

Vivo Bio Tech Ltd.
Your Drug Discovery Partner

33rd

ANNUAL

REPORT

2020

<http://vivobio.com>



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33rd Annual General meeting will be held on Monday, 28th Day of September, 2020 at 3.30 P.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), Considering the present Covid-19 pandemic.

CORPORATE INFORMATION

Registered office:

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

Statutory Auditors

M/s. P C N & Associates (formerly
Chandra Babu Naidu & Co.,)
Chartered Accountants,
Plot No.12,Ground Floor Software
Layout Unit, Cyberabad Hyderabad -
500 081
Phone # 040-2311 9499

Internal Auditors

M/s. LVS Prasad Rao & Associates,
Chartered Accountants,
Rep by CA. K.L.V.S Prasad Rao ,
Flat No.304, Santha Lake View,
Apartments, Opp Manasarovar,
Heights, Ph-1, Manovikas Nagar,
Tirumalgherry, Secunderabad- 500
009, Telangana

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

R & D Facility

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

Mr. M. Kalyan Ram

Chairperson & Whole Time Director

Mr. K.T.V. Kaladhar

Whole Time Director & C.F.O.
(Appointed w.e.f. 17th May, 2019)

Dr. Alangudi Sankaranarayanan

Director

Mr. Sunder Kanaparthi

Independent Director

Mr. Hariharan R

Independent Director

Ms. M. Vijaya Lakshmi

Independent Director
(Resigned w.e.f. 1st July, 2020)

Ms. Kunda Kalpana

Additional Independent Director
(Appointed w.e.f. 30th June, 2020)

Mr. Ch. Varun Kumar

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

Mr. Karthik Allenkala

Company Secretary
(Appointed w.e.f. 28th August, 2019)

Mr. Kalyan Kumar Korisapati

Chief Operating Officer

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
Email: info@arthiconsultants.com,
arthiconsultants@gmail.com
Website: www.arthiconsultants.com

Message from Whole Time Director

According to Grand Research View, the global preclinical CRO market size was estimated at USD 4.1 billion in 2019 and is anticipated to expand at a CAGR of 8.3% over the forecast period. R&D budget for drug development has increased in recent years, leading to a rising demand for preclinical CRO (Contract Research Organization) services, thus boosting the market growth during the forecast period.

Increasing spending on CRO services is expected to boost market growth significantly during the forecast period. As per survey carried out by Servier Research Institute in 2017, around 50% of failure in preclinical phase is due to toxicology testing, which is expected to propel the demand for preclinical CRO services in the coming years. Apart from this, recent regulatory changes in Europe relating to preclinical CRO services are also anticipated to increase the demand for toxicology testing, thus contributing to the regional market growth. The rise in the competency of these CROs is also contributing to the growing demand for preclinical services by life science companies, as these clients are adopting strategic partnerships business models and outsourcing preclinical services to CROs. The pressure to contain R&D costs and decrease the overall cost of drug discovery and development is further contributing to the adoption of outsourcing model.

Over the years, there has been a significant change in the process of drug approval by the Food and Drug Administration (FDA). Recently, 21st Century Cures bill was passed in the U.S., which fastened the approval process for launch of breakthrough drugs and medical devices. These changes in approval processes are expected to drive innovation and are also anticipated to increase demand for preclinical services, thereby contributing to the market growth. Based on service, the preclinical CRO market is categorized into bioanalysis and DMPK studies, toxicology testing, and others. Toxicology testing holds the largest share in the global market since it is an important part of Investigational New Drug (IND)-enabling studies. Due to rise in outsourcing of noncore preclinical CRO studies, the market is expected to grow considerably during the forecast period.

FY 2020

As you are all aware, the world is facing one of the worst health crisis of an era disrupting economies of even developed countries and your company has been no immune to this crisis, but the impact has been very minimal.

Our efforts have been aligned to be the most preferred preclinical CRO for global biomedical companies and most preferred distribution partner in India for companies with cutting edge technologies and products.

Like any other business, the evolving market, competition as well as the rapid innovation cycle presents its own challenges to gain the market. Vivo Bio Tech encompasses a solid portfolio of products & services with highest Quality standards as centric focus with greatest principles and customary upgradations to contend and win reliable customers worldwide.

With expansion of portfolio in preclinical services (GLP Toxicology, Pharmacology and GLP Analytical), extended reach to premier research institutes through custom rodent models (Cyagen Biosciences, Inc.), high quality lab animal diets (Dietex International Ltd.), SPF Guinea Pigs and high acceptance of specific pathogen free laboratory rodents & specialized

models (Taconic Biosciences) across the Indian market, we are confident of achieving significant revenue growth on back of long term sustainable technological advantage.

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

M. Kalyan Ram
Whole Time Director

VIVO BIO TECH LIMITED

Registered Office: 8-2-672/5&6, 3rd Floor, Ilyas Mohammed Khan Estate Road No.1,
Banjara Hills Hyderabad- 500034, Telangana State, India, CIN: L65993TG1987PLC007163

Phone No: 040 23313288

Email: investors@vivobio.com Website: www.vivobio.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the Members of the Vivo Bio Tech Limited will be held on Monday, the 28th day of September, 2020, at 03.30 P.M. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following businesses:

ORDINARY BUSINESS:

Item No.1- Adoption of Financial Statements.

To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2020 and the Board’s Report and Auditor’s report thereon.

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

“RESOLVED THAT the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31st March 2020 together with the reports of the Directors and Auditors thereon be and are hereby received, considered, approved and adopted.”

Item No. 2 – To appoint a Director in place of Dr Sankaranarayanan Alangudi (DIN: 02703392) who retires by rotation, and being eligible, offers himself for re-appointment.

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

“RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 & pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Sankaranarayanan Alangudi (DIN: 02703392), who retires by rotation, be and is hereby re-appointed as a Director liable to retire by rotation.”

FURTHER RESOLVED THAT the Board of Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS

Item No. 3-Appointment of Ms. Kunda Kalpana (DIN: 07328517) as an Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Ms. Kunda Kalpana (DIN: 07328517) who was appointed as an Additional Director of the company with effect from 30th June, 2020 under section 161 of the Companies Act, 2013, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 30th June, 2020, not liable to retire by rotation.”

FURTHER RESOLVED THAT the Board of Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 4- Issue of Convertible Equity Warrants on Preferential basis to Promoters and Promoter Group

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

“RESOLVED THAT pursuant to the provisions of Sections 62(1)(c), read with Section 42, and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Act”), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, the rules and regulations issued by the Securities and Exchange Board of India (“SEBI”), including the provisions of Chapter V – “Preferential Issue” and other applicable provisions, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and subject to the permission(s), consent(s), sanction(s) and approval(s), if any, by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while

granting such approval(s), consent(s), permission(s) and sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, from time to time in one or more tranches, 18,00,000(Eighteen Lakhs only) Convertible Equity Warrants (“Warrants”) on a preferential basis to Promoters and Promoter group as mentioned below (“Warrant Holder”), with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten Only) each (the “Equity Shares”), ranking in all respects *pari-passu* with the existing equity shares of the Company, for each Warrant, within a period of 18 (Eighteen) months from the date of allotment of Warrants, at a price of Rs. 45/- (Forty Five Only) as arrived in accordance with the part IV of chapter V of the SEBI (ICDR) Regulations, 2018 to the below mentioned allottees hereinafter referred to as “Proposed Allottees”:

DETAILS OF PROPOSED ALLOTEES:

Sl. No	Name of the Proposed Allottee	Number of Convertible equity warrants applied
1	M/s. Shri Shri Resorts Private Limited	10,00,000
2	M/s. Maxcell Phones Communications India Private Limited	4,00,000
3	M/s. Iragavarapu Constructions Private Limited	4,00,000

FURTHER RESOLVED THAT the relevant date, as per Regulation 161(a) or 161(b) of the SEBI (ICDR) Regulations, 2018 for the determination of issue price of the Warrants to be allotted pursuant to the preferential issue is fixed as 28th August, 2020 i.e. 30 days prior to the date of passing of special resolution in the General Meeting to approve the proposed preferential issue in terms of Section 62(1) (c) of the Act.

FURTHER RESOLVED THAT the equity shares to be allotted upon exercise of Warrants shall rank *pari - passu* in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/-each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue of Warrants including reduction of the size of the issue, as it may deem expedient, in its discretion.

FURTHER RESOLVED THAT the said Warrants shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution,

provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals, in accordance with provisions of ICDR Regulations .

FURTHER RESOLVED THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

- i. The proposed allottees of Warrants shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% [Twenty-five percentage only] of the exercise price determined in compliance with the provisions of the SEBI (ICDR) Regulations, 2018;
- ii. The balance 75% [Seventy-five percentage only] of the exercise price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof;
- iii. The proposed allottees of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of Rs. 10/- (Rupees Ten only) each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment (“Tenor”) thereof, in one or more tranches;
- iv. In the event the Warrant Holder does not exercise the Warrants within 18 (Eighteen) months from the date of allotment of the Warrants, the Warrants shall lapse and the amount paid on such Warrants shall stand forfeited by the Company;
- v. The Warrant Holder shall be entitled to exercise the option of exercising any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Warrant holder;
- vi. The Company make an application for Listing, within 20 days from date of allotment of Equity Shares, upon conversion of warrants, to the stock Exchanges where shares of the Company are listed in accordance with SEBI (LODR) Regulations, 2015;
- vii. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-

passu in all respects including dividend, with the existing fully paid Equity Shares of the Company;

- i. Upon exercise of the Warrants by the Warrant Holder, the Company shall issue and allot appropriate number of Equity Shares and perform such actions as are required to credit the Equity Shares to the depository account of Warrant Holder and entering the name of Warrant Holder in the records of the Company as the registered owner of such Equity Shares;
- ii. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof;
- iii. Subject to the provisions of Regulation 168 of Chapter V of the SEBI (ICDR) Regulations, 2018, the Warrants and equity shares allotted on exercise of such Warrants will be transferable within the Promoters and persons forming part of Promoter Group;
- iv. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Warrant holder: (a) receives such number of Equity Shares that Warrant holder would have been entitled to receive; and (b) pays such consideration for such Equity Shares to the Company which Warrant holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring;
- v. The Company shall re-compute the price of the Warrants / Equity Shares issued on conversion of Warrants in terms of the provisions of ICDR Regulations, where it is required to do so and the differential price, if any, shall be required to be paid by such Warrant holder to the Company in accordance with the provisions of ICDR Regulations;
- vi. The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under Chapter V of ICDR Regulations, 2018 relating to preferential issues;
- vii. The Warrants by itself, until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder(s) of the Company; and
- viii. Until the Warrants are transferred, the Company shall treat Warrant Holder as the absolute owner for all purposes without being affected by any notice to the contrary.

- ix. Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

FURTHER RESOLVED THAT the Board / Board Committee be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents without being required to seek any fresh approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and utilisation of proceeds of the Warrants and Equity Shares issued upon exercise of such Warrants, take all other steps which may be incidental, consequential, relevant or ancillary to give effect to the aforesaid resolution.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto.”

Item No. 5- Approval for Related Party Transactions

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

“RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and pursuant to Sections 179,184,188 of the Companies Act 2013 (“Act”) and Rules made thereunder (including any statutory modifications and re-enactments made thereof from time to time), consent of the members of the Company be and is hereby accorded to the following related party transactions w.e.f. 1st September, 2020 for the remaining tenure:

S.No	Particulars	(Rs. In Lakhs)
1	Availing of advisory services from Mr. Viswanath Kompella, Promoter and increase of professional fees to Rs.10 Lakhs per month with effect from 1 st September, 2020 for the remaining tenure of 3 years and 7 months.	120.00 P.A

FURTHER RESOLVED THAT the Board of Directors or Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

Item No. 6- Revision in overall borrowing powers of the Company.

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

“RESOLVED THAT in suppression of the earlier Resolution passed by the members at their meeting held on 30th September, 2014 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) for borrowing any sum or sums of moneys for and on behalf of the Company or any other Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, non-banking finance companies, or from others by way of advances, deposits, debentures, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties, whether movable or immovable or stock-in process and debts, and advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount upto

which the money(ies) may be borrowed shall not exceed Rs. 500 Crores (Rupees Five Hundred Crores only) at any point of time on account of the principal”.

FURTHER RESOLVED THAT the Board of Directors or Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

Item No. 7- Creation of Mortgage/Charge on the assets of the Company.

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

“**RESOLVED THAT** in suppression of the earlier Resolution passed by the members at their meeting held on 30th September, 2014 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages, pledges and hypothecations in addition to the existing charges, mortgages, pledges and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events, in favour of the Banks, Financial Institutions and other Parties to secure Rupee Loans, Foreign Currency Loans and Working Capital Facilities borrowed in Indian Rupees and Foreign Currency availed and also proposed to be availed, by the Company or any other person / company and also to secure by way of Corporate Guarantees and other obligations of the Company or any other person / company, provided that the total amount of loans and other obligations of the Company together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans and other obligations, shall not, at any time exceed the limit of Rs.500 Crores (Rupees Five Hundred Crores only)”.

FURTHER RESOLVED THAT the Board of Directors or Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts deeds and things as may be necessary including delegating such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental hereto.”

By Order of the Board
For Vivo Bio Tech Limited

A.Karthik
Company Secretary
M.No.A44462

Place: Hyderabad
Date: 28th August, 2020

NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. (in case of corporate members only).
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with M/s. Aarathi Consultants Private Ltd and Central Depository Services (India) Limited (CDSL) for facilitating Virtual AGM & voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members (members login) attending through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 33rd AGM has been uploaded on the website of the Company at www.vivobio.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
4. In compliance with MCA Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/ CFD/CMD1/ CIR/P/2020/79 dated 12th May 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for Financial year ended 31st March, 2020 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
5. In line with the MCA Circular No. 17/2020 dated 13th April, 2020, the Notice calling the e-AGM has been uploaded on the website of the Company at <http://www.vivobio.com>. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. and also from the RTA website <http://aarthiconsultants.com/>.
6. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, Aarthi Consultants Private Limited at info@aarticonsultants.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of

email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.

7. The Register of Members/ Register of Beneficiaries and Share Transfer Books of the Company will remain closed from 22nd September, 2020 to 28th September, 2020 (both days inclusive) for the purpose of Annual General Meeting.

8. THE INSTRUCTUIONS FOR SHAREHOLDERS INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on Thursday, 24th September, 2020 (9:00 a.m.) and ends on Sunday, 27th September, 2020 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 21st September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting Website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Now Enter your User ID:

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) 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.

(viii) 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 sequence number indicated in the PAN field.**

Dividend Bank Details OR Date of Birth Enter the Dividend Bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

- **If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details fields as mentioned in instruction (v)**
-

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of Vivo Bio Tech Limited.

(xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- (xix) Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xx) Note for Non - Individual Shareholders and Custodians
- (a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates module.
- (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- (f) Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser email id: cs.gvinay@gmail.com and to the Company email id:

investors@vivobio.com if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 or call 1800225533..

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800225533.

9. THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
 3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
 4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 10.** The Board of Directors has appointed Mr. Vinay Babu Gade, Practising Company Secretary (Membership No. A20592 and CP No.20707) as the Scrutinizer to conduct the voting process (e-voting) in a fair and transparent manner.
- 11.** The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the Annual General meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/abstained, shall submit the Report to the Chairman of the Company or to any other person

authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting).

12. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vivobio.com and on the website of CDSL i.e. <https://www.evotingindia.com> within two days of the passing of the Resolutions at the 33rd Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

13. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company's RTA info@arthiconsultants.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company's RTA info@arthiconsultants.com.
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

14. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at [https:// www.evotingindia.com](https://www.evotingindia.com) under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (investors@vivobio.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7(seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (investors@vivobio.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

GENERAL INFORMATION:

1. The Company's equity shares are Listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India; and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2020 -2021.
2. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at Aarthi Consultants Private Limited (Unit: VIVO BIO TECH LIMITED), 1-2-285, Domalguda, Hyderabad - 500029, Telangana State, India, Email info@arthiconsultants.com.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 28th September, 2020. Members seeking to inspect such documents can send an email to investors@vivobio.com.
4. 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.

5. 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 20th April, 2018.
6. 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.
7. Pursuant to section 72 of the Companies Act, 2013 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.
8. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail.
9. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Central Depository Services India Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
10. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, 21st September, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or info@aarthiconsultants.com.

However, if he/she is already registered with CDSL for remote e-voting then he/ she can use his / her existing user ID and password for casting the vote.

- 11.** 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, profile of directors proposed for appointment and seeking re-appointment is annexed hereto.

By Order of the Board
For Vivo Bio Tech Limited

Place: Hyderabad
Date: 28th August, 2020

A.Karthik
Company Secretary
M.No. A44462

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	Dr. Alangudi Sankaranarayanan
Director Identification Number (DIN)	02703392
Date of Birth & Age	05/06/1943, 77 Years
Qualifications	Ph.D., M. Pharm
Expertise in Specific Functional Areas	He is a discovery scientist with more than 40 years of experience in Pharmaceutical R&D. He has unique blend of Scientific and Management experience in drug discovery and development.
Brief Resume	Sankaranarayanan is a discovery biologist with more than 35 years of experience in Pharmaceutical R&D. He has a proven track record in establishing drug discovery and development facilities, and implementation of GxP standards/accreditation for various biotech/pharma facilities. He is an accomplished innovator with more than 30 patents in the field of cardiovascular and endocrine specialties.
Relationship between other Directors, Manager and Other KMP's of the Company.	He is not related to any Directors, Manager and Other Key Managerial Personnel of the company.
Nature of appointment (Appointment/ re-appointment)	Re-Appointment
Terms and conditions of appointment / reappointment	Terms and conditions of appointment are as per the resolution at Item No. 2 of appointment the Notice convening Annual General Meeting on 28 th September, 2020 read with explanatory statement thereto.
Date of Appointment at current designation/ Date of first appointment on the Board	31/07/2009
Remuneration proposed to be paid	Sitting Fees
Number of Meeting of the Board attended during the financial year (2019-20).	4/6
Names of listed entities in which the person also holds the directorship in other Companies	NIL
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	NIL

Name of the Director	Kunda Kalpana
Director Identification Number (DIN)	07328517
Date of Birth & Age	28/08/1982, 38 Years
Qualifications	M.Sc- Bio Tech
Expertise in Specific Functional Areas	She is a Post Graduate (M.Sc Bio-Technology) from Bangalore University possessing rich experience of over 10 years in fields of Teaching and Scientific Data Research Analysis and Clinical Data Management.
Brief Resume	She is a Post Graduate (M.Sc Bio-Technology) from Bangalore University possessing rich experience of over 10 years in fields of Teaching and Scientific Data Research Analysis and Clinical Data Management. She has previously worked as a Senior Lecturer in Bio-Technology Department for Under Graduate and Post Graduate students and also served as Vice President for Clinnova Research Labs (P) Limited. She is also serving as an Independent Director in Various Listed Companies.
Relationship between other Directors, Manager and Other KMP's of the Company.	She is not related to any Directors, Manager and Other Key Managerial Personnel of the company.
Nature of appointment (Appointment/ re-appointment)	Appointment
Terms and conditions of appointment / reappointment	Terms and conditions of appointment are as per the resolution at Item No. 3 of appointment the Notice convening Annual General Meeting on 28 th September, 2020 read with explanatory statement thereto.
Date of Appointment at current designation/ Date of first appointment on the Board	30/06/2020
Remuneration proposed to be paid	Sitting Fees
Number of Meeting of the Board attended during the financial year (2019-20).	Not Applicable
Names of listed entities in which the person also holds the directorship in other Companies	1.Virinchi Limited 2.Kellton Tech Solutions Limited
Directorships held in other public Companies (Excluding Foreign companies and Section 8 Companies)	1.Virinchi Limited 2.Kellton Tech Solutions Limited
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	Member of Audit Committee & Stakeholder's Relationship Committee of Virinchi Ltd.
Number of shares held in the company	NIL

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the

Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution No. 2,3,4,5,6 and 7.

Item No: 2 To appoint a Director in place of Dr Sankaranarayanan Alangudi (DIN: 02703392) who retires by rotation, and being eligible, offers himself for re-appointment.

Dr. Sankaranarayanan Alangudi (DIN: 02703392) who is a Non- Executive Director and liable to retire by rotation at the ensuing Annual General Meeting as per section 152 of the Companies Act, 2013 and also who had attained the age of seventy seven (77) years and offers himself for re appointment. Pursuant to Regulation 17(1A) of the SEBI (LODR) Regulations, 2015, Special Resolution is required to be passed for the re appointment and continuation of his directorship with effect from 28th September, 2020, being the date of expiry of their current term of office.

As the Members are aware, pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), effective from 1st April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be. The Members may recall the postal ballot conducted by the Company in the month of February 2019 for the continuation of directorship of Dr. Sankaranarayanan Alangudi (DIN: 02703392) was approved by the members of the Company by passing a special resolution for continuation of his directorship with effect from 1st April, 2019.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 28th August, 2020, has unanimously approved the re appointment and continuation of directorship of Dr. Sankaranarayanan Alangudi, as a Non-Executive Director on the Board.

A brief justification for continuation as Non-Executive Director on the Board of the Company is as under:

Dr Sankaranarayanan Alangudi (77 years) is a discovery scientist with more than 40 years of experience in Pharmaceutical R&D. He has unique blend of Scientific and Management experience in drug discovery and development. He has been a Director of the Company since 2009. His continuation in the board is necessary for equipping the management and the

company in respect of latest advancements and developments in the field of bio-technology and pre-clinical services.

The terms and conditions of continuation of appointment of Dr Sankaranarayanan Alangudi shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Except Dr. Sankaranarayanan Alangudi none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.2 of the Notice.

Your Board recommends the resolution set out in Item No. 2 for approval of the members as Special Resolution.

Item No: 3 Appointment of Ms. Kunda Kalpana (DIN: 07328517) as an Independent Director.

Ms. Kunda Kalpana (DIN: 07328517) was appointed as an Additional Director of the Company w.e.f. 30th June, 2020 at the Board Meeting held on 30th June, 2020 under Section 161 of the Companies Act, 2013 under the Independent Director Category for a period of 5 years. The appointment is subject to the approval of the shareholders at the General Meeting to be held immediately after the said appointment.

Ms. Kunda Kalpana, being eligible and offers herself for appointment as Independent Director of the company. It is proposed to be appointed as Independent Directors for five (5) consecutive years commencing from 30th June, 2020, respectively.

In the opinion of the Board, Ms. Kunda Kalpana fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder and Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and she is independent of the management.

The Resolution set out at Item No. 3 of the notice is put forth for consideration of the members as an ordinary resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Ms. Kunda Kalpana as an Independent Director. The terms and conditions of appointment of Ms. Kunda Kalpana shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Except Ms. Kunda Kalpana, 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. 3 respectively of the Notice.

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

Item No: 4 Issue of Convertible Equity Warrants on Preferential basis to Promoters and Promoter Group.

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes. Hence, the Board of Directors of the company in their meeting held on 28th August, 2020 has considered and approved the proposal to issue 18,00,000(Eighteen Lacs Only) Warrants having attached thereto the right to subscribe for equal number of Equity Shares of Rs.10/- each at an issue/exercise price of Rs. 45/- (Forty Five Rupees Only) determined in accordance with part IV of chapter V of the SEBI (ICDR) Regulations, 2018 in one or more tranches. The members are requested to note that as per Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules made thereunder and Chapter V of the SEBI (ICDR) Regulations, 2018 as amended, prior approval of the shareholders by way of Special Resolution is required to issue convertible equity warrants to Promoters and Promoter group of the Company.

Salient features of the preferential issue of Warrants are as under:

The proposed issue and allotment of Warrants, on a preferential basis, shall be governed by the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and the Companies Act, 2013 read with rules made thereunder (“Act”).

Without generality to the above, the salient features of the preferential issue of Warrants are as under:

- The “Relevant Date” as per the Regulation 161 of SEBI (ICDR)Regulations,2018 for determining the minimum price for the preferential issue of Warrants is 28th August, 2020, which is 30 [thirty] days prior to the date of the shareholders’ meeting to be held on 28th September, 2020.
- 25% [Twenty-five percentage only] of the consideration for preferential issue of Warrants shall be received by the Company prior to the allotment of said warrants.
- At the time of exercise, the Warrant Holder shall pay the balance 75% [Seventy-five percentage only] of the consideration payable in respect of the Warrants so being exercised. The amount paid will be adjusted / set off against the issue price of the resultant equity shares. The Board (or a Committee thereof) upon receipt of the entire payment towards issue price, shall allot one equity share per warrant. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 [eighteen] months, such entitlement shall lapse and the amount paid on such warrants shall stand forfeited.

- The Company has not made any preferential issue of securities in this financial year, other than the proposed issue of Warrants as stated in this notice.
- The Warrant Holder has not sold any equity shares during the six months preceding the Relevant Date. The Warrant Holder has not subscribed to any warrants of the Company during last one year.

The other information prescribed under Regulation 163 of the ICDR Regulations, 2018 and other applicable laws in relation to the Proposed Special Resolution as set out at item No.4 are given hereunder:

1. Object of the preferential issue of Warrants and details of utilization of proceeds:

The proceeds of the preferential issue will be utilized towards augmenting the working capital requirements and meeting other business requirements.

2. Maximum number of specified securities to be issued:

18,00,000(Eighteen Lakhs only) Convertible Equity Warrants (“Warrants”) on a preferential basis to Promoters and Promoter Group mentioned below (“Warrant Holder”), with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten Only) each (the “Equity Shares”)

3. The proposal or intention of the Promoter / Promoter group , Directors or Key Managerial Personnel to subscribe to the proposed preferential issue, if any:

None of the directors or key managerial personnel intends to subscribe to any shares pursuant to this preferential issue However, to meet the objects of the issue, the promoters and promoter group M/s. Shri Shri Resorts Private Limited, M/s. Maxcell Phones Communications India Private Limited, M/s. Iragavarapu Constructions Private Limited has shown their interest to subscribe 18,00,000 warrants.

4. shareholding pattern of the issuer before and after the preferential issue:

S.No	Category of Shareholder	Pre issue holding details		Post Issue Holding Details **	
		No. of Shares	% of Shares	No. of Shares	% of Shares
A	Promoters and Promoter Group Holding				
1	Indian Promoters / Promoter Group :				
	Individuals / HUF	459500	3.57	459500	3.13
	Bodies Corporate	4012000	31.13	5812000	39.27
	Sub Total	4471500	34.70	6271500	42.70

	Foreign Promoters / Promoter Group :				
	Individuals	-	-		
	Body Corporates	-	-		
	Sub Total	-	-		
	Sub Total (A)	4471500	34.70	6271500	42.70
B	Non Promoters Holding				
	Institutions				
	Foreign Portfolio Investors				
	Non-Institutions	-	-	-	-
	Individuals - Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	845568	6.56	845568	5.76
	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	770000	5.97	770000	5.24
	Non-Resident Indian-Non Repatriable	211360	1.64	211360	1.44
	Non-Resident Indian-Repatriable	162734	1.26	162734	1.11
	Corporate Bodies	4086342	31.70	4086342	27.82
	Clearing Member	5016	0.04	5016	0.03
	Corporate Bodies- OCB	2335000	18.12	2335000	15.90
	IEPF				
	Total Non-Promoter Holding (B)	8416020	65.3	8416020	57.30
C	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)-C	-	-	-	-
	Sub-Total-C	-	-	-	-
	TOTAL(A+B+C)	12887520	100	14687520	100

****Post Issue holding -Assuming full conversion of 18,00,000 warrants allotted.**

5. Time frame within which the preferential issue shall be completed:

As required under the ICDR Regulations the preferential issue/allotment of Warrants shall be completed, within a period of 15 [Fifteen] days from the date of passing of the special resolution contained in this Notice. Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of last such approvals.

6. The Identity of the natural persons who are the ultimate beneficial owners of the shares/ Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them.

S. No	Name of proposed allottee	Pre preferential Holding	% of Pre preferential share capital	Issue of Equity Shares and Warrants (each Warrant is convertible into one equity share)	Post Preferential Share capital considering Conversion of warrants**	% of Post preferential share capital considering Conversion of warrants.**
1	M/s. Shri Shri Resorts Private Limited	67,000	0.52	10,00,000 Warrants	10, 67,000	7.26
2	M/s. Maxcell Phones Communications India Private Limited	8,00,000	6.21	4,00,000 Warrants	12,00,000	8.17
3	M/s. Iragavarapu Constructions Private Limited	6,00,000	4.66	4,00,000 Warrants	10,00,000	6.81

****Post Issue holding and % of post issue Holding -Assuming full conversion of 18,00,000 warrants allotted.**

Details of Ultimate Beneficiaries

S.No	Name of Proposed Allottee	Names of Ultimate Beneficiaries
1	M/s. Shri Shri Resorts Private Limited	1) Kompella Viswanath 2) Madhavi Latha Kompella 3) K. Shri Lakshmi 4) G. Ramesh 5) M. Kalyan Ram 6) K. Shri Kalyan 7) K. Madhu Reddy 8) D. Ravinder 9) M. Murali Krishna 10) C. Nagaraju 11) Chandra Sekhar 12) P.J. Vardhan 13) T. Vinay
2	M/s. Maxcell Phones Communications India Private Limited.	1) K. Shri Lakshmi 2) G. Ramesh

3	M/s. Iragavarapu Constructions Private Limited	1) Kompella Viswanath 2) Madhavi Latha Kompella 3) Chandra Sekhar 4) Radha mani 5) M Rajeev 6) T. Vinay
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7. Relevant Date:

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter V of SEBI (ICDR) Regulations, 2018 is 28th August, 2020 (i.e., 30 days prior to the Last day of General Meeting, i.e., 28th September, 2020). The Warrants will be allotted in accordance with the price determined in terms of Part IV of Chapter V of the SEBI (ICDR) Regulations, 2018.

8. Pricing of the Issue:

The issue of warrants and equity shares arising through issuance will be at a price not less than the price arrived by the Company:

Since the Company shares are not frequently traded the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

9. The Company hereby undertakes that:

- The Company hereby undertakes that the company shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

10. Certificate of Statutory Auditors :

Copy of the certificate of statutory auditors will be available for inspection at registered office of the Company on 28th September, 2020 during business hours, considering the proposed preferential issue, certifying that the issue is being made in accordance with the requirements of these regulations.

11. Change in control, if any, in the Company consequent to the preferential issue:

As a result of the proposed issue of Warrants on a preferential basis, and upon conversion of the Warrants, there will be no change in the control of the Company.

12. Consequential Changes in the Voting Rights:

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

13. Lock-in-period

- The entire pre-preferential shareholding of Warrant Holder, if any, shall also be locked-in as per Regulation 167 of the ICDR Regulations, 2018.
- Warrants allotted, to Non-Promoters issued on preferential basis to such persons shall be locked-in for a period of one year from the date of trading approval or such other period as may be prescribed by the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- Lock-in of the equity shares allotted pursuant to conversion of convertible securities other than warrants, issued on preferential basis shall be reduced to the extent the convertible securities have already been locked-in
- convertible securities or warrants which are not listed on stock exchanges, the entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of allotment of such securities.

14. Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price Post 31st March, 2020 and up to the date of this Notice: NIL

15. Class or Classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to the Promoters and Promoter Group.

16. Other Disclosure:

- It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.
- The Board, in its meeting held on 28th August, 2020 has approved the issuance of Warrants on preferential basis to the Warrant Holder in the manner stated

hereinabove, subject to the approval of members and other approvals, as may be required.

- Regulation 160(b) of the ICDR Regulations, 2018 provides that preferential issue of specified securities by a listed company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the resolution as set out in Item No.4 above to be passed as a Special Resolution.

17. In accordance with the ICDR Regulations

- i. all the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only.
- ii. No person belonging to the promoters / promoter group have sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date;
- iii. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company but failed to exercise them in the last one year.;
- iv. the Company and none of its promoters or directors is a willful defaulter or a fugitive economic offender; and

The issue of Equity Shares and Warrants shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.

Except Mr. M. Kalyan Ram and his relatives, none of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 4.

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

Item No: 5 Approval for Related Party Transactions.

In terms of Section 188 (1) (f) of the Companies Act, 2013 read with Rules made thereunder, appointment to any office or place of profit in the Company at a monthly remuneration exceeding Rs.2.50 lakhs is subject to prior approval of the members.

Mr. Viswanath Kompella is the promoter of the Company were appointed as an Advisor to the Board, who is an officer holding place of profit in the company under section 188 (1) (f) of the Companies Act, 2013 read with rules made thereunder at a fee/salary of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month for a period of five years from the financial year 2019-20 onwards respectively and a resolutions to this effect was passed by the Audit Committee and Board of Directors in its meetings held on 12th February, 2019. The said

appointment was within the limits of the Board of Directors and doesn't require the prior approval of the members.

Owing to his deep business insight, relationships with global majors, the Company is keen on availing his services. Accordingly, the Board on the request of Mr. Viswanath Kompella for the revision in fees/remuneration paid to him for acting as an advisor and guide the Company in future course of action.

The Nomination & Remuneration Committee and Audit Committee has recommended and approved the proposal for revision in fee/remuneration paid to Mr. Viswanath Kompella, Promoter, as an Advisor to the Board of the Directors of the Company in terms of section 188 (1) (f) of the Companies Act, 2013 appointment to any office or place of profit in the Company. The Board of Directors in its meetings held on 28th August, 2020 discussed and approved the Increase of fees/remuneration from 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month to Rs.10,00,000/- (Rupees Ten Lakhs Only) per month with effect from 1st September, 2020 for the remaining tenure of 3 years and 7 months, subject to the approval of the members.

Under Mr. Viswanath Kompella's leadership, the Company transformed into the fastest growing, highest value creating entity by establishing long standing relationships across its wide spectrum of stakeholders with a reputation for trust, ethical standards and a passion for growth. The company is a drug development & discovery services to pharmaceutical based in Hyderabad.

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

The Board recommends the same to the members for their approval by means of a Special Resolution.

Information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of the Boards and its Powers) Rules, 2014:-

a)	Name of the Related Party	Mr. Viswanath Kompella
b)	Name of the Director or Key Managerial Personnel who is related, if any:	No Director and KMP's are related to Mr. Viswanath Kompella
c)	Nature of Relationship	Promoter
d)	Nature, material terms, monetary value of the contract or arrangement:- Nature of the Arrangement	

	<p>Mr. Viswanath Kompella' S appointment as "Advisor" shall be in the capacity of an Independent Consultant and not an agent or employee of the Company. Mr. Viswanath Kompella shall advise/ suggest the Board/Company Management on:</p> <ul style="list-style-type: none"> a) Matters of Corporate Strategy, new business opportunities. b) Be the sounding board for the Company on Company policies/initiatives c) Representing and/or creating strong linkages for the Company on various trade and industry bodies, Govt and semi Govt. organizations and other to promote Company's business. d) Building the Company's image and brand equity. e) Advice the Company's Board in any other areas that the Board/ Company Management may seek from time to time. <p>Material Terms:</p> <p>The revision in fees/ remuneration and appointment, if approved by members, shall be effective from 1st September, 2020 for the remaining tenure of 3 years and 7 months, and renewable by the Board from time to time.</p> <p>The appointment can be terminated by either party by giving a 6 months, prior notice in writing to other party.</p> <p>Monetary Terms:</p> <ul style="list-style-type: none"> 1. Payment of Fee/ Remuneration: Not Exceeding Rs.1,20,00,000/- (Rupees One Crore Twenty Lakhs Only) per annum (subject to statutory deductions and exclusive of applicable taxes) which is payable as follows: <ul style="list-style-type: none"> a) Fixed monthly Fee/Remuneration of Rs.10,00,000 (Rupees Ten Lacs Only) 2. Reimbursements: All the expenses incurred on travelling, boarding, lodging etc. while performing advisory services for and on behalf of the Company shall be reimbursed on actual basis. 3. Facilities: Mr. Viswanath Kompella shall be provided requisite office facilities, chauffeur driven car and communication facilities to effectively discharge his duties. 		
e)	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">Any other information relevant or important for the members to take a decision on the proposed resolution</td> <td style="width: 50%; vertical-align: top;">As required under the SEBI (LODR) Regulations, 2015, all persons belonging to promoters and persons acting in concert with promoters are termed as Related Parties and therefore, shall abstain from voting on the resolution.</td> </tr> </table>	Any other information relevant or important for the members to take a decision on the proposed resolution	As required under the SEBI (LODR) Regulations, 2015, all persons belonging to promoters and persons acting in concert with promoters are termed as Related Parties and therefore, shall abstain from voting on the resolution.
Any other information relevant or important for the members to take a decision on the proposed resolution	As required under the SEBI (LODR) Regulations, 2015, all persons belonging to promoters and persons acting in concert with promoters are termed as Related Parties and therefore, shall abstain from voting on the resolution.		

The draft Copy of the Appointment Letter to be issued in this regard will be available for inspection by the members at the registered office of the Company on all working days between 2:00 P.M. to 4:00 P.M. up to Monday, 28th September, 2020.

None of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 5.

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

Item No: 6 Revision in overall borrowing powers of the Company.

As per the section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of a Public Company cannot borrow money (a part from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid- Up Capital and Free Reserves (that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting.

In order to meet the increased requirements of funds in future, which may arise on account of long-term working capital requirement, capital expenditure or the expansion plan / program of the Company, the Company may require to raise further loans / borrowings from financial institutions, banks and others. Accordingly, suppressing the resolution passed in the meeting of members held on 30 September, 2014, it is proposed to increase the limits of borrowings to Rs.500 Crores (Rupees Five Hundred Crores only) beyond the limits permitted under the Section 180(1)(c) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 6.

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

Item No: 7 Creation of Mortgage/Charge on the assets of the Company.

As per the section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of a public Company cannot Sell, Lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking without the consent of the shareholders in the General Meeting.

In Suppression of the resolution passed in the meeting of members held on 30th September, 2014 and consequent to increase in the borrowing limits of the Company from time to time

for which mortgage / charges / hypothecation / pledge are to be created in the movable properties of the company and hence it is considered necessary to increase the limit upto Rs.500 Crores (Rupees Five Hundred Crores only).

None of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 7.

Your Board recommends the resolution set out in Item No. 7 for approval of the members as a Special Resolution.

By Order of the Board
For Vivo Bio Tech Limited

Place: Hyderabad
Date: 28th August, 2020

A.Karthik
Company Secretary
M.No. A44462

Board's 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 31st March, 2020. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required.

Financial Highlights

(Rs. In Lacs)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Total Income	5540.54	5584.56	5540.54	5584.56
Profit before finance cost, Depreciation & Amortization, Taxation	1252.33	952.34	1252.54	952.52
Less: Finance Cost	309.84	264.11	309.84	264.09
Depreciation & Amortization Expenses	517.16	505.77	517.16	505.77
Profit Before Tax	425.34	182.46	425.55	182.66
Less: Tax Expenses	18.82	42.33	18.82	42.33
Profit After Tax	444.15	224.79	444.36	224.99

STATE OF AFFAIRS/COMPANY'S PERFORMANCE

Revenues: The total income of the Company for the FY 2019-20 comprises operating revenues of Rs 5540.54 Lakhs as against Rs. 5584.56 Lakhs in FY 2018-19

Profits:

Profit before Tax (PBT) stood at Rs.425.55 Lakhs as against Rs. 182.66 Lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 444.36 Lakhs as against Rs. 224.99 Lakhs for the previous year.

OUTLOOK

FY20 witnessed a moderate growth in revenues led by our CRO and pre-clinical business which also contributed to the significant margin expansion over FY19. We expect the growth momentum across our business segments to continue in FY21. We expect to sustain the healthy core EBITDA margins witnessed in FY20. 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. 444.36 Lakhs to Reserves and Surplus.

DIVIDEND

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

CHANGE IN THE NATURE OF BUSINESS

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

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is enclosed as **Annexure-1**.

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

MEETINGS OF THE BOARD AND COMMITTEES

During the year under review Six (6) Meetings of the Board of Directors were convened and held. For further details on the meetings of board, committees, composition and the attendance of directors/members, please refer report on Corporate Governance of this Annual Report.

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, 2020, 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, 2020 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, 2020.

BUSINESS RESPONSIBILITY REPORT

Pursuant to the Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report is not applicable.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors in its meeting held on 17th May, 2019 had on the basis of recommendations of Nomination and Remuneration Committee appointed Mr. K.T.V. Kaladhar (DIN: 08450361) as an Additional Director under the Executive Director Category w.e.f. 17th May, 2019 for a period of 3 years subject to the approval of the Shareholders in the ensuing Annual General Meeting.

Mr. K.T.V. Kaladhar (DIN: 08450361) was regularized as Director of the Company in the 32nd AGM held on 28th September, 2019.

Mr. K.T.V. Kaladhar (DIN: 08450361) was appointed as Executive Director of the Company in the 32nd AGM for a period of 3 years from 17th May, 2019 to 16th May, 2022.

Mr. Sunder Kanaparthi (DIN: 00914869) was re-appointed as an Independent Director of the Company in the 32nd AGM w.e.f 30th September, 2019.

Mr. Hariharan Ravindran (DIN: 06883959) was re-appointed as an Independent Director of the Company in the 32nd AGM w.e.f 30th September, 2019.

Mr.Ch. Varun Kumar, Company Secretary resigned w.e.f 18th May, 2019.

The Board of Directors in its meeting held on 28th August, 2019 had on the basis of recommendations of Nomination and Remuneration Committee appointed Mr. A.Karthik (M.No.A44462) as Company Secretary & Compliance Officer of the Company w.e.f 28th August, 2019.

The Board of Directors in its meeting held on 30th June, 2020 had on the basis of recommendations of Nomination and Remuneration Committee appointed Ms. Kunda Kalpana (DIN: 07328517) as an Additional Director in the Category of Independent Director with effect from 30th June, 2020, for a period of 5 years subject to the approval of shareholders in the ensuing Annual General Meeting.

Ms. Kunda Kalpana meets the criteria of independence under Section 149 of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Further, in accordance with the circular dated 20th June, 2018, issued by the Stock Exchanges, she is not debarred from holding office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority.

Ms. M. Vijaya Lakshmi (DIN: 07803294) was resigned as an Independent Director of the Company w.e.f 1st July, 2020, due to health issues.

The Directors place on record and appreciation of Ms. M. Vijaya Lakshmi for her valuable guidance and assistance received during the tenure as a Director and Member of various committees of the Board of Directors of the Company. The Director further confirmed that there are no other reasons other than those mentioned above.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Dr. Sankaranarayanan Alangudi, (DIN: 02703392) Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee recommends his re-appointment for the consideration of the Members of the Company by way of

Special Resolution at the forthcoming Annual General Meeting. As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if a Director above the age of 75 years is to be appointed requires approval of Members by way of Special Resolution. Brief profile of Dr. Sankaranarayanan Alangudi has been given in the Notice convening the Annual General Meeting.

SUBSIDIARIES INFORMATION

The company has the following four wholly owned subsidiaries as on 31st March, 2020

1. Vivobio Labs Private Ltd
2. Vivobio discovery services Private Ltd
3. Surlogic Life Consultancy Private Ltd
4. Vivobio Consulting Services Private Ltd (Formerly Donakanti Consulting Services 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.

As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/ Associate Companies/ Joint Ventures in Form AOC-1 is enclosed as **Annexure-2**.

PERFORMANCE AND CONTRIBUTION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As per Rule 8 of Company's (Accounts) Rules, 2014 a Report on the financial performance of subsidiaries, associates and joint venture companies along with their contribution to the overall performance of the Company during the Financial Year ended 31st March, 2020 is enclosed as **Annexure-3**.

LISTING AT STOCK EXCHANGES

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

SHARE CAPITAL

The Paid-up Share Capital of the Company as on 31st March, 2020 is Rs. 12,88,75,200 divided into 1,28,87,520 Equity Shares of Rs. 10 each fully paid up.

CHANGES IN CAPITAL STRUCTURE

During the financial year under review, there was allotment of 5,37,000 equity shares made by the Company. 1,37,00 equity shares were allotted on exercise of the options vested under the Employee Stock Option Scheme and 4,00,000 equity shares were allotted for the conversion of 4,00,00 share warrants of the strategic investors under the Chapter VII of the SEBI (ICDR) Regulations, 2018 and admitted for trading on BSE.

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Number of Shares	Rs.	Number of Shares	Rs.
Equity Shares				
Share capital	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
(a) Authorised Equity Shares of Rs.10/-each				
b) issued Subscribed and fully paid up: Equity Shares of Rs. 10/-each	1,28,87,520	12,88,75,200	1,23,50,520	12,35,05,200
	1,28,87,520	12,88,75,200	1,23,50,520	12,35,05,200

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

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Number of Shares	Rs.	Number of Shares	Rs.
Equity Shares				
Shares outstanding at the beginning of the year	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200
Add: issued and allotted during the year				
i. Allotment of shares pursuant to ESOP Scheme	1,37,000	13,70,000	1,00,000	10,00,000
iii. Allotment of shares under preferential issue guidelines	4,00,000	40,00,000	24,00,000	2,40,00,000
Less; Shares bought Back during the year	-	-	-	-
Shares outstanding at the end of the year	1,28,87,520	12,88,75,200	1,23,50,520	12,35,05,200

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 in the following link:

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

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

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

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 1st April, 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 16 (1) (b) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

REGISTRATION OF INDEPENDENT DIRECTORS IN INDEPENDENT DIRECTORS DATABANK

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

KEY MANAGERIAL PERSONNEL

Mr. M. Kalyan Ram Whole Time Director, Mr. K.T.V. Kaladhar, CFO & Whole Time Director and Mr. Karthik Allenkala, Company Secretary are the Key Managerial Personnel (KMP) of the company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

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

TRANSFER OF UNCLAIMED DIVIDEND AND CORRESPONDING EQUITY SHARES

Pursuant to the provisions of Companies Act, 2013, there is 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 –NOT APPLICABLE.
- c. number of complaints pending as on end of the financial year - NOT APPLICABLE.

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 is enclosed as **Annexure-4**

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 10th February, 2020 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.

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

CORPORATE GOVERNANCE REPORT

A separate report on Corporate Governance is enclosed as **Annexure-5** as a part of the Annual Report along with the certificate from the Practicing Chartered Accountant on its compliance.

CEO AND CFO CERTIFICATION

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

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 sated in Section 141 of Companies Act, 2013.

INTERNAL AUDITOR

The Board of Directors, based on the recommendations of the Audit Committee has appointed M/s. M/s. LVS Prasad Rao & Associates, Chartered Accountants, Rep by CA. K.L.V.S Prasad Rao, Chartered Accountant, Hyderabad, as the Internal Auditors of the Company.

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, the Board of Directors have appointed Mr. V. Chandra Sekhar Patnaik, Practising Company Secretary, as secretarial Auditor to undertake the Secretarial Audit of your Company for the financial year ended 31st March, 2020. The Report of the Secretarial Audit is annexed as **Annexure -6**.

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-7** 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-8** 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-9** ‘’ and forms an integral part of this annual report. No employee was in receipt of remuneration more than the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The above Annexure-9 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.

FIXED DEPOSITS

During the year under review 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.

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.

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.

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-10**.

RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Promoter Group, Directors, Senior Management Personnel or their relatives, which could have had a potential conflict with the interests of your Company. Please see the details of the same in form AOC-2 which is enclosed as **Annexure-11**.

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.

ENVIRONMENT, HEALTH AND SAFETY

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

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

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. There were no material changes commitments affecting the financial position of your Company between the end of financial year (31st March, 2020) and the date of the report (28th August,2020).

CAUTIONARY STATEMENT

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

ACKNOWLEDGMENTS

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

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
Place: Hyderabad

Annexure -1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

[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/Non-Govt Company
V	Address of the Registered Office & contact details	8-2-672/5&6, 3 rd Floor, Road No.1 Banjara Hills, Hyderabad-500034, Telangana. Phone# 040-23313288 E-mail: Investors@vivobio.com
vi)	Whether listed company	Yes
vii)	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

S.No	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, Telangana. 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, Telangana. CIN: 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, Telangana. CIN: U74999TG2010PTC068943	Subsidiary	100%	Sec.2(87)(ii)
4	Vivobio Consulting Services Private Limited (Formerly Donakanti Consulting Services Private Limited) Address: 8-2-672/5&6, 3 rd Floor, Road No. 1 Banjara Hills, Hyderabad-500034, Telangana. CIN: U74999TG2018PTC125356	Subsidiary	100%	Sec.2(87)(ii)

IV) SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1 st April, 2019				No. of Shares held at the end of the year 31 st March, 2020				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	459500	-	459500	3.72	459500	-	459500	3.57	-0.15
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	4012000	-	4012000	32.48	4012000	-	4012000	31.13	-1.35
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (Relatives)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	4471500	-	4471500	36.20	4471500	-	4471500	34.7	-1.5
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)	4471500	-	4471500	36.20	4471500	-	4471500	34.7	-1.5
=									

(A)(1)+(A)(2)									
B. Public Shareholding									
(1) Institutions									
-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/ FI/ NBFC	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Alternative Investment Funds	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
k) Insurance Companies	-	-	-	-	-	-	-	-	-
l) Others	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	476190	253427	729617	5.91	506455	243197	749652	5.82	-0.09
ii) Individual shareholders holding nominal share capital in	412710	135000	547710	4.43	776083	89000	865083	6.71	2.28

excess of Rs 1 lakh									
b) NBFCs Registered with RBI	-	-	-	-	-	-	-	-	-
c) Employees Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
e-i) Non-Resident Indian (NRI)	165245	-	165245	1.34	371644	-	371644	2.89	1.55
e-ii) Corporate Bodies – Indian	3552109	537960	4090069	33.12	3555007	537960	4092967	31.76	-1.36
e-iii) Corporate Bodies – Foreign Bodies	-	-	-	-	-	-	-	-	-
e-iv) Clearing Member	11379	-	11379	0.09	1674	-	1674	0.01	-0.08
(e-v) Corporate Bodies - OCB Non Repatriable	-	-	-	-	-	-	-	-	-
(e-vi) Corporate Bodies - OCB Repatriable	1035000	1300000	2335000	18.91	1035000	1300000	2335000	18.12	-0.79
(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	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	5652633	2226 387	7879020	63.80	6245863	2170 157	8416020	65.30	1.5
Total Public Shareholding (B)=(B)(1)+(B) (2)	5652633	2226 387	7879020	63.80	6245863	2170 157	8416020	65.30	1.5
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C) ***	1066209 3	1688 427	12350520	100.0 0	10717363	2170 157	12887520	100.0 0	-

ii) Shareholding of promoters

S. 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	% Total Share Capital of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% Total Share Capital of the Company	% of Shares pledged/encumbered to total shares	
1	Viswanath Kompella	150100	1.22	0	150100	1.16	0	(0.06)
2	Kompella Madhavi Latha	250000	2.02	0	250000	1.94	0	(0.08)
3	Toomuluru Sitamma	59400	0.48	0	59400	0.46	0	(0.02)
4	Vira Systems Private Limited (Formerly Cryptologic Systems Private Limited)	1345000	10.89	0	1345000	10.44	0	(0.45)
5	Maxcell Phones Communications India Private Limited	800000	6.48	0	800000	6.21	0	(0.27)
6	Iron Age India Ltd	600000	4.86	0	600000	4.66	0	(0.2)
7	Iragavarapu Constructions Private Limited	600000	4.86	0	600000	4.66	0	(0.2)
8	P.K.I Solutions Private Ltd	600000	4.86	0	600000	4.66	0	(0.2)
9	Shri Shri Resorts Pvt Ltd	67000	0.54	0	67000	0.52	0	(0.02)
TOTAL		4471500	36.20	0	4471500	34.70	0	(1.5)

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

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the Year	4471500	36.20	-	-
	Date wise increase / decrease in Promoters Shareholding during the year			4471500	34.70*
	At the end of the Year	4471500	34.70		

*During the year, the company has allotted 4, 00,000 Equity Shares on conversion of 4,00,000 warrants issued on preferential basis and 1,37,000 Equity Shares through exercise of employee stock options. This increased the number of outstanding equity shares and thereby reduced the percentages of promoters' shareholding by 1.5%.

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

S.No	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2019)		Increase/Decrease in Shareholding			Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of total shares of the Company
1	Elite Class Asset Holdings Ltd	1300000	10.53	-	-	-	1300000	10.09
	At the End of Year						1300000	10.09
2	Mallemkonda Realities Private Ltd	1100000	8.91	-	-	-	1100000	8.54
	At the End of Year						1100000	8.54
3	Northern Union Limited	1035000	8.38	-	-	-	1035000	8.03
	At the End of Year						1035000	8.03
4	Every Wear	916693	7.42	-	-	-	916693	7.11

	Import and Export Pvt Ltd							
	At the End of Year						916693	7.11
5	Magadha Infracon Private Limited	900000	7.29	-	-	-	900000	6.98
	At the End of Year						900000	6.98
6	More Agrisupplies and Services Private Limited	900000	7.29	-	-	-	900000	6.98
	At the End of Year						900000	6.98
7	Anil Kumar Pinapala	260000	2.11	-	-	-	260000	2.02
	At the End of Year						260000	2.02
8	K. Kalyan Kumar	100000	0.81	23/10/2019	50000	ESOP	150000	1.16
	At the End of Year						150000	1.16
9	Vishal Ranjan*	0	0	04/06/2019	200000	Conversion of Warrants	200000	1.55
	At the End of Year						200000	1.55
10	Satyajeet Prasad*	0	0	04/06/2019	200000	Conversion of Warrants	200000	1.55
	At the End of Year						200000	1.55
11	Aarthi Comptec Limited#	100050	0.81	-	-	-	100050	0.78
	At the End of Year						100050	0.78
12	AMN Hotels Private Ltd#	100000	0.81	-	-	-	100000	0.78
	At the End of Year						100000	0.78

*Not in the list of top 10 shareholders as on 1st April 2019 but was one of the top 10 shareholders as on 31st March 2020.

Ceased to be in the list of top 10 shareholders as on 31st March 2020 but was one of the top 10 shareholders as on 1st April 2019.

v) Shareholding of Directors and Key Managerial Personnel:

S.No	Name	Date	Shareholding at the beginning of the year		Increase-(Decrease) in Shareholding, if any	Reason	Cumulative Shareholding During the Year	
			No. of Shares	% of Total Shares of the Company			No. of Shares	% of Total Shares of the Company
A	Directors							
1	Mr. M. Kalyan Ram Whole Time Director & Chairperson	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
2	Dr.A.Sankaranarayanan Non- Executive Director	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
3	Ms. M. Vijaya Lakshmi Independent Director	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
4	Mr. Hariharan Ravindran Independent Director	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
5	Mr. Sunder Kanaparth Independent Director	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
6	Mr. K.T.V. Kaladhar Whole Time Director & CFO	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
B	Key Managerial Personnel (KMP)							
7	Mr. Ch. Varun Kumar* Company Secretary	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-
8	Mr. A.Karthik# Company Secretary	01-04-2019	-	-	-	-	-	-
		31-03-2020	-	-	-	-	-	-

*Resigned with effect from 18th May, 2019. # Appointed with effect from 28th August, 2019.

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17,79,90,199	3,87,26,806	0	21,67,17,005
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	17,79,90,199	3,87,26,806	0	21,67,17,005
Change in Indebtedness during the financial year				
* Addition	4,96,16,106	2,02,00,000	0	6,98,16,106
* Reduction	(2,62,47,923)	(3,94,33,056)	0	(6,56,80,979)
Net Change	2,33,68,182	(1,92,33,056)	0	41,35,126
Indebtedness at the end of the financial year				
i) Principal Amount	20,13,58,381	1,94,93,750	0	22,08,52,131
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	20,13,58,381	1,94,93,750	0	22,08,52,131

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Name of MD/ WTD/Manager		Total Amount
		M. Kalyan Ram	K.T.V. Kaladhar	
	Name of the Director	Whole Time Director	Whole Time Director & CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,61,204	6,81,204	15,42,408
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil		Nil
2	Stock Option*	Nil		-
3	Sweat Equity	Nil		Nil
4	Commission	Nil		Nil
5	Others, please specify	Nil		Nil
	Total (A)	8,61,204	6,81,204	15,42,408
Ceiling as per the Act		Rs.45.11 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.)

S. No	Particulars of Remuneration	Name of Directors			Total Amount (Rs)
1	Independent Directors	Sunder Kanaparth	Hariharan Ravindran	M. Vijaya Lakshmi	
	Fee for attending board and committee meetings	1,40,000	90,000	1,40,000	3,70,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1,40,000	90,000	1,40,000	3,70,000
2	Other Non-Executive Directors	Dr. A. Sankaranarayanan			
	Fee for attending board and committee meetings	40,000	-	-	40,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	40,000	-	-	40,000
	Total (B)=(1+2)	1,80,000	90,000	1,40,000	4,10,000
	Total Managerial Remuneration	1,80,000	90,000	1,40,000	4,10,000
	Overall Ceiling as per the Act	Rs.45.11 Lakhs(being the 11 % of Net Profit of the Company calculated as per Section 198 of Companies Act, 2013)			

C. Remuneration paid to Key Managerial Personnel other than MD/ Manager/WTD

(Amount In Rs.)

S.No	Particulars of Remuneration	Key Managerial Personnel		
		Ch. Varun Kumar*	A.Karthik#	Total Amount
		Company Secretary	Company Secretary	(In Rs.)
1	Gross Salary	1,28,904	4,06,258	5,35,162
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Ta Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	1,28,904	4,06,258	5,35,162

*Mr.Ch. Varun Kumar resigned from the office of the Company Secretary with effect from 18th May, 2019.

#Mr. A.Karthik was appointed as Company Secretary on 28th August, 2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (Give Details)
COMPANY/DIRECTORS/OTHER OFFICERS IN DEFAULT					
Penalty	NOT APPLICABLE				
Punishment					
Compounding					

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
 Place: Hyderabad

Annexure-2
Form No. AOC - I
STATEMENT SHOWING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF
SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

PART – A: SUBSIDIARIES

Sl.No	Name of the Subsidiary	Vivo Bio Labs Pvt Ltd	Vivo Bio Discovery Services Pvt Ltd	Surlogic Life Consultancy Pvt Ltd	Vivobio Consulting Services Pvt Ltd (Formerly Donakanti Consulting Services Pvt Ltd)
1.	Share Capital	1,00,000	1,00,000	1,00,000	1,00,000
2.	Reserves & Surplus	(46,454)	(46,454)	(29,725)	(6,089)
3.	Total Assets	14.43.146	1,65,346	8,34,475	3,17,33,859
4.	Total Liabilities	13,89,600	1,11,800	7,64,200	3,16,39,948
5.	Investments	-	-	-	-
6.	Turnover	-	-	-	-
7.	Profit before taxation	(5,900)	(5,900)	(5,918)	(3,021)
8.	Provision for taxation	-	-	-	-
9.	Profit after taxation	(5,900)	(5,900)	(5,918)	(3,021)
10.	Proposed Dividend	-	-	-	-
11.	% of shareholding	100%	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: ASSOCIATES AND JOINT VENTURES

There are no Associates and joint ventures to report.

As per our report of even date.
For P C N & 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
Whole Time Director & CFO
DIN: 08450361

M. Naveen
Partner
M. No. 237316
Place: Hyderabad
Date: 28th August, 2020

A. Karthik
Company Secretary
M. No. A44462

Annexure -3
(Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

Report on the performance and financial position of each of the Subsidiaries, Associates and Joint Ventures Companies of the Company

Part-A-Subsidiaries																		Rs.																	
S. No.	Name of the Subsidiary	The date since when subsidiary was	Reporting period for the subsidiary concerned, if	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Refer Note 4	Turnover	Profit/ (Loss) before Taxation	Tax Expense/(Benefit)	Profit/ (Loss) after Taxation	Other Comprehensive Income	Total Comprehensive Income	Promised Dividend	% of shareholding	Contribution to the overall performance of the Company																	
1	Vivo Bio Labs Pvt Ltd	23-10-2009	N.A.	INR	1,000,00	(46,454)	14,43,146	13,89,600	0	0	(5,900)	0	(5,900)	0	(5,900)	-	100%	(0.01%)																	
2	Vivo Bio Discovery Services Pvt Ltd	23-10-2009	N.A.	INR	1,000,00	(46,454)	1,65,346	1,11,800	0	0	(5,900)	0	(5,900)	0	(5,900)	-	100%	(0.01%)																	
3	Surlogic Life Consultancy Pvt Ltd	12-02-2016	N.A.	INR	1,000,00	(29,725)	8,34,475	7,64,200	0	0	(5,918)	0	(5,918)	0	(5,918)	-	100%	(0.01%)																	
4	Vivobio Consulting Services Pvt Ltd	17-04-2019	N.A.	INR	1,000,00	(6,089)	3,17,33,859	3,16,39,948	0	0	(3,021)	0	(3,021)	0	(3,021)	-	100%	(0.007%)																	

Notes:

1. Names of subsidiaries which have been liquidated or sold during the year:

S. No.	Name of the Company	Address
NIL		

PART – B: ASSOCIATES AND JOINT VENTURES
There are no Associates and joint ventures to report.

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
Whole Time Director & CFO
DIN: 08450361

Place: Hyderabad
Date: 28th August, 2020

Annexure- 4

MANAGEMENT DISCUSSION AND ANALYSIS

Company's Overview

Vivo Bio Tech is a BSE listed Hyderabad based preclinical CRO. The company is the pioneer and largest supplier of SPF lab animals in India and authorized breeder and distributor of Taconic Biosciences' (USA) rodent models; Cyagen Biosciences (USA) custom rodent models and stem cell products; and authorized distributor of Special Diets Services (UK) lab animal diets in India. Company has also started (First in the country) commercial distribution of SPF guinea pigs with breeders sourced from Elm Hill Labs (USA). All preclinical studies conducted by Vivo Bio Tech use highest quality SPF bred in-house lab animals. The Company also offers full range of Preclinical Toxicology services in strict compliance with guidelines prescribed by international agencies. In addition, the company also offers other services which include, but not limited to – Pharmacology, Microbiology, Physical-Chemical and Bioanalytical.

The company's state-of-the-art India's largest standalone 125,000 Sq. ft. Preclinical Research Facility along with additional Satellite facilities located at Pregnapur Village, Gajwel Mandal, Siddipet District, Telangana are OECD GLP certified, AAALAC International accredited, CIBRC (Central Insecticide Board and Registration Committee) registered, ISO 9001:2015 certified and DCA (Drug Control Administration) approved.

Market Size and Growth

According Grand Research View, The global preclinical CRO market size was estimated at USD 4.1 billion in 2019 and is anticipated to expand at a CAGR of 8.3% over the forecast period. R&D budget for drug development has increased in recent years, leading to a rising demand for preclinical CRO (Contract Research Organization) services, thus boosting the market growth during the forecast period.

Increasing spending on CRO services is expected to boost market growth significantly during the forecast period. As per survey carried out by Servier Research Institute in 2017, around 50% of failure in preclinical phase is due to toxicology testing, which is expected to propel the demand for preclinical CRO services in the coming years. Apart from this, recent regulatory changes in Europe relating to preclinical CRO services are also anticipated to increase the demand for toxicology testing, thus contributing to the regional market growth.

The rise in the competency of these CROs is also contributing to the growing demand for preclinical services by life science companies, as these clients are adopting strategic partnerships business models and outsourcing preclinical services to CROs. The pressure to contain R&D costs and decrease the overall cost of drug discovery and development is further contributing to the adoption of outsourcing model.

Over the years, there has been a significant change in the process of drug approval by the Food and Drug Administration (FDA). Recently, 21st Century Cures bill was passed in the U.S., which fastened the approval process for launch of breakthrough drugs and medical devices. These changes in approval processes are expected to drive innovation and are also anticipated to increase demand for preclinical services, thereby contributing to the market growth.

Based on service, the preclinical CRO market is categorized into bioanalysis and DMPK studies, toxicology testing, and others. Toxicology testing holds the largest share in the global market since it is an important part of Investigational New Drug (IND)-enabling studies. Due to rise in outsourcing of noncore preclinical CRO studies, the market is expected to grow considerably during the forecast period.

The bioanalysis and DMPK studies segment held the largest market share of 22.8% in 2019 and is expected to dominate the market over the forecast period. The segment is expected to witness lucrative growth due to a rise in demand for pharmacokinetic services to support toxicology tests for IND-enabling studies.

North America dominated the market in 2019 and is expected to remain dominant throughout the forecast period owing to increasing R&D in and increasing adoption of new technology in medical devices. Increased availability of skilled human resources and low cost of devices are also the factors anticipated to drive the market growth over the forecast period. Demand for preclinical CRO services is rising owing to increasing prevalence of chronic diseases, thus fuelling the regional market growth. Asia Pacific is expected to show lucrative growth over the forecast period due to cost-efficiency of preclinical CROs in countries such as India and China.

Impact of COVID-19 Lockdown

As the major part of our business involves Care and Use of Lab Animals and services to Vaccines and Pharmaceutical companies; the business of Vivo Bio Tech was declared as 'Emergency services' in accordance with the State and Central Authorities. During this time, we have operated initially at 50% capacity during initial days of lockdown and subsequently with relaxations in place increased the operational capacity. As on August 1, 2020, we were operating at full capacity.

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.

Outlook

FY20 witnessed a moderate growth in revenues led by our CRO and pre-clinical business which also contributed to the significant margin expansion over FY19. We expect the growth momentum across our business segments to continue in FY21. We expect to sustain the healthy core EBITDA margins witnessed in FY20. We will continue ramping up our investments in portfolio expansion to secure our future growth.

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.

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 periodical basis.

Financial performance & operational performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS). 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' state of affairs.

Revenues: The total income of the Company for the FY 2019-20 comprises operating revenues of Rs. 5535.22 Lakhs as against Rs. 5583.35 Lakhs in FY 2018- 19.

Material Developments in Human Resources

Vivo Bio Tech 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 as on 31st March, 2020 was 175.

Details of Significant Changes in Key Financial Ratios, along With Detailed Explanation thereof.

S.No	Key Financial Ratios	F.Y 2019-20	F.Y 2018-19	Variance
1	Debtors Turnover	5.86 Times	5.53 Times	0.33 Times
2	Inventory Turnover	0.91	1.49	(0.58)
3	Interest Coverage Ratio	2.37	1.69	0.68
4	Current Ratio	1.36	1.34	0.03
5	Debt Equity Ratio	0.86	1.02	(0.17)
6	Operating Profit Margin	0.13	0.08	0.05
7	Net Profit Margin	0.08	0.04	0.04
8	Return on Net Worth	0.13	0.08	0.05

Profits: Profit before Tax (PBT) stood at Rs.425.55 Lakhs as against Rs 182.66 Lakhs for the previous year. Profit after Tax (PAT) stood at Rs.444.36 Lakhs as against Rs. 224.99 Lakhs for the previous year.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations 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 a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and incidental factors.

On behalf of the Board of Directors
For Vivo Bio Tech Limited

Date: 28th August, 2020

Place: Hyderabad

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

Annexure-5
Report on Corporate Governance

Report Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:

1. 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.

2. Board of Directors:

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As at 31st March, 2020 the Board of Directors ("Board") comprised of Six Directors, of which two are Executive Directors, one Non- Executive Non Independent Director and three Independent Directors.

a) Composition and Category of Directors:

The Company endeavors to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. The Company has an Executive Chairperson cum whole time director, and one 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.

Sl. No	Name of the Director	Designation	Category
1	Mr. M. Kalyan Ram	Chairperson cum Whole Time Director	Executive Director
2	Mr. K.T.V. Kaladhar*	Whole Time Director & CFO	Executive Director
3	Dr. A. Sankaranarayanan	Director	Non-Executive Director
4	Mr. Sunder Kanaparthi	Director	Independent Director
5	Mr. Hariharan Ravindran	Director	Independent Director
6	Ms. M. Vijaya Lakshmi	Director	Independent Director

* Mr. K.T.V. Kaladhar has been appointed as Whole Time Director w.e.f 17th May, 2019.

b) Attendance of each Director at the meeting of the Board of Directors and the Last Annual General Meeting;

The particulars of Attendance of each Director at the Board Meetings and the last AGM for the financial year ended 31st March, 2020 has been set out here below:

S.No	Name of the Director	No. of Board Meetings		Attendance at last AGM (YES/NO/NA)
		Held	Attended	
1	Mr. M. Kalyan Ram	6	6	Yes
2	Mr. K.T.V. Kaladhar*	4	4	Yes
3	Dr. A. Sankaranarayanan	6	4	Yes
4	Mr. Sunder Kanaparthu	6	6	No
5	Mr. Hariharan Ravindran	6	6	Yes
6	Ms. M. Vijaya Lakshmi	6	6	No

*Appointed with effect from 17th May, 2019.

c) Number of Other Directorships, Committee Membership(s) & Chairmanship(s):

Sl. No	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Mr. M. Kalyan Ram	7	2	0
2	Mr. K.T.V. Kaladhar	1	0	0
3	Dr. A. Sankaranarayanan	3	0	0
4	Mr. Sunder Kanaparthu	4	2	2
5	Mr. Hariharan Ravindran	1	0	0
6	Ms. M. Vijaya Lakshmi	4	2	0

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

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

The Directors of Vivo Bio Tech Limited do not hold Directorships in any other listed entities as on 31st March, 2020.

d) Number of Board Meetings held and the date on which held:

Six Board Meetings were held during the Financial Year 2019-20 and the gap between two Meetings did not exceed 120 days.

The dates on which the said meetings were held are 17th April, 2019, 17th May, 2019, 12th August, 2019, 28th August, 2019, 13th November, 2019 and 10th February, 2020.

The necessary quorum was present for all meetings.

e) Disclosure of relationship between directors inter-se

None of the Directors are related to any other Director on the Board.

f) Shares held by Non-Executive Directors

The number of equity shares of the Company held by Non-Executive Directors as on 31st March, 2020 is as follows:

Sl. No	Name of the Director	No of Equity Shares
1	Dr. A. Sankaranarayanan	Nil
2	Mr. Sunder Kanaparthi	Nil
3	Mr. Hariharan Ravindran	Nil
4	Ms. M. Vijaya Lakshmi	Nil

g) The details of familiarization programs imparted to independent directors:

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

Newly inducted directors spend approximately a week at the time of their induction and interact with the Chairman, Whole Time 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 held during the year under review, the Independent Directors met on 10th February, 2020, 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 familiarization programmes imparted to independent directors is available on the website <http://www.vivobio.com>.

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

1) 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.

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

Sl. No	Name of the Director	Category	Specialization
1	Mr. M. Kalyan Ram	Executive Director cum Chairperson	He has more than 18 years of experience in Accounting, Finance & administration. He holds a post graduate degree in Commerce and post graduate in Business Administration.
2	Mr. K.T.V. Kaladhar	Executive Director & CFO	He has more than 20 years of experience in Finance, Accounting, Audit & Taxations Fields across multiple industries.
3	Dr. A. Sankaranarayanan	Non-Executive Director	He is a discovery biologist with more than 35 years of experience in Pharmaceutical R&D. He has a proven track record in establishing drug discovery and development facilities, and implementation of GxP standards/accreditation for various biotech/pharma facilities.
4	Mr. Sunder Kanaparthi	Independent Director	He has around 25 years of experience in corporate law practice and advisor to various corporate and government companies.
5	Mr. Hariharan Ravindran	Independent Director	He has more than 15 years' experience in the field of accounting, finance and Taxation.
6	Ms. M. Vijaya Lakshmi	Independent Director	She has 10 years' experience across multiple industries in the areas of Accounting, Financial analysis and Taxation.

- i) The Board also confirms that the independent directors fulfill the conditions specified in these regulations and are independent of the management.

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

j) Resignation of Independent directors during the year

During the year No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended 31st March, 2020.

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 (LODR) Regulations, 2015.

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

As on 31st March, 2020, the Audit Committee of the Board comprises of three directors out of which two are Non-Executive Directors being Independent Directors and one Whole Time Director. The Chairperson of the Audit Committee is an Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

During the year under review 6 (Six) meetings were held on 17th April, 2019, 17th May, 2019, 12th August, 2019, 28th August, 2019, 13th November, 2019 and 10th February, 2020.

Name of the Director	Designation	Nature of Directorship	Committee Meetings attended
Mr. Sunder Kanaparthi	Chairman	Independent Non-Executive Director	6
Mr. M. Kalyan Ram	Member	Executive Director	6
Ms. M. Vijaya Lakshmi	Member	Independent Non-Executive Director	6

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.

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 comprises of three (3) Non-Executive Directors being Independent Directors.

During the year under review 5 (Five) meetings were held on 17th May, 2019, 28th August, 2019, 23rd October, 2019, 13th November, 2019 and 10th February, 2020.

Name of Director	Designation	Nature of Directorship	Committee Meetings attended
Mr. Sunder Kanaparthi	Chairman	Independent Non-Executive	5
Mr. Hariharan Ravindran	Member	Independent Non-Executive	5
Ms. M. Vijaya Lakshmi	Member	Independent Non-Executive	5

Remuneration policy:

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

This Policy is accordingly derived from the said Charter.

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

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.

Performance evaluation was done by the respective bodies on 10th February, 2020.

INDEPENDENT DIRECTORS' MEETING:

In accordance with the provisions of schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI Listing Regulations, 2015, one meeting of the Independent Directors of the Company was held in the financial year on 10th February, 2020, without the attendance of Non-Independent Directors and members of the management.

5. 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
K.T.V. Kaladhar	6,81,204	-	-	-	-	6,81,204
TOTAL						15,42,408

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.

Mr. K.T.V. Kaladhar was appointed as Whole Time director w.e.f 17th May, 2019 for a period of 3 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 Rs.10,000 is being paid to Non-Executive Directors for attending each meeting of the Board of Directors and Rs.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,2020
1	Mr. Sunder Kanaparth	1,40,000	Nil
2	Ms. M. Vijaya Lakshmi	1,40,000	Nil
3	Mr. Hariharan Ravindran	90,000	Nil
4	Dr. A. Sankaranarayanan	40,000	Nil

6. Stakeholders Relationship Committee:

1. The Board constituted a stakeholders Relationship committee which looks into shareholders and investors grievances under the Chairmanship of Sunder Kanaparth 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.
2. 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
3. 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.

a) Composition of the Committee:

During the year under review 4 (Four) meetings were held on 17th May, 2019, 28th August, 2019, 13th November, 2019 and 10th February, 2020.

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

b) Name & Designation of the Compliance officer:

Mr. A.Karthik
Company Secretary,
8-2-672 / 5 & 6, 3rd Floor,
Illyas Mohammed Khan Estate,
Road No. 1, Banjara Hills
Email: investors@vivobio.com , www.vivobio.com

c) Number of Shareholders complaints received so far.

During the financial year ended 31st March, 2020, the Company received and resolved 1 complaint from the shareholders.

d) Number of complaints not resolved to the satisfaction of shareholders is NIL.

e) There were no pending complaints as at the year end.

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. Aarthi Consultants Pvt. Ltd.

7) General body meetings:

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

Financial Year	Date & Time	Venue	No. of Special Resolutions
2018-19	28/09/2019 1.30 P.M	8-2-672/5&6, 3 rd Floor, Road No. 1 Banjara Hills, Hyderabad-34	2
2017-18	28/09/2018 01.00 P.M	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

b) Special resolutions passed in the previous three Annual General Meetings

AGM	Special Resolution
2018-19	*Re-Appointment of Mr. Sunder Kanaparthi (DIN: 00914869) as an Independent Director.
	*Re-Appointment of Mr. Hariharan Ravindran (DIN: 06883959), as an Independent Director
2017-18	*To ratify issue of 33,00,000 Convertible Warrants on Preferential Basis.
	*Adoption of new Articles of Association of the Company.
	*Alteration of Memorandum of Association of the Company.
	*Investment(S), Loans, Guarantees And Security In Excess Of Limits Specified Under Section 186 Of Companies Act, 2013.
2016-17	*Issue of 45,00,000 Convertible Warrants on Preferential Basis.

c) Extraordinary General Meeting:

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

d) Special resolution passed last year through postal ballot – details of voting pattern and person who conducted the postal ballot exercise

During the financial year under review, no resolution was passed through Postal Ballot. Therefore providing details of person who conducted the Postal Ballot exercise does not arise. Also, no special resolution is being proposed through Postal Ballot as on the date of notice calling the Annual General Meeting. The members of the Company will be intimated appropriately as and when the Postal Ballot need arises.

The procedure for postal Ballot is / shall be as per the provisions mentioned in the Companies Act, 2013 and rules made there under.

e) Procedure for postal ballot

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

8) Means of Communication

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

a) Financials are furnished to BSE within the time specified under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and simultaneously, they are also displayed on the Company's website http://www.vivobio.com/quarterly_result.php

b) All the communication, may it be results or notices etc, by way of News Papers is published in Financial Express (English) and Nava Telangana (Telugu) dailies.

c) Event based news releases are posted on our website http://www.vivobio.com/financial_information.php and also furnished to the Stock Exchange.

d) No presentations were made to institutional investors or to the analysts during the financial year under review.

e) The company promptly informs Stock Exchange about all the price sensitive information and all such other matters which in our opinion are material and relevant for the shareholders.

The Company's website: www.vivobio.com contains separate section for investors where shareholders information is made available.

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, Boards Report, Auditors' Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto.

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:

a) Annual General meeting

The 33rd Annual General Meeting of the Company will be held through Video Conferencing at 3.30 pm on Monday, the 28th day of September, 2020.

b) Financial Year: (2019-20)

The Financial year under review is 2019-2020 [01st April, 2019 to 31st March, 2020].

c) Dividend payment date; Not Applicable

d) Listing on Stock Exchange

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

BSE Limited (BSE).
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

The Annual Listing fee for the financial year 2020-21 on equity share capital has been paid to BSE.

The Company has paid custodial fees for the year 2020-21 to National Securities Depository Limited [NSDL] and Central Depository Services (India)Limited [CDSL] on the basis of number of beneficial accounts maintained by them as on 31st March, 2020.

e) Stock Code & ISIN

BSE Scrip Code: 511509
Security Id: VIVOBLOT
Series: EQ

International Securities Identification Number (ISIN): ISIN is a unique identification number of traded scrip. The Company's' ISIN for equity shares is INE380K01017

f) Market Price Data :

The Monthly high and low prices of your company's share at BSE for the year ended 31st March, 2020 are as under:

Month	Highest (Rs.)	Lowest (Rs.)	Volume of Shares traded
April, 2019	58.90	48.20	16,574
May, 2019	51.70	32.10	48,160
June, 2019	39.95	30.60	18,927
July, 2019	35.85	26.20	16,239
August, 2019	34.90	23.35	9,439
September, 2019	36.40	29.00	12,895
October, 2019	35.90	28.65	10,933
November, 2019	37.85	28.70	27,277
December, 2019	32.85	24.00	31,285
January, 2020	33.85	26.25	43,304
February, 2020	31.60	25.00	27,474
March, 2020	28.05	17.50	32,652

a) Share price performance in comparison to broad based indices – BSE

Vivo Share Price Vs BSE		
Particulars	Share price (Closing)	BSE Sensex(Closing)
As on 1 st April, 2019	54.95	38,871.87
As on 31 st March, 2020	19.40	29,468.49
Change (%)	(64.70)	(24.19)

b) The trading of our securities was never suspended at any point of time during the FY 2019-20.

c) Registrar and Share Transfer Agents

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

d) Share Transfer System:

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

The Company duly submits half-yearly compliance certificate issued by practicing company Secretary to the Stock Exchange.

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

e) **Distribution of shareholding;**

(As on 31.03.2020)

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENT AGE	SHARES	AMOUNT	AMOUNT PERCENT AGE
1	1 - 5000	6588	96.22	305634	3056340	2.37
2	5001 - 10000	97	1.42	75214	752140	0.58
3	10001 - 20000	61	0.89	90762	907620	0.7
4	20001 - 30000	19	0.28	47007	470070	0.36
5	30001 - 40000	6	0.09	21090	210900	0.16
6	40001 - 50000	11	0.16	52833	528330	0.41
7	50001 - 100000	26	0.38	196039	1960390	1.52
8	100001 & Above	39	0.57	12098941	120989410	93.88
	Total:	6847	100	12887520	128875200	100

Distribution of Shareholding on the basis of ownership as on 31st March, 2020

Sl. No	Description	No. of Shares	% of Total Capital
1	Promoter / Promoter group	4471500	34.70
2	Foreign Institutional Investors	NIL	NIL
3	Banks / Mutual Funds / NBFC	NIL	NIL
4	Bodies Corporate	4092967	31.76
5	Individuals / HUF	1614735	12.52
6	Non Resident Indians	371644	2.89
7	Foreign Bodies	2335000	18.12
8	Clearing Members / Trusts	1674	0.01
	TOTAL	12887520	100.00

f) **Dematerialization of shares and liquidity;**

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2020 1,07,17,363 equity shares forming part of 83.16 % of the share capital are in demat form and 21, 70,157 equity shares forming 16.84 % of the share capital are in physical form.

Dematerialization of Shares and Liquidity as on 31st March, 2020

Particulars	No. of Shares	% of Total
NSDL	8709758	67.58
CDSL	2007605	15.58
Physical	2170157	16.84
Total	12887520	100.00

g) **There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31st March, 2020.**

h) 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 within India only.

i) Plant Locations

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

Facilities:

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

Registered Office:

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

j) Address for Correspondence:

For queries relating to shares	For queries relating to Financial Statements and other contents of Annual Report
M/s. Aarthi Consultants Private Limited (Unit-Vivo Bio Tech Ltd) 1-2-285, Domalguda, Hyderabad. Phone # 040-27634445 / 27638111 Email : info@arthiconsultants.com , arthiconsultants@gmail.com	Company Secretary M/s. Vivo Bio Tech Ltd 8-2-672/5 & 6, 3 rd Floor, Ilyas Mohammed Khan Estate Banjara Hills, Road # 1, Above Kotak Mahindra Bank, Hyderabad - 500034. Phone # 040-23313288 Email : investors@vivobio.com

k) 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. 36.27 Crores of Vivo Bio Tech Limited.

10) Other Disclosures:

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

b) 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
1	Regulation 34 of LODR Regulations Non-submission of the Annual Report within the period prescribed under this regulation for the financial year 2017-18.	The company has not submitted the Annual Report for the financial year 2017-18 to the exchange within the prescribed time and delayed there by 2 days.	As discussed and informed by the management the company secretary out of his busy schedule of works missed this advertantly. The company has paid the amount of Rs.4,000+Taxes to BSE Ltd for this violation.

a) Details of establishment of Vigil Mechanism (Whistle Blower policy)

The Vigil Mechanism / Whistle Blower Policy provides a platform to the directors /employees to report, without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the code of conduct etc., which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice. The Company affirms that no personnel has been denied access to the Audit Committee.

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. The Vigil Mechanism Policy is available on the website of the Company i.e. <http://www.vivobio.com/policies.php>

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

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

c) 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 doesn't have any material subsidiaries. The policy for determining 'material' subsidiaries is available on <http://www.vivobio.com/policies.php>.

d) Web link where policy on dealing with related party transactions;

The policy on dealing with related party transactions is available on the website of the Company <http://www.vivobio.com/policies.php>.

e) Disclosure of commodity price risks and commodity hedging activities: Not applicable

f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the year under review the Company has received the balance of amount of 75% from the warrant holders for the conversion of 4,00,00 warrants in to equity shares, accordingly the company raised **Rs.90,00,000** (Ninety Lacs) through the allotment of 4,00,000 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.

- g) 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.

h) Details of recommendations of any committee that were not accepted by the Board

There were no instances during the financial year 2019-20 wherein the Board had not accepted the recommendations made by any Committee of the Board.

- i) 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 31st March, 2020, 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	1,62,000	-	-
Certification and other attestation services	-	-	-
Non Audit Services	-	-	-
Outlays and Taxes	-	-	-

j) 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: Not Applicable
 c. Number of complaints pending as on end of the financial year: Not Applicable

11) The Company Complied with the requirements of the Schedule V Corporate Governance report subparas (2) to (10)of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12) The status of compliance with discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- * Modified Opinion in Audit Report: Our Financial Statements are free from any Audit qualifications.
- * Reporting of Internal Auditor: Internal Auditors report directly to the Audit Committee.

13) The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

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

Disclosure with respect to demat suspense account / unclaimed suspense account:

Not Applicable

Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Code of Conduct:

In compliance with the provisions of the Listing Regulations, the Board has laid down a code of conduct for all Board members and Senior Management of the Company and it is posted on the website of the Company <http://www.vivobio.com/policies.php>

All the members of the Board and the Senior Management Personnel and Designated Employees of the Company have affirmed compliance to the code of conduct, as at 31st March, 2020.

The declaration from our Chairman & Whole Time Director with regard to compliance of code of conduct by the Board of Directors and Senior Management is enclosed and forms part of this report.

CEO and CFO Certification:

The Whole Time Director and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part-B of schedule II to the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 is published in this Annual Report.

Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.vivobio.com/policies.php>

Auditors Certificate on Corporate Governance

The Company has obtained a certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in Part E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report.

DECLARATION ON CODE OF CONDUCT

The Members
Vivo Bio Tech Limited.

Sub: Declaration under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I hereby declare that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended on 31st March, 2020.

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
Place: Hyderabad

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

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 #1, Banjara Hills, Hyderabad-500034, Telangana (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, 2020 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.

Sr. No	Name of Director	DIN	Date of Appointment in Company*
1	Mr. M. Kalyan Ram	02012580	26-11-2009
2	Mr. K.T.V Kaladhar	08450361	17-05-2019
3	Dr. A. Sankaranarayanan	02703392	31-07-2009
4	Mr. Sunder Kanaparthu	00914869	28-04-2011
5	Ms. M. Vijaya Lakshmi	07803294	26-04-2017
6	Mr. Hariharan Ravindran	06883959	28-05-2014

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. 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.

For M/S. Patnaik & Associates
Company Secretaries

Place: Hyderabad
Date: 26.06.2020

V. Chandra Sekhar Patnaik
M.No. 45479, CP.No.16619
UDIN:AO45479B000386281

CEO AND CFO CERTIFICATION

To
The Board of Directors
Vivo Bio Tech Limited

We, the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of VIVO BIO TECH LIMITED (“the Company”), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company’s affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company’s Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Place: Hyderabad
Date: 28th August, 2020

M. Kalyan Ram	K.T.V. Kaladhar
Chairperson & Whole Time Director	Chief Financial Officer
DIN: 02012580	

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, 2020, 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, 2020.

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, 2020

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

M. Naveen
Partner
M.No: 237316
UDIN: 20237316AAAAFC1674

Annexure- 6
SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2020

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
Hyderabad.

I have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. 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 Audit period covering the financial year ended on **March 31, 2020** (i.e. from April 1, 2019 to March 31, 2020) 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 to the applicable extent for the financial year ended on March 31, 2020 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.
 - 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, 2015;

- 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, 2018 and amendments from time to time;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- vi. Other laws applicable specifically to the Company namely:
- a. 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 under review the Company has conducted 6 Board Meetings, 6 Audit Committee Meetings, 1 Independent Director's Meeting, 5 Nomination and Remuneration Committee Meetings , 4 Stakeholders Relationship Committee Meetings and 1 General Meeting. I have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors and General Meeting.
3. I further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals
4. The Company has framed various policies and displayed the same on the company's website i.e.,www.vivobio.com
- Policy on Preservation of Documents
 - Whistle Blower Policy
 - Related Party Transaction Policy
 - Familiarization programme for Independent Directors
 - Nomination and remuneration Policy
5. I further report that:-
- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Independent Directors and Woman Director. 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

V. Chandra Sekhar Patnaik
Proprietor
ACS No. 45479, COP No. 16619
UDIN: A045479B000616533

Place: Hyderabad
Date: 28th August, 2020

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-500034,
Telangana, India.

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

V. Chandra Sekhar Patnaik
Proprietor
ACS No. 45479, COP No. 16619
UDIN: A045479B000616533

Place: Hyderabad
Date: 28th August, 2020

Annexure-7

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.

A. 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 sale of animals, feed and research services etc. In order to promote product sales and services, your Company participated in various exhibitions and carried product promotion activities.

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

Particulars	(Rs. in Crores)	
	FY 2019-20	FY 2018-19
Foreign Exchange Earnings	10.26	16.83
Foreign Exchange Outgo	3.34	6.79

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.

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
Place: Hyderabad

Annexure-8

STATEMENT OF DISCLOSURE OF REMUNERATION

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

S.No	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year.	Name of the Director	Ratio(In X Times)
		M. Kalyan Ram	4.34
		K.T.V. Kaladhar	3.44
		a. The Median Remuneration of all the employees of the company was 1,98,270/- 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 Director	% increase in Remuneration
		M. Kalyan Ram	Nil
		K.T.V. Kaladhar	11%
		A. Sankaranarayanan *	N.A
		M. Vijaya Lakshmi *	N.A
		Hariharan Ravindran *	N.A
		Sunder Kanaparthi *	N.A
		Ch. Varun Kumar -Company Secretary	Nil
A. Karthik -Company Secretary	N.A		
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2020, the percentage Increase/decrease in the median remuneration of employees as compared to previous year was approximately 41.96%	
4	The number of permanent employees on the rolls of Company.	There were 175 employees as on 31 st March, 2020	
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 2.75% for Employees other than Managerial Personnel and 2.38% for Managerial Personnel	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, It is confirmed.	

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

Annexure-10

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.

Sl.No	Description	Year ended 31 st March, 2020	
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 fair 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) Adjusted PAT (Loss) (in Rs) Adjusted weighted avg. EPS (in Rs)	NIL
Details of ESOS during the financial year			
Sl.No	Description	Year ended 31 st March, 2020	
1	Number of Options Outstanding at the beginning of the year (Un granted)	19,20,000	
2	Number of options granted during the year	Nil	
3	Number of options forfeited/lapsed during the year	Nil	
4	Number of options vested during the year	2,26,000	
5	Number of options exercised during the year	1,37,000	
6	Number of shares arising as a result	1,37,000	

	of exercise of options		
7	Amount realized by exercise of options (Rs.)	41,10,000	
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)	2,45,000	
11	Weighted-average exercise		
	Stock Options Granted on	Weighted average exercise price(in Rs.)	Weighted average fair value (in Rs.)
	8 th May, 2017	30	30
12	Employee wise details of options granted to		
	Senior Manager Personnel	NA	NA
	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	Nil
	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	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: Weighted average values of share price exercise price Risk free interest rate Expected Life of Options Expected volatility Dividend yield	Refer Point#11 Refer Point#11 5 years Nil NA NA	
15	The method used and the assumptions made to	NA	

	incorporate the effects of expected early exercise	
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

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
Place: Hyderabad

Annexure-11

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 2019-20.
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/Party Name	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	Vivobio Consulting Services Private Limited (Formerly Donakanti Consulting Services Private Limited)	Wholly owned Subsidiary
5	Viswanath Kompella	Promoter Cum Advisor
5	Virinchi Ltd	Common Promoters

(b) Nature of contracts/arrangements/transactions

The company took leased premises from Virinchi Ltd.

Contract with Mr. Viswanath Kompella, promoter and a shareholder holding more than 10% shareholding in the company along with Person Acting in Concert.

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

(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.

The appointment of Mr. Viswanath Kompella as advisor shall be effective from 1st April, 2019 initially for a period of 5 years, renewable by the Board from time to time.

(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 limit it is Rs. 30 Lakhs per year. However during the year the company has paid Rs.22.50 Lakhs only.

Monetary Terms with Mr. Viswanath Kompella

1. Payment of Fee/ Remuneration: Not Exceeding Rs.30,00,000/- (Rupees Thirty lakhs Only) per annum (subject to statutory deductions and exclusive of applicable taxes) which is payable as follows:
 - a) Fixed monthly Fee/Remuneration of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand Only).
2. Reimbursements: All the expenses incurred on travelling, boarding, lodging etc. while performing advisory services for and on behalf of the Company shall be reimbursed on actual basis.
3. Facilities: Mr. Viswanath Kompella shall be provided requisite office facilities, chauffeur driven car and communication facilities to effectively discharge his duties.

However during the year under review the Company has paid 28 Lakhs only.

- (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.

The Audit Committee in its meeting held on 12th February, 2019, has approved the proposal for appointment of Mr. Viswanath Kompella, as an Advisor of the Company and the same has also been discussed and approved by the Board in its meeting held on 12th February, 2019 for a period of five years with effect from 1st April, 2019.

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

On behalf of the Board of Directors
For Vivo Bio Tech Limited

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

Date: 28th August, 2020
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

**To the members of
VIVO BIO TECH LIMITED**

Opinion

We have audited the financial statements of **VIVO BIO TECH LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act.

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

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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 is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 the Companies (Auditor's Report) Order, 2016 ('the order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) the Balance Sheet, Statement of Profit and Loss(including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued there under.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its 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.

For P C N & Associates
Chartered Accountants
Firm’s Registration No: 016016S

M. Naveen
Partner
Membership No:237316
UDIN: 20237316AAAADV8347

Place: Hyderabad
Date: 30-06-2020

Annexure A to the Auditor's Report

Annexure referred to in paragraph 1 of Our Report of even date to the members of M/s. VIVO BIO TECH LIMITED on the accounts of the company for the year ended 31stMarch, 2020 Under "Report on other Legal & Regulatory Requirements"

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties 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 to the information and explanations given to us, the Company has granted unsecured loans to its 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 section 185 and 186 of the Act, with respect to the loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 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, 2020 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, 2020 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 repayment of dues to banks or financial institutions. The company has not issued any debentures.
- ix. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the order are not applicable to the company.
- x. During the course of examination of books of accounts and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have been informed of such cases by the management.
- xi. According to information and explanation given to us and based on our examination of records of the company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with schedule V to the Act.
- xii. In our opinion and according to information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such 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 2019-20
04-06-2019	Vishal Ranjan	Equity Instrument	2,00,000	10	30	45,00,000
04-06-2019	Satyajeet Prasad	Equity Instrument	2,00,000	10	30	45,00,000

xv. According to information and explanations given to us and to the best of our knowledge and belief the company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, the provisions of clause 3(xv) of the order 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. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For P C N & Associates
Chartered Accountants
Firm's Registration No: 016016S

M. Naveen
Partner
Membership No:237316
UDIN: 20237316AAAADV8347

Place: Hyderabad
Date: 30-06-2020

Annexure B to the Auditor's Report

"Annexure B" referred to in paragraph 2(f) under "Report on other legal and Regulatory Requirements" section of report on financial statements of even date to the members of VIVO BIO TECH LIMITED on the Standalone financial statements for the yearended 31st march 2020.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of VIVO BIO TECH LIMITED ('the Company') as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles including Indian Accounting Standards. 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 the 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, 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 31st March, 2020, 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
Firm's Registration No: 016016S

M. Naveen
Partner
Membership No:237316
UDIN: 20237316AAAADV8347

Place: Hyderabad
Date: 30-06-2020

M/s. VIVO BIO TECH LTD			
STANDALONE BALANCE SHEET AS AT 31/03/2020			
Particulars	Note No	As at 31/03/2020	As at 31/03/2019
		Rs.	Rs.
1) NON CURRENT ASSETS			
Property, Plant and Equipment	1	25,25,25,971	24,61,01,483
Capital Work-In-Progress	1	15,35,557	6,60,224
Intangible Assets	1	6,37,48,030	5,20,81,254
Financial Assets			
Non-Current Investments	2	4,00,000	3,00,000
Other Non-Current assets	3	5,88,734	9,74,300
Deferred Tax Asset	4	1,54,83,148	23,68,915
2) CURRENT ASSETS			
Inventories	5	10,57,86,558	8,23,63,353
Financial Assets			
Trade and Other Receivables	6	10,48,20,965	8,40,99,715
Cash and Cash Equivalents	7	99,05,502	52,75,963
Short Term Loans and Advances	8	5,36,91,055	7,34,24,652
Other Current Assets	9	57,24,168	54,93,223
Total Assets		61,42,09,688	55,31,43,082
EQUITY AND LIABILITIES			
Equity			
Share Capital	10	12,88,75,200	12,35,05,200
Other Equity	11	20,14,94,832	14,63,18,712
Money Received Against Share Warrants		-	30,00,000
(1) Non-Current Liabilities			
Financial Liabilities			
Long-Term Borrowings	12	7,41,04,075	8,89,93,949
Long Term Provision	13	41,61,658	35,85,651
(2) Current Liabilities			
Financial Liabilities			
Short Term Borrowings	14	14,67,48,056	12,77,23,056
Trade & Other Liabilities	15	3,91,36,501	4,90,01,885
Short Term Provisions	16	1,96,89,366	1,10,14,629
Total Equity and Liabilities		61,42,09,688	55,31,43,082
Notes referred to above form an integral part of the Financial Statements			
As per our Report of Even Date		For and on behalf of the Board	
For P C N & Associates		For Vivo Bio Tech Limited	
<i>Chartered Accountants</i>			
Firm Registration No.016016S			
M.Naveen		M.Kalyan Ram	K.T.V. Kaladhar
Partner		<i>Whole Time Director</i>	<i>Whole Time Director & CFO</i>
M. No. 237316		DIN: 02012580	DIN: 08450361
		A.Karthik	
Place : Hyderabad		<i>Company Secretary</i>	
Date: 30/06/2020		M.No.A44462	

M/s. VIVO BIO TECH LTD			
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2020			
PARTICULARS	Note No	Year Ended 31/03/2020 Rs.	Year Ended 31/03/2019 Rs.
1. Revenue from Operations	17	55,35,21,966	55,83,34,546
2. Other Income	18	5,31,996	1,21,051
3. Total Revenue		55,40,53,962	55,84,55,597
4. Expenses:			
a) Purchases		10,89,97,387	12,40,92,452
b) Changes (Increase)/ decrease in Inventories	19	(2,34,23,205)	(65,00,908)
c) Employee Benefit Expense	20	9,99,76,554	9,57,79,725
d) Administrative and Other Operating Expenses	21	24,32,49,345	24,98,32,426
e) Financial Costs	22	3,09,83,644	2,64,08,932
f) Depreciation and Amortization Expense	1	5,17,15,679	5,05,77,457
Total Expenses		51,14,99,404	54,01,90,084
5. Profit before Tax		4,25,54,558	1,82,65,513
6. Tax expense:			
(1) Current tax		1,12,32,672	37,60,285
(2) Deferred tax		(1,31,14,234)	(79,93,283)
7. Profit After Tax		4,44,36,120	2,24,98,511
8. Other Comprehensive Income			
Items that will not be reclassified to P&L Account (Net of Tax)		-	-
9. Total Other Comprehensive Income		4,44,36,120	2,24,98,511
Earning Per Equity Share:			
(1) Basic		3.45	2.17
(2) Diluted		3.45	2.09
Notes referred to above form an integral part of the Financial Statements			
As per our Report of Even Date		For and on behalf of the Board	
For P C N & Associates		For Vivo Bio Tech Limited	
<i>Chartered Accountants</i>			
Firm Registration No.016016S			
M.Naveen		M.Kalyan Ram	K.T.V. Kaladhar
Partner		<i>Whole Time Director</i>	<i>Whole Time Director & CFO</i>
M. No. 237316		DIN: 02012580	DIN: 08450361
			A.Karthik
Place : Hyderabad			<i>Company Secretary</i>
Date: 30/06/2020			M.No.A44462

M/s. Vivo Bio Tech Limited		
Standalone Cash Flow Statement for the Year Ended 31/03/2020		
Particulars	March 31,2020	March 31,2019
Cash Flow from Operating Activities:		
Net Profit/ (Loss) before tax	4,25,54,558	1,82,65,513
Adjustments for:		
Depreciation	5,17,15,679	5,05,77,457
Interest expenses	3,09,83,644	2,64,08,932
Operating Profit before Working Capital Changes	12,52,53,881	9,52,51,902
Working Capital Changes		
Trade and other receivables Including Inventory	(3,73,70,470)	(69,39,275)
Trade and Other payables	1,84,10,360	(7,40,19,038)
Cash Generated from Operations	10,62,93,771	1,42,93,589
Interest paid	3,09,83,644	2,64,08,932
Taxation for the year	(18,81,562)	(42,32,998)
Net Cash from Operating Activities	7,71,91,689	(78,82,345)
Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(7,06,82,276)	(3,53,06,260)
Investment	(1,00,000)	-
Net Cash used in Investing Activities	(7,07,82,276)	(3,53,06,260)
Cash Flow From Financial Activities:		
Proceeds from Equity Shares	1,31,10,000	5,70,00,000
Net Proceeds from Long Term Borrowings	(1,48,89,874)	(4,99,87,382)
Net Cash used in Financing Activities	(17,79,874)	70,12,618
Net increase in Cash and Cash equivalents	46,29,539	(3,61,75,987)
Cash and Cash equivalents as at Beginning of the Year	52,75,963	4,14,51,948
Cash and Cash equivalents as at End of the Year	99,05,502	52,75,961
Notes referred to above form an integral part of the Financial Statements		
As per our Report of Even Date		For and on behalf of the Board
		For Vivo Bio Tech Limited
For P C N & Associates		
<i>Chartered Accountants</i>		
Firm Registration No.016016S		
M.Naveen	M.Kalyan Ram	K.T.V. Kaladhar
Partner	Whole Time Director	Whole Time Director & CFO
M. No. 237316	DIN: 02012580	DIN: 08450361
		A.Karthik
Place : Hyderabad		<i>Company Secretary</i>
Date: 30/06/2020		M.No.A44462

Schedule 10 & 11 :						
Standalone Statement of changes in equity for the year ended March 31, 2020						
a. Equity Share Capital		AS ON 31/03/2020				
Equity Shares of Rs.10 Each, Issued , Subscribed and Fully Paid	No.	Rs.				
As At April 1 , 2018	98,50,520	9,85,05,200				
Add: Issued During the Year	25,00,000	2,50,00,000				
As At March 31 , 2019	1,23,50,520	12,35,05,200				
Add: Issued During the Year	-	-				
Warrants Converted in to Equity Shares	4,00,000	40,00,000				
ESOPs Allotment During the Year	1,37,000	13,70,000				
As At March 31 , 2020	1,27,50,520	12,75,05,200				
b. Other Equity						
Particulars	Securities Premium	General Reserves	Capital Reserve	Retained Earnings	Total	
As At April 1 ,2018	2,58,40,000	10,00,000	2,92,89,102	1,76,91,099	7,38,20,201	
Additions for the Year	5,00,00,000	-	-	2,24,98,511	7,24,98,511	
As At March 31 ,2019	7,58,40,000	10,00,000	2,92,89,102	4,01,89,610	14,63,18,712	
Additions for the Year	1,07,40,000	-	-	4,44,36,120	5,51,76,120	
As At March 31 ,2020	8,65,80,000	10,00,000	2,92,89,102	8,46,25,730	20,14,94,832	
Notes referred to above form an integral part of the Financial Statements						
As per our Report of Even Date			For and on behalf of the Board			
For P C N & Associates			For Vivo Bio Tech Limited			
Chartered Accountants						
Firm Registration No.016016S						
M.Naveen			M.Kalyan Ram		K.T.V. Kaladhar	
Partner			Whole Time Director		Whole Time Director & CFO	
M. No. 237316			DIN: 02012580		DIN: 08450361	
Place : Hyderabad			A.Karthik			
Date: 30/06/2020			Company Secretary			
			M.No.A44462			

Note No . 1

FIXED ASSETS SCHEDULE

Particulars	Gross Block				Depreciation/Amortization				Net Block as on 31.03.2020	Net Block as on 31.03.2019
	As on 01.04.2019	Additions during the year	Deletions during the year	As on 31.03.2020	As on 01.04.2019	Depn During the Period	Depn on Deletions	As on 31.03.2020		
Tangible Assets										
Land	2,50,53,298	-	-	2,50,53,298	-	-	-	-	2,50,53,298	2,50,53,298
Plant & Machinery	1,65,27,197	-	-	1,65,27,197	56,51,364	16,51,961	-	73,03,325	92,23,872	1,08,75,833
Electrical Equipment	1,05,76,623	-	-	1,05,76,623	67,28,061	5,74,625	-	73,02,686	32,73,937	38,48,562
Laboratory Equipment	29,72,81,829	3,90,54,569	-	33,63,36,398	14,50,30,395	2,52,00,250	-	17,02,30,645	16,61,05,753	15,22,51,434
Office Equipment	53,98,316	-	-	53,98,316	41,97,214	3,43,045	-	45,40,259	8,58,057	12,01,102
Computers	53,48,026	2,45,132	-	55,93,158	44,85,003	5,76,525	-	50,61,528	5,31,630	8,63,023
Furniture & Interior	4,74,07,653	3,19,780	-	4,77,27,433	63,62,830	44,16,766	-	1,07,79,596	3,69,47,837	4,10,44,823
Vehicles	2,35,30,008	21,44,274	-	2,56,74,282	1,25,66,600	25,76,095	-	1,51,42,695	1,05,31,587	1,09,63,408
Sub Total (a)	43,11,22,950	4,17,63,755	-	47,28,86,705	18,50,21,467	3,53,39,267	-	22,03,60,734	25,25,25,971	24,61,01,483
Intangible Assets										
Technical Know How	11,25,06,244	-	-	11,25,06,244	6,11,83,464	1,26,58,740	-	7,38,42,204	3,86,64,040	5,13,22,780
Computer Software	65,75,053	2,80,43,188	-	3,46,18,241	58,16,579	37,17,672	-	95,34,251	2,50,83,990	7,58,474
Sub Total (b)	11,90,81,297	2,80,43,188	-	14,71,24,485	6,70,00,043	1,63,76,412	-	8,33,76,455	6,37,48,030	5,20,81,254
Capital Work In Progress (c)	6,60,224	8,75,333	-	15,35,557	-	-	-	-	15,35,557	6,60,224
Grand Total (a+b+c)	55,08,64,471	7,06,82,276	-	62,15,46,747	25,20,21,510	5,17,15,679	-	30,37,37,189	31,78,09,558	29,88,42,961

M/s. VIVO BIO TECH LIMITED		
NOTES FORMING PART OF FINANCIAL STATEMENTS		
NOTE NO. 2 : NON- CURRENT INVESTMENTS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Investment in Subsidiaries		
a) Equity Shares		
100% Holding in Vivo Bio Discovery Services Pvt Ltd	1,00,000	1,00,000
100% Holding in Vivo Biolabs	1,00,000	1,00,000
100% Holding in Surlogic Life Consultancy Pvt Ltd	1,00,000	1,00,000
100% Holding in Vivobio Consulting Services Pvt Ltd (Formerly Known as Donakanti Consultancy Services Pvt Ltd)	1,00,000	-
Total Non Current Investments	4,00,000	3,00,000
NOTE NO.3 : OTHER NON - CURRENT ASSETS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Unamortised Expenses	5,88,734	9,74,300
Total Other Non Current Assets	5,88,734	9,74,300
NOTE NO. 4 : DEFERRED TAX ASSET		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Opening Deferred Tax Asset	23,68,915	(56,24,369)
Deferred Tax Liability for the year (Due to SLM and WDV Difference)	1,19,56,460	73,47,866
Deferred Tax Liability for the year (Due to Others)	11,57,773	6,45,418
Deferred Tax Liability/ (Asset) - Net	1,54,83,148	23,68,915
NOTE NO. 5 : INVENTORIES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Stock ,Stores & Spares	10,57,86,558	8,23,63,353
Total Inventories	10,57,86,558	8,23,63,353
NOTE NO. 6 : TRADE AND OTHER RECEIVABLES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Secured, Considered Good		
Below 6 months	8,36,24,532	8,40,99,715
Above 6 months	2,11,96,433	-
Total Trade Receivables	10,48,20,965	8,40,99,715
NOTE NO. 7 : CASH AND BANK BALANCES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Cash and Cash Equivalents :		
a) Balances with Banks :		
1) On Current Accounts	6,35,627	14,42,810
b) Cash on hand	18,396	2,12,310
Sub Total	6,54,023	16,55,120
On Deposit Accounts		
a) Having Maturity more than 12 Months from date of deposit	92,51,479	36,20,843
Sub Total	92,51,479	36,20,843
Total Cash and Cash Equivalents	99,05,502	52,75,963
NOTE NO. 8 : SHORT TERM LOANS AND ADVANCES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Unsecured		
Advances to Wholly Owned Subsidiaries	1,10,94,020	21,78,150
Other Loans and Advances	53,86,487	3,40,32,017
Secured		
Refundable Deposits	3,72,10,548	3,72,14,485
Total Short Term Loans & Advances	5,36,91,055	7,34,24,652
NOTE NO.9 : OTHER CURRENT ASSETS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
GST Credit, TDS Receivable and Others	57,24,168	54,93,223
Total Other Current Assets	57,24,168	54,93,223
Note No. 10 SHARE CAPITAL		
Equity Shares of Rs.10 Each, Issued , Subscribed and Fully Paid	No.	Rs.
As At April 1 , 2018	98,50,520	9,85,05,200
Add: Issued During the Year	25,00,000	2,50,00,000
As At March 31 , 2019	1,23,50,520	12,35,05,200
Add: Issued During the Year	-	-
Warrants Converted in to Equity Shares	5,37,000	53,70,000
As At March 31 , 2020	1,28,87,520	12,88,75,200
Particulars	As at 31/03/2020	As at 31/03/2019
Authorised:		
1,60,00,000 Equity Shares of Rs.10/- Each	16,00,00,000	16,00,00,000
Issued, Subscribed and Fully Paid Up		
1,28,87,520 Equity Shares of Rs.10/-Each	12,88,75,200	12,35,05,200
Total Equity Share Capital	12,88,75,200	12,35,05,200

Reconciliation of Shares Outstanding at Beginning and End of the Reporting Year					
Equity Shares	March 31, 2020		March 31, 2019		
	No's	Amount	No's	Amount	
As at Beginning of the Year	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200	
Shares Issued During the Year	-	-	25,00,000	2,50,00,000	
Warrants Converted to Equity Shares	4,00,000	40,00,000	-	-	
ESOPs Allotment During the Year	1,37,000	13,70,000			
As at End of the Year	1,28,87,520	12,88,75,200	1,23,50,520	12,35,05,200	
Details of Share Holders Holding More than 5% Shares in the Company					
Name of the Share Holder	March 31, 2020		March 31, 2019		
	Nos	% of Share Holding	Nos	% of Share Holding	
Vira Systems Pvt Ltd	13,45,000	10.44	13,45,000	10.89	
Elite Class Asset Holdings Ltd	13,00,000	10.09	13,00,000	10.53	
Mallemkonda Realities Pvt Ltd	11,00,000	8.54	11,00,000	8.91	
Northern Union Ltd	10,35,000	8.03	10,35,000	8.38	
Every Wear Import and Export Pvt Ltd	9,16,693	7.11	9,16,693	7.42	
Vean Smart Infra Private Ltd (Formerly Magadha Infracon Private Ltd)	9,00,000	6.98	9,00,000	7.29	
More Agri Supplies and Services Pvt Ltd	9,00,000	6.98	9,00,000	7.29	
Max Cell Phone Communications India Pvt Ltd	8,00,000	6.21	8,00,000	6.48	
Note No. 11 Other Equity					
Particulars	Securities Premium	General Reserves	Capital Reserve	Retained Earnings	Total
As At April 1, 2018	2,58,40,000	10,00,000	2,92,89,102	1,76,91,099	7,38,20,201
Additions for the Year	5,00,00,000	-	-	2,24,98,511	7,24,98,511
As At March 31, 2019	7,58,40,000	10,00,000	2,92,89,102	4,01,89,610	14,63,18,712
Additions for the Year	1,07,40,000	-	-	4,44,36,120	5,51,76,120
As At March 31, 2020	8,65,80,000	10,00,000	2,92,89,102	8,46,25,730	20,14,94,832

NOTE NO. 12 : LONG TERM BORROWINGS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Secured		
Vehicle Loans	60,42,827	61,60,403
Term Loans	3,51,16,347	3,39,66,546
Biotech Consortium India Ltd. A/c SBIRI	1,34,51,151	1,34,58,000
Unsecured		
Other Long Term Borrowings	1,94,93,750	3,54,09,000
Total Long Term Borrowings	7,41,04,075	8,89,93,949
NOTE NO. 13 : LONG TERM PROVISIONS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Provision for Gratuity	41,61,658	35,85,651
Total Long Term Provisions	41,61,658	35,85,651
NOTE NO. 14 : SHORT TERM BORROWINGS.		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Loans repayable on demand:		
From banks		
Secured	12,67,48,056	10,44,05,250
(Hypothecation of Stock and Book Debts, Personal Gurantee of Promoters of the company & Equitable Mortgage of Lands)		
Term Loan repayable in next 12 months	2,00,00,000	2,00,00,000
Unsecured		
Term Loan repayable in next 12 months	-	33,17,806
Total Short Term Borrowings	14,67,48,056	12,77,23,056
NOTE NO. 15 : TRADE PAYABLES & OTHER CURRENT LIABILITES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Trade Payables	3,91,36,501	3,86,76,522
Other Current Liabilites	-	1,03,25,363
Total Trade Payables and Other Current Liabilities	3,91,36,501	4,90,01,885
NOTE NO. 16 : SHORT TERM PROVISIONS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
a) Provisions for Employee Benefits	43,10,340	34,28,083
b) Provision for Expenses	1,53,79,026	75,86,546
Total Short Term Provisions	1,96,89,366	1,10,14,629

NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS		
NOTE NO. 17 : REVENUE FROM OPERATIONS		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Revenue from Operations	55,35,21,966	55,83,34,546
Total Revenue from Operations	55,35,21,966	55,83,34,546
NOTE NO. 18 : OTHER INCOME		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Interest Income	5,31,996	1,21,051
Total Other Income	5,31,996	1,21,051
NOTE NO. 19 : CHANGE IN INVENTORIES & WIP.		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Finished goods at the beginning of the year	8,23,63,353	7,58,62,445
Less : Finished goods at the end of the year	10,57,86,558	8,23,63,353
Total Change in Inventories & WIP	(2,34,23,205)	(65,00,908)
NOTE NO. 20 : EMPLOYEE BENEFIT EXPENSES		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
(a) Salaries & Wages	9,35,62,278	8,85,08,538
(b) Contribution to Provident & Other Funds	41,95,119	41,69,051
(c) Staff Welfare Expenses	22,19,157	31,02,136
Total Employee Benefit Expenses	9,99,76,554	9,57,79,725
NOTE NO. 21 : ADMINSTRATIVE AND OTHER OPERATING EXPENSES		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
(a) Power & Fuel	4,68,84,816	2,93,49,887
(b) Rent	4,41,02,429	5,74,22,575
(c) Telephone, Postage and Others	35,52,556	36,46,079
(d) Business Promotion Expenses	8,58,045	81,13,715
(e) Travelling Expenses	59,48,272	1,10,44,834
(f) Repairs & Maintenance	2,20,42,056	2,13,66,245
(g) Office Maintenance	47,46,540	88,74,534
(h) Printing & Stationery Expenses	11,04,296	10,43,408
(i) Rates & Taxes	1,31,29,626	1,15,63,666
(j) Consultancy Charges	1,81,84,910	2,76,66,533
(k) Net loss on foreign currency transaction	4,79,455	7,90,022
(l) Insurance	4,04,104	23,24,084
(m) Bad Debts	8,15,86,760	6,65,02,284
(n) Seminar Fee	1,36,980	36,060
(o) Payment to Auditors:		
(i) As Auditor	88,500	88,500
Total Administrative Expenses	24,32,49,345	24,98,32,426
NOTE NO. 22 : FINANCE COST		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Interest on Working Capital & Bank Charges	3,09,83,644	2,64,08,932
Total Finance Cost	3,09,83,644	2,64,08,932

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

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

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

iv) Useful Life of property, plant and equipment The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(d) Revenue Recognition

Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

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

• Sale of Goods:

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

• Interest Income:

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

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

(f) *Foreign Currency* Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

that are measured in terms of historical cost in foreign currencies are not retranslated.

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

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

Cash and Cash Equivalents Cash and cash equivalents comprise cash at bank and in hand. Deposits with banks subsequently measured at amortized cost.

Financial Assets at amortised cost

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

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.

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

Equity instruments

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

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

There is an ongoing reconciliation with EESL (Energy Efficiency Services Limited) for the services rendered in the years 2016-17 and 2017-18. The company has written off all the pending receivables based on uncertainty of realisation. However, there are some pending items with EESL, which are still under reconciliation and amount is not quantifiable which has to be mutually agreed between the Company and EESL.

There are no other contingent liabilities as at balance sheet date hence disclosure except this in financial statements are not arise.

(i) 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

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

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

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

(l) Impairment

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

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

Vivo Bio Tech Limited

Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2020

Note No.23:

Details of Primary and Collateral Securities (For Liabilities referred in Note No.12 & 14)

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

Hypothecation of Movable Assets:

1. M/s. Canara Bank, IF Branch, Hyderabad, having Hypothecation of Fixed Assets financed by them through Term Loan.
2. Charge on stock (including live stock) & Receivables and Current Assets except Cash and Bank balances of the company by M/s Canara Bank, IF Branch for working capital limits.
3. M/s. Department of Bio Technology, New Delhi having Hypothecation of Laboratory Equipment located at Sy. No. 121, Behind Hakimpet Airforce Academy, Pothaipally Village, Hakimpet, Hyderabad.

Collateral Securities :

1. EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd situated at Sy No. 91,101&102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Tem Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.
2. EMT on Land Acrs 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 92, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Tem Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.
3. EMT on land admeasuring 595 Sy Yards in the name of M/s. Vivo Bio Tech Limited situated at Plot No 87, Balamrai Co operative society, Mahendrahills, East Marredpally, Secunderabad for Loan against property given by The South Indian Bank Limited.

Personal Guarantee

1. Mr. Viswanath Kompella has given personal guarantee for all loans
2. Smt K Madhavi Latha has given personal guarantee for all loans taken from M/s. Canara Bank

Corporate Guarantee, to M/s. Canara Bank, IF Branch, from following companies :

1. M/s Maxcell Phones Communications India Pvt Ltd
2. M/s Vira Systems Pvt Ltd
3. M/s Iron Age India Pvt Ltd
4. M/s Iragavarapu Constructions Pvt Ltd
5. M/s P K I Solutions Pvt Ltd
6. M/s Every wear Imports & Exports Pvt Ltd
7. M/s VIVO Bio Labs Pvt Ltd
8. M/s Surlogic Life Consultancy Pvt Ltd

Note No.24:

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

Note No.25:**Investments**

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

Details of Investment in Subsidiaries:

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
4.	VivoBio Consulting Services Pvt Ltd(Formerly Known as Donakanti Consultancy Services Pvt Ltd)	1,00,000

Note No.26: Earning per Share

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

Particulars	2019-20	2018-19
Profit available for the equity share holders	4,44,36,120	2,24,98,510
Weighted average number of shares for Basic EPS	1,28,87,520	1,03,82,027
Weighted average number of shares for Diluted EPS	1,28,87,520	1,07,82,027
Basic	3.45	2.17
Diluted	3.45	2.09

Note No.27:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project - "Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes" given specifically for the R&D work being carried out by company's biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010. 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.28:**Related Party Transactions.**

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

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
4. Vivobio Consulting Services Pvt Ltd(Formerly Known as Donakanti Consultancy services Pvt Ltd)

b) Key Management Personnel:

S.No.	Name	Designation
1	M. Kalyan Ram	Whole Time Director
2.	K T V Kaladhar	Chief Financial Officer
3.	A.Karthik	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	8,61,204
K T V Kaladhar	Remuneration	6,81,204	6,11,204
Ch. Varun Kumar	Remuneration	1,28,904	8,01,204
A.Karthik	Remuneration	4,06,258	0
Viswanath Kompella	Remuneration to Promoter	28,00,000	0
Virinchi Limited	Lease Rentals	22,50,000	30,00,000

Details of Loans and Advances given to Related Parties:

S.No.	Name of the Related Party	Relationship	Amount Outstanding as on 31-03-2020
1.	Vivo Bio Labs Pvt Ltd	Wholly Owned Subsidiary	13,71,900
2.	Vivobio Consulting Services Pvt ltd(Formerly Known as Donakanti Consulting Services Pvt Ltd)	Wholly Owned Subsidiary	96,22,120
3.	Vivo Bio Discovery Services Pvt Ltd	Wholly Owned Subsidiary	1,00,000

Details of Loans and Advances taken from Related Parties:

S.No.	Name of the Related Party	Relationship	Amount Outstanding as on 31-03-2020
1.	Surlogic Life Consultancy Pvt Ltd	Wholly Owned Subsidiary	1,94,93,750

Note No.29:

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

Sl.No	Description	Year ended 31-03-2020
1	Number of Options Outstanding at the beginning of the year (Un granted)	19,20,000
2	Number of options granted during the year	Nil
3	Number of options forfeited/lapsed during the year	Nil
4	Number of options vested during the year	2,26,000
5	Number of options exercised during the year	1,37,000
6	Number of shares arising as a result of exercise of options	1,37,000
7	Amount realized by exercise of options (Rs.)	41,10,000
8	Number of Options Outstanding at the end of the year	19,20,000
9	Number of Options exercisable at the end of the year	2,45,000

Note No.30:

Foreign Currency Outflow during the year of Rs. 3.34 Crores (Previous Year – Rs.6.79 Crores).

Note No.31:

Foreign Currency Inflow during the year is Rs.10.26 Crore (Previous Year – Rs. 16.83 Crores.)

Note No.32:

There are dues to MSME Units outstanding for more than 45 days.

Note No.33:

Previous year's figures have been regrouped wherever necessary.

Note No.34:

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

M/s. Vivo Bio Tech Limited

CA. M. Naveen
Partner
M.No. 237316

M. Kalyan Ram
Whole Time Director
DIN: 02012580

K.T.V. Kaladhar
Whole Time Director & CFO
DIN: 08450361

Place: Hyderabad
Date: 30th June 2020

A. Karthik
Company Secretary
M.No: A44462

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of

VIVO BIO TECH LIMITED

Opinion

We have audited the accompanying consolidated financial statements of M/s. **VIVO BIO TECH LIMITED** ("the Holding Company"), and its subsidiaries together referred to as "the Group" comprising the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income) and Consolidated Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the group as at March 31, 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with Relevant Rules issued there under. The Board of Directors of the respective company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and

for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are 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 responsible for overseeing the financial reporting process of each company.

Auditor's Responsibility

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 is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.
- 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 consolidated 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 consolidated 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 Matter Paragraph

The Consolidated Financial Statements include the Audited Financial Statements of four Subsidiaries, whose Financial Statements reflect Group's share of total assets before elimination of Rs. 3,41,76,826/- as at 31st March 2020, Group's share of total revenue of Rs. Nil and Group's share of Net loss after tax of Rs. 20,739 for the year ended on that date, as considered in the Consolidated Financial Statements. The financial statements and financial information of these subsidiaries have been audited by other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of such other auditors.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the financial information certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our Examination of those books and the reports of the other auditors.
 - c) the Consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated Statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of our audit of the aforesaid consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.
 - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2020, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on March 31, 2020, 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 group and the operating effectiveness of such controls, refer to our separate report in '**Annexure A'**; and
 - g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has no pending litigations which would impact on its financial position.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and the subsidiary companies incorporated in India.

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

**M Naveen
Partner
Membership No: 237316
UDIN: 20237316AAAADW5769**

**Place: Hyderabad
Date:30-06-2020**

Annexure A to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

Opinion

In conjunction with our Audit of the consolidated financial statements of the company as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of **VIVO BIO TECH LIMITED** ('the Holding company') and its subsidiary companies which are incorporated in India, as of the date.

In our opinion, The holding Company and its subsidiary companies, which are incorporated in India, 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 31st, 2020, 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.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company and its subsidiary companies, which are incorporated in India 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") and the standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk of material misstatement of the Consolidated 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 control system over financial reporting of the company and its subsidiary companies, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

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

**M Naveen
Partner
Membership No: 237316
UDIN: 20237316AAAADW5769**

**Place: Hyderabad
Date: 30-06-2020**

M/s. VIVO BIO TECH LTD			
CONSOLIDATED BALANCE SHEET AS AT 31/03/2020			
Particulars	Note No	As at 31/03/2020	As at 31/03/2019
		Rs.	Rs.
1) NON CURRENT ASSETS			
Property, Plant and Equipment	1	28,61,28,219	24,80,41,683
Capital Work-In-Progress	1	15,35,557	6,60,224
Intangible Assets	1	6,37,48,030	5,20,81,254
Financial Assets			
Non-Current Investments		-	-
Other Non-Current assets	2	7,82,648	11,38,214
Deferred Tax Asset	3	1,54,83,148	23,68,915
2) CURRENT ASSETS			
Inventories	4	10,57,86,558	8,23,63,353
Financial assets			
Trade and Other Receivables	5	10,48,20,965	8,40,99,715
Cash and Cash Equivalents	6	1,02,86,159	56,26,633
Short Term Loans and Advances	7	4,25,97,035	7,12,46,502
Other Current Assets	8	57,24,168	54,93,223
Total Assets		63,68,92,487	55,31,19,716
EQUITY AND LIABILITIES			
Equity			
Share Capital	9	12,88,75,200	12,35,05,200
Other Equity	10	20,13,66,103	14,62,19,696
Money Received Against Share Warrants		-	30,00,000
(1) Non-Current Liabilities			
Financial Liabilities			
Long-Term Borrowings	11	9,68,74,303	8,90,45,999
Long Term Provision	12	41,61,658	35,85,651
(2) Current Liabilities			
Financial Liabilities			
Short Term Borrowings	13	14,67,48,056	12,77,23,056
Trade Payables and Other Current Liabilities	14	3,91,36,501	4,90,01,885
Short Term Provisions	15	1,97,30,666	1,10,38,229
Total Equity and Liabilities		63,68,92,487	55,31,19,716
Notes referred to above form an integral part of the Financial Statements			
As per our Report of Even Date		For and on behalf of the Board	
For P C N & Associates		For Vivo Bio Tech Limited	
<i>Chartered Accountants</i>			
Firm Registration No.016016S			
M.Naveen		M.Kalyan Ram	K.T.V. Kaladhar
Partner		Whole Time Director	Whole Time Director & CFO
M. No. 237316		DIN: 02012580	DIN: 08450361
		A.Karthik	
		<i>Company Secretary</i>	
		M.No.A44462	
Place : Hyderabad			
Date: 30/06/2020			

M/s. VIVO BIO TECH LTD

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31/03/2020

PARTICULARS	Note No	Year Ended 31/03/2020	Year Ended 31/03/2019
		Rs.	Rs.
1. Revenue from Operations	16	55,35,21,966	55,83,34,546
2. Other Income	17	5,31,996	1,21,051
3. Total Revenue		55,40,53,962	55,84,55,597
4. Expenses:			
a) Purchases		10,89,97,387	12,40,92,452
b) Changes (Increase)/ decrease in Inventories	18	(2,34,23,205)	(65,00,908)
c) Employee Benefit Expense	19	9,99,76,554	9,57,79,725
d) Administrative and Other Operating Expenses	20	24,32,69,995	24,98,50,127
e) Financial Costs	21	3,09,83,733	2,64,10,528
f) Depreciation and Amortization Expense	1	5,17,15,679	5,05,77,457
Total Expenses		51,15,20,143	54,02,09,381
5. Profit before Tax (3-4)		4,25,33,819	1,82,46,216
6. Tax expense:			
(1) Current tax		1,12,32,672	37,60,285
(2) Deferred tax		(1,31,14,234)	(79,93,283)
7. Profit After Tax		4,44,15,381	2,24,79,214
8. Other Comprehensive Income <small>Items that will not be reclassified to P&L Account (Net of Tax)</small>		-	-
9. Total Other Comprehensive Income		4,44,15,381	2,24,79,214
Earning Per Equity Share:			
(1) Basic		3.45	2.17
(2) Diluted		3.45	2.09

Notes referred to above form an integral part of the Financial Statements

As per our Report of Even Date

For P C N & Associates

Chartered Accountants

Firm Registration No.016016S

For and on behalf of the Board

For Vivo Bio Tech Limited

M.Naveen

Partner

M. No. 237316

M.Kalyan Ram

Whole Time Director

DIN: 02012580

K.T.V. Kaladhar

Whole Time Director & CFO

DIN: 08450361

A.Karthik

Company Secretary

M.No.A44462

Place : Hyderabad

Date: 30/06/2020

M/s. Vivo Bio Tech Limited		
Consolidated Cash Flow Statement for the Year Ended 31/03/2020		
Particulars	March 31,2020	March 31,2019
Cash Flow from Operating Activities:		
Net Profit/ (Loss) before taxation and extraordinary items	4,25,33,819	1,82,46,216
Adjustments for:		
Depreciation	5,17,15,679	5,05,77,457
Interest expenses	3,09,83,733	2,64,10,528
Operating Profit before Working Capital Changes	12,52,33,231	9,52,34,201
Working Capital Changes		
Trade and other receivables Including Inventory	(2,84,84,600)	(68,03,188)
Trade and Other payables	1,84,28,060	(7,40,13,136)
Cash Generated from Operations	11,51,76,691	1,44,17,877
Interest paid	3,09,83,733	2,64,10,528
Taxation for the year	(18,81,562)	(42,32,998)
Net Cash from Operating Activities	8,60,74,520	(77,59,653)
Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(10,23,44,324)	(3,53,06,260)
Investment	-	-
Net Cash used in Investing Activities	(10,23,44,324)	(3,53,06,260)
Cash Flow From Financial Activities:		
Proceeds from Equity Shares and Capital Reserve	1,31,01,026	5,71,69,810
Net Proceeds from Long Term Borrowings	78,28,304	(4,99,87,382)
Net Cash used in Financing Activities	2,09,29,330	71,82,428
Net increase in Cash and Cash equivalents	46,59,526	(3,58,83,485)
Cash and Cash equivalents as at Beginning of the Year	56,26,633	4,15,10,118
Cash and Cash equivalents as at End of the Year	1,02,86,159	56,26,633
Notes referred to above form an integral part of the Financial Statements		
As per our Report of Even Date	For and on behalf of the Board	
	For Vivo Bio Tech Limited	
For P C N & Associates		
Chartered Accountants		
Firm Registration No.016016S		
M.Naveen	M.Kalyan Ram	K.T.V. Kaladhar
Partner	Whole Time Director	Whole Time Director & CFO
M. No. 237316	DIN: 02012580	DIN: 08450361
	A.Karthik	
Place : Hyderabad	Company Secretary	
Date: 30/06/2020	M.No.A44462	

Consolidated Statement of changes in equity for the year ended March 31, 2020					
a. Equity Share Capital		AS ON 31/03/2020			
Equity Shares of Rs.10 Each, Issued, Subscribed and Fully Paid	No.	Rs.			
As At April 1, 2018	98,50,520	9,85,05,200			
Add: Issued During the Year	25,00,000	2,50,00,000			
As At March 31, 2019	1,23,50,520	12,35,05,200			
Add: Issued During the Year	-	-			
Warrants Converted in to Equity Shares	4,00,000	40,00,000			
ESOPs Allotment During the Year	1,37,000	13,70,000			
As At March 31, 2020	1,28,87,520	12,88,75,200			
b. Other Equity					
Particulars	Securities Premium	General Reserves	Capital Reserve	Retained Earnings	Total
As At April 1, 2018	2,58,40,000	10,00,000	2,92,89,102	1,76,42,475	7,37,71,577
Additions for the Year	5,00,00,000	-	(31,095)	2,24,79,214	7,24,48,119
As At March 31, 2019	7,58,40,000	10,00,000	2,92,58,007	4,01,21,689	14,62,19,696
Additions for the Year	1,07,40,000	-	(8,974)	4,44,15,381	5,51,46,407
As At March 31, 2020	8,65,80,000	10,00,000	2,92,49,033	8,45,37,070	20,13,66,103
Notes referred to above form an integral part of the Financial Statements					
As per our Report of Even Date For P C N & Associates Chartered Accountants Firm Registration No.016016S			For and on behalf of the Board For Vivo Bio Tech Limited		
M.Naveen Partner M. No. 237316			M.Kalyan Ram Whole Time Director DIN: 02012580		K.T.V. Kaladhar Whole Time Director & CFC DIN: 08450361
Place : Hyderabad Date: 30/06/2020			A.Karthik Company Secretary M.No.A44462		

Note No . 1

FIXED ASSETS SCHEDULE

Particulars	Gross Block				Depreciation/Amortization				Net Block as on 31.03.2020	Net Block as on 31.03.2019
	As on 01.04.2019	Additions during the year	Deletions during the year	As on 31.03.2020	As on 01.04.2019	Depn During the Period	Depn on Deletions	As on 31.03.2020		
Tangible Assets										
Land	2,69,93,498	-	-	2,69,93,498	-	-	-	-	2,69,93,498	2,69,93,498
Building	-	3,16,62,048	-	3,16,62,048	-	-	-	-	3,16,62,048	-
Plant & Machinery	1,65,27,197	-	-	1,65,27,197	56,51,364	16,51,961	-	73,03,325	92,23,872	1,08,75,833
Electrical Equipment	1,05,76,623	-	-	1,05,76,623	67,28,061	5,74,625	-	73,02,686	32,73,937	38,48,562
Laboratory Equipment	29,72,81,829	3,90,54,569	-	33,63,36,398	14,50,30,395	2,52,00,250	-	17,02,30,645	16,61,05,753	15,22,51,434
Office Equipment	53,98,316	-	-	53,98,316	41,97,214	3,43,045	-	45,40,259	8,58,057	12,01,102
Computers	53,48,026	2,45,132	-	55,93,158	44,85,003	5,76,525	-	50,61,528	5,31,630	8,63,023
Furniture & Interior	4,74,07,653	3,19,780	-	4,77,27,433	63,62,830	44,16,766	-	1,07,79,596	3,69,47,837	4,10,44,823
Vehicles	2,35,30,008	21,44,274	-	2,56,74,282	1,25,66,600	25,76,095	-	1,51,42,695	1,05,31,587	1,09,63,408
Sub Total (a)	43,30,63,150	7,34,25,803	-	50,64,88,953	18,50,21,467	3,53,39,267	-	22,03,60,734	28,61,28,219	24,80,41,683
Intangible Assets										
Technical Know How	11,25,06,244	-	-	11,25,06,244	6,11,83,464	1,26,58,740	-	7,38,42,204	3,86,64,040	5,13,22,780
Computer Software	65,75,053	2,80,43,188	-	3,46,18,241	58,16,579	37,17,672	-	95,34,251	2,50,83,990	7,58,474
Sub Total (b)	11,90,81,297	2,80,43,188	-	14,71,24,485	6,70,00,043	1,63,76,412	-	8,33,76,455	6,37,48,030	5,20,81,254
Capital Work In Progress (c)	6,60,224	8,75,333	-	15,35,557	-	-	-	-	15,35,557	6,60,224
Grand Total (a+b+c)	55,28,04,671	10,23,44,324	-	65,51,48,995	25,20,21,510	5,17,15,679	-	30,37,37,189	35,14,11,806	30,07,83,161

M/s. VIVO BIO TECH LIMITED		
NOTES FORMING PART OF FINANCIAL STATEMENTS		
NOTE NO.2 : OTHER NON - CURRENT ASSETS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Unamortised Expenses	7,82,648	11,38,214
Total Other Non Current Assets	7,82,648	11,38,214
NOTE NO. 3 : DEFERRED TAX ASSET		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Opening Deferred Tax Asset	23,68,915	(56,24,368)
Deferred Tax Liability for the year (Due to SLM and WDV Difference)	1,19,56,460	73,47,866
Deferred Tax Liability for the year (Due to Others)	11,57,773	6,45,417
Deferred Tax Liability/ (Asset) - Net	1,54,83,148	23,68,915
NOTE NO. 4 : INVENTORIES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Stock ,Stores & Spares	10,57,86,558	8,23,63,353
Total Inventories	10,57,86,558	8,23,63,353
NOTE NO. 5 : TRADE AND OTHER RECEIVABLES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Secured, Considered Good		
Below 6 months	8,36,24,532	8,40,99,715
Above 6 months	2,11,96,433	-
Total Trade Receivables	10,48,20,965	8,40,99,715
NOTE NO. 6 : CASH AND BANK BALANCES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Cash and Cash Equivalents :		
a) Balances with Banks :		
1) On Current Accounts	9,65,324	17,41,214
b) Cash on hand	69,356	2,64,576
Sub Total	10,34,680	20,05,790
On Deposit Accounts		
a) Having Maturity more than 12 Months from date of deposit	92,51,479	36,20,843
Sub Total	92,51,479	36,20,843
Total Cash and Cash Equivalents	1,02,86,159	56,26,633
NOTE NO. 7 : SHORT TERM LOANS AND ADVANCES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Secured		
Refundable Deposits	3,72,10,548	3,72,14,485
Unsecured		
Other Loans and Advances	53,86,487	3,40,32,017
Total Short Term Loans & Advances	4,25,97,035	7,12,46,502
NOTE NO.8 : OTHER CURRENT ASSETS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
GST Credit, TDS Receivable and Others	57,24,168	54,93,223
Total Other Current Assets	57,24,168	54,93,223
Note No. 9 SHARE CAPITAL		
Equity Shares of Rs.10 Each, Issued , Subscribed and Fully Paid	No.	Rs.
As At April 1 , 2018	98,50,520	9,85,05,200
Add: Issued During the Year	25,00,000	2,50,00,000
As At March 31 , 2019	1,23,50,520	12,35,05,200
Add: Issued During the Year	-	-
Warrants Converted in to Equity Shares	4,00,000	40,00,000
ESOPs Allotment During the Year	1,37,000	13,70,000
As At March 31 , 2020	1,28,87,520	12,88,75,200
Particulars	As at 31/03/2020	As at 31/03/2019
Authorised:		
1,60,00,000 Equity Shares of Rs.10/- Each	16,00,00,000	16,00,00,000
Issued, Subscribed and Fully Paid Up		
1,28,87,520 Equity Shares of Rs.10/-Each	12,88,75,200	12,35,05,200
Total Equity Share capital	12,88,75,200	12,35,05,200

Reconciliation of Shares Outstanding at Beginning and End of the Reporting Year					
Equity Shares	March 31, 2020		March 31, 2019		
	No's	Amount	No's	Amount	
As at Beginning of the Year	1,23,50,520	12,35,05,200	98,50,520	9,85,05,200	
Shares Issued During the Year	-	-	25,00,000	2,50,00,000	
Warrants Converted to Equity Shares	4,00,000	40,00,000	-	-	
As at End of the Year	1,27,50,520	12,75,05,200	1,23,50,520	12,35,05,200	
Details of Share Holders Holding More than 5% Shares in the Company					
Name of the Share Holder	March 31, 2020		March 31, 2019		
	Nos	% of Share Holding	Nos	% of Share Holding	
Vira Systems Pvt Ltd	13,45,000	10.44	13,45,000	10.89	
Elite Class Asset Holdings Ltd	13,00,000	10.09	13,00,000	10.53	
Mallemkonda Realities Pvt Ltd	11,00,000	8.54	11,00,000	8.91	
Northern Union Ltd	10,35,000	8.03	10,35,000	8.38	
Every Wear Import and Export Pvt Ltd	9,16,693	7.11	9,16,693	7.42	
Vean Smart Infra Private Ltd (Formerly Magadha Infracon Private Ltd)	9,00,000	6.98	9,00,000	7.29	
More Agri Supplies and Services Pvt Ltd	9,00,000	6.98	9,00,000	7.29	
Max Cell Phone Communications India Pvt Ltd	8,00,000	6.21	8,00,000	6.48	
Note No. 10 OTHER EQUITY					
Particulars	Securities Premium	General Reserves	Capital Reserve	Retained Earnings	Total
As At April 1 ,2018	2,58,40,000	10,00,000	2,92,89,102	1,76,42,475	7,37,71,577
Additions for the Year	5,00,00,000	-	(31,095)	2,24,79,214	7,24,48,119
As At March 31 ,2019	7,58,40,000	10,00,000	2,92,58,007	4,01,21,689	14,62,19,696
Additions for the Year	1,07,40,000	-	(8,974)	4,44,15,381	5,51,46,407
As At March 31 ,2020	8,65,80,000	10,00,000	2,92,49,033	8,45,37,070	20,13,66,103

NOTE NO. 11 : LONG TERM BORROWINGS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Secured		
Vehicle Loans	60,42,827	61,60,403
Term Loans	3,51,16,347	3,39,66,546
Biotech Consortium India Ltd. A/c SBIRI	1,34,51,151	1,34,58,000
Unsecured		
Other Long Term Borrowings	4,22,63,978	3,54,61,050
Total Long Term Borrowings	9,68,74,303	8,90,45,999
NOTE NO. 12 : LONG TERM PROVISIONS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Provision for Gratuity	41,61,658	35,85,651
Total Long Term Provisions	41,61,658	35,85,651
NOTE NO. 13 : SHORT TERM BORROWINGS.		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Loans repayable on demand:		
From banks		
Secured	12,67,48,056	10,44,05,250
(Hypothecation of Stock and Book Debts, Personal Gurantee of Promoters of the company & Equitable Mortgage of Lands)		
Term Loan repayable in next 12 months	2,00,00,000	2,00,00,000
Unsecured		
Term Loan repayable in next 12 months	-	33,17,806
Total Short Term Borrowings	14,67,48,056	12,77,23,056
NOTE NO. 14 : TRADE PAYABLES & OTHER CURRENT LIABILITES		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
Trade Payables	3,91,36,501	3,86,76,522
Other Current Liabiliites	-	1,03,25,363
Total Trade Payables and Other Current Liabilities	3,91,36,501	4,90,01,885
NOTE NO. 15 : SHORT TERM PROVISIONS		
PARTICULARS	As At 31/03/2020	As on 31/03/2019
a) Provisions for Employee Benefits	43,10,340	34,28,083
b) Provision for Expenses	1,54,20,326	76,10,146
Total Short Term Provisions	1,97,30,666	1,10,38,229

NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS		
NOTE NO. 16 : REVENUE FROM OPERATIONS		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Revenue from Operations	55,35,21,966	55,83,34,546
Total Revenue from Operations	55,35,21,966	55,83,34,546
NOTE NO. 17 : OTHER INCOME		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Interest Income	5,31,996	1,21,051
Total Other Income	5,31,996	1,21,051
NOTE NO. 18 : CHANGE IN INVENTORIES & WIP.		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Finished goods at the beginning of the year	8,23,63,353	7,58,62,445
Less : Finished goods at the end of the year	10,57,86,558	8,23,63,353
Total Change in Inventories & WIP	(2,34,23,205)	(65,00,908)
NOTE NO. 19 : EMPLOYEE BENEFIT EXPENSES		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
(a) Salaries & Wages	9,35,62,278	8,85,08,538
(b) Contribution to Provident & Other Funds	41,95,119	41,69,051
(c) Staff Welfare Expenses	22,19,157	31,02,136
Total Employee Benefit Expenses	9,99,76,554	9,57,79,725
NOTE NO. 20 : ADMINSTRATIVE AND OTHER OPERATING EXPENSES		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
(a) Power & Fuel	4,68,84,816	2,93,49,887
(b) Rent	4,41,02,429	5,74,22,575
(c) Telephone, Postage and Others	35,52,556	36,46,079
(d) Business Promotion Expenses & Royalty Payments	8,58,045	81,13,715
(e) Travelling Expenses	59,48,272	1,10,44,834
(f) Repairs & Maintenance	2,20,42,056	2,13,66,245
(g) Office Maintenance	47,46,540	88,74,534
(h) Printing & Stationery Expenses	11,04,296	10,43,408
(i) Rates & Taxes	1,31,29,626	1,15,63,666
(j) Consultancy Charges	1,81,84,910	2,76,66,534
(k) Net loss on foreign currency transaction	4,79,455	7,90,022
(l) Insurance	4,04,104	23,24,084
(m) Bad Debts	8,15,86,760	6,65,02,284
(n) Seminar Fee	1,36,980	36,060
(o) Payment to Auditors:		
(i) As Auditor	1,09,150	1,06,200
Total Administrative Expenses	24,32,69,995	24,98,50,127
NOTE NO. 21 : FINANCE COST		
Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Interest on Working Capital & Bank Charges	3,09,83,733	2,64,10,528
Total Finance Cost	3,09,83,733	2,64,10,528

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

(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/20	31/Mar/19
<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>
<i>Vivobio Consulting Services Pvt Ltd</i>	<i>Consulting Services</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.

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Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

(a) 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

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

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

Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

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

- **Sale of Goods:**

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

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

the goods has been determined, the price is considered fixed and generally title has passed.

• Interest Income:

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

- 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. Deposits with banks subsequently measured at amortized cost.

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

- h) 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.

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

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

Vivo Bio Tech Limited

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

(l) 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

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Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

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.

Consolidated Notes and other explanatory information to financial statements for the year ended March 31, 2020

Note No.22:

Details of Primary and Collateral Securities (For Liabilities referred in Note No.11 & 13)

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

Hypothecation of Movable Assets:

1. M/s. Canara Bank, IF Branch, Hyderabad, having Hypothecation of Fixed Assets financed by them through Term Loan.
2. Charge on stock (including live stock) & Receivables and Current Assets except Cash and Bank balances of the company by M/s Canara Bank, IF Branch for working capital limits.
3. M/s. Department of Bio Technology, New Delhi having Hypothecation of Laboratory Equipment located at Sy. No. 121, Behind Hakimpet Airforce Academy, Pothaipally Village, Hakimpet, Hyderabad.

Collateral Securities :

1. EMT on land Acres 9.15 guntas in the name of M/s. Vivo Bio Labs Pvt Ltd situated at Sy No. 91,101&102, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Tem Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.
2. EMT on Land Acrs 4.34 guntas in the name of M/s. Surlogic Life Consultancy Pvt Ltd situated at Sy No. 92, Lakshmapalli Village, Gajwel Mandal, Medak District, Telanagana for Tem Loan and Working Capital given by M/s.Canara Bank, IF Branch, Hyderabad.
3. EMT on land admeasuring 595 Sy Yards in the name of M/s. Vivo Bio Tech Limited situated at Plot No 87, Balamrai Co operative society, Mahendrahills, East Marredpally, Secunderabad for Loan against property given by The South Indian Bank Limited.
4. EMT on 3424 Square Yards in the name of M/s. Donakanti Consulting Services Pvt Ltd. located at Flat No. 1300, 13th Floor, Buena Park, Lodha Belezza, Sy. No.1009, Kukatpally, Village, Medchal Malkajgiri Manda, Telangana, Hyderabad - 500072 to M/s. India Bulls Commercial Credit Limited.

Personal Guarantee

1. Mr. Viswanath Kompella has given personal guarantee for all loans
2. Smt K Madhavi Latha has given personal guarantee for all loans taken from M/s. Canara Bank

Corporate Guarantee, to M/s. Canara Bank, IF Branch, from following companies:

1. M/s Maxcell Phones Communications India Pvt Ltd

2. M/s Vira Systems Pvt Ltd
3. M/s Iron Age India Pvt Ltd
4. M/s Iragavarapu Constructions Pvt Ltd
5. M/s P K I Solutions Pvt Ltd
6. M/s Every wear Imports & Exports Pvt Ltd
7. M/s VIVO Bio Labs Pvt Ltd
8. M/s Surlogic Life Consultancy Pvt Ltd

Note No.23:

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

There is an ongoing reconciliation with EESL (Energy Efficiency Services Limited) for the services rendered in the years 2016-17 and 2017-18. The company has written off all the pending receivables based on uncertainty of realisation. However, there are some pending items with EESL, which are still under reconciliation and amount is not quantifiable which has to be mutually agreed between the Company and EESL.

Except that items, there are no other disputed liabilities as at Balance Sheet date

Note No. 24: Earning per Share

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

Particulars	2019-20	2018-19
Profit available for the equity share holders	4,44,15,381	2,24,79,214
Weighted average number of shares for Basic EPS	1,28,87,520	1,03,82,027
Weighted average number of shares for Diluted EPS	1,28,87,520	1,07,82,027
Basic	3.45	2.17
Diluted	3.45	2.08

Note No.25:

The Company has been awarded soft loan given by SBIRI (Small Business Innovation Research Initiative), Department of Bio Technology, towards the project - "Production of recombinant eventide (Incretin mimetic like GLP-1) (Phase II) a new generation cure for Diabetes" given specifically for the R&D work being carried out by company's biologic division operating from the facility located at Pothaipally Village, Hakimpet recognized by DSIR (Department of Scientific and Industrial Research) as in-house R&D unit vide approval F.No. TU/IV-RD/2740/2010. 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.26:

a) Key Management Personnel:

S.No.	Name	Designation
1	M. Kalyan Ram	Whole Time Director
2.	K T V Kaladhar	Chief Financial Officer
3.	A.Karthik	Company secretary

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	8,61,204
K T V Kaladhar	Remuneration	6,81,204	6,11,204
Ch. Varun Kumar	Remuneration	1,28,904	8,01,204
A.Karthik	Remuneration	4,06,258	0
Viswanath Kompella	Remuneration to Promoter	28,00,000	0
Virinchi Limited	Lease Rentals	22,50,000	30,00,000

Note No.27:

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

Sl.No	Description	Year ended 31-03-2020
1	Number of Options Outstanding at the beginning of the year (Ungranted)	19,20,000
2	Number of options granted during the year	Nil
3	Number of options forfeited/lapsed during the year	Nil
4	Number of options vested during the year	2,26,000
5	Number of options exercised during the year	1,37,000
6	Number of shares arising as a result of exercise of options	1,37,000
7	Amount realized by exercise of options (Rs.)	41,10,000
8	Number of Options Outstanding at the end of the year	19,20,000
9	Number of Options exercisable at the end of the year	2,45,000

Note No.28:

Foreign Currency Outflow during the year of Rs. 3.34 Crores (Previous Year - Rs.6.79 Crores).

Note No.29:

Foreign Currency Inflow during the year is Rs. 10.26 Crores (Previous Year - Rs. 16.83 Crores.)

Note No.30:

There are dues to MSME Units outstanding for more than 45 days.

Note No.31:

Previous year's figures have been regrouped wherever necessary.

Note No.32:

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**

M/s. Vivo Bio Tech Limited

CA M. Naveen
Partner
M.No. 237316

M. Kalyan Ram
Whole Time Director
DIN: 02012580

K.T.V. Kaladhar
Whole Time Director & CFO
DIN: 08450361

Place: Hyderabad
Date: 30th June 2020

A.Karthik
Company Secretary
M.No: A44462

REGISTERED OFFICE

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