,068	58,16,579	9,58,638	
Sub Total (b)	11,90,54,393	26,904	11,90,81,297	5,55,48,371	1,14,51,672	6,70,00,043	6,35,06,022	
Capital Work In Progress	3,94,42,795	(3,87,82,571)	6,60,224				3,94,42,795	
Grand Total (a+b+c)	51,74,98,411	3,53,06,260	55,28,04,671	20,14,44,053	5,05,77,457	25,20,21,510	31,60,54,358	

M/s. VIVO BIO TECH LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO.2 : OTHER NON - CURRENT ASSETS

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Unamortised Expenses	11,38,214	3,90,553
Total Other Non Current Assets	11,38,214	3,90,553

NOTE NO. 3 : INVENTORIES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Stock, Stores and spares	8,23,63,353	7,58,62,445
Total Inventories	8,23,63,353	7,58,62,445

NOTE NO. 4 : TRADE RECEIVABLES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Secured, Considered Good		
Below 6 months	8,40,99,715	2,90,95,133
Above 6 months		8,86,69,712
Total Trade Receivables	8,40,99,715	11,77,64,845

NOTE NO. 5 : CASH AND BANK BALANCES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Cash and cash equivalents :		
a) Balances with banks :		
On Current Accounts	17,41,214	3,34,38,345
b) Cash on hand	2,64,575	1,95,878
Sub Total	20,05,789	3,36,34,223
Other Bank Balances		
On Deposit Accounts		
a) Having Maturity more than 12 Months from the date of deposit	36,20,843	78,75,894
Sub Total	36,20,843	78,75,894
Total Cash and Cash Equivalents	56,26,632	4,15,10,117

NOTE NO. 6 : SHORT TERM LOANS AND ADVANCES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
a) Other loans And advances Secured		
Refundable Deposits	3,72,14,485	2,29,50,460
Unsecured	3,40,32,017	1,51,83,906
Total short term loans & advances	7,12,46,502	3,81,34,366

NOTE NO.7 : OTHER CURRENT ASSETS

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
TDS Receivable and Others	54,93,223	53,85,610
Total Other Current Assets	54,93,223	53,85,610

NOTE NO. 8 : SHARE CAPITAL

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
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AUTHORISED:

1,60,000,00 Equity Shares of Rs.10/- each (Current Year)		
1,50,000,00 Equity Shares of Rs.10/- each (Previous Year)	16,00,00,000	15,00,00,000

ISSUED, SUBSRIBED & PAID UP SHARE CAPITAL:

1,23,50,520 Equity shares of Rs.10/- each	12,35,05,200	9,85,05,200
Total Share Capital (Equity)	12,35,05,200	9,85,05,200

The company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- each.

Details of Shareholder holding more than 5% shares of the company:

The Reconciliation of the number of shares outstanding	No. of shares	No. of shares
Equity Shares at the Beginning	98,50,520	93,50,520
Add: ESOP	1,00,000	-
Add : Preferential Shares issued during the year	24,00,000	5,00,000
Equity Shares at the end of the year	1,23,50,520	98,50,520

Details of Shareholders Holding More than 5% of shares of the Company

Name of the Shareholder	No of shares in Current Year	% of shares held	No of shares in Previous Year	% of shares held
Vira Systems Private Ltd	13,45,000.00	10.89	13,45,000.00	13.65
Elite Class Assets Holdings Ltd	13,00,000.00	10.53	13,00,000.00	13.20
Mallemkonda Realities Private Ltd	11,00,000.00	8.91	-	-
Northern Union Ltd	10,35,000.00	8.38	10,35,000.00	10.51
Every Wear Import and Export Private Ltd	9,16,693.00	7.42	9,16,693.00	9.31
Magadha Infracon Private Ltd	9,00,000.00	7.29	-	-
More Agri Supplies and Services Private Ltd	9,00,000.00	7.29	-	-
Max Cell phone Communications India Private Ltd	8,00,000.00	6.48	8,00,000.00	8.12
Iron Age India Ltd	6,00,000.00	4.86	6,00,000.00	6.09
Iragavarapu Constructions Pvt Ltd	6,00,000.00	4.86	6,00,000.00	6.09
P.K.I Solutions Pvt Ltd	6,00,000.00	4.86	6,00,000.00	6.09

NOTE NO. 9 : OTHER EQUITY

PARTICULARS	As on 31/03/2019	As on 31/03/2018
	Rs.	Rs.
Other Equity		
Securities Premium		
As at the commencement of the year	2,58,40,000	1,58,40,000
Add: Additions during the year	5,00,00,000	1,00,00,000
As at end of the year	7,58,40,000	2,58,40,000
General Reserves		
As at the commencement of the year	10,00,000	10,00,000
As at end of the year	10,00,000	10,00,000
Capital Reserve		
As at the commencement of the year	2,92,89,102	2,92,89,102
Reserve arising on consolidation	(31,095)	(2,00,909)
As at end of the year	2,92,58,007	2,90,88,193
Surplus		
As at the commencement of the year	1,76,42,475	(1,36,82,675)
Add: Additions during the year (Transfer from Profit & Loss a/c)	2,24,79,214	3,13,25,150
As at end of the year	4,01,21,689	1,76,42,475
Total Other Equity	14,62,19,696	7,35,70,667

NOTE NO. 10 : LONG TERM BORROWINGS

PARTICULARS	As on 31/03/2019	As on 31/03/2018
	Rs.	Rs.
a) Term loans:		
From banks:		
Secured		
Vehicle Loans	61,60,403	13,66,478
Term Loans	3,39,66,546	5,48,84,668
b) other loans and advances		
Biotech Consortium India Ltd. A/c SBIRI	1,34,58,000	1,34,58,000
Unsecured	3,54,61,050	6,93,24,235
Total long term borrowings	8,90,45,999	13,90,33,381

NOTE NO. 11 : LONG TERM PROVISIONS

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Provision for employee benefits		
Provision for Gratuity	35,85,651	30,58,239
Total Long Term Provisions	35,85,651	30,58,239

NOTE NO. 12 : DEFERRED TAX LIABILITY

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Opening Deferred tax Liability	56,24,369	78,17,914
Add:		
Deferred Tax Liability for the year (Due to SLM and WDV Difference)	(73,47,866)	(19,87,095)
Deferred Tax Liability for the year (Due to Others)	(6,45,417)	(2,06,450)
Deferred Tax Liability/ (Asset) - Net	(23,68,915)	56,24,369

NOTE NO. 13 : SHORT TERM BORROWINGS.

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Loans repayable on demand:		
From banks		
Secured	10,44,05,250	8,20,43,910
(Hypothecation of Stock and Book Debts, Personal Gurantee of Promoters of the company & Equitable Mortgage of Lands)		
Term Loan repayable in next 12 months Canara	2,00,00,000	2,00,00,000
Unsecured		
Term Loan repayable in next 12 months Jainsons	33,17,806	1,00,97,569
Total short term borrowings	12,77,23,056	11,21,41,479

NOTE NO. 14 : TRADE PAYABLES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Trade Payables	1,99,59,267	1,78,83,074
EESL Payable	1,87,17,255	6,19,17,255
Total Trade Payables	3,86,76,522	7,98,00,329

NOTE NO. 15 : OTHER CURRENT LIABILITES

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Other Payables (Creditors for Expenses & Equipment)	1,03,25,363	3,46,81,041
Total other current liabilities	1,03,25,363	3,46,81,041

NOTE NO. 16 : SHORT TERM PROVISIONS

PARTICULARS	As on 31/03/2019 Rs.	As on 31/03/2018 Rs.
Provisions for employee benefits	34,28,083	88,09,113
Other Expenses	76,10,146	1,88,78,473
Total short term provisions	1,10,38,229	2,76,87,586

NOTE NO. 17 : REVENUE FROM OPERATIONS

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Revenue from Operations	55,83,34,546	47,00,11,673
Total Revenue from Operations	55,83,34,546	47,00,11,673

NOTE NO. 18 : OTHER INCOME

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Interest income	1,21,051	13,34,995
Total Other Income	1,21,051	13,34,995

NOTE NO. 19 : CHANGE IN INVENTORIES & WIP.

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Finished Goods		
Finished goods at the beginning of the year	7,58,62,445	4,55,85,882
Less : Finished goods at the end of the year	8,23,63,353	75862445
Total Change in Inventories & WIP	(65,00,908)	(3,02,76,563)

NOTE NO. 20 : EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Salaries & Wages	8,85,08,538	7,09,39,966
Contribution to Provident & Other Funds	41,69,051	40,48,111
Staff Welfare Expenses	31,02,136	15,81,446
Total Employee Benefit Expenses	9,57,79,725	7,65,69,523

NOTE NO. 21 : OTHER OPERATING EXPENSES

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Power & Fuel	2,93,49,887	2,87,35,356
Rent	5,74,22,575	5,53,95,482
Repairs & Maintenance	2,13,66,245	22,51,064
Insurance	23,24,084	44,65,359
Net loss on foreign currency transaction	7,90,022	3,06,243
Payment to Auditors:		
As Auditor	1,06,200	1,03,950
Total Other Expenses	11,13,59,013	9,12,57,455

NOTE NO. 22 : ADMINSTRATIVE EXPENSES

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Telephone, Postage and Others	36,46,079	26,26,991
Business Promotion Expenses	81,13,715	18,70,416
Travelling Expenses	1,10,44,834	47,06,069
Office Maintenance	88,74,534	1,22,16,801
Printing & Stationery Expenses	10,43,408	9,80,009
Rates & Taxes	1,15,63,666	1,55,68,169
Consultancy Charges	2,76,66,535	3,74,79,902
Bad Debts	6,65,02,284	2,21,67,428
Seminar Fee	36,060	91,500
Total Administrative Expenses	13,84,91,114	9,77,07,285

NOTE NO. 23 : FINANCE COST

Particulars	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
Interest Expenses :		
- Interest on Working Capital & Bank Charges	2,64,10,528	2,36,74,875
Total Finance Cost	2,64,10,528	2,36,74,875

As per our report of even date.

For PCN & ASSOCIATES

Chartered Accountants
Firm Registration No. 016016S

Chandra Babu M
Partner
Membership No. 227849

Place : Hyderabad
Date : 17th May, 2019

For and on behalf of the Board of

M/s Vivo Bio Tech Limited

M. Kalyan Ram
Whole Time Director
DIN : 02012580

K.T.V. Kaladhar
Executive Director & CFO

Ch. Varun Kumar
Company Secretary
M.No. : A31280

Note No.25:**Details of Primary and Collateral Securities (For Liabilities referred in Note No.11 & 14)**

Hypothecation of Plant and Machinery, Equipment (Movable Assets), Commercial Property and Personal guarantee of the Promoter of the Company.

Hypothecation of Movable Assets:

M/s. Canara Bank, IF Branch, Hyderabad, having Hypothecation of all Fixed assets on Term Loan.

Charge on Receivables and current assets except cash and Bank balances of the company.

Collateral Securities :

EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd and Acres 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 91,92,101&102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Term Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.

Note No.26:

Stocks are valued at cost or realizable value whichever is less. Since company is breeding and trading activity of Rodents and cost of rodents stock can't be ascertained hence the value of rodents in stock valued at realizable Value. With regards to other stock like rodent Feed, bedding material, Transit cages, Stores and Spares are valued at cost or realizable value whichever is lower.

Note No. 27: Earning per Share

The earnings considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Particulars	2018-19	2017-18
Profit available for the equity share holders	2,24,79,214	3,13,25,150
Weighted average number of shares for Basic EPS	1,03,82,027	98,50,520
Weighted average number of shares for Diluted EPS	1,07,82,027	98,50,520
Basic	2.17	3.18
Diluted	2.08	3.18

Note No.28:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project – “Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes” given specifically for the R&D work being carried out by company's biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010. Separate No Lien Account is opened for the project funds and will be spent towards projects objectives directly from that account.

A separate mortgage is created for the whole of movable and immovable properties acquired from the loan sanctioned by the DBT under the SBIRI scheme including its movable plant and machinery, machinery spares, tools and accessories and other movables both present and future (except book debts).

Note No.29:

The company has taken lease of 12,500 sft area, at prevailing market rates, from M/s. Virinchi Limited for R&D division in which promoters are common.

Note No.30:

a) Key Management Personnel:

S.No.	Name	Designation
1	M. Kalyan Ram	Whole Time Director
2.	K T V Kaladhar	Executive Director & C.F.O.
3.	Ch. Varun Kumar	Company secretary

The followings are the related party transactions:

Name of the related Party	Nature of transaction	Current year (Rs)	Previous year (Rs)
M. Kalyan Ram	Remuneration	8,61,204	7,17,204
K T V Kaladhar	Remuneration	6,11,204	Nil
Ch. Varun Kumar	Remuneration	8,01,204	
Virinchi Limited	Lease Rentals	30,00,000	30,00,000

Note No.31:

Statement of ESOP Vested and Exercised during the Current Financial Year:

Sl.No	Description	Year ended 31/03/ 2019
1	Number of Options Outstanding at the beginning of the year (Unvested)	9,30,000
2	Number of options granted during the year	1,50,000
3	Number of options forfeited/lapsed during the year	53,000
4	Number of options vested during the year	2,56,000
5	Number of options exercised during the year	1,00,000
6	Number of shares arising as a result of exercise of options	1,00,000
7	Amount realized by exercise of options (Rs.)	30,00,000
8	Number of Options Outstanding at the end of the year (Unvested)	7,71,000
9	Number of Options exercisable at the end of the year	1,56,000

Note No.32:

Foreign Currency Outflow during the year of Rs. 6.79 Crores (Previous Year – Rs.4.62Crores).

Note No.33:

Foreign Currency Inflow during the year is Rs. 16.83 Crore (Previous Year – Rs. 0.49 Crores.)

Note No.34:

There are no dues to SSI Units outstanding for more than 45 days.

Note No.35:

Previous year's figures have been regrouped wherever necessary.

Note No.36:

The figures have been rounded off to the nearest rupee.

As per our report of even date

For and on behalf of the Board of Directors of

For P C N & Associates.,

Chartered Accountants

FRN: 016016S

Vivo Bio Tech Limited

Chandra Babu M

Partner

M.No. 22784

M.Kalyan Ram

Whole Time Director

DIN:02012580

K.T.V. Kaladhar

Executive Director & CFO

DIN:08450361

Place: Hyderabad

Date: 17th May 2019

Ch.Varun Kumar

Company Secretary

M.No.A31280

VIVO BIO TECH LIMITED

Registered Office Address: 8-2-672/5&6, 3rd Floor,
Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad - 500034.

CIN: L65993TG1987PLC007163

This is intended to bring to your notice that the Securities and Exchange Board of India (SEBI) has directed listed entities to seek the copy of PAN Card and Bank Account details from the shareholders with the objective of streamlining the processes relating to maintenance of records, transfer of securities and for payment of dividend/interest/redemption amounts to shareholders vide its circular no. SEBI/HO/MIR SD/DOP1/ CIR/P/ 2018/73 dated April 20, 2018.

Therefore, we request your assistance in providing the following details for our records, which shall be linked to your respective folio:

1. Name of the Shareholder :
2. Folio No.:
3. Self-attested copy of PAN Card:
4. Address of the Shareholder with self attested Proof:
5. Original Cancelled Cheque leaf of the account holder / Attested Bank Passbook showing the Bank Account Number and Name of the Account Holder duly attested by the Bank.
6. Share holder Contact, Phone No., Mobile No./Land Line No. and email id.

Kindly post/ courier/ hand deliver the above mentioned documents duly signed by the shareholder including joint holders if any, to the Company's Share Transfer Agent Address as mentioned below

STA Address:

AARTHI CONSULTANTS PVT LTD

Unit:VIVO BIO TECH LIMITED

1-2-285, DOMALGUDA, HYDERABAD - 500 029.

PHONE:040-27634445/38111/42217,66611921

FAX:27632184

E-mail : info@arthiconsultants.com

Shareholders are requested to also email the scan copy of the same on info@arthiconsultants.com.

Important Note:

Shareholders who have their shares in physical form are required to submit above details via post/courier/ hand deliver the documents.

Further, We would also like to inform you that as per the amendment to the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018 and as per the Circular No. LIST/COMP/15/2018-19 dated July 05, 2018, the transfer of securities would be carried out in dematerialized form only w.e.f. December 5, 2018. You are accordingly advised to dematerialize your physical shareholding at earliest . After December 5, 2018, no request for transfer of shares in physical form can be processed by the Company/RTA. In order to dematerialize your shares, please open a Demat Account with any of the Depository Participant and submit your physical share certificate(s) with them for dematerialization to avoid inconvenience at later stage. An early action in the matter will save you from unnecessary hassle at a later date.

Yours Faithfully

For VIVO BIO TECHLIMITED

Sd/-

M. Kalyan Ram

Whole Time Director

DIN : 02012580



NOTES : _____

VIVO BIO TECH LTD

8-2-672/5 & 6, 3rd Floor, Ilyas Mohammed Khan Estate,
Road no.1, Banjara Hills Hyderabad.
CIN: L65993TG1987PLC007163

MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

Name of the member (s):	Email Id:	
Registered address:	Folio No./ Client Id No.:	
	DP Id No.:	
1. Name: Address: E-Mail Id: Signature: or failing him	2. Name: Address: E-Mail Id: Signature: or failing him	3. Name: Address: E-Mail Id: Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Saturday the 28th day of September, 2019 at 01.30 P.M. at "at 8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate Road no.1, Banjara Hills Hyderabad , Telangana-500034; resolutions as are indicated below:

S.No	Resolutions	For	Against
1	Consider and adopt Standalone and Consolidated audited financial statements as at 31.03.2019 and statement of profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2	To appoint a Director in place of Mr.M. Kalyan Ram who retires by rotation, and being eligible, offers himself for re-appointment.		
3	Regularisation of Mr.K.T.V.Kaladhar as Director of the Company		
4	Appointment of Mr. K.T.V. Kaladhar as Executive Director		
5	Re-Appointment of Mr. Sunder Kanaparthu as an Independent Director		
6	Re-Appointment of Mr. Hariharan Ravindran as an Independent Director		

Signed this..... day of..... 2019.

Signature of shareholder:

Signature of Proxy holder(s):

Affix Rs.1/-
revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



NOTES : _____

VIVO BIO TECH LIMITED

8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate Road No.1,
Banjara Hills Hyderabad.
CIN: L65993TG1987PLC007163

ATTENDANCE SLIP

SLIP DULY FILLED IN TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Regd Folio No: _____

No. of Shares held: _____

DP ID _____

Client ID _____

SHAREHOLDER'S NAME: Mr /Mrs/Ms.....
(In Block Capitals)

IN CASE OF PROXY

NAME OF THE PROXY : Mr/ Mrs/Ms.....

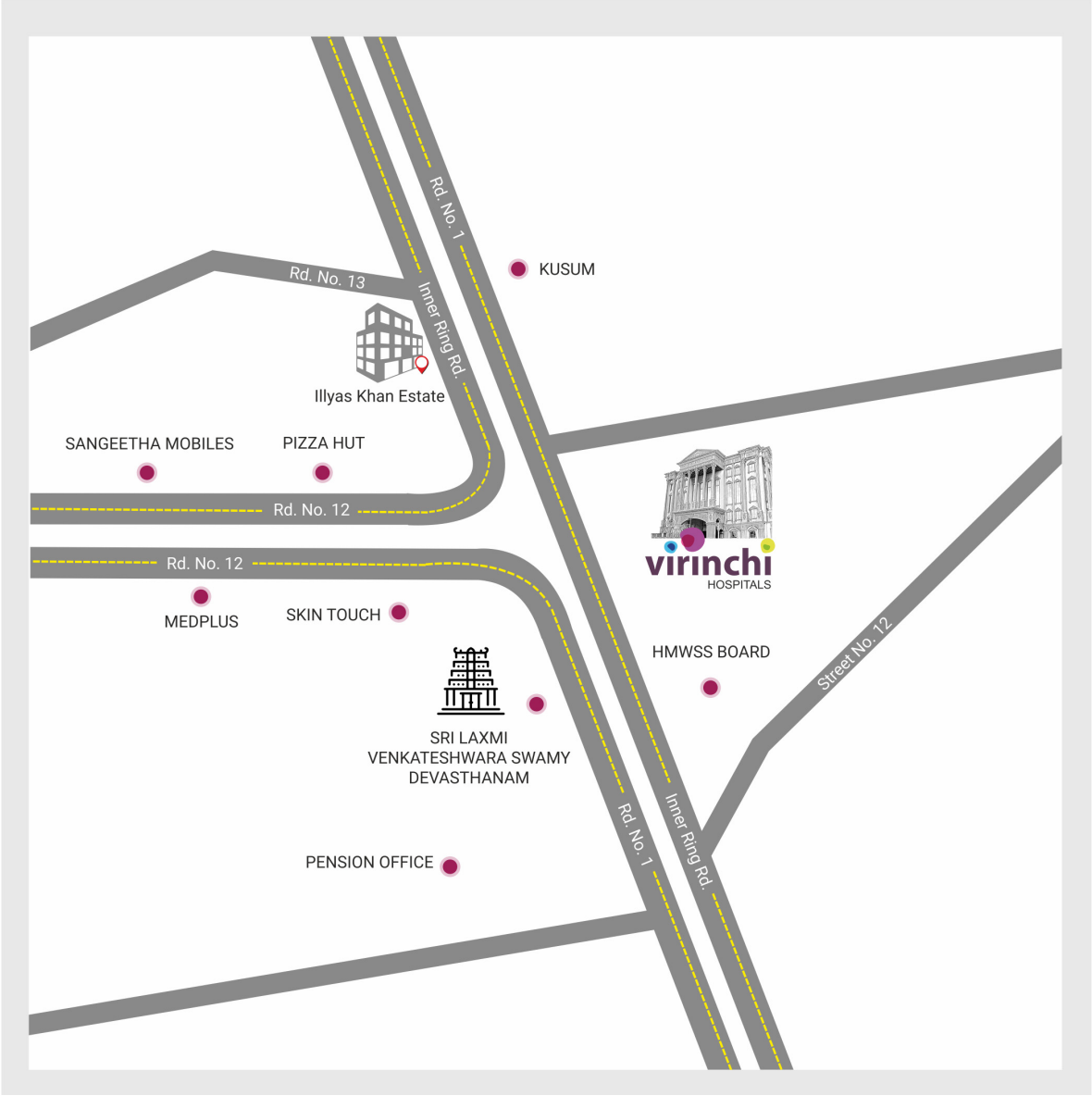
I Certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the Company.

I hereby record my presence at the 32nd Annual General Meeting of the Company to be held on **Saturday, the 28th September, 2019 at 01.30 P.M. at 8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate Road no.1, Banjara Hills Hyderabad, Telangana - 500 034.**

Member's / Proxy's Signature

- Notes: 1. Please bring this Attendance Slip when you are attending the Meeting.
2. Please do not bring with you any person who is not a member of the Company'.

ROUTE MAP TO THE AGM VENUE



if undelivered please return to:

Vivo Bio Tech Ltd.
8-2-672/5&6, 3rd Floor
Ilyas Mohammed Khan Estate
Road #1, Banjara Hills
Hyderabad ,Telangana ,500034