

September 06, 2025

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001  
Scrip Code: 532372

To,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400051  
Symbol: VIRINCHI

Dear Sir/Madam,

**Subject : Submission of Annual Report along with Notice of 36<sup>th</sup> Annual General Meeting (AGM) of the Company for financial year 2024-2025**

Pursuant to Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the Notice convening 36<sup>th</sup> Annual General Meeting (AGM) of the Members of Virinchi Limited ('the Company') scheduled to be held on **Tuesday, September 30, 2025 at 12.30 P.M. (IST)** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) and Annual Report for the financial year 2024-2025. The same is also made available on the website of the Company at [www.virinchi.com](http://www.virinchi.com).

Further, in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company will provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means ("e-voting") or voting through electronic means during the AGM, on the businesses specified in the Notice convening the 36<sup>th</sup> AGM of the Company.

This is for your information and records.

Thanking You,

Yours faithfully

**For Virinchi Limited**

Kolli  
Ravindranath  
Tagore  
th Tagore

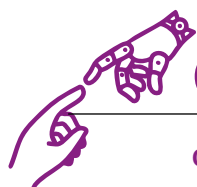
Digitally signed by  
Kolli Ravindranath  
Tagore  
Date: 2025.09.06  
19:16:53 +05'30'

**K Ravindranath Tagore**  
**Company Secretary**  
**M.No.A18894**

Encl. as above



TRANSFORMING CARE  
AND CREDIT THROUGH  
**AGENTIC AI**



# Contents

---

## **Corporate overview**

- 02** Corporate snapshot
- 04** Our financial snapshot of the last few years
- 06** Vice-Chairman's statement
- 09** Reimagining possibilities through artificial intelligence
- 19** Our SaaS business (US Fintech: QFund)
- 23** Our Internet Data Centre and IT services business
- 27** vCard – Payment and Credit Services Business
- 31** Our Healthcare business
- 36** Management discussion and analysis

## **Statutory Reports**

- 44** Notice of Annual General Meeting
- 58** Board's Report
- 80** Report on Corporate Governance

## **Financial Statements**

- 98** Standalone Financial Statements
- 134** Consolidated Financial Statements

## **Forward-looking statement**

In this Integrated Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.





# TRANSFORMING CARE AND CREDIT THROUGH AGENTIC AI

**At** Virinchi Limited, we are embracing a new era shaped by intelligent, self-directed technology.

**By** integrating Agentic AI into our fintech and healthcare verticals, we are delivering faster, smarter, and more adaptive services.

**This** transformation empowers us to enhance lives through better healthcare and responsive credit solutions.



# Virinchi Limited.

The Company focuses on opportunities emerging from four core sectors that reflect India's ongoing growth trajectory.

These businesses span the following key areas:

- Software as a Service (US fintech)
- Internet Data Centres and IT services
- Payment and credit services (Indian fintech)
- Healthcare delivery and related services

What unifies these businesses is their shared reliance on advanced digital technologies, including machine learning and process automation to drive efficiency and innovation.

The convergence of digitalisation and core competencies is expected to strengthen the Company's leadership across niche markets and enhance long-term value for all stakeholders.

## Vision

To be the best in what we do through a combination of vision, service, technology and competence.

## Mission

To achieve global benchmarks through the adoption of ongoing innovation in the Healthcare, Fin-Tech and Information Technology domains

## Targets

**SaaS (US Fintech), IDC & IT Services and Payment & Credit Services (India Fintech): 'To build globally inclusive solutions**

- Develop a suite of fintech products targeting underserved markets.
- Create specialised technology solutions for healthcare and fintech sectors.
- Expand delivery capabilities and client reach in next-generation technology services, focusing on SMAC domains, especially machine learning and data analytics.

**Healthcare vertical: To serve a billion patients a decade from now**

- Establish a strong presence in medically underserved markets across India.
- Implement personalised medicine via data analytics and combinatorics on a unified healthcare mobility platform.



## Legacy of delivery

Over the last thirty years, Virinchi Limited has consistently leveraged its industry insight to venture into untapped opportunities. What began as a focused business has since evolved into a multi-vertical enterprise, marked by a broad-based and stable revenue architecture.

## Where we operate

With its corporate headquarters based in Hyderabad, the Company maintains a strong presence across key locations in the city. Its healthcare services span Banjara Hills, Barkatpura, and Hayathnagar, while its technology operations are anchored by two development hubs in Banjara Hills and Hakimpet. Beyond India, the Company also operates a facility in Marlboro, New Jersey, serving as its onshore IT base in the United States.

## Awards and recognitions

Virinchi was recognised with the following awards:

- The Times Healthcare Award for Telugu-speaking states (2017 and 2018) 'Emerging Hospital of the Year' in the multispecialty hospital category 'Best Hospital – Radiology' 'Best Hospital – Nephrology' 5 individual doctor recognitions
- Hyderabad Software Enterprises Association (HYSEA). Top IT/ITES Exporter: 2018-19 (Rs. 200 Crore category) by Hyderabad Software Exporters Association 'Best Indian IT SME' for 2015-16 by Hyderabad Software Exporters Association

## Business offerings

### SaaS (US Fintech), IDC & IT services and Payment & Credit Services (India Fintech):

Drawing on its deep domain knowledge, the Company has developed QFund™ into a leading SaaS platform with global recognition, tailored to meet the unique needs of North America's retail micro-lending market. In parallel, it has entered the Indian digital finance ecosystem, using its technology backbone and financial capabilities to roll out vCard, a fintech offering created in partnership with financial institutions designed to broaden credit inclusion for underbanked communities.

**Healthcare services:** In Hyderabad, the Company runs three multi-specialty hospitals, with its premier centre located in Banjara Hills. This flagship facility stands out for its use of cutting-edge medical equipment and digitally enabled systems that work together to deliver seamless, high-quality care to patients.

## Employees

As of March 31, 2025, Virinchi employed 460 individuals across its SaaS, IDC & IT Services, and Payment & Credit Services businesses. Nearly 95% of the workforce held professional degrees at the close of FY 2024-25. The average age of employees in the IT vertical stood at 26 years, reflecting a young, skilled, and future-ready talent base.

## Certifications

The Company's commitment to quality is demonstrated through its ISO 9001:2000 certification and CMMI Level 3 appraisal, reflecting adherence to globally recognised standards in process and performance excellence.

## Consolidated financial highlights, FY 2024-25

Consolidated operating revenue increased 0.4% to Rs. 301.13 Crore and total revenue increased 1.1% to Rs. 308.30 Crore

Consolidated PAT decreased 96.4% to Rs. 0.48 Crore

Consolidated EBITDA margin decreased 609 bps from 37.4%; PAT margin decreased 426 bps from 4.4%

EBITDA decreased 18.2% to Rs. 96.39 Crore

EPS decreased 95.4% to Rs.0.07

Receivables increased from 90.07 days of turnover to 98.42 days

**Our Healthcare business:** YoY revenue decreased 12.5% to

Rs. 104.15 Crore with an EBIT of Rs. 0.88 Crore YoY healthcare EBITDA decreased 60.7% to Rs. 24.73 Crore with an overall EBITDA margin of 23.7%

### Our SaaS (US Fintech) business:

SaaS business revenue increased 4.4% to Rs. 133.37 Crore compared to Rs. 127.69 Crore in the previous year.

**Our IDC & IT services:** IDC & IT services revenue increased 27.6% to Rs. 57.30 Crore compared to Rs. 44.91 Crore in the previous year.

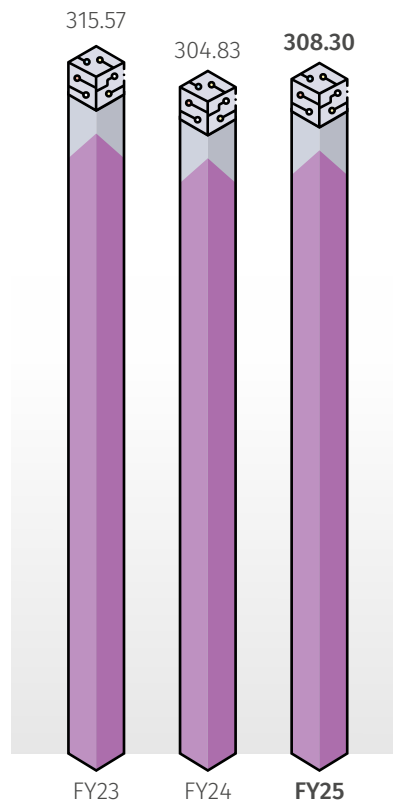
**Our payment & credit services (India fintech):** Payment & Credit services business generated a revenue of Rs. 0.21 Crore.



# Our financial snapshot of the last few years



## Revenues (Rs. Crore)



### Definition

Revenue is the income generated by a business from the sale of goods or services before the deduction of costs and expenses, taxes and promotions.

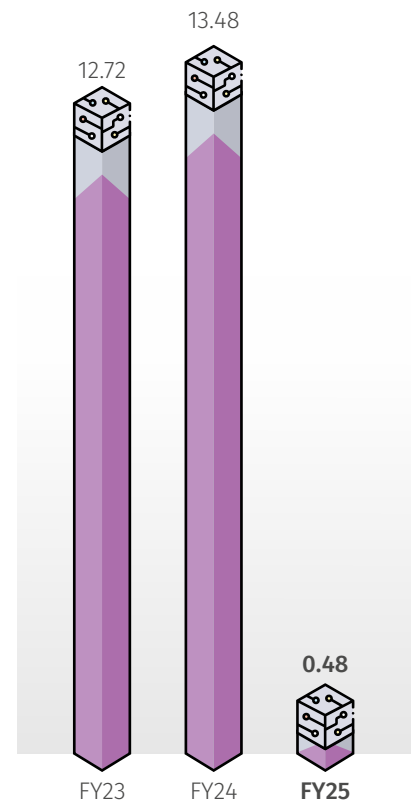
### Why this is measured

This showcases a Company's ability to grow the business through prudent marketing, pricing and awareness building, which can be compared with the Company's retrospective growth average or with sectoral peers.

### Virinchi's performance

Revenues increased 1.1% to Rs. 308.30 Crore in FY 2024-25, recording an increase of Rs. 3.47 Crore.

## Net profit (Rs. Crore)



### Definition

Profit earned during the year after deducting all expenses and provisions.

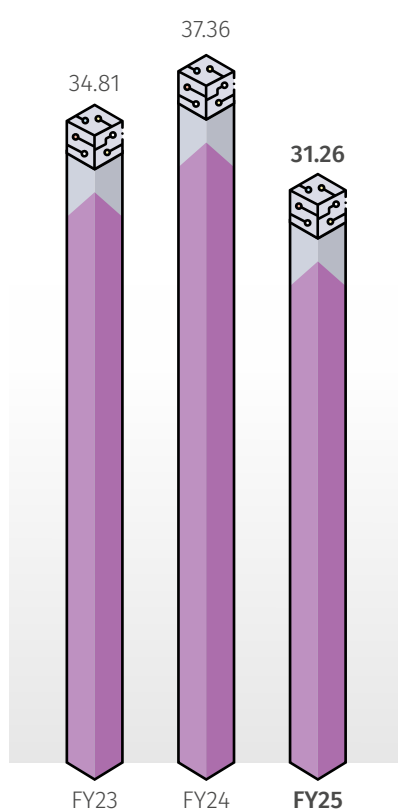
### Why this is measured

It highlights the strength in the business model in terms of generating value for its shareholders.

### Virinchi's performance

The Company reported a 96.4% decrease in net profit to Rs. 0.48 Crore in FY 2024-25.

## EBITDA margin (%)



### Definition

EBITDA margin is a profitability ratio distilled from revenue growth, value-addition and cost management.

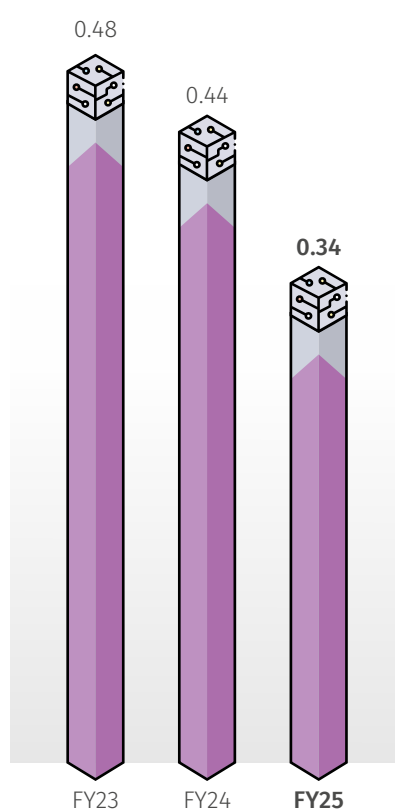
### Why this is measured

The EBITDA margin indicates how much a Company earns (before accounting for interest and taxes) on each rupee of sales.

### Virinchi's performance

EBITDA margin decreased by 610 bps to 31.26% in FY 2024-25.

## Debt-equity ratio (x)



### Definition

This is calculated by dividing the total debt by the net worth (less revaluation reserves)

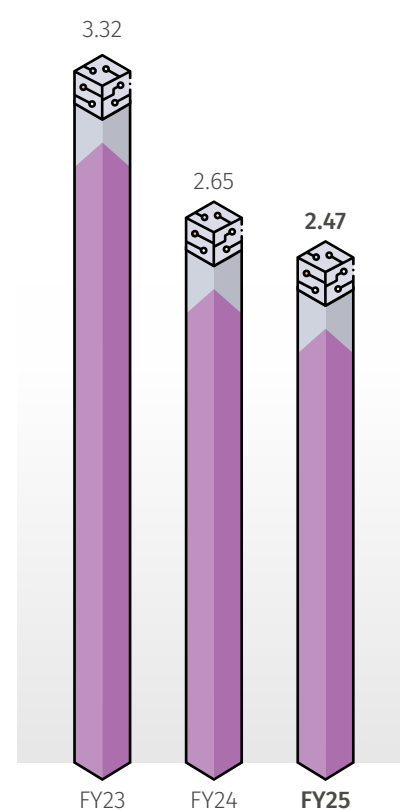
### Why this is measured

This is an indicator of a Company's financial solvency, indicating the Company's ability to remunerate shareholders over debt providers.

### Virinchi's performance

The Company's gearing decreased 10 bps to 0.34x in FY 2024-25.

## Interest cover (x)



### Definition

This is derived through the division of EBITDA by interest outflow.

### Why this is measured

Interest cover indicates comfort in servicing interest, the higher the better

### Virinchi's performance

The Company's interest cover decreased from 2.65 during FY 2023-24 to 2.47 during FY 2024-25.



VICE CHAIRMAN'S STATEMENT

# Engineering the Future with Purpose



## Overview

In a world reshaped by rapid technology shifts, evolving consumer expectations, and the urgent demand for inclusion, Virinchi Limited has positioned itself as a company of resilience, renewal, and reinvention. Our three growth pillars—healthcare, software services for the U.S. micro-credit industry, and technology solutions for India’s credit ecosystem—may appear diverse, but they are woven together by one thread: the ability to harness technology and service excellence to solve real human challenges.

The last financial year was one of steady performance and strategic reflection. Revenues held stable, validating the strength of our diversified model. But more importantly, the year signaled the beginning of a new phase—where Artificial Intelligence (AI), patient-centric care, and scalable fintech platforms are being integrated into the Company’s DNA. Virinchi is not just adapting to change; it is becoming a catalyst of change.

## Healthcare: Building patient-centric hospitals of the future

Healthcare is a cornerstone of Virinchi’s business. Our hospitals already serve thousands of patients each year, but we are acutely aware that the true test of leadership is not in scale alone—it is in quality, efficiency, and trust.

In FY 2024-25, revenues in healthcare were at Rs. 104 Crore. While this reflects resilience in a competitive environment, we believe the future is transformational rather than incremental. The introduction of AI into healthcare delivery is enabling us to rethink how hospitals are run:

**Prescription compliance:** Missed dosages are among the biggest causes of treatment failure in healthcare delivery centers. Our AI modules provide patients with timely reminders, improving adherence and recovery rates.

**Discharge automation:** Staff once spent hours preparing discharge summaries. AI now generates these documents instantly, with accuracy and comprehensiveness, ensuring better continuity of care.

**Operational efficiency:** AI-driven scheduling optimises bed allocation, diagnostic queues, and specialist assignments—reducing wait times and improving patient throughput.

These interventions are not cosmetic; they are structural. Over time, they will lead to higher occupancy rates, stronger patient satisfaction, and improved medical outcomes. In healthcare, where trust is the ultimate currency, this is our greatest competitive advantage.

We see our hospitals evolving from being centres of treatment to becoming ecosystems of proactive care—a shift from curing illness to sustaining wellness. This is not only a growth driver; it is a mission.

## SaaS for the U.S. micro-credit sector: A new growth arc

Virinchi’s QFund platform has long been the backbone of U.S. micro-credit operators, helping them manage loan origination, repayment, and compliance in a highly regulated environment. Historically, this business was single-tenant SaaS—each client required its own dedicated version of the software. While effective, this model restricted scalability and required intensive backend support.

The arrival of agentic AI has changed the rules. By embedding AI-powered interfaces into QFund, we are transforming the platform into a multi-tenant SaaS product with unprecedented scalability. The advantages are profound:

**Ease of adoption:** Clients no longer need extensive training. AI agents allow even small, independent micro-lenders to operate the platform with minimal learning curve.

**Expanded market reach:** With reduced entry barriers, the platform is no longer limited to large operators; it can now serve thousands of small and mid-sized lenders.

**Recurring revenue:** The shift to multi-tenant SaaS strengthens annuity-like subscription income, reducing volatility and increasing predictability.

This evolution directly positions Virinchi at the heart of a massive global opportunity. The global micro-lending market is projected to nearly double from USD 112.7 Billion in 2025 to USD 227.5 Billion by 2032, with a CAGR of 10.6%. Parallely, the AI in lending market is expected to expand from USD 9.2 Billion in 2024 to USD 29.6 Billion by 2029, growing at over 26% CAGR. Virinchi, with a proven platform and a re-engineered architecture, sits at the intersection of these growth vectors.

This is not just a technological upgrade—it is a strategic repositioning that redefines our relevance for the next decade.

We see our hospitals evolving from being centres of treatment to becoming ecosystems of proactive care a shift from curing illness to sustaining wellness

## Indian credit ecosystem: Empowering financial inclusion

On the domestic front, Virinchi is expanding into the Indian credit ecosystem, building software for NBFCs, MFIs, and digital lenders. India is at the cusp of a credit boom: household debt-to-GDP remains below 20%, compared to 50-70% in emerging peers. This gap represents tremendous headroom for growth.

Here, Virinchi's expertise in AI-driven credit appraisal and risk monitoring comes into play. Our solutions enable:

**Alternative Credit Scoring:** Going beyond CIBIL scores by using GST data, mobile transactions, utility bills, and other non-traditional markers.

**Fraud Detection:** AI-enabled anomaly detection strengthens lender confidence.

**Dynamic Risk Monitoring:** Real-time borrower tracking ensures early warning and lower defaults.

These innovations empower lenders to expand responsibly, reaching underserved segments without compromising asset quality. As India's digital credit market accelerates, Virinchi is well-positioned to become a preferred technology partner.

## Data centres: A growth optionality

While not yet a full-scale business, Virinchi possesses the competence to establish and operate data centres. Recognising that commissioning costs per megawatt are currently high, the Company has chosen prudence over

haste—waiting for the right cost curve before scaling this business.

This optionality is significant. With India's digital economy projected to reach USD 1 trillion by 2030, the demand for data centres is expected to quadruple. Virinchi's domain expertise ensures it can seize this opportunity when the timing and economics align.

## Why the future is bright

Several reasons underscore our optimism:

**Diversified yet synergistic model:** Our three verticals—healthcare, U.S. SaaS, and Indian credit—appear distinct but share common foundations of technology, compliance, and service delivery. This gives us both stability and growth options.

**AI as a growth accelerator:** Unlike peers that see AI as a risk, we embrace it as an opportunity—embedding it into every business vertical to reduce cost, expand reach, and improve quality.

**Scalability and recurring income:** The pivot to multi-tenant SaaS and subscription models ensures predictable revenues, a key to sustainable long-term growth.

**Macro tailwinds:** India's expanding healthcare demand, global fintech digitisation, and the AI adoption wave all align with Virinchi's strengths.

**Prudent capital management:** By deferring premature data centre investments and focusing on high-return verticals, we ensure balance sheet strength.

Leadership with vision: Our Board and leadership team combine decades of experience in healthcare and IT, ensuring strategy translates into measurable execution.

## A future with purpose

For us at Virinchi, growth is not just a financial aspiration—it is about impact. In healthcare, it means saving lives with better compliance and diagnostics. In fintech, it means bringing credit access to small borrowers once excluded from formal systems. In technology, it means crafting platforms that democratize opportunity.

We stand today at the threshold of a transformative journey. The next decade will see us scale beyond our present numbers, deepen our technological edge, and expand our relevance in markets we serve. The promise of tomorrow is not abstract—it is already visible in the AI pilots in our hospitals, in the SaaS adoption among new lenders, and in the groundwork, we are laying for future ventures.

Virinchi Limited is thus future-ready, resilient in today's environment, optimistic in its trajectory, and purposeful in its mission. With AI as our compass, healthcare and fintech as our engines, and impact as our destination, we are set to craft a growth story that will inspire stakeholders and empower communities alike.

### Satyanarayana Vedula

Vice Chairman & Executive Director

We see our hospitals evolving from being centres of treatment to becoming ecosystems of proactive care a shift from curing illness to sustaining wellness



# Reimagining possibilities through artificial intelligence

Artificial Intelligence (AI) is reshaping industries and mindsets alike, offering a chance to redefine established approaches.

Far beyond just a buzzword, AI stands at the crossroads of computational intelligence and human-like cognition.

At its essence, AI is a dynamic field of computer science designed to equip machines with capabilities that were once solely within the domain of humans—such as decision-making, pattern recognition, language processing, and learning from

experience. Much of this advancement is underpinned by machine learning, where systems continually refine themselves by drawing insights from data in a way that mirrors cognitive functions of the human brain.

At Virinchi, AI is more than a tool—it is a strategic enabler. Across business segments, we are integrating AI to sharpen agility, elevate performance, and achieve lasting growth.





## Elevating QFund through intelligent technology

**Our** financial technology platform QFund has seen a significant transformation with the adoption of AI across workflows. The enhancements reflect our commitment to digital leadership and client-centric innovation. AI has empowered QFund to drive sharper decisions, improve service delivery, and achieve new levels of operational agility.





## Enhancing lending intelligence

**Smart credit evaluation:** Advanced prediction tools process a mix of historical trends, economic signals, and financial metrics to anticipate lending opportunities while flagging risks enabling clients to make prudent, insight-driven decisions.

## Enabling frictionless onboarding

**Document handling automation:** Client documentation is processed, verified, and managed through AI, ensuring faster turnaround times and fewer errors.

## Evolving the product experience

**User-driven innovation:** Usage patterns and feedback loops are monitored by AI to suggest feature upgrades—ensuring the platform evolves with user needs.

**Tailored solutioning:** AI aids in crafting client-specific tools and modules, reinforcing platform value and strengthening long-term client relationships.

## Operational streamlining

**Automated intelligence reporting:** AI generates on-demand performance and compliance reports, cutting down on manual work and boosting productivity.

**Unified data views:** Data from multiple streams is synthesised to create a consolidated dashboard that helps teams make faster, data-backed decisions.

**Securing operations:** AI monitors patterns to detect anomalies that may indicate fraud, helping protect stakeholders and align with regulatory standards.

## Rethinking CRM with AI

**Tailored customer engagement:** AI-powered tools interpret customer behaviour and preferences to generate hyper-personalised recommendations, deepening engagement and satisfaction.

**Intelligent lead management:** Predictive scoring identifies which prospects are most likely to convert enabling more focused efforts and better lead-to-customer outcomes.

**Virtual support, real results:** AI chatbots handle high-volume tasks from FAQs to client updates freeing up teams for more strategic roles while maintaining service quality.

## Dynamic portfolio oversight

**Risk profiling made smarter:** By analyzing variables such as interest rate trends, economic indicators, and employment data, AI contributes to a deeper understanding of borrower risk enhancing long-term lending sustainability.

**Real-time performance tracking:** Lending portfolios are monitored continuously by AI systems, surfacing actionable insights and highlighting patterns that inform timely strategy shifts.

**Automated reallocation:** AI adjusts lending allocations based on pre-set business rules and market feedback—offering real-time responses and optimised asset distribution.

## Smarter communication

**AI-generated content:** Marketing content, updates, and campaign messaging are refined through AI tools—ensuring consistency and relevance across channels.

**Voice of the customer:** Feedback is parsed by AI to surface user expectations, reveal problem areas, and guide product improvements.

## Empowering market strategy

**Trend detection:** AI scans extensive datasets to reveal emerging lending trends and untapped business potential fueling proactive strategy.

**Competitive benchmarking:** Competitor pricing, activity, and positioning are analyzed using AI giving clients a sharper edge in navigating the financial landscape.

**What-if modelling:** Market simulations powered by AI help anticipate outcomes across a range of scenarios—supporting better planning and stress-testing.



# Redefining healthcare with AI at Virinchi

**Within** the healthcare ecosystem, AI is driving a transformation—enhancing diagnostic accuracy, reducing operational strain, and personalising care at scale. At Virinchi, AI is being embedded across clinical and administrative domains to improve outcomes and make healthcare delivery smarter and more human.



## Diagnostic excellence

**Interpreting medical imagery:** From CTs to MRIs, AI now supports clinicians by detecting anomalies faster and often with greater accuracy, enabling early intervention and saving lives.

**Proactive disease screening:** By examining diverse data inputs—like images, health records, and genetics—AI identifies early warning signs of serious conditions, paving the way for timely, tailored treatments.

## Personalised healthcare

**Custom care planning:** Genetic data, lifestyle habits, and medical history are all factored into AI-recommended treatment paths—ensuring higher precision and better patient outcomes.

## Predictive wellness

**Anticipating health risks:** With continuous monitoring of patient data, AI can predict susceptibility to diseases—allowing care teams to step in earlier.

**Preventing deterioration:** In intensive care, AI keeps an eye on critical metrics, alerting staff to subtle signs of decline so that intervention can happen in time.

## Optimising hospital operations

**EHR management:** AI simplifies handling of electronic records by automating data extraction and improving consistency across systems.

**Smarter scheduling:** From appointment slots to interdepartmental coordination, AI ensures smoother hospital workflows and shorter wait times.

## Virtual care, real impact

**AI chat for patient support:** From basic guidance to chronic care follow-ups, AI assistants are helping patients stay informed, engaged, and supported.

**Boosting telehealth efficiency:** Integrated AI supports physicians during virtual consultations by offering insights, reducing guesswork, and improving accuracy.

## Clinical decision-making

**Evidence-based treatment suggestions:** AI systems suggest clinical options based on patient data and the latest research—enhancing treatment efficacy.

**Medication safety checks:** By screening prescriptions, AI helps prevent dangerous drug combinations and supports better pharmaceutical care.

## AI for mental health

**Monitoring psychological health:** Patterns in speech and behavior are analyzed to detect mental health challenges, enabling continuous tracking and early interventions.

**Identifying behavioral risks:** AI helps recognise red flags for crises—such as substance use or breakdowns—so support can be offered before it's too late.

## Robotics in care

**Precision in surgery:** Robotic systems powered by AI assist surgeons with delicate procedures—boosting accuracy and cutting down recovery time, which the company is in the process of acquisition.

**Rehab assistance:** AI-powered robots guide patients through recovery routines, improving therapy outcomes and maintaining patient motivation.



**Business: SaaS  
Business (US  
Fintech – QFund)**

**2002:** This business was set up.

**Rationale:** We have actively analyzed IT opportunities within the U.S. alternative finance sector, with a strategic focus on microloans aimed at addressing the credit requirements of subprime customers.



**Business:  
Healthcare**

**2016:** The Company established a 350-bed multi-specialty facility in Hyderabad, which has since expanded to 400 beds. In addition, two smaller hospitals in the city contribute another 200 beds. Construction is currently underway for a 100-bed Radiation Oncology facility in Banjara Hills, Hyderabad, slated for completion by March 2027, and a 300-bed facility in Vizag, targeted for completion after the radiation oncology facility is commissioned. The third block on the Banjara Hills campus has provision for an additional 100 beds, offering a clear path to a total capacity of 1,100 beds in the near future.



*"We leverage shared digital technologies across our businesses to enhance synergy, strengthen capabilities, and build a sustained competitive advantage."*



**Business: IDC & IT  
services (KSoft)**

**2006:** This business was launched.

**Rationale:** Explored opportunities for outsourcing IT solutions to enhance operational efficiency, scalability, and cost effectiveness across key functions.



**Business: Payment  
& Credit Services  
(India Fintech -  
vCard)**

**2019:** The Company launched its Payment and Credit Services division in India, offering partner financial institutions access to its fintech platform, vCard. This platform facilitates the distribution of credit to underserved communities, promoting greater financial inclusion.

**Rationale:** Focused on addressing the credit needs of low-income individuals in India, the Company aims to bridge financial gaps through accessible and inclusive lending solutions.





# Strengthening effectiveness through strategic focus and investment

**First-mover edge:** The Company was among the first in India to invest in data science techniques for analyzing clinical outcomes, taking an early lead in this critical area of healthcare advancement.

**100% subsidiary:** Virinchi Combinatorics & Systems Biology has successfully explored 95% of previously uncharted dimensions, marking a significant advancement in the understanding of complex biological systems.

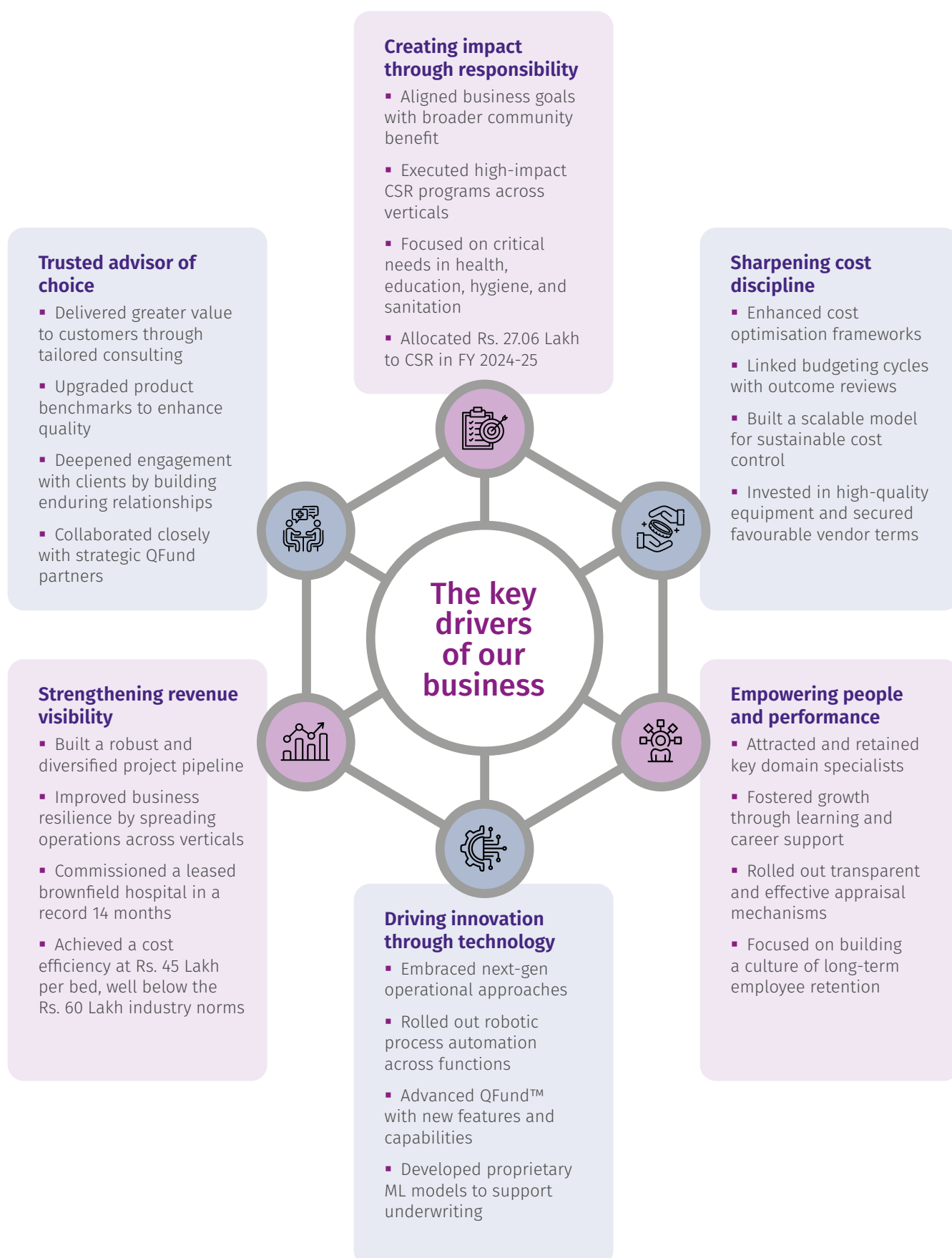
**Annuity revenues:** The Company strategically leverages annuity surpluses from one business to fund the launch and growth of new ventures, ensuring sustained momentum and balanced expansion across verticals.

**Asset-light:** The Company provides tertiary healthcare services through a leased facility in Hyderabad, operating under an eight-year agreement.

**Expanding reach:** The Company has ventured into the credit card industry with a focus on serving low-income customers, addressing a significantly underserved segment of the financial services market.

**Liquidity:** The Company is focused on building a business model with a strong emphasis on generating substantial cash profits, ensuring financial resilience and long-term value creation.









BUSINESS SEGMENT  
REVIEW



01

# Our SaaS business (US Fintech: Q Fund)

133.37

Rs. Crore, Revenues in  
FY 2024-25

4.5

% Revenue growth in  
FY 2024-25

69.9

Revenue as a % of IT  
revenues



## Overview

Nearly two decades ago, Virinchi identified a powerful opportunity in the underserved segment of the US lending market — individuals with limited or poor credit history seeking small loans through non-banking lenders. At a time when demand was growing for such credit, the need for robust, tech-enabled platforms to support lenders was also becoming evident. QFund was Virinchi's answer — a comprehensive loan lifecycle management solution tailored to the alternative finance sector.

Over the years, QFund has evolved into a market leader, supporting five of the largest alternative finance companies in the US. Its core strength lies in its ability to simplify and accelerate loan processing — from customer application and real-time eligibility checks to credit and fraud assessments, all culminating in rapid loan disbursements. This integrated, end-to-end platform has helped customers not only manage loan origination but also monitor repayments and collections efficiently.

Whether customers access the platform through physical locations, online portals, or interactive voice systems, QFund's omni-channel presence has made borrowing frictionless, compliant, and reliable.

### Responsive service

Dedicated customer success teams ensure that QFund evolves in step with market needs and client feedback.

### High configurability

Lenders can tailor repayment terms, payment options, and workflows — offering greater flexibility to their end users.

### Omni-channel presence

From store-front walk-ins to online, mobile, text, and voice-based applications — QFund supports every mode of customer interaction.

### Payroll deduction feature

The payroll deduction option simplifies repayment and reduces the risk of defaults, benefiting both borrowers and lenders.

### Hosted delivery model

The platform operates on a hosted SaaS model, removing infrastructure and maintenance burdens from customers.

### Secure infrastructure

With enterprise-grade cybersecurity, QFund provides lenders and borrowers a safe digital environment.

### Flexible loan structures

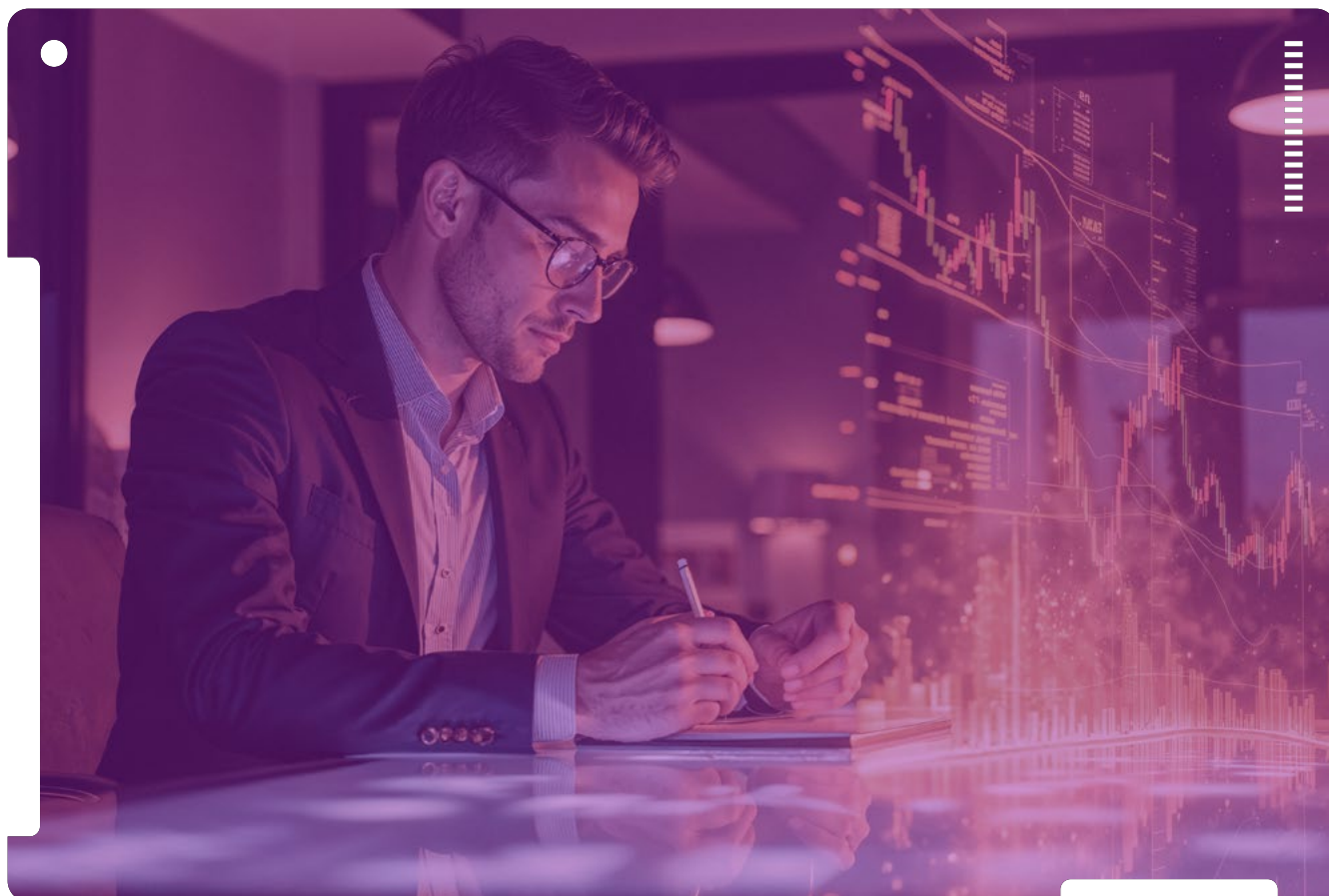
QFund supports a wide range of loan products — including cash advances, installment loans, title loans, and credit lines.

### Proven accuracy

The platform delivers consistently high systemic accuracy, which has enhanced trust across the lending ecosystem.

## What sets QFund apart





## FY 2024-25, highlights

**Client activation:** Following last year's acquisitions, new clients were successfully onboarded and are now generating SaaS-based recurring revenue.

**US-based expansion:** To strengthen local engagement, an American business development executive

has been appointed, tasked with expanding the client base.

**Performance-linked revenues:** QFund's 'pay-per-use' model ensures that income reflects platform impact and adoption.

**Improved UI:** A modernised user interface launched during the

year has enhanced usability and regulatory compliance.

**Agentic AI rollout:** The company is in the process of integrating AI-driven tools to improve borrower assessments and reduce loan processing time.

## Outlook

The market for storefront payday loans in the US is poised for sustained growth. With thousands of lender-operated retail stores across states, access to small-ticket loans has become easier and faster. Customers prefer these models due to their simplicity, lower processing fees, and direct, regulated interactions with lenders.

This growth is further supported by:

- Rising youth awareness about payday loans

- Strong adoption of digital lending technologies

- North America's continued dominance in the global payday loan market

QFund expects to benefit from ongoing consolidation in the US lending industry. As large lenders acquire smaller networks, the unified rollout of the QFund platform across newly acquired storefronts will drive faster organic growth. The company is also exploring the multi-tenancy model — a SaaS strategy where

smaller lenders can access QFund's full capabilities at a scaled fee, making the platform accessible to clients with limited store presence.

With its proven track record and growing market opportunity, QFund is well-positioned to expand its footprint and deepen its leadership in the alternative lending technology space.





BUSINESS SEGMENT  
REVIEW

02

# Our IDC and IT services business



## Overview

Through its wholly owned U.S. subsidiary, KSoft Systems Inc., Virinchi delivers a comprehensive range of consulting and technology services. Its IT offerings span enterprise applications and SMAC (social, mobility, analytics, cloud), backed by strong capabilities in social media integration, mobile solutions, data analytics, cloud platforms, packaged product services, and custom application development. Over 90% of Virinchi's IT revenue comes from clients in technology, telecom, and banking — sectors where agility and precision are paramount.

**57.30**

Rs. Crore, Revenues in FY 2024-25

**27.6**

% Revenue growth in FY 2023-24

**30.1**

Revenue as a % of IT revenues



# Our core strategy

## Expanding globally

By leveraging offshore development talent in India — especially for mobile and application services — the company strengthens its international presence and cost efficiency.

## Specialised tech expertise

Virinchi stays ahead of the curve with capabilities in chatbots, machine learning, big data, and enterprise mobility. This technical depth acts as a buffer against pricing volatility, ensuring long-term solution resilience.

## Reliable performance

The company has demonstrated consistency across projects, client relationships, revenue stability, and margins — building a reputation for dependability.

## Innovative service design

Virinchi offers technology-enabled services that help clients drive growth and stay ahead of the digital curve — making it a go-to partner for tech-forward enterprises.

## Client-first approach

A sharp focus on quality and responsiveness has helped Virinchi forge long-term client partnerships, boosting repeat business and sustainable revenues.

## Our key strengths

The IT services division brings together deep industry experience and excellence in service delivery. Its core offerings include ERP, mobile platforms, cloud solutions, and bespoke application development — all tailored across onsite, offshore, or hybrid delivery models.

The company's captive internet data center provides a reliable base for future expansion into third-party data center services. Additionally, its team's strong capabilities in mobile technologies and analytics give it an edge in scaling this line of business in a rapidly evolving tech landscape.



## Way forward

As AI adoption grows, demand for on-site IT resources in the U.S. is expected to rise. Simultaneously, increased consumer spending is driving greater lending by financial institutions, which in turn is creating new opportunities in the data center space — a critical infrastructure supporting the fast-expanding U.S. fintech SaaS ecosystem.

Virinchi serves a wide spectrum of industries, including:



Banking



Consumer products



Engineering and construction



Education



Healthcare and life science



HR solutions



Insurance



Manufacturing



Mobility



NGO



Oil and Gas



Power



Retail/ apparel/  
footwear



Technology



Telecommunications



Transportation  
& logistics



Utilities, consumer  
durables



Banking  
integration





BUSINESS SEGMENT  
REVIEW



03

# vCard – Payment and Credit Services Business



## Overview

vCard is India's pioneering mobile-based credit application, delivering financial products in partnership with leading banks and NBFCs. It stands out as a digital-first solution offering both flexibility and scale across the credit lifecycle.

The vCard business operates through two key models. This dual approach allows Virinchi to support its partners with customer-facing services and backend infrastructure in India's dynamic financial landscape.

**Customer sourcing and servicing model:** Virinchi plays a pivotal role in acquiring customers on behalf of partner banks. Post-acquisition, the partner bank manages underwriting and disbursement, while Virinchi uses the vCard platform to service these customers. Services include instant cash transfers to bank accounts, EMI facilities, detailed credit card statements, and full-stack credit card management.

**Turnkey partnership model:** In this model, Virinchi delivers a complete lending ecosystem. It manages end-to-end operations including customer acquisition, KYC, tech and operational support, disbursement initiation, and collection processes — all in close collaboration with a partner bank or NBFC.

## Addressing challenges

The company faced hurdles around payment processing and disbursements — particularly low transaction success rates, which led to user dissatisfaction. To resolve this, Virinchi diversified its payment processors, ensuring seamless redundancy and improved transaction reliability.

Regulatory shifts brought by RBI's updated digital lending guidelines posed both challenge and opportunity. These guidelines prohibit direct transfers from lenders to merchants in non-card-based loans, mandating transfers to the borrower's account instead. Virinchi responded swiftly — revamping its platform so funds now land in the borrower's account first, from where they are transferred to merchants via UPI intent. This ensures full compliance while reinforcing operational transparency.

These changes reflect Virinchi's commitment to regulatory alignment and ethical fintech operations.

## Sectoral opportunity

India's credit card penetration remains low — only 5-7% of the population holds a credit card, while the majority use debit cards. However, trends are shifting. In 2025, India had over 119 Million credit cards in circulation, with many users owning multiple cards.

This behavioural shift is opening a massive opportunity. Even without adding new cardholders, vCard can replace existing debit card use cases with credit-based solutions. As digital adoption accelerates across India's 1.42 Billion population, and as fintech matures across payments, lending, and insurance, the growth potential is enormous.

## Capitalising on opportunity

Virinchi had partnered a major private sector bank based in Mumbai. Though this engagement was discontinued due to operational reasons, the company is now actively seeking new banking partners to grow its customer base.

In a notable development, a long-term QFund customer in the U.S. invested USD 2 Million via a convertible debenture into one of Virinchi's subsidiaries around 30 months ago. This trust stems from the investor's three-decade lending experience and Virinchi's decades-long tech expertise — together laying a strong foundation for vCard's strategic ambitions. Currently, the company serves a base of 25,000 customers across both credit line and credit card programs.

Over the last three years, Virinchi adopted a cautious growth strategy — starting with a machine learning-driven credit line model. Behavioural insights gathered from the initial user base have shaped the risk model and enhanced customer targeting, reducing default risks and improving business sustainability.

## What makes vCard stand out

vCard combines convenience and control through features like instant cash withdrawals, EMIs on spends, and detailed monthly statements.

Its credit line program offers interest-free purchases ranging from Rs. 1,000 to Rs. 5,000 — a value proposition that transforms a mobile phone into a 24x7 credit tool.

With user-first design and smart financial tools, vCard offers a next-generation credit experience.

## Technology developments, FY 2024-25

vCard's tech evolution has been organic yet deliberate. Starting as a mobile-first credit platform, it has grown its partner network to include:

- TransUnion for credit checks
- Cashfree for payment processing
- IDfy, Bureau, and SurePass for eKYC and customer verification

These integrations — coupled with a machine learning-based behavioral model — have strengthened vCard's platform and readiness for scale.

## Performance as in FY 2023-24

- Crossed 25,000 cumulative customers between both lending partners by March 31, 2024.
- Enhanced credit line product in alignment with RBI's digital lending guidelines.
- Achieved USD 6 Million+ disbursements in the credit line segment and USD 50 Million+ cumulative disbursements across both programs as of March 31, 2024.

## Way forward

Although the U.S.-based QFund investor has exited its involvement in Indian operations, Virinchi is actively onboarding new lending partners and aims to grow beyond the current 25,000-customer base during FY 2025-26.



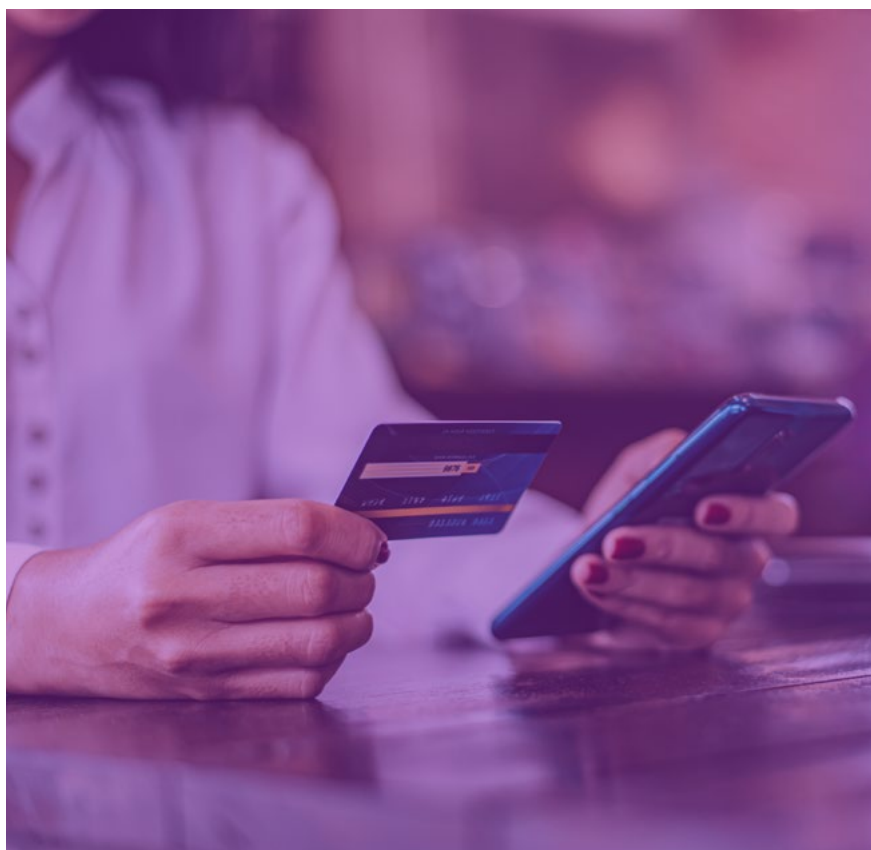


### vCard's unique edge

- Instant credit activation
- Risk-based pricing
- Small-ticket credit support
- Alternate credit scoring metrics
- Aggregation across banks and NBFCs
- Deep understanding of machine learning tools
- Aadhar-enabled eKYC and video KYC
- Instant bank account analytics

### The Virinchi ecosystem advantage

vCard draws strength from Virinchi's broader ecosystem — delivering end-to-end services from customer acquisition to collections. Backed by partners with decades of lending experience and Virinchi's robust technology infrastructure, vCard is well positioned to lead India's evolving credit transformation.



### The increasing optimism of our vCards business

**140**

Million, number of smartphones sold in India in 2024

**111.9**

Million, number of credit card holders in India as of March 2025

**1.42**

Billion, Number of Aadhar card holders as of September 2025

**1.08**

Billion, Number of active debit cards as of February 2025

**18.39**

Billion, Number of UPI transactions as of July 2025





BUSINESS SEGMENT  
REVIEW

04

# Our healthcare business

104.15

Rs. Crore, Revenues in  
FY 2024-25

-12.5

Revenue growth (%) in  
FY 2024-25

34.6

Revenue as a share  
of overall operating  
revenue (%) in  
FY 2024-25

27.7

Share of company's  
operating EBITDA (%) in  
FY 2024-25



## A journey of strategic healthcare integration

Virinchi's healthcare journey began with a strategic investment in Bristlecone Hospitals Private Limited — a 60-bed specialty hospital in Hyderabad, Telangana, founded with eminent doctors and cutting-edge facilities. Building on its early success, Bristlecone went on to acquire Titan Hospital, another feather in its cap.

This growing healthcare ecosystem led to the acquisition of Asclepius Consulting & Technologies Private Limited, a healthcare IT company with a powerful hospital information management system (HIMS). This integration enabled data-driven decision-making across medical and operational functions.

The vision expanded — Virinchi identified a rare opportunity to develop a 600-bed multi-specialty tertiary care hospital in a centrally located super mall in Hyderabad. A 30-year lease agreement was signed with 63 owners, and by 2016, Virinchi Hospitals was born.

## World-class infrastructure anchored in care

11 modular  
operating  
theatres

A 3-tesla  
functional  
MRI

128-slice dual  
energy CT  
scan

Cutting-edge  
medical  
technologies

This state-of-the-art setup attracted top-tier medical professionals, reinforcing Virinchi's positioning as a center of excellence in clinical competence and compassionate care.

## Our differentiators: The Virinchi edge

**Focused specialties:** With 40+ departments under the 'CONNECT' vertical (cardiology, orthopaedics, nephrology, neurology, emergency, cancer, transplant), Virinchi is deeply committed to targeted medical excellence.

**Right to science:** We believe in democratising access to scientific advancements, ensuring patients benefit from the latest in medical innovation.

**Infrastructure that heals:** Designed for patient comfort at every stage — from consultation to recovery the hospital blends advanced architecture with healing aesthetics.

**Transparency in care:** Patient counselling and treatment protocols are fully transparent, fostering trust and informed decision-making.

**Wholesome healing:** From superior housekeeping to personalised nutrition, we curate a holistic experience for both patients and caregivers.

**Employee wellbeing:** We foster a warm and enabling workplace environment for our staff, which reflects in the quality of care delivered.

## Culture of seamless innovation

**Regenerative stem cell therapy:** Virinchi became the first in Telangana and second in South India to perform regenerative stem cell therapy for osteoarthritis — a landmark achievement using local anaesthesia with same-day discharge. Initiated in August 2022, the procedure has seen rising demand.

**Pioneering renal transplants:** Successfully conducted an inter-state, inter-couple kidney swap transplant between Chhattisgarh and Telangana — setting procedural benchmarks in transplant surgery.

## Expanding horizons in care

**IVF and andrology:** Developed a dedicated facility for infertility treatment with significant success in



IUI and IVF, with a vision to build a full-fledged mother and child unit at Banjara Hills.

**Liver transplant readiness:** Received accreditation for both live and cadaver donor liver transplants. Infrastructure and clinical preparedness are now in place.

**Oncology expansion:** Construction of a dedicated radiation oncology block is underway, expected to be operational by April 2027. It will be connected to the main block via a skyway. In the interim, Virinchi has developed full-service capabilities for all other cancer treatments.

## Digitally empowered care

From day one, Virinchi has operated as a fully digitised hospital. Patient-facing mobile apps provide real-time access to reports, consultation histories, and health updates. Internally, the hospital is run on vHealth, a proprietary EMR platform, complemented by a CEO dashboard that offers real-time analytics on clinical and non-clinical performance metrics — all contributing to an enhanced, seamless customer experience.





## Strengthening our foundation

**NABH re-certification:** Reaffirming our commitment to quality and compliance.

**Clinical innovations:** From stem cell therapy to complex transplants, Virinchi is redefining what's possible in Indian healthcare.

**Accreditations:** Acquired certification for liver transplants and advanced oncology treatments.

## Looking ahead: Oncology and beyond

**Radiation oncology block:** To be commissioned by April 2027, completing our oncology capabilities.

**Regional expansion:** Plans to extend services across Telangana, Maharashtra, and Andhra Pradesh, leveraging mobile advanced life support vehicles.

**Community training:** Over 25 individuals per month to be trained in emergency response and use of support vehicles — expanding our societal footprint.

## Outlook

With a positive healthcare industry outlook, Virinchi is positioned for its next phase of growth. The commissioning of the oncology block will unlock significant cross-consultation opportunities, improving utilisation and increasing footfalls across the hospital. A multi-pronged strategy focusing on innovation, patient-centricity, and regional outreach will continue to drive growth and impact.

### Satyanarayana Vedula

Vice Chairman & Executive Director

## The Company's healthcare profile

Departments	Capabilities	Professionals employed	Experience profile	Qualifications/ knowledge capabilities
35	Each surgical and medical department can handle complex cases	70 full-time and 50 FFS (fee for service)	Department heads with average experience of 20 years	Hired from premier institutions (AIIMS, PGIMER Chandigarh, CMC Vellore, NIMS Hyderabad etc.)
			Other consultants with an experience of 10-15 years	Most department heads and consultants possessing postgraduate degrees (USA, UK and Australia)
			Junior doctors with an experience of 3-5 years	Physicians with familiarity in protocol-driven healthcare practices, seasoned in navigating the challenges of the Indian healthcare system.

# Virinchi Hospitals: Pioneering a new benchmark in innovation-led healthcare



## Data-based treatment

*Committed to maximising capital productivity*

- Harnessing scale advantages across the full spectrum of care delivery
- Applying IT-enabled strategies for efficient cost control
- Onboarding senior doctors as full-time salaried professionals
- Collaborating with Aadhar NSDC through a population data initiative to maintain an optimal patient-to-provider ratio

## Personalised preventive care

*Advancing care with next-generation technologies*

- Delivering tailored, preventive health programs
- Adopting treatment protocols rooted in public health data
- Deploying digital tools for clinical team coordination
- Integrating precision-driven therapy options
- Enabling virtual consultations via mobile-enabled care models
- Encouraging multidisciplinary treatment pathways

## Strong content presence

*Building strategic partnerships and expanding accessibility*

- Providing a dedicated mobile app and online patient access portal
- Structuring operations as an accountable care entity
- Leveraging data analytics and targeted patient relationship systems
- Establishing a doctor referral platform supported by mobile connectivity
- Positioning the brand through high-impact content engagement





## Healthcare delivery innovation

*Incorporating mobility and smart devices into clinical practice*

- Deploying dressings that change colour in response to patient conditions
- Integrating robotic systems into procedural workflows
- Applying ingestible digital sensors for internal monitoring
- Using imaging-guided techniques for less invasive surgeries
- Employing rapid diagnostic tools for timely assessments

## Medical science innovation

*Driving forward the frontiers of clinical research*

- Exploring therapeutic potential in gene science
- Making clinical trial medications accessible to patients
- Refining methods to stimulate stem cell proliferation
- Pushing the boundaries of regenerative therapies
- Applying xenograft and GEMM models in real-time biological testing
- Utilising genomics to anticipate and prevent disease

## Process innovation

*Creating a digitally unified and intelligent care ecosystem*

- Adopting checklist systems powered by digital platforms
- Enhancing health literacy with focused digital content
- Refining care journeys through patient-first IT systems
- Implementing universal identity tracking across service points
- Enabling integrated, hassle-free digital payment solutions



# Management discussion and analysis

## Global economic review

### Overview

Global economic growth declined marginally from 3.3% in 2023 to an estimated 3.2% in 2024. This was marked by a slowdown in global manufacturing, particularly in Europe and parts of Asia coupled with supply chain disruption and weak consumer sentiment. In contrast, the services sector performed more creditably.

The growth in advanced economies remained steady at 1.7% from 2023 to

2024 as the emerging cum developing economies witnessed a growth decline at 4.2% in 2024 (4.4% in 2023).

On the positive side, global inflation was expected to decline from 6.1% in 2023 to 4.5% in 2024 (projected at 3.5% and 3.2% in 2025 and 2026 respectively). This decline was attributed to the declining impact of erstwhile economic shocks, and labour supply improvements. The monetary policies announced by

governments the world over helped keep inflation in check as well.

The end of the calendar year was marked by the return of Donald Trump as the new US President. The new US government threatened to impose tariffs on countries exporting to the US unless those countries lowered tariffs for the US to export to their countries. This enhanced global trade and markets uncertainty and emerged as the largest singular uncertainty in 2025.

Regional growth (%)	2024	2023
World output	3.2	3.3
Advanced economies	1.7	1.7
Emerging and developing economies	4.2	4.4

(Source: IMF, KPMG, Press Information Bureau, BBC, India Today)

## Performance of the major economies, 2024

<b>United States:</b> Reported GDP growth of 2.8% in 2024 compared to 2.9% in 2023.	<b>China:</b> GDP growth was 5.0% in 2024 compared to 5.2% in 2023.	<b>United Kingdom:</b> GDP growth was 0.8% in 2024 compared to 0.4% in 2023.	<b>Japan:</b> GDP growth was 0.1% in 2024 compared with 1.9% in 2023.	<b>Germany:</b> GDP contracted by 0.2% in 2024 compared to a 0.3% decline in 2023.
--	---	---	---	--

(Source: CNBC, China Briefing, ons.gov.uk, Trading Economics, Reuters)

### Outlook

The global economy has entered a period of uncertainty following the imposition of tariffs of products imported into the USA and some countries announcing reciprocal

tariffs on US exports to their countries. This is likely to stagger global economic growth, the full outcome of which cannot be currently estimated. This risk is supplemented by risks related to conflicts, geopolitical tensions, trade

restrictions and climate risks. In view of this, World Bank projected global economic growth at 2.7% for 2025 and 2026, factoring the various economic uncertainties. (Source: IMF, United Nations)

## Indian economic review

### Overview

The Indian economy grew at 6.5% in FY 2024-25, compared to a revised 9.2% in FY 2023-24. This represented a four-year low due to a moderate slowdown within the Indian economy (marked by slower manufacturing growth and a decline in net investments). Despite the slowdown, India retained its position as the world's fifth-largest economy.

India's nominal GDP (at current prices) was Rs. 330.68 trillion in FY 2024-25 (Rs. 301.23 trillion in FY 2023-24). The nominal GDP per capita increased from Rs. 2,15,936 in FY 2023-24 to Rs. 2,35,108 in FY 2024-25, reflecting the impact of an economic expansion.

The Indian rupee weakened 2.12% against the US dollar in FY 2024-25, closing at Rs. 85.47 on the last trading day of FY 2024-25. In March 2025, the rupee recorded the highest monthly appreciation since November 2018, rising 2.39% (arising out a weakening US dollar).

Inflationary pressures eased, with CPI inflation averaging 4.63% in FY 2024-25, driven by moderating food inflation and stable global commodity prices. Retail inflation at 4.6% in FY 2024-25, was the lowest since the pandemic, catalysing savings creation.

India's foreign exchange reserves stood at a high of USD 676 Billion as of April 4, 2025. This was the fourth consecutive year when rating upgrades outpaced downgrades on

account of strong domestic growth, rural consumption, increased infrastructure investments and low corporate leverage (annualised rating upgrade rate 14.5% exceeded the decade-long average of 11%; downgrade rate was 5.3%, lower than the 10-year average of 6.5%).

Gross foreign direct investment (FDI) into India rose 13.6% to USD 81 Billion during the last financial year, the fastest pace of expansion since 2019-20. The increase in the year was despite a contraction during the fourth quarter of 2024-25 when inflows on a gross basis declined 6% to USD 17.9 Billion due to the uncertainty caused by Donald Trump's election and his assertions around getting investments back into the US.

### Growth of the Indian economy

	FY22	FY23	FY24	FY25
Real GDP growth (%)	8.7	7.2	9.2	6.5

(Source: MoSPI, Financial Express)

### Growth of the Indian economy quarter by quarter, FY 2024-25

	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Real GDP growth (%)	6.5	5.6	6.2	7.4

(Source: The Hindu, National Statistics Office)

The banking sector continued its improvement, with gross non-performing assets (NPA) for scheduled commercial banks (SCBs) declining to 2.6% as of September 2024, down from 2.7% in March 2024. The capital-to-risk-weighted assets ratio for SCBs stood at 16.7% as of September 2024, reflecting a strong capital position.

India's exports of goods and services reached USD 824.9 Billion in FY 2024-25, up from USD 778 Billion in the previous fiscal year. The Red Sea crisis impacted shipping costs, affecting price-sensitive exports. Merchandise exports grew 6% YoY, reaching USD 374.1 Billion.

India's net GST collections increased 8.6%, totalling Rs. 19.56 Lakh Crore in FY 2024-25. Gross GST collections in FY 2024-25 stood at Rs. 22.08 Lakh Crore, a 9.4% increase YoY.

On the supply side, real gross value added (GVA) was estimated to expand

6.4% in FY 2024-25. The industrial sector grew by 6.5%, supported by growth in construction activities, electricity, gas, water supply and other utility services.

India's services sector grew at 8.9% in FY 2024-25 (9.0% in FY 2023-24), driven by public administration, defence and other services (expanded at 8.8% as in the previous year). In the infrastructure and utilities sector, electricity, gas, water supply and other utility services grew a projected 6.0% in FY 2024-25, compared to 8.6% in FY 2023-24. Meanwhile, the construction sector expanded at 9.4% in FY 2024-25, slowing from 10.4% in the previous year.

Manufacturing activity was subdued in FY 2024-25, with growth at 4.5%, which was lower than 12.3% in FY 2023-24. Moreover, due to lower public spending in the early part of the year, government final consumption

expenditure (GFCE) is anticipated to have slowed to 3.8% in FY 2024-25, compared to 8.1% in FY 2023-24.

The agriculture sector grew at 4.6% in 2024-25 (1.4% in 2023-24). Trade, hotel, transport, communication and services related to broadcasting segment were estimated to grow at 6.4% in 2024- 25 (6.3% in 2023-24).

From a demand perspective, the private final consumption expenditure (PFCE) exhibited robust growth, achieving 7.2% in FY 2024-25, surpassing the previous financial year's rate of 5.6%.

The Nifty 50 and SENSEX recorded their weakest annual performances in FY 2024-25 in two years, rising 5.3% and 7.5% during the year under review respectively. Gold rose 37.7% to a peak of USD 3,070 per ounce, the highest increase since FY 2007-08, indicating global uncertainties.

Total assets managed by the mutual fund (MF) industry jumped 23% or Rs. 12.3 Lakh Crore in fiscal 2025 to settle at Rs. 65.7 Lakh Crore. At close of FY 2024-25, the total number of folios had jumped to nearly 23.5 Crore, an all-time peak. During last fiscal, average monthly systematic investment plan (SIP) contribution jumped 45% to Rs. 24,113 Crore.

Foreign portfolio investments (FPIs) in India experienced high volatility throughout 2024, with total inflows into capital markets reaching approximately USD 20 Billion by year-end. However, there was significant selling pressure in the last quarter, influenced by new tariffs announced by the new US government on most countries (including India).

### Outlook

India is expected to remain the fastest-growing major economy. Initial Reserve Bank of India estimates have forecast India's GDP growth downwards from 6.7% to 6.5% based on risks arising from US tariff levies on India and other countries. The following are some key growth catalysts for India in FY 2025-26.

**Tariff-based competitiveness:** India identified at least 10 sectors such as apparel and clothing accessories, chemicals, plastics and rubber where the US' high tariffs give New Delhi a competitive advantage in the American market over other suppliers. While India faced a 10% tariff after the US suspended the 26% additional duties for 90 days, the levy remained at 145% on China, the biggest exporter to the US. China's share of apparel imports into the US was 25%, compared with India's 3.8%, a large opportunity to address differential (Source: Niti Aayog).

**Union Budget FY 2024-25:** The Union Budget 2025-26 laid a strong foundation for India's economic trajectory, emphasizing agriculture, MSMEs, investment, and exports as the four primary growth engines. With a fiscal deficit target of 4.4% of GDP, the government reinforced fiscal prudence while allocating Rs. 11.21 Lakh Crore for capital expenditure (3.1% of GDP) to drive infrastructure development. The February 2025 Budget marked a shift in approach, with the government proposing substantial personal tax cuts. Effective April 1, 2025, individuals earning up to Rs. 12 Lakh annually will be fully exempt from income tax. Economists estimate that the resulting Rs. 1 Lakh Crore in tax savings could boost consumption by Rs. 3-3.5 Lakh Crore, potentially increasing the nominal private final consumption expenditure (PFCE) by 1.5-2% of its current Rs. 200 Lakh Crore.

**Free trade agreement:** In a post-Balance Sheet development, India and the United Kingdom announced a free trade agreement to boost strategic and economic ties. This could lead to a significant increase in the export competitiveness of Indian shipments in the UK across the textiles, toys, leather, marine products, footwear, and gems & jewellery sectors. About 99% of Indian exports to UK will enjoy zero-duty access tariff cuts; India will cut tariffs on 90% of tariff lines and 85% could become fully duty-free within 10 years.

**Pay Commission impact:** The 8<sup>th</sup> Pay Commission's awards could lead to a significant salary revision for nearly ten Million central government employees. Historically, Pay Commissions have granted substantial pay hikes along with generous arrears.

For instance, the 7<sup>th</sup> Pay Commission more than tripled its monthly salaries, raising the range from Rs. 7,000 to Rs. 90,000 to Rs. 18,000 to Rs. 12.5 Lakh, triggering a widespread ripple effect.

**Monsoons:** The Indian Meteorological Department predicted an 'above normal' monsoon in 2025. This augurs well for the country's farm sector and a moderated food inflation outlook.

**Easing inflation:** India's consumer price index-based retail inflation in March 2025 eased to 3.34%, the lowest since August 2019, raising hopes of further repo rate cuts by the Reserve Bank of India.

**Deeper rate cuts:** In its February 2025 meeting, the Monetary Policy Committee (MPC) reduced policy rates by 25 basis points, reducing it to 6% in its first meeting of FY 2025-26. Besides, India's CPI inflation is forecasted at 4% for the fiscal year 2025-26.

**Lifting credit restrictions:** In November 2023, the RBI increased risk weights on bank loans to retail borrowers and NBFCs, significantly tightening credit availability. This led to a sharp slowdown in retail credit growth from 20-30% to 9-13% between September 2023 and 2024. However, under its new leadership, the RBI has prioritised restoring credit flow. Recent policy shifts have removed restrictions on consumer credit, postponed higher liquidity requirements for banks, and are expected to rejuvenate retail lending.

(Source: CNBC, Press Information Bureau, Business Standard, Economic Times, World Gold Council, Indian Express, Ministry of External Affairs, Times of India, Business Today, Hindustan Times, Statistics Times)

## Global IT industry review

The global IT industry is experiencing significant growth, driven by increasing demand for digital solutions across industries. The information technology market size has grown strongly in recent years. It will grow from USD 8,757.63 Billion in 2024 to USD 9,348.7 Billion in 2025 at a CAGR of 6.7%. The growth in the historic period can be attributed to increased personal computing,

internet adoption, mobile revolution, growth of software development advancements, open source movement, cybersecurity concerns. The information technology market size is expected to see strong growth in the next few years. It will grow to USD 12 711.47 Billion in 2029 at a compound annual growth rate (CAGR) of 8.0%. The growth in the forecast period can be attributed

to globalisation of IT services, digital transformation, cybersecurity innovations, smart cities development, E-Commerce evolution. Major trends in the forecast period include hybrid work environments, cloud computing, climate tech solutions, AI in business processes, sustainable IT practices, blockchain technologies. The IT services market is witnessing robust growth, driven by several key factors.

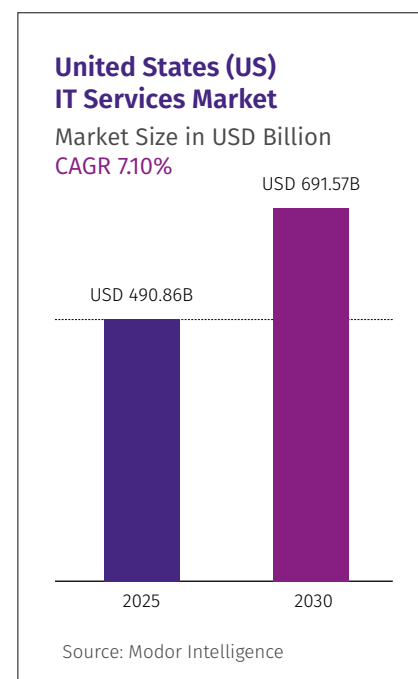
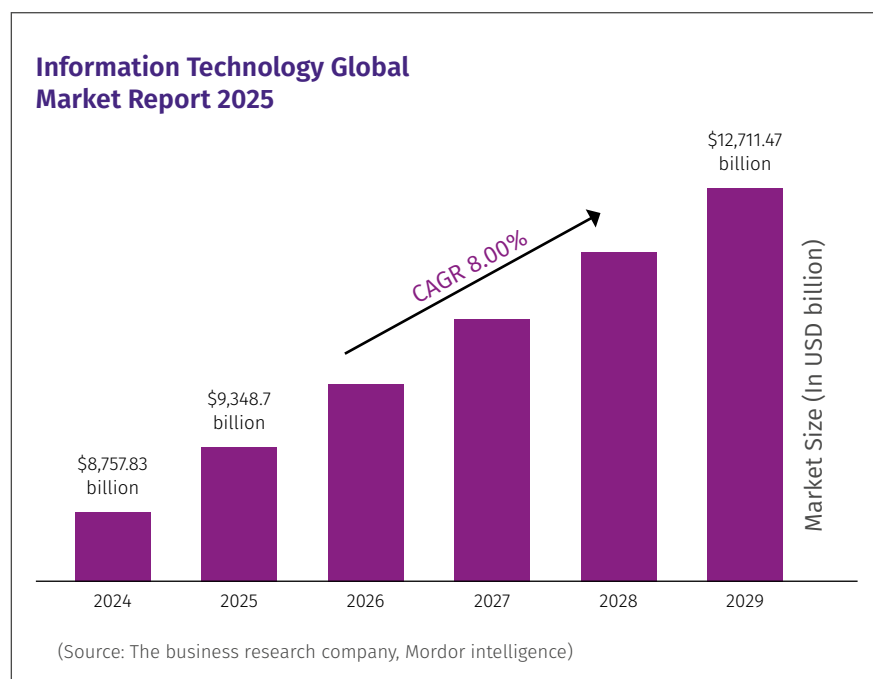


Primary among these is digital transformation, where businesses are leveraging digital technologies to boost efficiency, enhance customer experiences, and foster innovation. Moreover, the surge in the adoption of cloud computing is providing businesses with scalable and cost-efficient IT solutions. The rise in big data and analytics underscores the

need for sophisticated IT services to manage and derive insights from data.

The United States IT Services Market size is estimated at USD 490.86 Billion in 2025, and is expected to reach USD 691.57 Billion by 2030, at a CAGR of 7.10% during the forecast period (2025-2030).

The IT services landscape in the United States is undergoing significant transformation driven by workforce dynamics and technological advancement. According to the Bureau of Labor Statistics, employment growth in the IT sector is projected to surge by 31% by 2026, with approximately 255,400 new IT jobs expected to be created during this timeframe.



### Global IT spending (in USD Billion)

	2024 spending	2024 growth (%)	2025 spending	2025 growth (%)
Data center systems	329,132	39.4	405,505	23.2
Devices	734,162	6.0	810,234	10.4
Software	1,091,569	12.0	1,246,842	14.2
IT Services	1,588,121	5.6	1,731,467	9.0
Communication services	1,371,787	2.3	1,423,746	3.8
Overall IT	5,114,771	7.7	5,617,795	9.8

(Source: Gartner.com)

### Virinchi's service offering

The company is a leading IT solutions provider for retail micro-lending in the USA, with deep expertise in business analytics, artificial

intelligence, and enterprise mobility. It manages end-to-end projects for a diverse portfolio of US clients across healthcare and financial technology. In recent years, the company has expanded its footprint

in IT-driven healthcare services, with Virinchi Hospitals standing out for its innovative approach to patient care, emphasizing modern adaptability to deliver a seamless and consistent patient-doctor experience.

## Indian healthcare industry review

India's healthcare industry has grown significantly in both employment and income. The expansion of coverage, services, and rising spending by both public and private entities are all contributing to the rapid growth of the Indian healthcare industry. As of 2024, the Indian healthcare sector is one of India's largest employers as it employs a total of 7.5 Million people. Progress in telemedicine, virtual assistants, and data analytics is expected to create 2.7-3.5 Million

new tech jobs. Over the past year, the pharmaceuticals, healthcare, and biotechnology industries have undergone significant transformation. Key trends shaping the sector include international expansion, driven by strong export growth and strategic partnerships. Industry consolidation has also been a major factor, with mergers and acquisitions enhancing efficiency and competitiveness. Companies are heavily investing in talent, leveraging India's skilled

workforce to drive innovation and technological advancements. The e-health market size is estimated to reach USD 10.6 Billion by 2025. The Indian healthcare sector is witnessing unprecedented growth, with private equity and venture capital investments surpassing USD1 Billion in the first five months of 2024, marking a 220% increase from the previous year.

(Source: IBEF, Business standard)

## Government initiatives

The 2025 Union Budget was expected to prioritise this goal and the growth of the health sector, and experts called for a substantial increase in allocations to the current healthcare spending to meet the growing demands. Public health advocates had also pushed for a dedicated healthcare cess, with a 35% GST on tobacco and sugary products, which did not find a place in this year's budget.

The government has allocated Rs. 95,957.87 Crore to the healthcare sector for FY 2025-26 (Fiscal Year), a 9.46% increase from the FY 2024-25 budget estimates. While this figure signals a continued investment in this sector, it does little to address the long-standing resource gap in public health infrastructure. This year, the healthcare sector accounts for 1.94% of the total budget, reflecting a declining trend compared to previous years.

The Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB PM-JAY) also received an allocation of Rs. 9,406 Crore, around a 29% increase from last year's budget, while the Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) was granted Rs. 4,200 Crore, marking a 40% increase from the previous year. These hikes reflect the recent expansion of PMJAY to include all 70+ population and the focus on tertiary infrastructure.

Year	PMJAY Budg-et (Rs. Crore)	Total De-partment of Health and Family Wel-fare Budget (Rs. Crore)	Proportional Percentage PMJAY	PMABHIM Budget (Rs. Crore)	Proportional Percentage PMABHIM
2021-22	6,400	71,268.77	8.98	-	
2022-23	6,412	83,000	7.72	4,176.84	5.03
2023-24	7,200	86,175	8.35	4,200	4.87
2024-25	7,300	87,656.90	8.32	3,200	3.65
2025-26	9,406	95,957.87	14.26	4,200	4.37

(Source: Orfoline.org)

## Growth drivers of the Indian healthcare sector

**Government investment in public health:** The Indian government aims to raise public health spending to 2.5% of the country's GDP by 2025, reinforcing its commitment to improving healthcare infrastructure.

**Ageing population:** Moreover, India is also witnessing a rapid increase in the elderly, with those aged 60 years and

older expected to double from 8.6% in 2011 to 16% by 2041, reaching 300 Million by 2050.

**Medical tourism and global competitiveness:** India has emerged as a global leader in medical tourism, attracting patients worldwide seeking advanced medical treatments at competitive prices. In 2024, India's

medical tourism market is valued at USD 7.69 Billion and is expected to grow to USD 14.31 Billion by 2029, registering a CAGR of approximately 13%. With the number of medical tourists projected to reach 7.3 Million in 2024, India is solidifying its position as a leading destination in the global healthcare industry.

**Integration of technology and innovation:** AI-driven advancements are accelerating India's healthcare growth by enhancing diagnostics, optimising treatments, and improving patient outcomes. From predictive analytics and personalised medicine to automating administrative tasks, AI streamlines operations, reduces costs, and enables better patient care. According to NITI Aayog the

integration of AI in healthcare is projected to create nearly 3 Million new jobs by 2028 with the total healthcare workforce slated to grow from 7.5 Million now to 9 Million by 2027.

**Rising income and middle-class expansion:** India is undergoing profound shifts in demographics and health trends. Economic growth

has propelled approximately 73 Million households into the middle-class category over the past decade, significantly boosting their purchasing power, especially in healthcare. By 2026, it is projected that 8% of Indians will earn more than USD 12,000 annually.

(Source: India connected, Wright research)

## Company's overview

Established in 1990 and headquartered in Hyderabad, India, Virinchi Limited has evolved into a prominent global company specialising in fintech, technology

services, and healthcare. The company has grown its expertise in analytics, mobility, and healthcare delivery, operating three hospitals and offering a nationwide healthcare

mobility solution. Virinchi Limited has also extended its footprint across North America.

### Opportunities

- The government's active support for the healthcare sector
- Deployment of blockchain-as-a-service for a decentralised and scalable IT infrastructure
- Growing adoption of private and public cloud solutions for IT workload migration by various companies.
- Adopting clean technologies guided by ESG principles.
- Adoption of robust cybersecurity measures by companies.
- Technology acting as the foundation of business operations.

### Threats

- Increasing cybersecurity threats
- Rising employee turnover in the IT industry
- Shortage of semiconductor chips
- Outdated technology

## Risk management

### Customer risk

The company risks losing customers due to ineffective services.

**Mitigation:** The Company is focused to develop a customer-centric business environment. The Company addressed more than 25 Million unique customers in fintech in the US and more than 15 customers in the IT Services space in FY 2024-25. The Company emerged as a market leader in the fintech space for the retail micro-credit industry.

### Competition risk

The company's market share could be affected by the emergence of new competitors.

**Mitigation:** The company integrated top-rated technologies and upgraded facilities to ensure it provides quality services to patients at an affordable price.

### Compliance risk

The company risks facing penalties due to potential non-compliance with regulatory norms.

**Mitigation:** Virinchi invests in initiatives to strengthen employee engagement, promoting a sense of ownership and empowerment within the organisation. Additionally, it remains aligned with the latest regulatory and compliance standards.



### Employee risk

Failure to maintain a safe work environment could impact employee retention.

**Mitigation:** The Company's employee strength in IT stood at 460 as on March 31, 2025 while talent retention stood at 88% for FY 2024-25. The Company's employee strength in Healthcare stood at 475 for FY 2024-25.

### Financing risk

Lack of a safe work environment may affect employee retention.

**Mitigation:** The Company's net worth stood at Rs. 474.27 Crore and total debt stood at Rs. 159.99 Crore as on March 31, 2025. The Company's gearing stood at 0.34 during FY 2024-25.

### Geographic risk

Excessive dependence on a single geographic region could adversely affect the company's financial stability.

**Mitigation:** The Company services clients across North America and generated 63.3% of its revenues from exports in FY 2024-25.

## Financial overview

### Analysis of the Profit & Loss statement

#### Revenues

Revenues from operations reported a 0.4% increase from Rs. 300.03 Crore in FY 2023-24 to Rs. 301.13 Crore in FY 2024-25. Other income of the Company accounted for a 2.3% share of the Company's total revenues, reflecting the Company's dependence on core operations.

#### Expenses

Total expenses of the Company increased by 10.9% from Rs. 190.95 Crore in FY 2023-24 to Rs. 211.92 Crore in FY 2024-25. Administrative expenses accounting for a 47.6% share of the Company's expenses, increased by 30.9% from Rs. 77.05 Crore in FY 2023-24 to Rs. 100.86 Crore in FY 2024-25, owing to an increase in the operational scale of the Company.

### Analysis of the Balance Sheet

#### Sources of funds

The capital employed by the Company decreased by 2.9% from Rs. 653.38 Crore as on March 31, 2024 to Rs. 634.27 Crore as on March 31, 2025 owing to a Rs. 20.47 Crore increase in net worth and Rs. 39.59 Crore decrease in total debt. Return on capital employed, a measurement of returns derived from every rupee invested in the business, decreased

by 71 basis points from 9.62% in FY 2023-24 to 8.91% in FY 2024-25.

Net worth and details of any change in Return on Net worth compared to the immediately preceding financial year

The net worth of the Company increased by 4.5% from Rs. 453.80 Crore as on March 31, 2024 to Rs. 474.27 Crore as on March 31, 2025, owing to an increase in reserves and surplus and increase in equity on account of exercise of ESOPs by employees and exercise of warrants by the promoters. Long-term debt of the Company decreased by 7.7% to Rs. 99.17 Crore as on March 31, 2025 due to repayment of borrowings. Long-term debt-equity ratio of the Company stood at 23.7% in FY 2023-24 compared to 20.9% in FY 2024-25. Finance costs of the Company decreased by 9.03% from Rs. 42.90 Crore in FY 2023-24 to Rs. 39.03 Crore in FY 2024-25. The Company's interest cover stood at a comfortable 2.47x in FY 2024-25 (2.65x in FY 2023-24).

#### Applications of funds

Fixed assets (Net) of the Company increased by 3.8% from Rs. 630.32 Crore as on March 31, 2024 to Rs. 654.61 Crore as on March 31, 2025. Depreciation and amortisation increased by 2.7% from Rs. 53.54 Crore in FY 2023-24 to Rs. 54.99 Crore in FY 2024-25.

### Investments

Non-current investments, loans and advances and other non-current assets decreased by 15.8% from Rs. 11.46 Crore in FY 2023-24 to Rs. 9.65 Crore in FY 2024-25.

### Working capital management

Current assets of the Company decreased by 12.5% from Rs. 209.14 Crore as on March 31, 2024 to Rs. 183.09 Lakh as on March 31, 2025 owing return of funds by parties who have taken short term loans and advances from the company. The Current and Quick Ratios of the Company stood at 1.49 and 1.44, respectively in 2024-25, compared to 1.52 and 1.47, respectively in 2023-24. Inventories including raw materials, work-in progress and finished goods among others decreased by 22.6% from Rs. 6.88 Crore as on March 31, 2024 to Rs. 5.33 Crore as on March 31, 2025 owing to a decrease in healthcare operations. Trade receivables increased by 9.7% from Rs. 74.04 Crore as on March 31, 2024 to Rs. 81.19 Crore as on March 31, 2025. All receivables were secured and considered good. The Company's debtors' turnover cycle increased to 98.42 days of turnover equivalent in FY 2024-25 compared to 90.07 days in FY 2023-24. Cash and bank balances of the Company decreased by 61.3% from Rs. 20.03 Crore as on March 31, 2024 to Rs. 7.76 Crore as on March 31, 2025.

## Key ratios and numbers

Particulars	2024-25	2023-24
EBITDA/Turnover (%)	31.3	37.4
EBITDA/Net interest ratio	2.47	2.65
Debt-equity ratio (x)	0.34	0.44
Return on equity (%)	0.16	3.18
Book value per share (Rs.)	46.20	48.30
Earnings per share (Rs.)	0.07	1.53
Debtors' turnover (days)	98.42	90.07
Interest coverage ratio (x)	2.47	2.65
Current ratio (x)	1.49	1.52
Operating profit margin (%)	18.61	19.79
Net profit margin (%)	0.23	4.50

## Internal ecosystems and their adequacy

The internal control and risk management system aligns with the principles and criteria of the organisation's corporate governance code. It is seamlessly integrated into the Company's and Group's

structure, ensuring coordinated efforts across various roles. The Board of Directors provides strategic oversight to Executive Directors, management, monitoring committees, and support committees. Additionally,

the Control and Risk Committee, along with the Audit Department led by Board-appointed Statutory Auditors, operates under the Board's supervision.

## Human resources

The Company values its dedicated and motivated employees as the cornerstone of its success. It fosters their growth through competitive

compensation, a supportive work environment, and a structured reward system that recognises outstanding performance. Encouraging continuous

learning and innovation, the Company empowers employees to take on voluntary projects, helping them reach their full potential.

## Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain

assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statement or implied due to the influence of

external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments.

# Notice of Annual General Meeting

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Tuesday, the 30<sup>th</sup> day of September, 2025, at 12.30 PM IST through Video Conferencing / Other Audio Visual Means ("VC/OAVM") to transact the following business

## ORDINARY BUSINESS:

### Item# 1 To receive, consider and adopt:

- (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon; and
- (b) the Audited Consolidated Financial statements of the Company for the financial year ended March 31, 2025, together with the Report of the Auditors thereon.

### Item# 2 To appoint a Director in place of Mr. M. V. Srinivasa Rao (DIN:00816334) who retires by rotation, and being eligible, offers himself for re-appointment.

The members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

**RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. M.V. Srinivasa Rao (DIN: 00816334) who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation.

## SPECIAL BUSINESS:

### Item# 3 Appointment of Mr. G. Vinay Babu, Company Secretary in Practice as Secretarial Auditor of the company for a term of five (5) consecutive years and fixation of remuneration thereof.

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 Section 204 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s)

thereof for the time being in force), Mr. G. Vinay Babu, Practicing Company Secretary, be and is hereby appointed as the Secretarial Auditor of the company for a term of five (5) consecutive years commencing from the financial year 2025-26 to the financial year 2029-30.

**RESOLVED FURTHER THAT** approval of members be and is hereby accorded for payment of Rs. 75,000/- (Rupees Seventy Five Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses for financial year 2025-26 and authorised the Board of Directors (including any Committee thereof) to fix and pay such remuneration, other certifications fees as may be deemed fit for the remaining tenure of appointment.

**RESOLVED FURTHER THAT** the Board of Directors of the company (including any Committee thereof) be and is hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### Item#4 Re-Appointment of Mr. V. Satyanarayana as Vice-Chairman and Executive Director of the Company.

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 196, 197 & 203 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), as approved by the Nomination and remuneration committee, consent of members be and is hereby accorded for appointment of Mr. V. Satyanarayana (DIN: 09070986), as the Vice-Chairman & Executive Director of the Company for a period of Three years w.e.f. 22<sup>nd</sup> February, 2026 on the remuneration, terms and conditions as recommended by the Nomination & Remuneration Committee.

**"RESOLVED FURTHER THAT** Mr. V. Satyanarayana, Vice-Chairman & Executive Director will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges as any from time to time, be available to other Senior Executives of the Company."



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

**"RESOLVED FURTHER THAT** the remuneration payable to Mr. V. Satyanarayana, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time and the Board be and hereby authorised to revise the gross salary of the appointee by maximum of 50% per annum".

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all acts and take all such steps as

may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board For Virinchi Limited**

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

**Virinchi Limited**

Registered Office:

8-2-672/5&6, 4<sup>th</sup> Floor,

Road#1, Banjara Hills, Hyderabad-500034

Telangana

CIN: 72200TG1990PLC011104

Email: [investors@virinchi.com](mailto:investors@virinchi.com)

Website: [www.virinchi.com](http://www.virinchi.com)

**K. Ravindranath Tagore**

Company Secretary

## Notes:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
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. September 30, 2025. Members seeking to inspect such documents can send an email to [investors@virinchi.com](mailto:investors@virinchi.com).
4. The relevant details as required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, of directors proposed for appointment and seeking re-appointment is annexed hereto.
5. The Register of Members / Register of Beneficiaries and Share Transfer books of the Company will remain closed from 24<sup>th</sup> September, 2025 to 30<sup>th</sup> September 2025 (both days inclusive).
6. Members holding shares in physical form may write to the Company/Company's R&T agents for any change in their address and bank mandates. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants.
7. Members are requested to send all communication relating to shares to the Company's R&T Agents (Physical and Electronic) at the following address: M/s. Aarthi Consultants Private Ltd, Unit: Virinchi Ltd, 1-2-285, Domalguda, Hyderabad-500 029 Email- [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com).
8. Members are requested to note that dividends not encashed or claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, be transferred to the IEPF. The company has transferred the unpaid dividend for the year 2004-05, 2005-06, 2006-07, 2009-10, 2010-11, 2011-12 to IEPF.
9. The Certificate from the Secretarial Auditors of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, will be available for inspection by the shareholders.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN and other details to the company's R&T Agents in accordance with SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April 2018.
11. 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.
12. Pursuant to section 72 of the Act, shareholders are entitled to make a nomination in respect of shares held by them. Shareholders desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the R&T Agent of the company. Further, shareholders desirous of cancelling/ varying nomination pursuant to the rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the R&T Agent of the company.
13. 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.
14. 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. The Board has appointed Mr. G. Vinay Babu, Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

15. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
16. Any person who acquires shares of the Company and becomes a Member of the Company after dispatching of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.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.
17. In compliance with the Circulars, the Annual Report 2024-25, the Notice of the 36<sup>th</sup> AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
18. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') 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), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL, and RTA and will also be displayed on the Company's website, [www.virinchi.com](http://www.virinchi.com)
19. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

## **20. CDSL e-Voting System – For Remote e-voting and e-voting during AGM:**

- a. 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) by the companies (Management and Administration) Amendment Rules, 2015 and Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020

under Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with M/s. Aarthi Consultants Private Ltd and Central Depository Services (India) Limited (CDSL) for facilitating 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.

- b. 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 atleast 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.
- c. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- d. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- e. The Notice calling the 36<sup>th</sup> AGM has been uploaded on the website of the Company at [www.virinchi.com](http://www.virinchi.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and NSE Limited at [www.nseindia.com](http://www.nseindia.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/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

## **21. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The e-voting period commences on Friday, September 26, 2025 (9:00 a.m. IST) and ends on



Monday, September 29, 2025 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 23, 2025 may cast their votes electronically. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on September 23, 2025.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first time user follow the steps given below:
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

	For Shareholders holding shares in Demat Form other than individual and and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>❖ Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>❖ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- vi) After entering these details appropriately, click on “SUBMIT” tab.
- vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN for the relevant <Virinchi Limited > on which you choose to vote.
- x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.



- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investors@virinchi.com](mailto:investors@virinchi.com) . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investors@virinchi.com](mailto:investors@virinchi.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **Note for Non – Individual Shareholders and Custodians-Remote Voting**

- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- ❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- ❖ The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- ❖ Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@virinchi.com](mailto:investors@virinchi.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- ❖ 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 [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) .

- ❖ For Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP)
- ❖ For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill

Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board For Virinchi Limited**

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**K. Ravindranath Tagore**  
Company Secretary

**Virinchi Limited**

Registered Office:  
8-2-672/5&6, 4<sup>th</sup> Floor,  
Road#1, Banjara Hills, Hyderabad-500034  
Telangana  
CIN: 72200TG1990PLC011104  
Email: [investors@virinchi.com](mailto:investors@virinchi.com)  
Website: [www.virinchi.com](http://www.virinchi.com)

## Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

### Item# 3

#### **Appointment of Mr. G. Vinay Babu, Company Secretary in Practice as Secretarial Auditor of the company for a term of five (5) consecutive years and fixation of remuneration thereof.**

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendations of the Audit Committee, the Board of Directors of the company at their meeting held on 22<sup>nd</sup> August, 2025, appointed Mr. G.Vinay Babu, a Practicing Company Secretary, as the Secretarial Auditor of the Company for a term of five (5) consecutive years commencing from 2025-26 to 2029-30, subject to approval of the members. The proposed fees in connection with the annual Secretarial Audit will be Rs. 75,000/- (Rupees Seventy Five Thousand Only) plus applicable taxes and other out-of-pocket expenses for financial year 2025-2026, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and Mr. G.Vinay Babu. In addition to the secretarial audit, Mr. G.Vinay Babu may also provide such other services in the nature of certifications and other professional work, as may require from time to time and may be approved by the Board of Directors, as recommended by the Audit Committee in consultation with the Secretarial Auditor.

#### **Brief Profile of Mr. G.Vinay Babu**

Mr. G. Vinay Babu, Practicing Company Secretary, is a peer-reviewed sole proprietorship registered with the Institute of Company Secretaries of India and has extensive experience of seven years as a Practicing Company Secretary, with an overall experience of 18 years. His expertise spans various areas such as due diligence, mergers & acquisitions, advisory and consulting, joint ventures, and representation services. Mr. G. Vinay Babu has consented to be appointed as the Secretarial Auditor of the Company and has confirmed that he is not disqualified from being appointed as Secretarial Auditor of the Company. He has also confirmed that he has subjected himself to the peer review process of the Institute of Company Secretaries of India (ICSI), holds a valid certificate issued by the Peer Review Board of the ICSI, and

will continue to remain peer-reviewed during the tenure of his appointment as Secretarial Auditor.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval of the member

### Item#4

#### **Re-Appointment of Mr. V. Satyanarayana as Vice-Chairman and Executive Director of the Company.**

Mr. V. Satyanarayana was appointed as Vice Chairman and Executive Director of the Company for a period of **five years** commencing from **22<sup>nd</sup> February, 2021 to 21<sup>st</sup> February, 2026**.

In terms of the Corporate Governance Guidelines of the Company, and pursuant to the recommendation of the **Nomination and Remuneration Committee (NRC)**, the Board of Directors, subject to the approval of the members, and in compliance with Sections **196, 197, and 203** read with Schedule V and other applicable provisions of the Companies Act, 2013, proposes the **re-appointment of Mr. V. Satyanarayana** as Vice Chairman and Executive Director of the Company for a further period of **three years from 22<sup>nd</sup> February, 2026 to 21<sup>st</sup> February, 2029**, on the remuneration, terms, and conditions recommended by the NRC.

Your Directors recommend that the resolution be passed as an **Ordinary Resolution**.

#### **Remuneration and Terms:**

- ❖ **Salary:** ₹6,00,000 (Rupees Six Lakhs only) per month.
- ❖ Other perquisites, allowances, and benefits as may be applicable to senior management in accordance with the policies of the Company, subject to the limits prescribed under the Companies Act, 2013 and Schedule V.
- ❖ Upon approval by the members, a separate agreement will be executed between the Company and Mr. V. Satyanarayana to give effect to the above terms.





The Board of Directors recommends the resolution in relation to the re-appointment of Vice Chairman & Executive Director, for the approval of the members of the Company.

The disclosure under SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 is provided at Annexure to this Notice.

**Interest of Directors and KMP:**

Except for Mr. V. Satyanarayana and his relatives, none of the other Directors and managers, Key Managerial Personnel of the Company, or their relatives is concerned or interested, financially or otherwise, in the resolution.

Accordingly, the Board recommends the resolution set out in **Item No. 4** of this Notice for approval of the members as an **Ordinary Resolution**.

**By Order of the Board For Virinchi Limited**

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

**Virinchi Limited**

Registered Office:

8-2-672/5&6, 4<sup>th</sup> Floor,

Road#1, Banjara Hills, Hyderabad-500034

Telangana

CIN: 72200TG1990PLC011104

Email: [investors@virinchi.com](mailto:investors@virinchi.com)

Website: [www.virinchi.com](http://www.virinchi.com)

**K. Ravindranath Tagore**

Company Secretary

## Annexure

Details of the Directors retiring by rotation and seeking re-appointment / appointment at the Annual General Meeting pursuant to (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are as under:

### Details of Directors retiring by rotation / seeking appointment / re-appointment at the Meeting

<b>Name of the Director</b>	M.V.SRINIVASA RAO
<b>Director Identification No</b>	00816334
<b>Date of Birth/Age</b>	08-04-1968/ 57 Years
<b>Nationality</b>	Indian
<b>Qualification</b>	B.E (ECE), MBA, IIM, Ahmedabad
<b>Experience(including expertise in specific functional area)/Brief Resume</b>	33 years of experience in Management Consulting and Industry. Worked with Deloitte Touche Tohmatsu India Private Limited for 18 years and was in-charge of the Management Consulting practice for Hyderabad market for 11 years. Worked with Best & Crompton Engineering Projects Limited, an EPC company for 5 years in the area of corporate finance. Working with Virinchi Limited in the corporate group for close to Ten years. Experience spans across various verticals such as IT/ITES, Steel, Fertilizer, Cement, Pharmaceutical, Media & Entertainment, Healthcare and Education. Experience on horizontals spans across corporate finance and strategy & operations. Corporate finance experience includes corporate restructuring for value unlocking, mergers & acquisitions, business and brand valuations, equity & debt fund raising and corporate debt restructuring. Strategy & operations experience includes business strategy formulation and implementation, total cost management through shop floor workflow management, and supply chain management and performance improvement through streamlining of organizational systems and procedures and implementation of performance assessment & monitoring systems
<b>Terms and Conditions of Reappointment</b>	Mr. M.V. Srinivasa Rao who was re-appointed as a Whole Time Director of the company to hold the position till 11 <sup>th</sup> November, 2028, is liable to retire by rotation.
<b>Remuneration proposed to be paid (including sitting fees if any)</b>	There is no change in the remuneration as proposed and approved by the members and board in the Annual General Meeting held on 30 <sup>th</sup> September, 2023
<b>Remuneration Last Drawn</b>	For remuneration details, please refer the Corporate Governance Report
<b>Date of first appointment on the Board</b>	12 <sup>th</sup> November, 2018
<b>Shareholding in the Company as on 31<sup>st</sup> March, 2025</b>	1,60,000 equity shares
<b>Relationship with other Directors / Key Managerial Personnel</b>	There is no relationship with other directors/KMP's

Number of meetings of the Board attended during the financial year	7
Directorships of other Boards as on 31 <sup>st</sup> March, 2025	<ol style="list-style-type: none"> <li>1. V23 Medical Solutions Private Limited</li> <li>2. Virinchi Infra and Realty Private Limited</li> <li>3. Raghni Ferro Alloys Private Limited</li> <li>4. Virinchi Capital Private Limited</li> <li>5. Virinchi Media and Entertainment Private Limited</li> <li>6. Virinchi Learning Private Limited</li> <li>7. QFund Technologies Private Limited</li> <li>8. Rayven Broadnet Enterprise Private Limited</li> <li>9. Tensor Fields Consultancy Services Private Limited</li> <li>10. Virinchi Combinatorics and Systems Biology Private Limited</li> <li>11. Virinchi Health Care Private Limited</li> <li>12. Capital Square Advisors Private Limited</li> </ol>
Membership / Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2025	Nil
Listed Entities from which resigned as Director in past 3 years	Not applicable

#### Details of Directors proposed to re-appoint:

Name of the Director	V. Satyanarayana
Director Identification No	09070986
Date of Birth/Age	15-01-1966/ 59 Years
Nationality	Indian
Qualification	B.Com, ACA
Experience(including expertise in specific functional area)/Brief Resume	<p>Mr. Satyanarayana Vedula is a qualified Chartered Accountant, a Certified Global Business Leader (U21 and Harvard Business School Publishing) and a Six Sigma Black Belt. Prior to joining Virinchi, he was employed in various executive leadership roles with Tech Mahindra (for over 23 years) in Sales, Relationship Management/ Business Development, Global Delivery, Global Presales &amp; Large deal management, Contract negotiations, Consulting, Design of Service offerings /productizing and Program Management and in driving Automation and Innovation. He has extensive client interaction experience having worked in Australia, USA and Middle East for several years. His cross functional expertise spans most verticals with focus on BFSI, Health and Life Sciences. He has championed the set-up of multiple technology COEs and contributed to enhancing growth in existing accounts and acquiring marquee new logos across all market segments by leading cross functional technical teams in Digital and New Age AD/AMS and Cloud technologies. His last role was in the Health &amp; Life Sciences vertical where he was a global growth enabler spanning all sub verticals of Payor, Health care Provider, Pharma and Medical Devices Prior to Tech Mahindra, he had worked in leadership roles at a Motorola JV, an Industrial major group in Hyderabad and with A F Ferguson (now Deloitte) where he has contributed in Accounts, Finance, Treasury, Taxation, MIS, Planning and Budgeting and Audit/ Assurance.</p>
Terms and Conditions of Reappointment	As per the resolution set out at Item No. 4 of this Notice read with statement pursuant to Section 102 of the Act
Remuneration proposed to be paid (including sitting fees if any)	As per the resolution set out at Item No. 4 of this Notice read with statement pursuant to Section 102 of the Act



<b>Remuneration Last Drawn</b>	For remuneration details, please refer the Corporate Governance Report
<b>Date of first appointment on the Board</b>	22 <sup>nd</sup> February, 2021
<b>Shareholding in the Company as on 31<sup>st</sup> March, 2025</b>	NIL
<b>Relationship with other Directors / Key Managerial Personnel</b>	There is no relationship with other directors/KMP's
<b>Number of meetings of the Board attended during the financial year( 2024-25)</b>	7
<b>Directorships of other Boards as on 31<sup>st</sup> March, 2025</b>	<ol style="list-style-type: none"> <li>1. Virinchi Capital Private Limited</li> <li>2. Virinchi Media and Entertainment Private Limited</li> <li>3. V23 Medical Solutions Private Limited</li> <li>4. Tyohar Foods Private Limited</li> <li>5. Tensor Fields consultancy Services Private Limited</li> <li>6. Asclepius Consulting &amp; Technologies Private Limited</li> </ol>
<b>Membership / Chairmanship of Committees of other Boards as on 31<sup>st</sup> March, 2025</b>	Nil
<b>Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years</b>	Not applicable

**By Order of the Board For Virinchi Limited**

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad  
**Virinchi Limited**  
Registered Office:  
8-2-672/5&6, 4<sup>th</sup> Floor,  
Road#1, Banjara Hills, Hyderabad-500034  
Telangana  
CIN: 72200TG1990PLC011104  
Email: [investors@virinchi.com](mailto:investors@virinchi.com)  
Website: [www.virinchi.com](http://www.virinchi.com)

**K. Ravindranath Tagore**  
Company Secretary

# Board's Report

*Dear members*

Your Directors have pleasure in presenting the report of the Business and Operations of your Company ('the Company' or 'Virinchi'), along with the audited financial statements, for the financial year ended March 31, 2025. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required.

## 1. Financial Summary or Highlights

The summarized standalone and consolidated financial results of your Company and its subsidiary are given in the table below:

(₹ in lakhs)

Equity Shares	Consolidated		Standalone	
	2024-25	2023-24	2024-25	2023-24
Total Income	30,830.41	30,483.21	15,341.34	14,300.65
Profit before finance Cost, Depreciation & Amortization, Taxation & Exceptional Item	9,638.57	11,387.81	4,546.65	3,770.79
Less: Finance Cost	3,902.90	4,290.13	1,427.92	1,082.11
Depreciation and Amortization Expenses	5,498.60	5,353.70	1,113.83	1,323.54
Profit before Tax & Exceptional items	237.08	1,743.97	2,004.90	1,365.14
Less: Exceptional items	0.00	0.00	0.00	0.00
Profit Before Tax	237.08	1,743.97	2,004.90	1,365.14
Less: Tax Expenses	188.66	396.42	401.00	257.05
Profit before minority interest	48.41	1,347.56	1,603.90	1,108.09
Less: Minority Interest	(23.99)	(22.78)	-	-
Profit After Tax	72.40	1,370.33	1,603.90	1,108.09

## SUMMARY OF OPERATIONS, STATE OF COMPANY'S AFFAIRS & FUTURE OUTLOOK

### SUMMARY OF OPERATIONS:

#### CONSOLIDATED REVENUES:

The total consolidated income of the Company for the FY 2024-25 is Rs. 30,830.41 lakhs as against Rs. 30,483.21 Lakhs in FY 2023-24.

#### STANDALONE REVENUES:

The total income of the Company for the FY 2024-25 is Rs. 15,341.34 Lakhs as against Rs. 14,300.65 Lakhs in FY 2023-24.

#### CONSOLIDATED PROFITS:

Profit before Tax (PBT) stood at Rs. 237.08 Lakhs as against Rs. 1,743.97 Lakhs for the previous year.

Profit after Tax (PAT) stood at Rs. 72.40 Lakhs as against Rs. 1,370.33 Lakhs for the previous year.

### STANDALONE PROFITS:

Profit before Tax (PBT) stood at Rs. 2,004.90 Lakhs as against Rs. 1,365.14 Lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 1,603.90 Lakhs as against Rs. 1,108.09 Lakhs for the previous year.

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year (March 31, 2025) to which the financial statements relate and the dates of this report (August 22, 2025).

During the year under review, there is no change in nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations.

### AMOUNTS TRANSFERRED TO RESERVES

The Board of the company has decided to carry Rs. 1,603.90 Lakhs to its Reserves.

## DIVIDEND

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

## SUBSIDIARIES INFORMATION / PERFORMANCE

### Virinchi Healthcare Private Limited

Virinchi Healthcare Private Limited (VHPL) has three units in Hyderabad with a total operating bed capacity of 600 which can be enhanced upto 800. The flagship hospital at Banjara Hills, Hyderabad with bed capacity of 400, delivers therapeutic care over 35 specialties. Virinchi has a dedicated clinical team pursuing MoUs and medical partnerships with globally reputed institutions in the US, UK, China, Israel and other countries to deliver a unique 'Right to Science' program to make global medical innovations available to Indian patients to treat previously incurable conditions.

The flagship hospital is led by leading doctors in the country offering the best of therapeutic and diagnostic care through some of the Industry Leading Medical Infrastructure including 3T fMRI, Ceiling Mounted IVUS Cath Lab, Dual Energy 128 Slice CT, 11 Fully Equipped Operation Theatres & widest range of in-house diagnostic capabilities.

For FY 2024-25 the revenue and EBIT were Rs. 104.84 crores and Rs. -0.19 crores respectively. While the revenue and EBIT in FY 2023-24 were Rs. 133.78 crores and Rs. 35.23 crores respectively. The revenue in FY 2024-25 has fallen by Rs. 28.93 crores and expenses have gone up by Rs. 5.95 crores leading to an overall fall in EBITDA by Rs. 34.89 crores compared to FY 2023-24. Depreciation and amortization went up by Rs. 0.53 crores to Rs. 25.61 crores compared to

Rs. 25.08 crores in FY 2023-24 leading to a fall in EBIT by Rs. 35.42 crores in FY 2024-25 compared to FY 2023-24.

### KSoft Systems Inc

M/s. KSoft Systems Inc. is in the business of software development through on-shore/off-shore model, IT Consulting services and Internet Data Centers. M/s. KSoft Systems Inc. provides IT Consulting services to various clients in the US in the domains of SAP, Oracle and other technologies.

For the year under review FY 2024-25, the total income is Rs. 70.76 crores as against Rs. 85.14 crores in FY 2023-24, and the EBIT is Rs. 24.23 crores as against Rs. 10.17 crores in FY 2023-24. Though revenue has fallen by Rs. 14.39 crores in FY 2024-25, EBIT has gone up by Rs. 14.06 crores on account of operational cost optimization.

### Virinchi Capital Private Limited and Tensor Fields Consultancy Services Private Limited

Virinchi Capital Private Limited and Tensor Fields Consultancy Services Private Limited together run vCard, the Payment and Credit Services (Fintech) business in India. Virinchi Capital offers small denomination unsecured line of credit to customers in partnership with an NBFC, while Tensor Fields originates credit cards for a partner bank. In addition, vCard doubles up as a payment platform as UPI payment rails are built into vCard technology platform.

For the year under review FY 2024-25, the total income under the vCard platform is Rs. 0.21 crores as against Rs. 2.99 crores in FY 2023-24 and the EBIT is Rs. -3.15 crores as against Rs. 0.64 crores in FY 2023-24

## Change in Capital Structure and Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Ltd (BSE) and NSE Ltd. During the year under review, 46,82,538 Convertible Warrants were converted into equity shares by the promoters and as per the Chapter V of the SEBI (ICDR) Regulations, 2018 and 40,01,737 shares allotted to the employees of the company under various esop plans. Consequently, the Equity Share Capital of your Company increased from 9,39,62,621 Equity shares of Rs.10/-each to 10,26,46,896 Equity shares of Rs.10/- each

Particulars Equity Shares	March 31, 2025		March 31, 2024	
	Number of Shares	Rs.	Number of Shares	Rs.
Share capital				
(a) Authorised Equity Shares of Rs.10/-each	15,00,00,000	150,00,00,000	15,00,00,000	150,00,00,000
b) issued Subscribed and fully paid up: Equity Shares of Rs. 10/-each	10,26,46,896	102,64,68,960	9,39,62,621	93,96,26,210
	<b>10,26,46,896</b>	<b>102,64,68,960</b>	<b>9,39,62,621</b>	<b>93,96,26,210</b>

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

Particulars Equity Shares	March 31, 2025		March 31, 2024	
	Number of Shares	Rs.	Number of Shares	Rs.
Shares outstanding at the beginning of the year	9,39,62,621	93,96,26,210	7,93,20,468	79,32,04,680
Add: issued and allotted during the year				
i. Allotment of shares pursuant to VESOS,2016 &2018&2022	40,01,737	4,00,17,370	63,23,653	6,32,36,530
ii. Allotment of shares under preferential issue guidelines	46,82,538	4,68,25,380	40,00,000	4,00,00,000
Less; Shares bought Back during the year	-	-	-	-
Shares outstanding at the end of the year	10,26,46,896	102,64,68,960	9,39,62,621	93,96,26,210

## 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.

## Preferential Issue of Shares

During the year, the promoters exercised 46,82,538 warrants out of the 60,00,000 warrants earlier allotted to them. The balance 13,17,462 warrants lapsed on account of non-exercise within the stipulated period. Further, the Company had also allotted 10,00,000 warrants to public shareholders, which have also expired due to non-exercise.

## Composition of the Board as on 31<sup>st</sup> March, 2025 and Details of Board meetings:

Sl. No	Name	Designation
1	M.V.Srinivasa Rao	Chairman & Whole Time Director, CFO
2	V. Satyanarayana	Vice-Chairman & Executive Director
3	K. Sri Kalyan	Non-independent and Non -Executive Director
4	K. Kalpana	Independent Director
5	T. Shyam Sunder	Independent Director
6	J. Suresh	Independent Director

## Number of Board Meetings

During the year under review, 7 (Seven) Board meetings were held. The details are as under:

Sl. No	Date of Board Meeting	No. of Directors attended
1	3 <sup>rd</sup> May, 2024	6
2	6 <sup>th</sup> July, 2024	6
3	22 <sup>nd</sup> July, 2024	6
4	26 <sup>th</sup> August, 2024	6
5	6 <sup>th</sup> November, 2024	6

Sl. No	Date of Board Meeting	No. of Directors attended
6	21 <sup>st</sup> November, 2024	6
7	27 <sup>th</sup> January, 2025	6

## Committees of the Board

The details of the Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee are reported in the Report on Corporate Governance which forms part of the Board's Report.

## Meeting of Independent Directors

The details of the Separate meeting of the Independent Directors are reported in the Report on Corporate Governance which forms part of the Board's Report.

## Familiarization Programme for Independent Directors

The details of the familiarization programme for the Independent Directors are reported in the Report on Corporate Governance which is attached to the Board's Report.

## DECLARATION BY INDEPENDENT DIRECTORS

K. Kalpana, T. Shyam Sunder, J. Suresh are independent directors on the board of your company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149(6) of the Companies Act, 2013 ("the Act") and the Rules made thereunder, and under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 about their status as Independent Directors of the Company.

## Registration of Independent Directors with the Databank in the portal of Indian Institute of Corporate Affairs

Pursuant to notification dated 22<sup>nd</sup> October, 2019 of Ministry of Corporate Affairs all the Independent Directors have



registered themselves as Independent Director in the portal of Indian Institute for Corporate Affairs (IICA).

### **Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year**

In the opinion of the Board, the Independent Directors of the Company possess the requisite qualifications, experience (including proficiency), expertise and integrity.

### **Changes in Directors and Key Managerial Personnel**

#### **Appointments:**

There are no new appointments during the year under review.

#### **Cessations:**

There are no cessations during the year under review.

### **Key Managerial Personnel**

Mr.M.V.Srinivasa Rao, Whole Time Director & CFO, Mr. V. Satyanarayana, Vice Chairman & Executive Director and Mr. K. Ravindranath Tagore, Company Secretary are the Key Managerial Personnel (KMP) of the company in terms of the provisions of the Act.

### **Retirement of Directors:**

In accordance with the provisions of Section 152 (6) of the Act and the Company's Articles of Association, Mr.M.V. Srinivasa Rao, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Nomination and Remuneration committee and the Board recommend his re-appointment for the approval of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mr.M.V. Srinivasa Rao has been given in the Notice convening the Annual General Meeting.

### **Policy on Directors Appointment and Remuneration**

The details of Policy on Directors appointment and Remuneration (i.e. Nomination and Remuneration Policy), criteria for determining qualifications, positive attributes, independence of directors are included in Report on Corporate Governance forming part of the Board's Report.

The details of the remuneration paid to the Whole Time and Executive Directors are given in the Corporate Governance Report.

### **Transfer of unpaid/unclaimed dividend and corresponding equity shares**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, as amended, read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, dividend which remain unpaid or

unclaimed for a period of 7 consecutive years already transferred to the Investor Education and Protection Fund of the Central Government.

K. Ravindranath Tagore, Company Secretary is the nodal officer for the purpose of IEPF Rules.

### **Transfer of Shares to IEPF**

As per Section 124(6) of the Companies Act 2013 all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund of the Central Government. The company has transferred the shares to the IEPF already. The shareholders, whose shares are transferred to IEPF, can make an application to IEPF for the credit of shares to their account.

### **Annual Return:**

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31<sup>st</sup> March, 2025 is available on the Company's website and can be accessed at [www.virinchi.com](http://www.virinchi.com)

### **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.

### **Contracts or arrangements with Related Parties**

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. The 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 have been carried out after the necessary approvals from shareholders. Please see the details of the same in form AOC-2 which is annexed as **Annexure-4**

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.

The Company formulated the Policy on dealing with Related Party Transactions. The policy is placed at the Company's website: [www.virinchi.com](http://www.virinchi.com).

### 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.

### Corporate Social Responsibility Committee

In terms of section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, the Board of Directors of your Company have constituted a CSR Committee.

Sl. No	Name	Designation	Chairman/Member
1	K. Kalpana	Independent Director	Chairman
2	K. Sri Kalyan	Non-Executive Director	Member
3	M.V. Srinivasa Rao	Whole Time Director & CFO	Member

### Terms of Reference

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

### CSR Policy

The Company's CSR Policy is disseminated on the Company's website at [www.virinchi.com](http://www.virinchi.com). During the year 2024-25, 1 (One) meeting of the Corporate Social Responsibility Committee were held.

### CSR Expenditure during the year 2024-25

As per the Section 135(5) of the Companies Act, 2013, the Company shall ensure that an amount of 2% of the average Net Profits of the Company made during the three immediately preceding financial years shall be spent towards Corporate Social Responsibility activities. For the Financial Year 2024- 25, the amount to be spent towards CSR activities works out to 27.06 Lacs. The Company has spent Rs.27.06 Lacs towards the CSR activities in the financial year 2024-25.

The detailed Report, on the CSR Activities is annexed to Board's Report at **Annexure-2**.

### Material Subsidiary

Virinchi Health Care Private Ltd and KSoft Systems Inc., are the Material subsidiaries of the company as per the thresholds laid down under the Listing Regulations. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Company's website at <http://virinchi.com/pdf/materialityPolicy.pdf>

### 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.

- number of complaints filed during the financial year - NIL
- number of complaints disposed of during the financial year -NIL
- number of complaints pending as on end of the financial year - NIL

### Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.

There are no applications made or any proceeding pending to report under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

### The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

During the year there is no one time settlements done with the Banks to report.

### Governance Policies

At Virinchi, 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
- ❖ Policy for Determining material subsidiary

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

#### **Vigil mechanism / Whistle blower policy:**

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

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

<http://virinchi.com/pdf/whistleBlowersPolicy.pdf>

### **Risk Management Policy**

#### **Risk Management**

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

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

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

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

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

### **Internal Control Systems and Adequacy**

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.

### **Internal audit**

In terms of Section 138 of the Companies Act, 2013 and the relevant Rules, the Company appointed M/s. K.L.V S Prasad Rao & Co Chartered Accountants as an Internal Auditor. The Internal Auditor directly reports to the Audit Committee.

### **Independent Auditors, their Report and Notes to Financial Statements**

M/s. P. Murali & Co., Chartered Accountants, (ICAI firm Registration Number :007257S) were appointed as Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 33<sup>rd</sup> Annual General Meeting (AGM) held on 28<sup>th</sup> September, 2022 until the conclusion of 38<sup>th</sup> AGM of the company to be held in the year 2027.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

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.

### **Auditor's Certificate on Corporate Governance**

As required under Regulation 34 (3) read with schedule V (E) of the SEBI (LODR) Regulations, 2015, Auditor's certificate on corporate governance is enclosed as **Annexure-7** to Board's Report.

### **Compliance with Secretarial Standards**

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **Secretarial audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. G.Vinay Babu, Practicing Company Secretary, to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit is annexed as **Annexure - 5**.

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

### **Annual Secretarial Compliance Report**

A Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2025, on compliance of all applicable SEBI Regulations and circulars / guidelines, issued by M/s. G.

Vinay Babu., Practicing Company Secretary, was submitted to BSE and NSE Limited.

### Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE and NSE Limited. The Annual Listing fee for the year 2025-26 has been paid to the stock exchange.

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

### Significant and Material Orders Passed by the Regulators

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.

Names of companies which have become or ceased to be, its Subsidiaries, joint ventures or Associate companies:

No company have become or ceased to be Subsidiary during the year. The company don't have any Joint Ventures & Associate companies to report.

### Public Deposits

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

### Consolidated Financial Statements

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

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

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

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

### Reporting of Frauds by Auditors

During the year under review, the Statutory Auditor 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 available on the Company's website and can be accessed at [www.virinchi.com](http://www.virinchi.com)

### Maintenance of Cost Records

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

### Report on Corporate Governance

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

Management Discussion and Analysis Report

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

### 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 -6** 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 1** 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 1** and forms an integral part of this annual report. The above Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the

Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

### **Acknowledgments**

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

**For Virinchi Ltd**

**M.V. Srinivasa Rao**

Date: 22<sup>nd</sup> August, 2025      Chairman & Whole Time Director  
Place: Hyderabad      DIN: 00816334

## Annexure-1

# Statement Of Disclosure of Remuneration

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

Sl. No	Requirements	Disclosure	
		Name of the Director	Ratio( In X Times)
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	M.V.Srinivasa Rao	22.49:1
		V. Satyanarayana	20.45:1
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of the Director	% increase in Remuneration
		M.V.Srinivasa Rao	36.75%
		V. Satyanarayana	Nil
		K. Ravindranath Tagore- Company Secretary	Nil
3	The percentage increase in the median remuneration of employees in the financial year.	During FY 2024-25, the percentage Increase in the median remuneration of employees as compared to previous year was approximately 2.82%	
4	The number of permanent employees on the rolls of Company.	There were 575 employees as on March 31, 2025.	
5	a) The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year	a) Average increase in remuneration is 4.45% for Employees other than Managerial Personnel.	
	b) its comparison with the percentage increase in the managerial remuneration	b) There is 12.84% increase in the managerial remuneration during the year under review.	
	c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	c) Not Applicable	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, It is confirmed.	

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

For Virinchi Ltd

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**M.V. Srinivasa Rao**  
Chairman & Whole Time Director  
DIN: 00816334

## Annexure-2

# The Annual Report on CSR Activities For Financial Year Ended 31<sup>st</sup> March, 2025

(Pursuant to Section 135 of the Act & Rules made there under)

## 1. Brief outline on CSR Policy of the Company.

The Company has its CSR Policy within broad scope laid down in Schedule VII to the Act, as projects / programmes / activities, excluding activities in its normal course of business.

## 2. Composition of CSR Committee: As on 31<sup>st</sup> March, 2025

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	K. Kalpana	Chairman/Independent Director	1	1
2	M.V.Srinivasa Rao	Member/Whole Time Director	1	1
3	K. Sri Kalyan	Member/Non Independent-Non executive Director	1	1

## 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company has constituted CSR committee, CSR policy in accordance with provisions of Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 as amended there to. The details of Committee, CSR policy are available at <https://www.virinchi.com/pdf/virinchi-csr-policy.pdf>

## 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)- Not Applicable.

## 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	14,12,496.63	Nil
2	2021-22	6,40,246	Nil
3	2022-23	38,000	Nil
4	2023-24	5,43,141	Nil
Total		26,33,883.63	Not Applicable

## 6. Average net profit of the company as per section 135(5)- Rs. 13,53,19,920

## 7. (a) Two percent of average net profit of the company as per section 135(5)- Rs.27,06,398

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- Nil

(c) Amount required to be set off for the financial year, if any- Nil

(d) Total CSR obligation for the financial year (7a+7b-7c).- Rs. 27,06,398

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
27,06,500	Nil	Not Applicable	Not applicable	Nil	Not applicable

## (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Not Applicable											Not Applicable	
Total											Not Applicable	

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1.	Education Sanitation and Health care	Promoting Education among children & providing Health Care	No	Andhra Pradesh,East Godavari Dt		5,80,000	No	Viswanadha Foundation	CSR00005612
2.	Education Sanitation and Health care	Promoting Education among children & providing Health Care	Yes	Telangana,		21,26,500	No	Lopa Mudra Charitable Trust	CSR00005613
Total						27,06,500			

## (d) Amount spent in Administrative Overheads- Nil

## (e) Amount spent on Impact Assessment, if applicable- Not applicable

## (f) Total amount spent for the Financial Year (8b+8c+8d+8e)-27,06,500

## (g) Excess amount for set off, if any-Rs.112

S. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	27,06,398
(ii)	Total amount spent for the Financial Year	27,06,500
(iii)	Excess amount spent for the financial year [(ii)-(i)]	112
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	112



**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							Not Applicable
<b>Total</b>				<b>Not Applicable</b>			

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
								Not Applicable
<b>Total</b>				<b>Not Applicable</b>				

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s).- Not applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset.- Not applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).- Not applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- Not applicable**

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**M.V. Srinivasa Rao**  
Whole Time Director&CFO  
DIN: 00816334

**K. Kalpana**  
Chairman-CSR committee  
DIN: 07328517

## AOC-1

## Part-A

## Stateement showing salient features of the financial statements of subsidiaries for the year ended March 31, 2025

S. No	As on 31.03.2025	Ksoft Systems Inc	Qfund Technologies Pvt. Ltd.	Tyohar Foods Pvt Ltd	Virinchi Learning Private Ltd	Virinchi Media & Entertainment Pvt Ltd	Virinchi Infra & realty Pvt Ltd	Virinchi HealthCare Private Limited	Asclepius Consulting & Technologies Private Limited	Tensor Fields Consultancy Services Pvt Ltd	Virinchi Combinatorics & Systems Biology Pvt Ltd	V23 Medical Solutions Pvt Ltd	Virinchi Capital Pvt Ltd
1	Share Capital	45.91	1.00	1.00	19.50	1.00	1.00	543.60	58.82	1.00	1.00	1.00	500.00
2	Reserves & Surplus	12,353.22	-43.19	-125.72	-300.58	-115.96	10.57	-636.72	-338.98	-250.74	-35.33	-6.91	-280.20
3	Total Assets	13,564.17	828.67	60.43	38.25	131.24	16.69	42,737.73	506.47	121.76	6.08	1.00	3,540.17
4	Total Liabilities	1,165.04	870.86	185.16	319.33	246.20	5.12	42,830.86	786.62	371.50	40.40	6.91	3,320.36
5	Investments	124.24	-	-	-	-	-	39.58	-	-	-	-	-
6	Turnover	6,511.89	-	10.74	-	4.39	-	10,414.98	-	20.51	8.50	14.86	-
7	PBT	2,380.93	-47.70	-11.36	-44.67	-40.26	-0.11	-3,615.03	-48.96	-44.99	-16.54	-0.87	-278.27
8	Tax	142.86	4.34	-0.21	-4.97	0.24	-	-354.59	-	-	-	-	-
9	PAT	2,238.08	-52.04	-11.15	-39.71	-40.50	-0.11	-3,260.43	-48.96	-44.99	-16.54	-0.87	-278.27
10	Dividend	-	-	-	-	-	-	-	-	-	-	-	-
11	% of shareholding	100%	100%	100%	100%	100%	100%	100%	51%	100%	100%	100%	100%

The company incorporated 100% Subsidiary Virinchi Technologies Limited, Canada and yet to remit the subscription money and commence commerical operations.

## Part-B

## Joint Venture/Associate Companies

There are no joint ventures/associates companies to report.

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 of Directors of

**Virinchi Limited**

For **P. Murali & Co.**

Chartered Accountants

Firm Registration No. 0072575

**M.V. Joshi**

Partner

M. No. 024784

Place: Hyderabad

Date: 28/05/2025

**M.V. Srinivasa Rao**

CFO & Wholetime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

**K. Ravindranath Tagore**

Company Secretary

M. No. A18894

## Annexure-4

# 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 2024-25.

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

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

Sl. No.	Name of the Company	Relationship
1	Virinchi Health Care Private Ltd	Wholly owned Subsidiary
2	Virinchi Learning Private Ltd	Wholly owned Subsidiary
3	QFund Technologies Private Ltd	Wholly owned Subsidiary
4	Tyohar Foods Private Ltd	Wholly owned Subsidiary
5	Virinchi Infra and Realty Private Ltd	Wholly owned Subsidiary
6	Virinchi Combinatorics and Systems biology Private Limited	Wholly owned Subsidiary
7	KSoft Systems Inc.,USA	Wholly owned Subsidiary
8	Virinchi Media & Entertainment Private Ltd	Wholly owned Subsidiary
9	Tensor Fields Consultancy Services Private Ltd	Wholly owned Subsidiary
10	V23 Medical Solutions Private Limited	Wholly owned Subsidiary
11	Virinchi Capital Private Limited	Wholly Owned Subsidiary
12	Asclepius Consulting & Technologies Private Limited	Subsidiary
13	Vivo Bio Tech Ltd	Common Promoter and Director
14	Viswanath Kompella	Founder and Promoter Advisor Cum Chairman Emeritus

### (b) Nature of contracts/arrangements/transactions

- Software Development, IDC Infrastructure, Cloud Hosting and consulting services with M/s. KSoft Systems Inc and Virinchi Capital Private Limited
- Loans & Advance to remaining subsidiaries.
- Contract with Mr. Viswanath Kompella, promoter and a shareholder holding more than 10% shareholding in the company

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**

The Contracts with M/s. KSoft Systems Inc and Virinchi Capital Private Limited are ongoing and will be perpetual.

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 10<sup>th</sup> November, 2018 initially for a period of 5 years, renewable by the Board from time to time. The Board renewed the appointment for another 5 years and will be valid till 10<sup>th</sup> November, 2028

**(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.

1. The payment terms of each project as per the intercompany agreements entered with the respective subsidiaries.
2. The payment terms are like Rs. 25,000 per month for the leasing of Premises at Banjara Hills, Hyderabad
3. Monetary Terms with Mr. Viswanath Kompella
  - a) Fixed monthly Fee/Remuneration of Rs.15,00,000 ( Rupees Fifteen Lacs Only)
  - b) an annual variable incentive of 0.50% only on the consolidated revenues of the company.
4. 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.
5. Facilities: Mr. Viswanath Kompella shall be provided requisite office facilities, chauffeur driven car and communication facilities to effectively discharge his duties.

**(e) Date(s) of approval by the Board, if any:**

1. Not applicable as these are at arms' length basis and in the ordinary course of the business.
2. The Audit Committee in its meeting held on November 12, 2018, has approved the proposal for appointment of Mr. Viswanath Kompella, Chairman Emeritus, as an Advisor of the Company and the same has also been discussed and approved by the Board in its meeting held on November 12, 2018, and subsequently has been approved by the members through postal ballot. The company through postal ballot Notice dated 12<sup>th</sup> July, 2022 obtained approval of the members for revision in the remuneration limits. The company took shareholders approval for renewal of the appointment for 5 years from 10<sup>th</sup> November, 2023 to 10<sup>th</sup> November, 2028 in the AGM held on 30<sup>th</sup> September, 2023

**3. Amount paid as advances, if any: Nil**

**For Virinchi Ltd**

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**M.V. Srinivasa Rao**  
Chairman & Whole Time Director  
DIN: 00816334



**Annexure -5**

## Secretarial Audit Report of M/S. Virinchi Limited

For The Financial Year Ended On 31<sup>st</sup> March, 2025

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,  
**Virinchi Limited**

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

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the financial year ended on March 31, 2025 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1.** I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowing.
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    - 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 and Sweat Equity ) Regulations, 2021;
    - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2021 ;
    - 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. Information Technology Act, 2000 and the rules made thereunder
    - b. Software Technology Parks of India rules and regulations
    - c. Copyright Act, 1957
    - d. The Patents Act, 1970
    - e. The Trade Marks Act, 1999

2. During the year the Company has conducted 7 Board Meetings, 5 Audit Committee Meetings, 1 Independent Director's Meeting, 6 Nomination and Remuneration Committee and 4 Stakeholders Relationship Committee Meeting and 1 Corporate Social Responsibility Committee meetings . We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors and General Meeting.
3. I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
4. I further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals
5. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. The Company has framed various policies and displayed the same on the company's website i.e., [www.virinchi.com](http://www.virinchi.com)
  - ❖ Policy on Preservation of Documents
  - ❖ Whistle Blower Policy
  - ❖ Related Party Transaction Policy

- ❖ Familiarization programme for Independent Directors
- ❖ Nomination and remuneration Policy
- ❖ Policy on material subsidiaries
- ❖ Corporate Social Responsibility Policy

7. We further report that:-

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- c. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- d. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- e. We further report that during the year under report, the Company has not undertaken any event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Virinchi Ltd**

**Vinay Babu Gade**

Company Secretary in Practice

M.No: A20592

CP NO: 20707

UDIN: A020592G001060171

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

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,  
**Virinchi Limited**  
8-2-672/5&6, 4<sup>th</sup> Floor, Estate Road No.1,  
Banjara Hills Hyderabad,TG 500034 IN

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

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

**For Virinchi Ltd**

**Vinay Babu Gade**

Company Secretary in Practice

M.No: A20592

CP NO: 20707

UDIN: A020592G001060171

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

# Secretarial Audit Report of M/S. Virinchi Health Care Private Limited

For The Financial Year Ended 31<sup>st</sup> March, 2025

FORM NO MR 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,  
The Members,  
**M/s. Virinchi Health Care Private Limited**  
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Virinchi Health Care Private Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March 2025 generally 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. We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended 31<sup>st</sup> March 2025 ("Audit Period") according to the provisions of:
  - 1.1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
  - 1.2. The Secretarial Standards on the Meetings of the Board of Directors, Committees (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. We report that during the period under review the Company has substantially complied with Secretarial Standards on Board Meeting issued by the Institute of Company Secretaries of India.
3. In our opinion and as identified and informed by the Management, the Company has adequate systems to monitor and ensure compliance (including the process of renewal/fresh/pending applications with Government Authorities), the following laws are specifically applicable to the Company.
  - i. Atomic Energy Act, 1962
  - ii. Birth and Death and Marriage Registrations Act, 1886
  - iii. The Air (Prevention and Control of Pollution), Act, 1981
  - iv. The Water (Prevention and Control of Pollution), Act, 1981
  - v. Gas Cylinder Rules, 2016
  - vi. The Dentists Act, 1948
  - vii. Drugs and Cosmetics Act, 1940 and Rules made thereunder
  - viii. Epidemic Diseases Act, 1897
  - ix. ICMR Guidelines
  - x. Excise Permit (For Storage of Spirit) under Central Excise Act, 1956
  - xi. Legal Metrology Act, 2009
  - xii. Legal Metrology Rules, 2011
  - xiii. Medical Termination of Pregnancy Act, 1971
  - xiv. NACO Guidelines
  - xv. Narcotic Drugs and Psychotropic Substances Act, 1985
  - xvi. Hazardous Waste and other Wastes (Management and Transboundary Movement), Rules, 2016
  - xvii. Pharmacy Act, 2015
  - xviii. Food Safety and Standards Act, 2006 and Rules made thereunder



- xix. Poisons Rules (State specific)
- xx. Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994
- xxi. Prevention of Illicit Traffic in Narcotics Drugs Act, 1988
- xxii. Prohibition of Smoking Act, 2008
- xxiii. The Static and Mobile Pressure vessels (Unfired) (Amendment), Rules, 2018
- xxiv. The Bio Medical Waste (Management and Handling) (Amendment), Rules, 2018
- xxv. Transplantation of Human Organs and Tissues Act, 1994 and Rules made thereunder
- xxvi. Clinical Establishments and Registration Act, 2010
- xxvii. National Building Code
- xxviii. Indian Medical Council Act 1956
- xxix. Fire Services Act 1999
- xxx. Minimum wages Act 1948
- xxxi. Employee Provident Fund Act 1952
- xxxii. Employee State Insurance Act 1948

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Acts, Rules, Regulations and Guidelines, as mentioned above.

#### 4. We further report that:

- 4.1 Mr. Ravindranath Tagore Kolli, Company Secretary of the Company is also holding the position of Company Secretary & Compliance Officer in the holding Company M/s Virinchi Limited under Section 203 of the Companies Act 2013

- 4.2 Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors physically to schedule the Board Meetings.
- 4.3 There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- 4.4 Decisions at the meetings of the Board of Directors of the Company were taken unanimously. It is to be noted that for the Audit Period the following events not applicable:
  - i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
  - ii. Redemption / buy-back of securities
  - iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
  - iv. Merger / amalgamation / reconstruction, etc.
  - v. Foreign technical collaborations
- 4.5 There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and advised the company to ensure the compliance of Secretarial Standards with true spirit.

- 5. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except as stated above and in the Audit Report.

**For Virinchi Ltd**

**Vinay Babu Gade**

Company Secretary in Practice

M.No: A20592

CP NO: 20707

UDIN: A020592G001060191

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

## Annexure To Secretarial Audit Report of Virinchi Health Care Private Limited

To,  
The Members,  
M/s. Virinchi Health Care Private Limited  
Hyderabad.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management 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 the Management. Our examination was limited to the verification of procedures on the random 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 Virinchi Ltd**

**Vinay Babu Gade**

Company Secretary in Practice

M.No: A20592

CP NO: 20707

UDIN: A020592G001060191

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

## Annexure -6

# 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

Your company will continue to focus and invest in its R & D activities in software engineering, technologies and products. Your company leverages its excellence in technology for producing World Class Products and solutions. The continual exposure to new technologies has helped maintain high motivation levels in employees and to generate higher levels of productivity, efficiency and quality. Your company continues to give due importance to research and development to maintain its leadership in the field of leading edge technologies.

## Foreign Exchange Earnings and Outgo:

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

(Rs. in Lakhs)

Particulars	FY 2024-2025	FY 2023-2024
Foreign Exchange Earnings	7084.48	5847.11
Foreign Exchange Outgo	Nil	Nil

## 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 hardware and software.

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

**For Virinchi Ltd**

**M.V. Srinivasa Rao**

Chairman & Whole Time Director  
 DIN: 00816334

Date: 22<sup>nd</sup> August, 2025

Place: Hyderabad

# Report on Corporate Governance

## 1. Company's Philosophy:

The Company believes that corporate governance entails the application of best management practices, strict compliance with laws in both letter and spirit, and adherence to ethical standards to ensure effective management, equitable distribution of wealth, and the fulfillment of social responsibilities for the sustainable development of all stakeholders. Through robust processes and independent functioning, the Board of Directors provides effective leadership to the Company and its management, driving sustained prosperity for all 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:

### a) Composition and Category of Directors:

The Company's Board comprises an Executive Chairperson-cum-Whole-Time Director, one additional Whole-Time Director, three Non-Executive Independent Directors, and one Non-Independent Non-Executive Director. This composition is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and reflects the Company's commitment to a professional and balanced governance structure.

7 Board Meetings were held during the Financial Year 2024-25 and the gap between two Meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

3<sup>rd</sup> May, 2024, 6<sup>th</sup> July, 2024, 22<sup>nd</sup> July, 2024, 26<sup>th</sup> August, 2024, 6<sup>th</sup> November, 2024, 21<sup>st</sup> November, 2024, 27<sup>th</sup> January, 2025,

The necessary quorum was present for all meetings.

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

Name of the Director	Category	No. of Board Meetings Attended	Whether attended last AGM	No. of Directorship in other companies	No. of Chairmanship(s) / Membership(s) of Committee position(s) held in other public companies #	No. of shares/ convertible instruments held by nonexecutive directors
M.V.Srinivasa Rao	Chairman & Whole Time Director	7	Yes	12	Nil	NA
V. Satyanarayana	Vice Chairman & Executive Director	7	Yes	6	Nil	NA
K. Sri Kalyan	Non Independent Non-Executive Director	7	Yes	11	1(M)	Nil
K.Kalpana	Independent Non-Executive Director	7	Yes	1	2(C)	Nil
J. Suresh	Independent Non-Executive Director	7	Yes	0	Nil	Nil
T. Shyam Sunder	Independent Non-Executive Director	7	Yes	9	1(M)	Nil

C- Chairman, M- Member

- Directorship in other Companies excludes Foreign Companies and Section 8 Companies under the Act.
- The Committees considered for the purpose of reckoning the Chairmanship(s)/ Membership(s) are those prescribed under Regulation 26 of the Listing Regulations.
- All the Directors of the Company are in compliance with the provisions of the Act and Listing Regulations regarding their Directorships and Committee Membership(s) /Chairmanship(s).



- d. All the Directors have made necessary disclosures regarding their directorships and the Committee positions as required under the provisions of the Act and the Listing Regulations.
- e. All the Directors of the Company except Independent Directors are liable to retire by rotation.
- f. There is no relationship between Directors interse.
- g. The details pertaining to the directorships held by a Director of the Company in other listed companies as on 31<sup>st</sup> March, 2025, is as follows:

SL. No.	Name of the Director	Name of the Listed entity	Category
1	M.V.Srinivasa Rao	Nil	Nil
2	V. Satyanarayana	Nil	Nil
3	K. Sri Kalyan	Vivo Bio Tech Limited	Whole Time Director
4	K. Kalpana	Vivo Bio Tech Limited	Non-Executive Independent Director
5	J. Suresh	Nil	Nil
6	T. Shyam Sunder	Vivo Bio Tech Limited	Non-Executive Independent Director

During the financial year 2024-25, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, has been placed before the Board for its consideration.

### Training of board members

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

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 Requirements) Regulations, 2015, the Company shall familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Newly inducted directors spend approximately a week at the time of their induction and interact with the Chairman, Whole Time Director & CFO, 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

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://virinchi.com/pdf/familiarisation-programme-to-independent-directors.pdf>

### Separate meetings of the Independent Directors

During the year under review, the Independent Directors met once on 27<sup>th</sup> January, 2025 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

### Details of skills / expertise / competence available with the Board

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

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

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

Board of Directors	Industry Knowledge	Corporate Finance & Taxation	Strategic Planning	Legal & Risk Management	Corporate Restructuring & Corporate Governance	Global Business	Leadership/ Operational Experience
M.V.Srinivasa Rao	√	√	√	√	√	√	√
V. Satyanarayana	√	√	√	√	√	√	√
K.Sri Kalyan	√	√	√	√	√	√	√
T. Shyam Sundar	√		√	√		√	√
K.Kalpana	√		√	√	√	√	√
J.Suresh	√	√	√	√	√	√	√

It is to confirm that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

### 3. AUDIT COMMITTEE:

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

During the year under review Five (5) meetings were held for approval of Unaudited Financial Results and Audited results and to approval other matters. The constitution of the Committee and the attendance of each member of the Committee are given below:

Meeting Dates: 3<sup>rd</sup> May, 2024, 22<sup>nd</sup> July, 2024, 26<sup>th</sup> August, 2024, 6<sup>th</sup> November, 2024, 27<sup>th</sup> January, 2025

Name of the Director	Designation	Nature of Directorship	Committee
K. Kalpana	Chairman	Independent Non-Executive Director	5
K Sri Kalyan	Member	Non Independent Non-Executive Director	5
J. Suresh	Member	Independent Non-Executive Director	5

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

Mr. Ravindranath Tagore Kolli is the Secretary of the Committee.

The primary responsibilities of the Audit Committee are to

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

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

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

### 4. Nomination and Remuneration Committee:

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

- ❖ To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

- ❖ shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
  - ❖ Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOPs, Pension Rights and any Compensation Payment.
  - ❖ Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
  - ❖ Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.
  - ❖ Recommend to the board, all remuneration, in whatever form, payable to senior management
- In addition to the above, the detailed role of the Nomination and Remuneration committee and review of information by committee is mentioned in the Section A, Part D of Schedule II of SEBI(LODR) Regulations, 2015.
- Meeting dates: 19<sup>th</sup> April, 2024, 23<sup>rd</sup> May, 2024, 26<sup>th</sup> August, 2024, 21<sup>st</sup> November, 2024, 12<sup>th</sup> December, 2024, 6<sup>th</sup> March, 2025

The Nomination and Remuneration Committee is constituted as follows.

Name of Director	Designation	Nature of Directorship	Meetings attended
K. Kalpana	Chairman	Independent Non-Executive	6
J. Suresh	Member	Independent Non-Executive	6
K. Sri Kalyan	Member	Non-Independent Non-Executive	6

### 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.

#### 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 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

During FY 2024-25, the Board had also identified the list of core skills, expertise and competencies of the Board of Directors as are required in the context of the business and sector applicable to the Company and those actually available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same.

#### 2. Remuneration

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

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

## Board member Evaluation

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

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

- ✓ The Ability to contribute to and monitor our corporate governance practice.

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

## REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors during the financial year 2024-25 are as follows:

Name	Salary	Benefits (perquisites)	Bonus	Pension	Commission	TOTAL
M.V.Srinivasa Rao	57.61	21.17	-	-	-	78.78
V. Satyanarayana	71.61	-	-	-	-	71.61
<b>TOTAL</b>						150.39

### 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. During the year, the sitting fees paid was as follows

Sl. No	Name of the Director	Sitting Fees
1	Ms. K. Kalpana	120,000
2	Mr. J. Suresh	120,000
3	Mr. T. Shyam Sundar	120,000
4	Mr. K. Sri Kalyan	NIL

## 5. Stakeholders Relationship Committee:

- a) The Board constituted a stakeholders Relationship committee which looks into shareholders and investors grievances under the Chairmanship of K. Kalpana 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, allotment of shares. The committee looks into shareholders complaints like transfer of shares, non-receipt of Annual Report, 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.
- b) 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
- c) 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.

Dates of Meetings: 23<sup>rd</sup> April, 2024, 27<sup>th</sup> April, 2024, 26<sup>th</sup> June, 2024, 17<sup>th</sup> July, 2024



### Composition of the Committee:

Name	Designation	Category	Attendance
K. Kalpana	Chairman	Independent Non-Executive Director	4
K Sri Kalyan	Member	Non Independent Non -Executive Director	4
J. Suresh	Member	Independent Non-Executive Director	4

The total No. of Complaints received and complied during the year were; Opening: 0 Complaints

Received: 0 Complied:- 0 Pending: 0

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

The outstanding complaints as on 31<sup>st</sup> March, 2025 were: NIL

### Name & Designation of the Compliance officer:

Mr.K.Ravindranath Tagore

Company Secretary, Chief Investor Relations & Compliance Officer

8-2-672 / 5 & 6, 4<sup>th</sup> Floor, Illyas Mohammed Khan Estate, Road No. 1, Banjara Hills

Phone# 040-43728111 Email:[investors@virinchi.com](mailto:investors@virinchi.com), [www.virinchi.com](http://www.virinchi.com)

### Particulars of Senior Management

Sl. No.	Name	Designation	Remarks
1	Amar Sivaji Pendyala	CEO- US Business	Nil
2	Rajesh Putta	Chief Technology Officer	Nil
3	Ravindranath Tagore Kolli	Company Secretary	Nil

## 6. Corporate Social Responsibility Committee (CSR)

Corporate Social Responsibility (CSR) is an integral part of our culture and constantly seeks opportunities to give back to the society and hope to make a difference to the lives of people by sharing our business success with them.

The main objective of the CSR Policy is to lay down guidelines and also make CSR as one of the key business drivers for sustainable development of the environment and the society in which Virinchi operates in particular and the overall development of the global community at large.

The role of the Corporate Social Responsibility Committee is as follows:

- Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the company;
- Recommending the amount of expenditure to be incurred on CSR activities of the company;
- Reviewing the performance of the Company in the area of CSR;
- Providing external and independent oversight and guidance on the environmental and social impact of how the company conducts its business;
- Monitoring CSR policy of the company from time to time;
- Monitoring the implementation of the CSR projects or programs or activities undertaken by the company.

The CSR Committee comprises of three Directors viz.,

During the financial year 2024-25, the CSR Committee met Two times and all the members were present for the meeting.

Sl. No.	Name of the Director	Designation	Attendance
1	K. Kalpana	Chairman	1
2	K. Sri Kalyan	Member	1
3	M.V.Srinivasa Rao	Member	1

## 7) Details of Annual General Meetings:

### a) Location and time of the last three AGM's.

Financial Year	Date & Time	Venue	Special Resolutions Passed
2023-24	30/09/2024 12.30 PM	8-2-672/5&6, Road No. 1 Banjara Hills, Hyderabad-34( VC/OAVM)	Yes
2022-23	30/09/2023 12.30 PM	8-2-672/5&6, Road No. 1 Banjara Hills, Hyderabad-34( VC/OAVM)	Yes
2021-22	28/09/2022 12.30 PM	8-2-672/5&6, Road No. 1 Banjara Hills, Hyderabad-34( VC/OAVM)	Yes

### b) Extraordinary General Meeting:

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

### (c) Postal Ballot.

During the year, the Company approached shareholders two times through postal ballot to pass the following resolutions:

#### Special Resolutions passed on January 4<sup>th</sup>, 2025:

Description	No of votes polled	Votes cast in favour	Votes cast against	Invalid / abstain votes
Approval of Virinchi Employees Stock Option Scheme, 2024 ("VESOS, 2024") and Grant of Employees Stock Options to employees of the Company thereunder.	51,30,973	47,71,928	3,59,045	Nil
Grant of Employee Stock Options to the Eligible Employees of the Subsidiary(ies) of the Company under Virinchi Employees Stock Option Scheme, 2024.	51,30,973	47,70,328	3,60,645	Nil
To Approve Grant of options to equal to or exceeding one per cent but not exceeding four per cent of the issued Capital of the Company during any one financial year to identified employees under Virinchi Employees Stock Option Scheme, 2024 (VESOS, 2024).	51,30,973	47,70,728	3,60,245	Nil

Mr. G. Vinay, Company Secretary in Practice was appointed as scrutinizer.

### (d) Procedure for postal ballot

Company conducts a postal ballot, where required, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations.

## 8. Means of Communication

### i. Publication of Results

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

### ii. Website and news release

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

**Further following information is available on the website of the Company i.e. [www.virinchi.com](http://www.virinchi.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;
- Policy for determining 'material' subsidiaries;
- Details of familiarization programs imparted to Independent Directors;
- Policy for determination of materiality of events.

#### Annual Report:

The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Directors' Report, Auditors' Report, Corporate Governance Report and other

important information is circulated to members and others entitled thereto.

#### Disclosures to Stock Exchanges:

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

#### E-voting

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

#### 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@virinchi.com](mailto:Investors@virinchi.com)

## 9. General Shareholder Information :

### a) Annual General meeting:

Date: 30<sup>th</sup> September, 2025

Time: 12.30 P.M

Venue: Not Applicable as the meeting is conducted through Video Conferencing / Other Audio Visual Means (VC)

### b) Financial year – 1<sup>st</sup> April to 31<sup>st</sup> March

### c) Dividend Payment Date- Not Applicable

### d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange

The Company's shares are listed on

1. BSE Limited (BSE), Floor 25, Phiroze Jee Jee Bhoy Towers, Dalal Street, Mumbai - 400 001
2. National Stock Exchange of India Limited( NSE), Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra, 400051

The listing fees for the financial year 2025-26 has been paid to both BSE Limited and NSE Limited.

**e) Registrar to an issue and Share Transfer Agents, Share Transfer System**

All queries and requests relating to share transmissions may be addressed to our Registrar and Share Transfer Agent. As regards transmission of shares held in physical form the transfer documents can be lodged with M/s. Aarthi Consultants Private Limited. Share transmission, if documents are

found to be in order, are registered and returned within stipulated time from the date of receipt of the documents.

M/s. Aarthi Consultants Private Ltd (Unit: Virinchi Ltd)

1-2-285, Domalguda, Hyderabad Phone# 040-2763 4445, 2763 8111 Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

**f) Distribution of Shareholding as on 31<sup>st</sup> March, 2025**

Sl. No.	Category	Holders	Holders Percentage	Shares	Amount	Amount Percentage
1	1 – 5000	29358	71.26	42,20,849	4,22,08,490	4.11
2	5001 – 10000	5009	12.16	41,70,908	4,17,09,080	4.06
3	10001- 20000	2881	6.99	45,17,265	4,51,72,650	4.40
4	20001- 30000	1175	2.85	30,35,725	3,03,57,250	2.96
5	30001- 40000	609	1.48	22,06,930	2,20,69,300	2.15
6	40001- 50000	510	1.24	24,24,380	2,42,43,800	2.36
7	50001- 100000	896	2.17	67,59,439	6,75,94,390	6.59
8	100001 & Above	760	1.84	7,53,11,400	75,31,14,000	73.37
<b>Total:</b>		<b>41198</b>	<b>100</b>	<b>10,26,46,896</b>	102,64,68,960	<b>100</b>

**g) Dematerialisation of Shares and liquidity**

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March 2025, 10,24,74,486 equity shares forming part of 99.83% of the share capital are in demat form and 1,72,410 equity shares forming 0.17% of the share capital are in physical form. Dematerialization of shares is done through M/s. Aarthi Consultants Private Limited and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant documents.

Dematerialisation of Shares and Liquidity as on 31<sup>st</sup> March 2025

	No. of Shares	% of Total
NSDL	6,87,68,562	66.99
CDSL	3,37,05,924	32.84
Physical	1,72,410	00.17
<b>Total</b>	<b>10,26,46,896</b>	<b>100.00</b>

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

There are no outstanding warrants as on 31<sup>st</sup> March, 2025

**i) 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 export of services.

Foreign exchange risks are tracked and managed within the Risk Management framework. Short-term foreign currency asset – liability mismatch is continuously monitored and hedged. The foreign exchange market is highly regulated and the Company ensures compliance with all the regulations

## J) Plant Locations

The Company has Software Development facilities, the particulars of which are as follows:

Development Facilities	Address
Hyderabad	<ol style="list-style-type: none"> <li>1. Sy.No 121, Behind Hakimpet Airforce Academy, Pothaipally, Hakimpet, Hyderabad-500014</li> <li>2. 8-2-672/5&amp;6, , 1<sup>st</sup> to 7<sup>th</sup> Floors, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad-500034</li> </ol>
USA	<ol style="list-style-type: none"> <li>1. Green House, 7 South Main street , Suite E, Marlboro, NJ-07746</li> <li>2. 400 Sugar Camp Dr, Dayton, OH, USA-45409</li> </ol>

## K) 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-Virinchi Ltd) 1-2-285, Domalguda, Hyderabad. Phone # 040-27634445 / 27638111 Email : <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a>	M/s. Virinchi Ltd., 8-2-672/5 & 6, 4 <sup>th</sup> Floor, Ilyas Mohammed Khan Estate Banjara Hills, Road # 1, Above Kotak Mahindra Bank, Hyderabad - 500034. Phone # 040-43728111 Email : <a href="mailto:investors@virinchi.com">investors@virinchi.com</a>

## L) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

Acuite has reaffirmed its long-term rating of 'ACUITE BB+' (read as ACUITE double B plus) and short-term rating of 'ACUITE A4+' (read as ACUITE A four plus) on Rs.25 Cr. bank facilities of Virinchi Limited. The outlook is 'Stable'

## 10. Other Disclosures:

### (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

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. 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. [www.virinchi.com](http://www.virinchi.com).

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

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



**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;**

Year	Compliance Requirement	Deviations	Remarks
2024-25	Nil	Nil	Nil
2023-24	Listing of equity shares within 7 working days from the date of grant of listing approval pursuant to preferential issue.	Company has not approached to the Exchange for listing of equity shares within 7 working days from the date of grant of listing approval pursuant to preferential issue	BSE and NSE imposed a penalty of Rs.47,200 each for each application and the company has three applications.
	Submission of copy of the Resignation letter of KMP within 7 days from the date of resignation.	The company submitted the copy of resignation letter on 8 <sup>th</sup> Day	NSE issued a warning letter to the company
2022-23	Nil	Nil	Nil

**c) Details of establishment of Vigil Mechanism /Whistle Blower policy and affirmation 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. No person has been denied access to the Chairman of the audit committee.

The Vigil Mechanism Policy is available on the website of the Company i.e. <http://www.virinchi.com/pdf/whistleBlowersPolicy.pdf>

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

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

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

Sl. No	Requirement	Status of Implementation
1	A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his/her duties	Not applicable as the company has an executive chairman
2	The listed entities ranked from 1001 to 2000 as per the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 shall endeavour to have atleast one woman independent director on its board of directors	The company is having women independent director on the board since 2017
3	A half-yearly declaration of financial performance including summary of the significant events in last six-months, maybe sent to each household of Shareholders	The Company is in the process of Implementing
4	The listed entity may move towards a regime of financial statements with unmodified audit opinion	The company has constantly endeavoured towards this and until now the company's audit reports are all 'clean reports/ unmodified opinions
5	The listed entity may appoint separate persons to the post of chairperson and managing director or chief executive officer.	The offices of Executive Chairman and Managing Director & CEO are different

Sl. No	Requirement	Status of Implementation
5	The internal auditor may report directly to the audit committee.	The Internal auditor directly makes a presentation to the Audit Committee and the internal auditor has the direct access to the Audit Committee
6	The independent directors of top 2000 listed entities as per market capitalization shall endeavour to hold at least two meetings in a financial year, without the presence of non-independent directors and members of the management and all the independent directors shall endeavour to be present at such meetings.	For the financial year 2024-25, the independent directors met only once. The Independent directors will endeavour to hold two board meetings in coming financial year
7	Listed entities ranked from 1001 to 2000 in the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 may constitute a risk management committee with the composition, roles and responsibilities specified in regulation 21.	The Board is in the process of setting up the Risk Management Committee

**e) Web Link where Policy for determining 'material' subsidiaries is disclosed**

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

**f) Web link where policy on dealing with related party transactions**

The related party transactions policy is available on the website of the Company at <http://www.virinchi.com/pdf/policyofRelatedPartyTransaction.pdf>

**g) Disclosure of commodity price risks and commodity hedging activities**

The commodity price risk is not applicable to the company as it is the business of export of services.

Foreign exchange risks are tracked and managed within the Risk Management framework. Short-term foreign currency asset – liability mismatch is continuously monitored and hedged. The foreign exchange market is highly regulated and the Company ensures compliance with all the regulations

**h) Details of Utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

During the financial year 2024-25, the Company raised ₹14.75 crores through the allotment of

46,82,538 equity shares upon conversion of convertible equity warrants previously allotted to the Promoter and Promoter Group.

The proceeds were utilized during the financial year 2024-25 to finance growth plans of the Company, to strengthen financial structure, to reduce the debt of the Company, to make investments, to aid in enhancing liquidity and working capital resources and for general corporate purposes

**i) Disclosure requirements for certain types of agreements binding listed entities as per Regulation 30A of SEBI ( LODR) Regulations, 2015**

The company has not entered into any agreement which directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity

**j) Recommendations of Committees of the Board**

There were no instances during the financial year 2024-25 wherein the Board had not accepted the recommendations made by any Committee of the Board.

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

During the year ended March 31, 2025, fees paid to the Statutory Auditors (P. Murali & CO) and its network firms are as follows:

Amount in Lakhs

Fees(Including Taxes)	Virinchi Limited to Statutory Auditors	Virinchi Ltd to network firms of Statutory Auditors	Subsidiaries of Virinchi Limited to Statutory Auditors and its network firms
Statutory Audit	5.27	-	2.79
Certification and other attestation services	-	-	-
Non Audit Services	-	-	-
Outlays and Taxes	-	-	-

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

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

**m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount**

The details are available in the notes to accounts section of the financial statements.

**n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

Sl. No.	Name of Material Subsidiary	Date and place of Incorporation	Name of Statutory auditor	Date of appointment
1	Virinchi Health Care Private Limited	16/12/2013, Hyderabad, India	P. Murali & Co	27/09/2022
2	KSoft Systems Inc	20/11/1996 New Jersey, USA	NA	NA

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

Regulation	Particulars of Regulation	Compliance Status ( Yes/No)
17	Board of Directors	Yes
17A	Maximum Number of Directorships	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
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes

Regulation	Particulars of Regulation	Compliance Status ( Yes/No)
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (Z)	Functional Website	Yes

#### **EQUITY SHARES IN DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015, the Company reports that 4900 Equity Shares are lying in the VIRINCHI LIMITED BONUS ISSUE UNCLAIMED suspense account as on 31<sup>st</sup> March 2025

#### **CEO and CFO Certification:**

The Chief Executive Officer and the Chief Financial Officer of the Company gave certification on financial reporting and internal controls for the financial year 2024-25 to the Board of Directors at their meeting held on May 28, 2025 , as required under regulation 17(8) of SEBI Listing Regulations. See Annexure-8.

#### **Compliance with Secretarial Standards**

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

**For Virinchi Ltd**

**M.V. Srinivasa Rao**

Chairman & Whole Time Director  
 DIN: 00816334

Date: 22<sup>nd</sup> August, 2025  
 Place: Hyderabad

## Annexure -7

# Independent Auditors Certificate on Corporate Governance

To  
The Members of  
**Virinchi Limited.**

1. We, P. Murali & Co, Chartered Accountants, the Statutory Auditors of Virinchi Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far

as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31<sup>st</sup> March, 2025.
8. We 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

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

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**For P. Murali & Co**  
Chartered Accountants  
FRN: 007257S

**M.V.Joshi**  
Partner  
M.No: A20592  
Membership No: 020085  
UDIN: 25024784BMIXYU5961



**Annexure -8**

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

To  
The Board of Directors  
**Virinchi Limited.**

We, M.V.Srinivasa Rao, Whole Time Director & CFO, V. Satyanarayana, Vice Chairman & Executive Director of Virinchi Limited to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. 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 Statutory 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 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.

**For Virinchi Limited**

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**M.V. Srinivasa Rao**  
Whole Time Director & CFO  
DIN: 00816334

**V. Satyanarayana**  
Vice Chairman & Executive Director  
DIN : 09070986

## Annexure -9

# Certificate of Non-Disqualification of Directors

To  
The Members of  
**Virinchi Ltd**  
8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate  
Road #1, Banjara Hills, Hyderabad-500034

I G. Vinay Babu, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Virinchi Limited having CIN L72200TG1990PLC011104 and having registered office at 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road#1, Banjara Hills, Hyderabad-500034 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and 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](http://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 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority .

Sl. No	Name of the Director	DIN	Date of appointment in Company
1	Mr. M.V.Srinivasa Rao	00816334	12-11-2018
2	Mr. K.Sri Kalyan	03137506	12-08-2013
3	Mr. V. Satyanarayana	09070986	22-02-2021
4	Ms.K.Kalpana	07328517	28-08-2017
5	Mr. T. Shyam Sunder	07167885	12-06-2023
6	Mr. J. Suresh	08369715	28-02-2019

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.

Date: 22<sup>nd</sup> August, 2025  
Place: Hyderabad

**G. Vinay Babu**  
Company Secretary in Practice  
M.No: A20592  
CP NO: 20707  
UDIN: A020592G001060136

# Financial Statements

# Independent Auditor's Report

To the Members of  
VIRINCHI LIMITED

## Report on the Audit of Standalone IND AS Financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of **Virinchi Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, changes in equity and its cash flows for the year then ended March 31<sup>st</sup> 2025.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section

of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For Each Matter below, our description of how our audit addressed the matter is provided in that Context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
<p>The Company has obtained leasehold building by entering into lease agreement with an individual attracting the adoption of Ind AS 116 “Leases”.</p> <p>Significant judgement is required in the assumptions and estimates used in order to apply the definition of lease, application of discount rate, and lease term for computation of ROU asset and lease liability.</p> <p>We considered this a key audit matter due to the inherently judgmental nature to determine the lease liabilities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's adoption of Ind AS 116 and identified the internal controls including entity level control adopted by the Company for accounting, processes and systems under the accounting standard;</li> <li>• Assessed the discount rates applied in determining lease liabilities;</li> <li>• We assessed and evaluated the reasonableness of lease terms used for computation of lease liabilities and right-of-use assets;</li> <li>• We obtained the company's quantification of ROU assets and lease liabilities. We agreed the inputs used in the quantification to the lease agreements and performed re-computation of lease liabilities and ROU asset in accordance with the lease registration document;</li> <li>• We assessed whether the related presentations and disclosures within the financial statements are appropriate in compliance with the requirements of Ind AS 116 “Leases”.</li> </ul>

### Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Standalone 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including the other comprehensive income), cash flows and Statement of Changes in Equity 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, read with

Relevant Rules 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS 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 Ind AS 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company have pending litigations, the liabilities in respect of which are disclosed as contingent liabilities - Refer Note 36 of the Notes on accounts to the standalone financial statements. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested, other than mentioned in notes to accounts (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or Otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- v. The Management has represented that, to the best of its knowledge and belief, no funds have been received, other than mentioned in notes to accounts, by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- vii. The company has not declared or paid any dividend during the year.
- viii. The Company has used such accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility.

For **P. Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 007257S

Place: Hyderabad  
Date: 28-05-2025

**M.V.Joshi**  
Partner  
M.No:024784  
UDIN: 25024784BMIXTN3326

## “ANNEXURE A”

# ANNEXURE TO INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF VIRINCHI LIMITED

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **VIRINCHI LIMITED** of even date)

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

- i. In respect of the Company’s Property, Plant & Equipment and Intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment.
  - (B) The company has maintained proper records showing full particulars of intangible assets.
  - (b) All Property, Plant and Equipment have been physically verified by the management 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 (other than properties where the Company is the Lessee and the lease agreements are duly executed in the favor of the Lessee) included in the PPE are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment (Including Right of Use Assets) or intangible assets during the period under review.
  - (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- ii. (a) The Company is in the business of providing software services and does not have any physical inventories. Accordingly, the requirements to report clause 3(ii) (a) of the order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination

of the records of the company, the company has been sanctioned working capital limits in excess of Rupees five crores, in aggregate, from its banker on the basis of security of Current assets. The quarterly returns/statement filed by the Company with the bank is in agreement with the books of account of the Company.

- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records the company, during the year the company has not made, except as stated below, any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Details of loans granted during the year and balance outstanding as at the balance sheet date of such loans is as under.

(₹ in lakhs)

Particulars	Loans
Aggregate amount granted/ provided during the year (Net)- subsidiaries	6,072.88
Balance outstanding as at the Balance sheet date in respect of the above cases	28,566.42

The details of corporate guarantee provided are given in Note No.24

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company, are not prejudicial to the interest of the Company
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) There are no Loans or advance in the nature of loan granted which has fallen due during the year which has been renewed or extended or fresh loans are

granted to settle the overdue of existing loans given to the same parties.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii) (f) is not required.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted 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 to the extent applicable. Accordingly, the Requirement to report on Clause 3(v) of the order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, there is no requirement to report on Clause 3(vi) of the order.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company had delay in depositing the undisputed statutory dues, including Provident Fund, Income-tax (TDS), and other material statutory dues, as applicable, with the appropriate authorities.

- (b) There were undisputed amounts payable in respect of Provident Fund, Income-tax (TDS), and other material statutory dues in arrears as at 31<sup>st</sup> March 2025 for a period of more than 6 months from the date they became payable.

Statute	Nature of Due	(₹ in lakhs)
Employees Provident Fund & Misc Provisions Act, 1952	Provident Fund	389.03
Telangana Professional tax Act, 1987	Professional Tax	17.74
Employee State Insurance Act, 1948	Employee State Insurance	24.06
Income Tax Act, 1961	Tax Deducted at Source	235.68
Income Tax Act, 1961	Self-Assessment Tax AY 2023-24	177.82
Income Tax Act, 1961	Self-Assessment Tax AY 2024-25	376.03

- (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues as on March 31<sup>st</sup> 2025 of Goods and Service Tax, customs duty, Excise duty which have not been deposited with appropriate authorities on account any dispute except Income Tax as given below:

S. No	Nature	Assessment Year	Amount of Dispute (₹ in Lakhs)	Amount Deposited (₹ In Lakhs)	Forum where it is pending
1	Income Tax	2017-18	268.76	40.00	CIT(A)
2	Income Tax	2021-22	451.54	90.00	ITAT, Hyderabad

- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account have been surrendered or disclosed during the year in the tax assessments under the Income Tax Act.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. The Company has not issued any debentures.
- (b) The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- (c) According to the information and explanations given to us, the Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence the requirement to report on clause (ix) (f) of the order is not required.
- x. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).

- (b) During the year the company has converted the equity share warrants allotted on preferential basis in the FY 2023-24. Details of the same are as follows:

- i) Conversion of Equity Warrants to Equity Shares during the FY 2024-25 :

S. No.	Name of the Allottee	No of Share Warrants (Nos.)	Amount (₹ in Lakhs)
1.	Gajwel Developers Pvt Ltd	30,00,000	1,260.00
2.	Kompella Viswanath	16,82,538	706.67

- ii) warrants forfeited during the year as follows:

S. No.	Name of the Subscriber	No of Warrants forfeited	Amount (₹ in Lakhs)
1.	Kamala Bai	10,00,000	105.00
2.	Kompella Viswanath	13,17,462	138.33

- xi. (a) According to the information and explanations given to us, No fraud by the company or on the company has been noticed or reported during the year.
- (b) During the year, no Report has been filed in form ADT-4 with the Central Government as prescribed under Sub section (12) of Section 143 of the companies Act, 2013
- (c) According to the information and explanations given to us, The Company has not received any Whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not required.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiv. (a) In our opinion the company has an adequate internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were duly considered by us in determining the nature, timing and extent of our audit procedures.
- xv. The Company has not entered into non-cash transactions with its directors or persons connected its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not required.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not required.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not required.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause (xvi)(c) of the Order is not required.
- (d) There is no Core Investment Company as part of the Group, hence, the requirement to report on clause (xvi)(d) of the Order is not required.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not required.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We,



however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts to be transferred to a fund specified under sec 135 of Companies Act 2013.

xxi. In our opinion and according to the information and explanations given to us, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order

(CARO) reports of the companies included in the consolidated Ind AS financial statements.

For **P. Murali & Co.,**  
*Chartered Accountants*  
Firm Registration No. 007257S

Place: Hyderabad  
Date: 28-05-2025

**M.V.Joshi**  
Partner  
M.No:024784  
UDIN: 25024784BMIXTN3326

## “ANNEXURE B”

# ANNEXURE TO INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF VIRINCHI LIMITED

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VIRINCHI LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of **VIRINCHI LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

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

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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 detailed, 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 Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures 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 Ind AS 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.

### **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 31 March 2025,

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. Murali & Co.,**  
*Chartered Accountants*  
Firm Registration No. 007257S

Place: Hyderabad  
Date: 28.05.2025

**M V Joshi**  
*Partner*  
M.No:024784  
UDIN: 25024784BMIXTN3326

# Standalone Balance Sheet

As At March 31,

(₹ in lakhs)

Particulars	Note No	2025	2024
<b>ASSETS</b>			
<b>1) NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1	10,959.89	11,266.40
Right of Use Asset	1	1,844.71	2,040.84
Capital Work-In-Progress	1	1,243.63	1,243.63
Goodwill	1	4,142.16	4,142.16
Other Intangible Assets	1	2,514.96	2,363.84
<b>Financial Assets</b>			
Investments	2	6,728.49	6,755.43
Loans and Advances	3	28,566.42	22,493.54
Other Financial Assets	4	224.30	209.46
Other Non-Current Assets	5	57.48	81.10
<b>Total Non Current Assets</b>		<b>56,282.03</b>	<b>50,596.40</b>
<b>2) CURRENT ASSETS</b>			
<b>Financial Assets</b>			
Trade Receivables	6	3,178.67	3,704.19
Cash and Cash Equivalents	7	484.92	1,051.79
Loans and Advances	8	1,101.92	1,571.34
Other Current Assets	9	1,458.49	1,336.19
<b>Total Current Assets</b>		<b>6,224.01</b>	<b>7,663.51</b>
<b>Total Assets</b>		<b>62,506.04</b>	<b>58,259.91</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Equity Share Capital	10	10,264.69	9,396.26
Other Equity	11	32,484.06	29,202.77
<b>Total Equity</b>		<b>42,748.75</b>	<b>38,599.03</b>
<b>Liabilities</b>			
<b>(2) Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	10,068.43	6,744.49
Lease Liability	13	2,901.58	3,076.82
Other Non current Liabilities	14	375.91	332.51
Deferred Tax Liabilities (Net)	15	-51.66	46.95
<b>Total Non-Current Liabilities</b>		<b>13,294.26</b>	<b>10,200.76</b>
<b>(3) Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	3,443.77	7,491.22
Trade Payables	17	256.44	80.89
Provisions	18	2,762.83	1,888.01
<b>Total Current Liabilities</b>		<b>6,463.04</b>	<b>9,460.12</b>
<b>Total Equity and Liabilities</b>		<b>62,506.04</b>	<b>58,259.91</b>

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

As per our Report of Even Date

For **P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of

**Virinchi Limited**

**M.V. Joshi**

Partner

M. No. 024784

**M.V.Srinivasa Rao**

CFO & Wholetime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

**K.Ravindranath Tagore**

Company Secretary

M.No.A18894

Place : Hyderabad

Date: 28/05/2025

## Standalone Statement of Profit and Loss for the Year ended March 31,

(All amounts are ₹ in Lakhs, except Share data & Per share data unless otherwise stated)

Particulars	Note No	2025	2024
Revenue from Operations	19	13,947.56	13,247.67
Other Income	20	1,393.77	1,052.98
<b>Total Income</b>		<b>15,341.34</b>	<b>14,300.65</b>
<b>Expenses:</b>			
Employee Benefit Expenses	21	5,427.34	5,091.02
Depreciation	1	1,090.21	1,299.91
Amortization Expenses		23.63	23.63
Finance cost	22	1,427.92	1,082.11
Administrative & Other Operating Expenses	23	5,367.34	5,438.84
<b>Total Expenses</b>		<b>13,336.44</b>	<b>12,935.51</b>
<b>Profit Before Tax</b>		<b>2,004.90</b>	<b>1,365.14</b>
<b>Tax expense:</b>			
(a) Current tax		499.61	376.03
(b) Deferred tax		-98.61	-118.98
<b>Profit for the period</b>		<b>1,603.90</b>	<b>1,108.09</b>
<b>Other Comprehensive Income (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>1,603.90</b>	<b>1,108.09</b>
<b>Earning Per Equity Share (Par value of ₹10 Each)</b>			
(1) Basic		1.59	1.23
(2) Diluted		1.59	1.17

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

As per our Report of Even Date  
For **P.Murali & Co.**  
Chartered Accountants  
Firm Registration No.007257S

For and on behalf of the Board of Directors of  
**Virinchi Limited**

**M.V. Joshi**  
Partner  
M. No. 024784

**M.V.Srinivasa Rao**  
CFO & Wholetime Director  
DIN: 00816334

**V. Satyanarayana**  
Whole Time Director  
DIN: 09070986

Place : Hyderabad  
Date: 28/05/2025

**K.Ravindranath Tagore**  
Company Secretary  
M.No.A18894



## Standalone Cash Flow Statement for the Year Ended March 31

(₹ in lakhs)

Particulars	2025	2024
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before taxation and extraordinary items	2,004.90	1,365.14
<b>Adjustments for:</b>		
Depreciation	1,090.21	1,299.91
Amortization	23.63	23.63
Finance Cost	1,427.92	1,082.11
Changes in Deferred Tax Asset/Liability	-98.61	-118.98
<b>Operating Profit before Working Capital Changes</b>	<b>4,448.05</b>	<b>3,651.81</b>
<b>Change in Assets &amp; Liabilities</b>		
Trade and Other Financial Assets	857.80	-1,107.74
Trade and Other Financial Liabilities	-3,128.92	2,691.50
<b>Cash Generated from Operations</b>	<b>2,176.93</b>	<b>5,235.57</b>
Interest paid on working capital loans	-614.65	-559.45
Taxation for the year	-401.00	-257.05
<b>Net Cash Generated from Operating Activities</b>	<b>1,161.28</b>	<b>4,419.07</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase/(Sale) of Fixed Assets (Net)	-738.69	-7,085.81
Payment for Investments	26.94	-
Loans & Advances (net)	-6,072.88	-3,802.79
<b>Net Cash used in Investing Activities</b>	<b>-6,784.63</b>	<b>-10,888.61</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from Equity Shares	2,545.81	3,226.44
Interest and Finance Cost	-813.27	-522.67
Long Term Borrowings	3,323.94	3,016.18
<b>Net Cash Generated from Financing Activities</b>	<b>5,056.48</b>	<b>5,719.95</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>-566.87</b>	<b>-749.58</b>
<b>Cash and Cash equivalents as at Beginning of the Year</b>	<b>1,051.79</b>	<b>1,801.36</b>
<b>Cash and Cash equivalents as at End of the Year</b>	<b>484.92</b>	<b>1,051.79</b>

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

As per our Report of Even Date

For **P.Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of

**Virinchi Limited**

**M.V. Joshi**

Partner

M. No. 024784

**M.V.Srinivasa Rao**

CFO & Wholetime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

**K.Ravindranath Tagore**

Company Secretary

M.No.A18894

Place : Hyderabad

Date: 28/05/2025

## Standalone Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2025

### a. Equity Share Capital

(All amounts are ₹ in Lakhs, except Share data and where otherwise stated)

Particulars	No. of Shares	Amount
Balance as at 31 March 2024	9,39,62,621	9,396.26
Balance as at 31 March 2025	10,26,46,896	10,264.69

### b. Other equity

Particulars	Reserves and Surplus							Total
	Securities Premium	Share Options Outstanding	Money Received against Share warrants	Loss on Slump Sale	Share Application Money Pending Allotment	Forefeiture of Money received against Share Warrants	Retained Earnings	
<b>Balance as of 31 March 2023</b>	<b>10,786.54</b>	<b>509.08</b>	<b>1,050.00</b>	<b>-1,194.21</b>	<b>-</b>	<b>-</b>	<b>14,749.20</b>	<b>25,900.61</b>
Additions for the year	2,488.46	-	-315.00	-	20.61	-	1,108.09	3,302.16
Re-measurement Gains/ (Losses) on Defined Benefit Plans, net of Tax	-	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-	-
Less : Leases	-	-	-	-	-	-	-	-
<b>Balance as of 31 March 2024</b>	<b>13,275.00</b>	<b>509.08</b>	<b>735.00</b>	<b>-1,194.21</b>	<b>20.61</b>	<b>-</b>	<b>15,857.29</b>	<b>29,202.77</b>
Additions for the year	2,189.66	-	-735.00	-	-20.61	243.33	1,603.90	3,281.28
Re-measurement Gains/ (Losses) on Defined Benefit Plans, net of Tax	-	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-	-
Less : Leases	-	-	-	-	-	-	-	-
<b>Balance as of 31 March 2025</b>	<b>15,464.67</b>	<b>509.08</b>	<b>-</b>	<b>-1,194.21</b>	<b>-</b>	<b>243.33</b>	<b>17,461.19</b>	<b>32,484.06</b>

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our Report of Even Date  
For **P.Murali & Co.**  
Chartered Accountants  
Firm Registration No.007257S

For and on behalf of the Board of Directors of  
**Virinchi Limited**

**M.V. Joshi**  
Partner  
M. No. 024784

**M.V.Srinivasa Rao**  
CFO & Wholetime Director  
DIN: 00816334

**V. Satyanarayana**  
Whole Time Director  
DIN: 09070986

Place : Hyderabad  
Date: 28/05/2025

**K.Ravindranath Tagore**  
Company Secretary  
M.No.A18894

# Standalone Notes and other explanatory information to financial statements

for the year ended March 31, 2025

## 1. Corporate Information

Virinchi Limited, India ("Virinchi") is an IT Products & Services company offering Loan Management System (LMS) for short term Micro credit Industry to companies across the globe since 1991. Virinchi is a public Limited Incorporated and domiciled in India. The company is listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE). Virinchi has developed & retained IP in several software products operating in supply chain management, alternate financial services, however, has had limited success in offering most of the solutions barring the software product for financial services where Virinchi has reached leadership position considering the market share of this niche industry. The Organisation is led by First Generation IIT/IIM Entrepreneurs and operates out of its Corporate Office at Road No.1, Banjara Hills, Hyderabad, India & US Head Quarters at Marlboro, New Jersey.

The Board of Directors approved the Standalone financial statements for the year ended March 31, 2025 and authorized for issue on May 28, 2025.

## 2. Material Accounting Policies

### (a) Statement of Compliance

The Standalone 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 Standalone Financial statements have been prepared in Indian Rupee (₹) which is the Functional Currency of the Company. All amounts have been reported in Indian Rupees in Lacs, except for share and earnings per share data, unless otherwise stated.

These Standalone financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under historical cost convention on accrual 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 twelve months.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

- i) Income tax expense comprises current tax expense and the net change in the Deferred Tax Asset or Liability during the year. The major tax jurisdiction for the Company is India. 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.

## Standalone Notes and other explanatory information to financial statements

for the year ended March 31, 2025

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

### (d) Revenue Recognition

The Company applies the percentage of completion method in accounting for its fixed price development contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date (input method) as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

The Company's revenues are derived from sale of services and recognized as per IND AS 115.

#### ❖ Sale of Services:

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

- ❖ Interest income 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 into employee benefit expenses, Depreciation & Amortisation expense, Finance Cost and Administrative & Other operating expenses. Employee benefit expenses include Salaries including bonus, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Administrative and Other Operating expenses include Onsite Server Rentals, 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

## Standalone Notes and other explanatory information to financial statements

for the year ended March 31, 2025

profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

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

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

### (h) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and Deposits.

Cash and Cash Equivalents includes as at 31<sup>st</sup> Mar 2025 and 31<sup>st</sup> Mar 2024 restricted cash and bank balances of ₹215.02 lakhs and ₹952.36 lakhs respectively. These restrictions are primarily on account of bank balance held as marginal money deposit against guarantees.

Bank borrowings for working capital not considered as a part of Cash and Cash Equivalents.

#### 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.

### (i) 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.



## Standalone Notes and other explanatory information to financial statements for the year ended March 31, 2025

List of Contingent Liabilities are given below:

1. Corporate guarantee extended to wholly owned subsidiary namely M/s. Virinchi Healthcare Pvt Ltd for an amount of ₹39.84 crores and the outstanding liability as on 31<sup>st</sup> March 2025 is amounting to ₹30.11 crores.

Disputed Income Tax Liabilities:

S No	Nature	Assessment Year	Amount of Dispute (₹ In Lakhs)	Amount Deposited (₹ In Lakhs)	Forum where it is pending
1	Income Tax	2017-18	268.77	40.00	CIT(A)
2	Income Tax	2021-22	451.54	90.00	ITAT, Hyderabad

### (j) Investments in subsidiaries Investment in subsidiaries are carried at cost.

### (k) 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	10
Vehicles	10
Office equipment	5
Computers	3

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

### (l) Intangible assets:

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

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

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

## Standalone Notes and other explanatory information to financial statements

for the year ended March 31, 2025

### (m) Impairment

#### (i) 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.

### (n) 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.

### (o) 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. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors

### (p) Lease:

At inception of the contract, the Company determines whether the contract is a lease or contains a lease arrangement. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## Standalone Notes and other explanatory information to financial statements

for the year ended March 31, 2025

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Standalone statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### **Current year effect on Lease Accounting:**

- (i) Financial Charges on Lease ₹180.52 lakhs
- (ii) Amortization cost on Right of Use Asset ₹196.13 lakhs

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No.1 (1)

The changes in the carrying value of property, plant and equipment are as follows

(₹ in lakhs)

Property, Plant and Equipment	Land	Buildings	Plant & Machinery	Electrical Equipment	Office equipment	Computer Hardware	Furniture and Fixtures	Vehicles	Total
<b>Cost</b>									
As at March 31, 2023	1,229.19	4,052.43	304.10	396.02	577.69	4,243.49	2,478.18	810.21	14,091.30
Additions	5,489.79	256.94	2.82	0.53	2.22	25.94	9.82	547.75	6,335.81
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	6,718.98	4,309.36	306.91	396.55	579.91	4,269.44	2,488.00	1,357.95	20,427.12
Additions	-	4.11	0.52	0.46	1.60	-	4.12	77.87	88.69
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2025	6,718.98	4,313.47	307.43	397.01	581.52	4,269.44	2,492.12	1,435.82	20,515.80
<b>Depreciation</b>									
As at March 31, 2023	-	1,193.92	193.38	351.19	472.87	3,843.32	2,151.06	417.20	8,622.94
Charge for the period	-	129.61	19.00	6.56	35.56	142.47	129.62	74.97	537.78
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	1,323.53	212.38	357.74	508.43	3,985.79	2,280.68	492.17	9,160.72
Charge for the period	-	136.01	16.07	4.86	15.09	21.63	95.39	106.15	395.20
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	1,459.54	228.45	362.61	523.52	4,007.42	2,376.07	598.32	9,555.91
<b>Net Block</b>									
As at March 31, 2025	6,718.98	2,853.94	78.98	34.41	58.00	262.02	116.06	837.50	10,959.89
As at March 31, 2024	6,718.98	2,985.83	94.53	38.81	71.48	283.65	207.32	865.79	11,266.40

### Note No 1(2): Right of Use Assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025:

(₹ in lakhs)

Particulars	Category of ROU asset		
	Buildings	Computers	Total
Balance as at March 31, 2023	2,737.32	389.09	3,126.41
Additions	-	-	-
Deletion	-	-	-
Balance as at March 31, 2024	2,737.32	389.09	3,126.41
Additions	-	-	-
Deletion	-	-	-
Balance as at March 31, 2025	2,737.32	389.09	3,126.41

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No 1(2): Right of Use Assets (Contd.)

(₹ in lakhs)

Particulars	Category of ROU asset		
	Buildings	Computers	Total
Depreciation as at March 31, 2023	535.56	344.17	879.73
Charge for the period	178.52	27.31	205.83
Depreciation as at March 31, 2024	714.08	371.49	1,085.57
Charge for the period	178.52	17.61	196.13
Depreciation as at March 31, 2025	892.60	389.09	1,281.70
Net Block as at March 31, 2025	1,844.71	-	1,844.71
Net Block as at March 31, 2024	2,023.23	17.61	2,040.84

### Note No 1 (3): Capital Work in progress

(₹ in Lakhs)

Particulars	Capital Work in progress
As at March 31, 2023	1,093.63
Additions	150.00
Disposals	-
As at March 31, 2024	1,243.63
Additions	-
Disposals	-
As at March 31, 2025	1,243.63
Net Block	
As at March 31, 2025	1,243.63
As at March 31, 2024	1,243.63

### Note No 1 (4): Intangible Assets

(₹ in lakhs)

Intangible Assets	Brands or trademarks or Goodwill	Computer software	Product Development	Total
As at March 31, 2023	4,779.31	2,720.60	6,177.65	13,677.56
Additions	-	-	600.00	600.00
Disposals	-	-	-	-
As at March 31, 2024	4,779.31	2,720.60	6,777.65	14,277.56
Additions	-	-	650.00	650.00
Disposals	-	-	-	-
As at March 31, 2025	4,779.31	2,720.60	7,427.65	14,927.56
Depreciation				
As at March 31, 2023	637.15	2,310.45	4,267.66	7,215.26
Charge for the period	-	214.89	341.41	556.30
Disposals	-	-	-	-
As at March 31, 2024	637.15	2,525.34	4,609.07	7,771.56
Charge for the period	-	97.64	401.24	498.88
Disposals	-	-	-	-
As at March 31, 2025	637.15	2,622.98	5,010.31	8,270.44
Net Block				
As at March 31, 2025	4,142.16	97.62	2,417.34	6,657.12
As at March 31, 2024	4,142.16	195.26	2,168.58	6,506.00



## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 2 Investments

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>1) Investment in Subsidiaries</b>		
<b>a) Equity Shares - 100% Holding in :</b>		
Ksoft Systems Inc	45.91	45.91
Qfund Technologies Private Limited	1.00	1.00
Virinchi Learning Private Limited	186.00	186.00
Virinchi Media & Entertainment Private Limited	1.00	1.00
Tyohar Foods Private Limited	1.00	1.00
Virinchi Infra & Reality Private Limited	1.00	1.00
Virinchi Health Care Private Limited	5,959.58	5,959.58
Tensor Fields Consultancy Services Private Limited	1.00	1.00
Virinchi Combinatorics & Systems Biology Private Limited	1.00	1.00
V23 Medical Solutions Private Limited	1.00	1.00
Virinchi Capital Private Limited	500.00	500.00
<b>b) Equity Shares - 51% Holding in :</b>		
Asclepius Consulting & Technologies Pvt Ltd.	30.00	30.00
	<b>6,728.49</b>	<b>6,728.49</b>
<b>2) Investment in Mutual funds</b>		
Canara Robeco Mutual Funds	-	26.94
<b>Total Investments in Mutual Funds</b>	<b>-</b>	<b>26.94</b>
<b>Total</b>	<b>6,728.49</b>	<b>6,755.43</b>

### Note No: 3 Loans and Advances

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Advances to Subsidiaries	28,566.42	22,493.54
<b>Total</b>	<b>28,566.42</b>	<b>22,493.54</b>

### Note No: 4 Other Financial Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Security Deposits	224.30	209.46
<b>Total</b>	<b>224.30</b>	<b>209.46</b>

### Note No: 5 Other Non Current Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Unamortised Expenses	57.48	81.10
<b>Total</b>	<b>57.48</b>	<b>81.10</b>

### Note No: 6 Trade Receivables

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Unsecured, Considered Good</b>		
Less than 6 Months	2,159.62	3,246.76
Other Receivables	1,019.05	457.43
<b>Total</b>	<b>3,178.67</b>	<b>3,704.19</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 6 Trade Receivables (Contd.)

#### Trade Receivables ageing schedule as on March 31, 2025 :

(₹ in lakhs)

Particulars	Less than 6 months	6 Months to 1 Year	1-2 Years	2-3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	2,159.62	500.84	518.21	-	-	3,178.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

#### Trade Receivables ageing schedule as on March 31, 2024 :

(₹ in lakhs)

Particulars	Less than 6 months	6 Months to 1 Year	1-2 Years	2-3 years	> 3 years	Total
(i) Undisputed Trade receivables – considered good	3,246.76	457.43	-	-	-	3,704.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

### Note No: 7 Cash and Cash Equivalents

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>a) Balance with Banks</b>		
On Current Accounts	256.60	85.85
<b>b) Cash on hand</b>	13.30	13.57
<b>Sub Total</b>	<b>269.90</b>	<b>99.43</b>
<b>Other Bank Balances</b>		
On Deposit Accounts	215.02	952.36
<b>Sub Total</b>	<b>215.02</b>	<b>952.36</b>
<b>Total</b>	<b>484.92</b>	<b>1,051.79</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 8 Loans and Advances

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Unsecured, Considered Good		
With Others	1,101.92	1,571.34
<b>Total</b>	<b>1,101.92</b>	<b>1,571.34</b>

### Note No: 9 Other Current Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Travel & Other Advances	959.36	851.65
Deferred Financial Charges	71.13	70.89
Advance Tax & TDS Receivable	320.73	309.34
GST	107.28	104.32
<b>Total</b>	<b>1,458.49</b>	<b>1,336.19</b>

### Note No: 10 Equity Share Capital

(₹ in lakhs)

Particulars	Nos.	₹
<b>Authorised:</b>		
15,00,00,000 Equity Shares of ₹10/- each. (15,00,00,000 Equity Shares in Previous Year)	15,00,00,000	15,000.00
<b>Issued Subscribed &amp; Paid Up Share Capital:</b>		
<b>Subscribed &amp; Fully Paid Up:</b>		
<b>Total As at 31<sup>st</sup> Mar 2023</b>	<b>8,36,38,968</b>	<b>8,363.90</b>
Add: ESOP's Allotted	63,23,653	632.37
Add: Warrants converted to Equity Shares	40,00,000	400.00
<b>Total As at 31<sup>st</sup> Mar 2024</b>	<b>9,39,62,621</b>	<b>9,396.26</b>
Add: ESOP's Allotted	40,01,737	400.17
Add: Warrants converted to Equity Shares	46,82,538	468.25
<b>Total As at 31<sup>st</sup> Mar 2025</b>	<b>10,26,46,896</b>	<b>10,264.69</b>

### Reconciliation of Shares Outstanding at Beginning and End of the Reporting Year

Equity Shares	March 31, 2025		March 31, 2024	
	No's	₹ in Lakhs	No's	₹ in Lakhs
<b>As at Beginning of the Year</b>	9,39,62,621	9,396.26	8,36,38,968	8,363.90
ESOP's Allotted During the Year	40,01,737	400.17	63,23,653	632.37
Warrants Converted to Equity Shares	46,82,538	468.25	40,00,000	400.00
<b>As at End of the Year</b>	<b>10,26,46,896</b>	<b>10,264.69</b>	<b>9,39,62,621</b>	<b>9,396.26</b>

### Details of Share Holders Holding More than 5% Shares in the Company

Name of the Share Holder	March 31, 2025		March 31, 2024	
	Nos	% of Share Holding	Nos	% of Share Holding
Mr. Viswanath Kompella (Promoter)	1,63,50,888	15.93	1,46,68,350	15.61
Gajwel Developers Private Limited	60,00,000	5.85	30,00,000	3.19

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No. 11 Other Equity

(₹ in lakhs)

Particulars	Securities Premium	Share Options Outstanding	Money Received against Share warrants	Loss on Slump Sale	Share Application Money Pending Allotment	Forefeiture of Money received against Share Warrants	Retained Earnings	Total
As At March 31, 2023	10,786.54	509.08	1,050.00	-1,194.21	-	-	14,749.20	25,900.61
Changes for the Year	2,488.46	-	-315.00	-	20.61	-	1,108.09	3,302.16
As At March 31, 2024	13,275.00	509.08	735.00	-1,194.21	20.61	-	15,857.29	29,202.77
Changes for the Year	2,189.66	-	-735.00	-	-20.61	243.33	1,603.90	3,281.28
As At March 31, 2025	15,464.67	509.08	-	-1,194.21	-	243.33	17,461.19	32,484.06

### Note No: 12 Borrowings

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Secured Loans</b>		
Vehicle Loans	480.66	502.22
Term Loans from banks	7,314.46	7,633.92
Term Loans from Institutions Other than banks	39.06	237.19
Less: Current Maturities	-1,648.62	-1,628.85
<b>Unsecured Loans</b>		
a) Loans from subsidiaries	2,140.39	-
b) Loans from Related parties	1,277.23	-
b) Others	465.25	-
<b>Total</b>	<b>10,068.43</b>	<b>6,744.49</b>

### Note No: 13 Lease Liability

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Buildings, Computers & Software	2,901.58	3,076.82
<b>Total</b>	<b>2,901.58</b>	<b>3,076.82</b>

### Note No: 14 Other Non Current Liabilities

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Gratuity	375.91	332.51
<b>Total</b>	<b>375.91</b>	<b>332.51</b>

### Note No: 15 Deferred Tax Liability (Net)

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Opening Deferred tax Liability	46.95	165.93
Add: Deferred Tax for the year	-98.61	-118.98
<b>Total</b>	<b>-51.66</b>	<b>46.95</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No : 16 Borrowings

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Secured Loans</b>		
a) From Banks	1,795.15	1,881.23
b) Current maturities of Non current borrowings :		
i) from Banks	1,626.57	1,451.66
ii) from Institutions other than Banks	22.04	177.18
<b>Unsecured Loans</b>		
a) Loans from subsidiaries	-	2,398.74
b) Related parties	-	1,582.40
<b>Total</b>	<b>3,443.77</b>	<b>7,491.22</b>

### Note No: 17 Trade Payables

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Unsecured</b>		
<b>Trade Payables</b>		
Outstanding dues of Micro, Small and Medium enterprises	-	-
Outstanding dues of creditors other than Micro, Small and Medium enterprises	256.44	80.89
<b>Total</b>	<b>256.44</b>	<b>80.89</b>

#### Trade payables ageing schedule for the year ended as on March 31, 2025 :

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Others	256.44	-	-	-	256.44
ii) Disputed dues — MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-

#### Trade payables ageing schedule for the year ended as on March 31, 2024 :

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Others	80.89	-	-	-	80.89
ii) Disputed dues — MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-

### Note No: 18 Provisions

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
a) Employee Benefits	411.36	317.38
b) Statutory Dues	2,347.69	1,568.35
c) Audit Fee	3.78	2.29
<b>Total</b>	<b>2,762.83</b>	<b>1,888.01</b>



## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 19 Revenue From Operations

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Revenue from Operations	13,337.32	12,768.88
(b) Other Operating Revenues	610.25	478.79
<b>Total</b>	<b>13,947.56</b>	<b>13,247.67</b>

### Note No: 20 Other Income

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Interest Income	1,352.88	1,052.91
(b) Other Non-Operating Income	40.89	0.07
<b>Total</b>	<b>1,393.77</b>	<b>1,052.98</b>

### Note No: 21 Employee Benefit Expenses

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Salaries & Wages	5,143.12	4,811.52
(b) Contribution to Provident & Other Funds	190.11	193.77
(c) Staff Welfare Expenses	94.11	85.73
<b>Total</b>	<b>5,427.34</b>	<b>5,091.02</b>

### Note No: 22 Finance Costs

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Interest Expenses :		
- Interest on Term Loans and Working Capital Loans	1,145.18	827.08
- Interest on Vehicle Loans	42.35	35.36
- Finance Charge on Lease Liability	180.52	197.44
(b) Applicable net gain/loss on foreign currency translations	59.88	22.24
<b>Total</b>	<b>1,427.92</b>	<b>1,082.11</b>

### Note No: 23 Administrative and Other Expenses

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Power & Fuel	224.48	219.84
(b) Rent	2,014.20	49.66
(c) Repairs & Maintenance	97.86	62.25
(d) Insurance	92.52	94.21
(e) Telephone, Postage and Others	120.49	128.82
(f) Business Promotion Expenses	227.66	216.97
(g) Office Maintenance	184.98	233.03
(h) Travelling and Visa Expenses	81.74	73.55
(i) Consultancy Charges and Subcontracting Expenses	1,894.01	4,027.12
(j) Other Administrative Expenses	172.27	216.28
(k) Rates & Taxes	215.95	75.34
(l) Bank Charges	32.24	30.14
(m) Bad debts	0.73	-
(n) Audit Fees	8.20	11.64
<b>Total</b>	<b>5,367.34</b>	<b>5,438.84</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 24

#### Details of Primary and Collateral Securities (For Liabilities referred in Note No.12 & 16)

Hypothecation of Plant & Machinery, Equipment, Commercial Property and Mr. Viswanath Kompella and Mrs. Madhavalatha Kompella (Promoter) personal guarantee.

#### Hypothecation of Movable Assets:

- ❖ M/s. Canara Bank, Spl. Mid Corporate Branch, Hyderabad and M/s. ICICI Bank Ltd, having charge on all movable assets such as Plant & Machinery, Electrical & Office Equipment, Computers and Furniture of the company on Foreign Currency Term Loan (FCLR) availed with them.
- ❖ Hypothecation of Receivables.

#### Collateral Security:

- ❖ EMT on 875 sq yards open land at Road.No.1 Banjara Hills, Hyderabad-500034 in the name of Virinchi Limited given to M/s. ICICI Bank Ltd
- ❖ EMT of Land of extent Ac 2.0 and Building 46,590 Sq yards situated at Sy No. 15/A, 15B and 15/C, Suraram, Jeedemetla Industrial Area, Quthubullapur, in the name of the M/s. Virinchi Limited given to ICICI Bank Ltd.
- ❖ EMT on 649 sq yards at Plot No 37, Nandagiri Hills, Shaikpet Village, Jubilee Hills, Hyderabad-500033 in the name of promoter M/s. Madhavalatha Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Limited.
- ❖ EMT of Land & Building admeasuring 3 acres 36 Guntas situated at Sy.No. 121 Pothaipally Village, Shameerpet Mandal, RR District, Telangana in the name of Virinchi Limited given to M/s. Canara Bank, Spl. Mid Corporate Branch, Hyderabad.
- ❖ EMT of factory land measuring 1 acre 36.5 guntas at Survey No.441, Hakimpet Village, in Shamirpet Mandal, R R Dist, Telangana in the name of Virinchi Limited given to M/s. Canara Bank, Spl. Mid Corporate Branch, Hyderabad.
- ❖ EMT on property located at Flat No.608, Lingapur Plaza, Himayathnagar owned by Mr.Viswanath Kompella given to M/s. Canara Bank, Spl. Mid Corporate Branch, Hyderabad.
- ❖ Pledge of Virinchi Equity Shares Nos. 36,36,679 belongs to Mr. Viswanath Kompella to M/s. CSB Bank Ltd, Hyderabad for purchase of H. No. 8-2-293/ 82/ A/ 1206, Plot no. 1206, under Sy no. 120 of Shaikpet and Sy. No. 102/1 of Hakimpet village in ward no. 8 and block no. 2 in Shaikpet and Hakimpet village in Hyderabad 500033.
- ❖ EMT on property located at H. No. 8-2-293/ 82/ A/ 1206, Plot no. 1206, under Sy no. 120 of Shaikpet and Sy. No. 102/1 of Hakimpet village in ward no. 8 and block no. 2 in Shaikpet and Hakimpet village in Hyderabad 500033, measuring 1290 sq. yards with built up area of 8917 sft. owned by M/s. Virinchi Limited given to M/s. CSB Bank Limited, Hyderabad.
- ❖ EMT on 1200 sq yards at Plot No 1279, H.No. 8-2-279/82/A/1279, Sy No. 120, Shaikpet Village, Road No. 64, Jubilee Hills, Hyderabad-500033 in the name of promoter M/s. Viswanath Kompella given to M/s. AU SMALL FINANCE BANK LTD, Hyderabad for Loans availed in M/s. Virinchi Limited.

**Personal Guarantee:** Mr. Viswanath Kompella and Mrs. Madhavalatha Kompella, Promoter of the company.

### Note No: 25

(₹ in lakhs)

Particulars	Current Year	Previous Year
Statutory Auditors Fee	4.72	4.72

### Note No: 26

The Company has identified Business Segments which comprise Development of Computer Software and Services and IT Enabled Services.

Revenue and expenses directly attributable to segments are reported under each segment. Expenses which are not directly identifiable to specific segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 26 (Contd.)

(₹ in lakhs)

S. No	Particulars	Year Ended	
		31.03.2025	31.03.2024
<b>I</b>	<b>Segment Revenue</b>		
	SaaS Business	13,337.32	12,768.88
	IT Enabled Services	610.25	478.79
	Net sales/income from Operations	13,947.56	13,247.67
<b>II</b>	<b>Segment Result</b>		
	SAAS Business	1,984.12	1,346.39
	IT Enabled Services	54.92	47.88
	<b>Total</b>	<b>2,039.05</b>	<b>1,394.27</b>
	Interest Expenditure	(1,427.92)	(1,082.11)
	Other un-allocable Income net of un-allocable Expenditure	1,393.77	1,052.98
	<b>Total Profit Before Tax</b>	<b>2,004.90</b>	<b>1,365.14</b>

### Note No: 27 Investments

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

Details of Investments in Subsidiaries – for Investments referred in Note No. 2 as follows :

#### ❖ Wholly Owned Subsidiaries

(₹ in lakhs)

S No.	Name of the Subsidiary	No. of Shares	Face value	Share capital	Share Premium	Total Amount
1	Ksoft Systems Inc.	1,00,100	\$ 1	45.91	-	45.91
2	Q fund Technologies Pvt Ltd	10,000	₹10	1.00	-	1.00
3	Virinchi Learning Pvt Ltd	1,95,000	₹10	19.50	166.5	186.00
4	Virinchi Media & Entertainment Pvt Ltd	10,000	₹10	1.00	-	1.00
5	Tyohar Foods Pvt Ltd	10,000	₹10	1.00	-	1.00
6	Virinchi Infra & Reality Pvt Ltd	10,000	₹10	1.00	-	1.00
7	Virinchi Health Care Pvt Ltd	54,35,978	₹10	543.6	5,415.98	5,959.58
8	Tensor Fields Consultancy Services Pvt Ltd	10,000	₹10	1.00	-	1.00
9	Virinchi Combinatorics & Systems Biology Pvt Ltd	10,000	₹10	1.00	-	1.00
10	Virinchi Capital Pvt Ltd	50,00,000	₹10	500.00	-	500.00
11	V23 Medical solutions Pvt Ltd	10,000	₹10	1.00	-	1.00

#### ❖ Other Subsidiaries – Controlling interest (51%)

(₹ in lakhs)

S No.	Name of the Subsidiary	No. of Shares	Face value	Share capital	Share Premium	Total Amount
1	Asclepius Consulting & Technologies Private Limited	3,00,000	₹10	30.00	-	30.00

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 28 Earning per Share

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

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Profit available for the equity share holders (₹ In Lakhs)	1,603.90	1,108.09
Weighted average number of shares for Basic EPS	10,09,91,274	89,856,677
Weighted average number of shares for Diluted EPS	10,09,91,274	95,007,444
Basic (₹)	1.59	1.23
Diluted (₹)	1.59	1.17

### Note No: 29

Foreign Currency Outflow during the year of ₹ Nil. Previous Year ₹ Nil

### Note No: 30

Foreign Currency Inflow during the year is ₹7,084.84 Lakhs (Previous Year – ₹5,847.11 Lakhs)

### Note No: 31 Related Party Transaction.

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

The following are the list of related parties:

#### a) Subsidiary Companies:

1. Qfund Technologies Private Limited
2. KSoft Systems Inc
3. Virinchi Media & Entertainment Private Limited
4. Virinchi Learning Private Limited
5. Tyohar Foods Private Limited
6. Virinchi Infra & Realty Private Limited
7. Virinchi Health Care Private Limited
8. Tensor Fields Consultancy Services Private Limited
9. Virinchi Combinatorics & Systems Biology Private Limited
10. V23 Medical solutions Private Limited.
11. Virinchi Capital Private Limited.
12. Asclepius Consulting & Technologies Private Limited – (controlling interest)

#### b) Directors:

1. M.V. Srinivasa Rao
2. Sunder Kanaparthi
3. Sri Kalyan Kompella
4. Kunda Kalpana
5. Suresh Juthuga
6. Satyanarayana Vedula

# Notes to Standalone Financial Statements for the year ended March 31, 2025

## Note No: 31 Related Party Transaction. (Contd.)

### c) Key Management Personnel:

S. No.	Name	Designation
1	M.V. Srinivasa Rao	CFO & Whole Time Director
2	V. Satyanarayana	Vice Chairman & Executive Director
3	K. Ravindranath Tagore	Company Secretary

### d) Other Related Party:

- Vivo Bio Tech Limited – common promoters

The following are the Related Party Transactions:

(₹ in lakhs)

Name of the related Party	Nature of transaction	Current Year	Previous Year
M V Srinivasa Rao	Remuneration	78.78	57.61
V Satyanarayana	Remuneration	71.61	71.61
K. Ravindranath Tagore	Remuneration	35.61	35.61
Viswanath Kompella	Remuneration	330.02	337.78
K Soft Systems Inc	Consultancy charges received	782.16	3,696.20
Tensor Fields Consultancy Services Pvt Ltd	Interest Income	11.3	9.12
Asclepius Consulting & Technologies Pvt Ltd	Interest Income	48.69	45.79
Virinchi Health Care Pvt Ltd	Interest Income	1,169.24	851.01
Virinchi Media & Entertainment Pvt Ltd	Interest Income	15.80	14.60
Tyohar Foods Pvt Ltd	Interest Income	9.00	8.40
Virinchi Combinatorics & System Biology Pvt Ltd	Interest Income	0.70	0.65
Virinchi Learning Pvt Ltd	Interest Income	12.62	10.50
Qfund Technologies Pvt Ltd	Interest Income	44.49	50.20
Virinchi Capital Pvt Ltd	Manpower services provided	-	18.57
V23 Medical Solution Pvt Ltd	Interest Income	0.44	0.40
Virinchi Capital Pvt Ltd	Sale of Software Product	-	885.00
Vivo Bio Tech Limited	Interest Expenses	13.41	-

### Details of Loans and Advances given to Related Parties:

(₹ in lakhs)

S. No.	Name of the Related Party	Relationship	Amount
1	Asclepius Consulting & Technologies Pvt Ltd	Subsidiary– Controlling Interest	739.32
2	Virinchi Media & Entertainment Pvt Ltd	Wholly owned Subsidiary	241.79
3	Tyohar Foods Pvt Ltd	Wholly owned Subsidiary	136.70
4	Virinchi Health Care Pvt Ltd	Wholly owned Subsidiary	25,508.61
5	Tensor Fields Consultancy Services Pvt Ltd	Wholly owned Subsidiary	301.89
6	Virinchi Learning Pvt Ltd	Wholly owned Subsidiary	214.50
7	Virinchi Combinatorics & Systems Biology Pvt Ltd.	Wholly owned Subsidiary	10.64
8	V23 Medical solutions Pvt Ltd.	Wholly owned Subsidiary	6.57
9	Q Fund Technologies Pvt Ltd.	Wholly owned Subsidiary	633.52
10	Virinchi Capital Pvt Ltd.	Wholly owned Subsidiary	772.88



# Notes to Standalone Financial Statements for the year ended March 31, 2025

## Note No: 31 Related Party Transaction. (Contd.)

### Loans and Advances to Directors

1	M.V.Srinivasa Rao	Director	44.54
---	-------------------	----------	-------

### Details of Loans and Advances received from Related Parties:

❖ Long Term Borrowings 31/03/2025:

(₹ in lakhs)

S. No.	Name of the Related Party	Relationship	Amount
1	Virinchi Infra & Reality Pvt Ltd	100%Subsidiary	9.74
2	KSoft Systems Inc.	100%Subsidiary	2,130.65
3	PKI Solutions Private Limited	Common Promoters	292.32
4	Gajwel Developers Private Limited	Common Promoters	150.00
5	Vivo Bio Tech Limited	Common Promoter	834.91

### Details of Trade Receivables from Related Parties amount outstanding as on 31/03/2025:

(₹ in lakhs)

S. No.	Name of the Related Party	Relationship	Amount
1	Virinchi Capital Private Limited	100%Subsidiary	839.71

## Note No: 32 Warrants to Promoters and Private Placement:

i) Conversion of Equity Warrants to Equity Shares :

S. No.	Name of the Allottee	No of Share Warrants Converted during the year	Total Amount Collected (₹ in Lakhs)
1.	Gajwel Developers Pvt Ltd	30,00,000	1,260.00
2.	Kompella Viswanath	16,82,538	706.67

ii) Forfeiture of Equity Warrants:

S. No.	Name of the Allottee	No of Share Warrants Forfeited during the year	Total Amount Forfeited (₹ in Lakhs)
1.	Kamala Bai	10,00,000	105.00
2.	Kompella Viswanath	13,17,462	138.33

## Note No: 33

### Reconciliation of ESOP Schemes

Sl. No	Description	Year ended March 31, 2025					
		VESOS. 2016	VESOS 2016 (Bonus)	VESOS. 2018	VESOS. 2018 (Bonus)	VESOS, 2022	VESOS, 2024
1	No of Options for which In-principle approval received from exchanges	50,00,000	6,17,186	30,00,000	21,50,000	1,00,00,000	1,00,00,000
2	No of shares allotted Till 31 <sup>st</sup> March, 2025	48,22,564	3,60,250	29,50,000	21,00,000	96,43,890	0
3	Balance Available	1,77,436	2,56,936	50,000	50,000	3,56,110	1,00,00,000

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 34 Amount spent on CSR activities

As per the Section 135(5) of the Companies Act, 2013, the Company shall ensure that an amount of 2% of the average Net Profits of the Company made during the three immediately preceding financial years shall be spent towards Corporate Social Responsibility activities. For the Financial Year 2024-25, the amount to be spent towards CSR activities works out to ₹27.06 Lacs and the Company had spent ₹27.06 Lacs towards the CSR activities in the financial year 2024-25.

### Note No: 35 Additional Regulatory information

- i. The Company is in possession of immovable property and Title Deeds are held in the Name of the company.
- ii. The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii. The Company has not granted any loans or advances in the nature of loans to directors, KMPs, except as mentioned above in related party disclosures.
- iv. There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- v. The Company has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- vi. The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- vii. The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

### Note No: 36 Details of Contingent Liabilities

S. No.	Nature	Assessment Year	Amount of Dispute (₹ in Lakhs)	Amount Deposited (₹ in Lakhs)	Forum where it is pending
1	Income Tax	2017-18	268.77	40.00	CIT(A)
2	Income Tax	2021-22	451.54	90.00	ITAT, Hyderabad

The above pending litigations will not effect the financial position of the company.

### Note No: 37

The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

### Note No: 38

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### Note No: 39

There are no significant events that occurred after the balance sheet date.

### Note No: 40

The Company has not declared any dividend during the year.

### Note No: 41

In the opinion of the management, the assets as shown in the financial Statements have a value on realization in the ordinary course of business of at least equal to the amount at which they are stated in the balance sheet.

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 42 Ratios

Ratios	Numerator	Denominator	Current year	Previous year	Variance (in %)
Current ratio (in times)	Total current assets	Total current liabilities	0.96	0.81	18.88
Debt-Equity ratio (in times)	Debt consists of Total borrowings and lease liabilities*	Total Equity	0.30	0.25	19.24
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments*	1.28	1.46	-11.86
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	3.94	3.04	29.65
Inventory Turnover Ratio(in times)	Cost of goods sold OR sales	Average Inventory	NA	NA	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.05	3.86	5.09
Trade payables turnover ratio (in times)	Purchase of Services and other expenses	Average trade payables	1.00	2.14	53.26
Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	-58.35	-7.37	691.32
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.50	8.36	37.48
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net Worth + Net Working Capital	8.08	6.65	21.44
Return on investment (in %) –Unquoted	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA

### Note No: 43

Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification. Figures have been rounded off to the nearest Lakhs.

- 1) Return on Equity Ratio- Variance of 29.65% is on account of increased PAT during the current year due to Sale of Mutual funds and increase in Interest Income.
- 2) Trade payables Turnover ratio- Variance of 53.26% is on account of Longer credit period.

## Notes to Standalone Financial Statements for the year ended March 31, 2025

### Note No: 42 Ratios (Contd.)

- 3) Net Capital Turnover Ratio- Variance of 691.32% is on account of delay in payment of statutory dues.
- 4) Net profit ratio- Variance of 37.48% is on account of increased PAT during the current year due to profit on sale of Mutual funds and increase in Interest Income

Notes referred to above form an integral part of the financial statements.

As per our Report of Even Date

For **P. Murali & Co.**  
Chartered Accountants  
FRN: 007257S

For and on behalf of the Board of Directors of  
**Virinchi Limited**

**M.V. Joshi**  
Partner  
M.No. 024784

**M V SrinivasaRao**  
CFO & Wholetime Director  
DIN: 00816334

**V. Satyanarayana**  
Whole Time Director  
DIN:09070986

Place : Hyderabad  
Date: 28/05/2025

**K.Ravindranath Tagore**  
Company Secretary  
M.No: A18894

# Independent Auditor's Report

To the Members of  
VIRINCHI LIMITED

## Report on the Audit of the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of **VIRINCHI LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, the consolidated Profit including consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

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

## Information Other than the Consolidated Ind AS financial statements and Auditor's Report Thereon:

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

## Management's Responsibility for the Consolidated Ind AS Financial Statements

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



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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- ❖ Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

We did not audit the financial statements / financial information of 1 subsidiary included in the consolidated Ind AS financial Statements, whose Financial Statements / Financial information after inter Company eliminations reflect Group's share of total assets of ₹3,540.17 lakhs as at 31<sup>st</sup> March 2025, Group's share of total revenue of ₹2.20 Lakhs, Group's share of total net profit/(loss) after tax of ₹(278.27)

Lakhs and Total comprehensive income of ₹(278.27) Lakhs for the period from 01-04-2024 to 31-03-2025 respectively, as considered in the consolidated Ind AS financial statements, in respect of the subsidiaries whose financial statements / financial information have not been audited by us. This financial statements / financial information have been audited by other auditors whose report have furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion is not modified in respect of the above matter.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the Auditor's reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating

effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group does not have pending litigations as at March 31<sup>st</sup>, 2025 which would have impact on its consolidated financial position of the group.
- ii. The group does not have any long -term contracts, including derivate contracts and did not have 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 Company and its subsidiary companies.
- iv. Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested other than mentioned in notes to accounts (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or group companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Management has represented that, to the best of its knowledge and belief, no funds have been received other than mentioned in notes to accounts, by the Company or group companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or group companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate

Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- vii. The company or group companies has not declared or paid any dividend during the year.
- viii. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated

throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **P. Murali & Co.,**  
*Chartered Accountants*  
FRN: 007257S

Place: Hyderabad  
Date: 28-05-2025

**M.V. Joshi**  
Partner  
M.No: 024784  
UDIN: 25024784BMIXTO5937

## “ANNEXURE A”

# ANNEXURE TO INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF VIRINCHI LIMITED

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

### Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 (‘The Act’)

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of **VIRINCHI LIMITED** (herein after referred to as “Company”) and its subsidiary companies, which is incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal

financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting:**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P. Murali & Co.,**  
*Chartered Accountants*  
FRN: 007257S

Place: Hyderabad  
Date: 28-05-2025

**M.V.Joshi**  
Partner  
M.No: 024784  
UDIN: 25024784BMIXTO5937



# Consolidated Balance Sheet

As At March 31,

(Rupees in lakhs)

Particulars	Note No	2025	2024
<b>ASSETS</b>			
<b>1) NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1	33,782.88	35,790.01
Right of Use Asset	1	7,733.33	9,637.70
Capital Work-In-Progress	1	8,597.75	8,317.75
Goodwill	1	4,142.16	4,142.16
Other Intangible Assets	1	11,205.35	5,144.11
<b>Financial Assets</b>			
Investments	2	163.83	307.31
Other Financial Assets	3	519.62	477.17
Other Non-Current Assets	4	281.17	361.47
<b>Total Non Current Assets</b>		<b>66,426.08</b>	<b>64,177.68</b>
<b>2) CURRENT ASSETS</b>			
Inventories	5	533.12	688.76
<b>Financial Assets</b>			
Trade Receivables	6	8,119.35	7,404.33
Cash and Cash Equivalents	7	775.76	2,002.53
Loans and ICD's	8	6,243.13	7,705.98
Other Current Assets	9	2,637.46	3,111.98
<b>Total Current Assets</b>		<b>18,308.81</b>	<b>20,913.58</b>
<b>Total Assets</b>		<b>84,734.89</b>	<b>85,091.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	10,264.69	9,396.26
Other Equity	11	37,320.04	36,097.38
Non Controlling Interest		-157.33	-113.29
<b>Total Equity</b>		<b>47,427.41</b>	<b>45,380.36</b>
<b>(1) Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	9,917.02	10,749.52
Lease Liability		13,250.03	13,028.13
Other Non Current Liabilities	13	648.97	579.89
Deferred Tax Liabilities (Net)	14	1,175.99	1,629.79
<b>Total Non Current Liabilities</b>		<b>24,992.02</b>	<b>25,987.34</b>
<b>(2) Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	15	6,082.20	9,208.29
Trade Payables	16	816.01	703.30
Provisions	17	5,417.26	3,811.97
<b>Total Current Liabilities</b>		<b>12,315.47</b>	<b>13,723.56</b>
<b>Total Equity and Liabilities</b>		<b>84,734.89</b>	<b>85,091.25</b>

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

As per our Report of Even Date

For **P. Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of

**Virinchi Limited**

**M.V. Joshi**

Partner

M. No. 024784

**M.V. Srinivasa Rao**

CFO & Wholtime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

**K. Ravindranath Tagore**

Company Secretary

M.No. A18894

Place: Hyderabad

Date: 28<sup>th</sup> May 2025

# Consolidated Statement of Profit and Loss for the Year ended March 31,

(All amounts are in Indian Rupees in Lakhs, except Share and Per share data, unless otherwise stated)

Particulars	Note No	2025	2024
Revenue from Operations	18	30,113.03	30,002.63
Other Income	19	717.38	480.58
<b>Total Income</b>		<b>30,830.41</b>	<b>30,483.21</b>
<b>Expenses:</b>			
Purchase of Stock in trade	20	1,270.52	1,233.26
Changes in Inventory		155.64	182.02
Employee Benefit Expenses	21	9,679.67	9,975.61
Depreciation	1	5,473.29	5,329.05
Amortization		25.31	24.65
Finance costs	22	3,902.90	4,290.13
Administrative and Other Operating Expenses	23	10,086.00	7,704.50
<b>Total Expenses</b>		<b>30,593.33</b>	<b>28,739.24</b>
<b>Profit Before Tax</b>		<b>237.08</b>	<b>1,743.97</b>
<b>Tax expense:</b>			
(a) Current tax		642.47	461.09
(b) Deferred tax		-453.80	-64.67
<b>Profit for the period</b>		<b>48.41</b>	<b>1,347.56</b>
<b>Profit attributable to Non Controlling Interest</b>		<b>-23.99</b>	<b>-22.78</b>
<b>Profit attributable to owners of the company</b>		<b>72.40</b>	<b>1,370.33</b>
<b>Other Comprehensive Income (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>72.40</b>	<b>1,370.33</b>
<b>Earning Per Equity Share: (par value of ₹10/- each)</b>			
(1) Basic		0.07	1.53
(2) Diluted		0.07	1.44

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

As per our Report of Even Date  
For **P. Murali & Co.**  
Chartered Accountants  
Firm Registration No.007257S

For and on behalf of the Board of Directors of  
**Virinchi Limited**

**M.V. Joshi**  
Partner  
M. No. 024784

**M.V. Srinivasa Rao**  
CFO & Wholetime Director  
DIN: 00816334

**V. Satyanarayana**  
Whole Time Director  
DIN: 09070986

Place: Hyderabad  
Date: 28<sup>th</sup> May 2025

**K. Ravindranath Tagore**  
Company Secretary  
M.No. A18894

## Consolidated Cash Flow Statement for the Year Ended March 31

(Rupees in lakhs)

Particulars	2025	2024
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before taxation and extraordinary items	237.08	1,743.97
<b>Adjustments for:</b>		
Depreciation	5,473.29	5,328.80
Amortised Expenses	25.31	24.90
Interest and Finance Cost	3,902.90	4,290.13
<b>Operating Profit before Working Capital Changes</b>	<b>9,638.57</b>	<b>11,387.81</b>
<b>Changes in Assets &amp; Liabilities</b>		
Trade and Other Financial Assets Including Inventory	1,390.53	-1,419.99
Trade and Other Financial liabilities	-1,571.17	3,049.84
<b>Cash Generated from Operations</b>	<b>9,457.93</b>	<b>13,017.66</b>
Interest paid on working capital loans	-871.40	-989.15
Taxation for the year	-188.66	-396.42
<b>Net Cash Generated from Operating Activities</b>	<b>8,397.86</b>	<b>11,632.10</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	-7,902.76	-11,366.66
Payment for Investment	143.49	-63.13
<b>Net Cash used in Investing Activities</b>	<b>-7,759.27</b>	<b>-11,429.79</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from Equity Shares	1,998.63	3,319.10
Interest and Finance Cost	-3,031.49	-3,300.98
Net Proceeds from Long Term Borrowings	-832.50	-1,288.72
<b>Net Cash Generated from/ (used in) Financing Activities</b>	<b>-1,865.36</b>	<b>-1,270.60</b>
Net increase/ (decrease) in cash and cash equivalents	-1,226.77	-1,068.30
Cash and Cash equivalents as at Beginning of the Year	2,002.53	3,070.83
<b>Cash and Cash equivalents as at End of the Year</b>	<b>775.76</b>	<b>2,002.53</b>

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

As per our Report of Even Date

For **P. Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of

**Virinchi Limited**

**M.V. Joshi**

Partner

M. No. 024784

**M.V. Srinivasa Rao**

CFO & Wholetime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

Place: Hyderabad

Date: 28<sup>th</sup> May 2025

**K. Ravindranath Tagore**

Company Secretary

M.No. A18894

## Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2025

### a. Equity Share Capital (All amounts are in Indian Rupees in Lakhs, except Share and Per share data, unless otherwise stated)

Particulars	No. of Shares	Amount
Balance as at 31 March 2024	9,39,62,621	9,396.26
Balance as at 31 March 2025	10,26,46,896	10,264.69

### b. Other equity

Particulars	Reserves and Surplus								Total
	Securities Premium	Share Options Outstanding	Share Application Money Pending allotment	Money Received against share warrants	Capital Reserves & Others	Foreign Exchange Translation Reserve	Accumulated losses of Non Controlling Interest	Retained Earnings	
<b>Balance as of 31 March 2023</b>	<b>10,786.54</b>	<b>509.08</b>	<b>-</b>	<b>1,050.00</b>	<b>-5,371.95</b>	<b>635.08</b>	<b>124.04</b>	<b>24,707.52</b>	<b>32,440.32</b>
Additions for the year	2,488.46	-	20.61	-315.00	-	92.66	22.78	1,347.56	3,657.06
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax	-	-	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-	-	-
Less : Leases	-	-	-	-	-	-	-	-	-
<b>Balance as of 31 March 2024</b>	<b>13,275.00</b>	<b>509.08</b>	<b>20.61</b>	<b>735.00</b>	<b>-5,371.95</b>	<b>727.74</b>	<b>146.81</b>	<b>26,055.08</b>	<b>36,097.38</b>
Additions for the year	2,189.66	-	-20.61	-735.00	243.33	-573.40	23.99	48.41	1,176.38
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax	-	-	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-	46.27	46.27
Less : Leases	-	-	-	-	-	-	-	-	-
<b>Balance as of 31 March 2025</b>	<b>15,464.67</b>	<b>509.08</b>	<b>-</b>	<b>-</b>	<b>-5,128.62</b>	<b>154.34</b>	<b>170.80</b>	<b>26,149.77</b>	<b>37,320.04</b>

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For **P. Murali & Co.**

Chartered Accountants

Firm Registration No.007257S

For and on behalf of the Board of Directors of

**Virinchi Limited**

**M.V. Joshi**

Partner

M. No. 024784

UDIN:

Place: Hyderabad

Date: 28<sup>th</sup> May 2025

**M.V. Srinivasa Rao**

CFO & Wholetime Director

DIN: 00816334

**V. Satyanarayana**

Whole Time Director

DIN: 09070986

**K. Ravindranath Tagore**

Company Secretary

M.No. A18894

# Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

## 1. Corporate Information

Virinchi Limited, India (“Virinchi”) is an IT Products & Services company offering Loan Management System (LMS) for short term Micro credit Industry to companies across the globe since 1991. Virinchi is a public Limited Incorporated and domiciled in India. The Holding company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Virinchi has developed & retained IP in several software products operating in supply chain management, alternate financial services, however, has had limited success in offering most of the solutions barring the software product for financial services where Virinchi has reached leadership position considering the market share of this niche industry. The Organisation is led by First Generation IIT/IIM Entrepreneurs and operates out of its Corporate Office at Road No.1, Banjara Hills, Hyderabad, India & US Head Quarters at Marlboro, New Jersey.

Virinchi together with subsidiaries and controlled companies is hereinafter referred to as “The Group”.

Virinchi Healthcare Pvt Ltd and Ksoft Systems Inc are the material subsidiaries of Virinchi Limited and providing world class Health care services/Facilities and software development & services respectively.

The Group has presence in Learning, Media& Entertainment, Financial Services, Food Industry, Data science and Analysis, Reality and Infrastructure etc.

## 2. Material Accounting Policies

### (a) Statement of Compliance

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

### (b) Company information

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

Name of investee	Principal activities	Country of incorporation	Percentage of ownership/ voting rights	
			31/Mar/25	31/Mar/24
Ksoft Systems Inc	Software Development and Consulting	USA	100	100
Q fund Technologies Pvt. Ltd.	Software Development and Consulting	India	100	100
Virinchi Learning Private Ltd	Educational Services (e-governance project)	India	100	100
Virinchi Media & Entertainment Pvt. Ltd	Media and Entertainment	India	100	100
Tyohar Foods Pvt. Ltd	Catering Services	India	100	100
Virinchi Infra & Reality Pvt. Ltd	Infrastructure	India	100	100
Virinchi Health Care Pvt. Ltd	Healthcare Services	India	100	100
Tensor Fields Consultancy Services Pvt. Ltd	Financial consulting Services	India	100	100
Virinchi Combinatorics & Systems Biology Pvt. Ltd	Date science and Analysis	India	100	100
V23 Medical Solutions Pvt. Ltd.	Pharmacy supply chain	India	100	100
Virinchi Capital Pvt. Ltd.	Fintech	India	100	100
Asclepius Consulting & Technologies Pvt Ltd	Software Development and Consulting	India	51	51



# Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

## (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 from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- (iii) The consolidated financial statements of the Company combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-Company assets, liabilities, income, expenses and unrealised profits/losses on intra Company transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

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

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

## (d) Basis of Preparation

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

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 Group'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 Group has considered an operating cycle of 12 months.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

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

## (e) 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

- 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.

## Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

- ii) **Current income taxes:** The Group 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 Group 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.

### (f) Revenue Recognition

The Group applies the percentage of completion method in accounting for its fixed price development contracts. Use of the percentage of completion method requires the Company/group to estimate the efforts or costs expended to date (input method) as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

The Group revenues are derived from sale of services and goods and recognized as per IND AS 115.

#### ❖ Sale of Services

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

Interest income 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.

#### ❖ Sale of goods

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

#### ❖ Revenue from Healthcare Services:

Revenue from patients is recognized when the company satisfies performance obligation by transferring promised goods and services to patients. Revenue is measured based on the transaction price which is the fair value of the consideration received /receivable net of discount/concession and GST. The Income by way of doctor's Consultancy fees and the consequent liability towards Doctor's Consultation charges are considered as accrued as and when the amounts are finalized and certainty of recovery from patients is established.

Revenue from dietary/pharmacy sales and other associates services are recognized at the point when the goods are sold or services are rendered.

# Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

- ❖ 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.

## (g) 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 Onsite Server Rentals, Power & Fuel, Fees to external consultants, facility expenses, travel expenses, etc.

## (h) 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.

- (i) 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 Group 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 Group derecognises financial liabilities when, and only when, the Group'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 through Profit & Loss Account.

Cash and Cash Equivalents includes as at 31<sup>st</sup> Mar 2025 and 31<sup>st</sup> Mar 2024 restricted cash and bank balances of ₹Crores and ₹394.56 lakhs and ₹1,661.56 lakhs respectively. These restrictions are primarily on account of bank balance held as marginal money deposit against guarantees.

Bank borrowings for working capital not considered as a part of Cash and Cash Equivalents.

### 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.

# Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

## 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.

## (j) 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.

List of Contingent Liabilities are given below:

1. Corporate guarantee extended by Holding company to its wholly owned subsidiary viz., M/s. Virinchi Healthcare Pvt Ltd for an amount of ₹39.84 crores and the outstanding liability as on 31<sup>st</sup> March 2025 is amounting to ₹30.11 crores.

Disputed Income Tax Liabilities:

S No	Nature	Assessment Year	Amount of Dispute (₹ in Lakhs)	Amount Deposited (₹ in Lakhs)	Forum where it is pending
1.	Income Tax	2017-18	268.77	40.00	CIT(A)
2.	Income Tax	2021-22	451.54	90.00	ITAT, Hyderabad

## (k) 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	10
Vehicles	10
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.

## (l) 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.

# Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

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

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

## (m) Impairment

### (i) Financial assets (other than at fair value)

The group 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.

## (n) 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.

## (o) Earnings per share

Basic earnings per share are 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. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## Consolidated Notes and other explanatory information to financial statements

for the year ended March 31, 2025

### (p) Lease:

At inception of the contract, the Group determines whether the contract is a lease or contains a lease arrangement. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Standalone statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Standalone statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### Current year effect on Lease Accounting:

- (i) Financial Charges on Lease ₹2,061.74 lakhs
- (ii) Amortization cost on Right of Use Asset ₹685.09 lakhs



## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No.1 (1)

The changes in the carrying value of property, plant and equipment are as follows

(₹ in lakhs)

Property, Plant and Equipment	Land	Buildings	Plant & Machinery	Electrical Equipment	Office equipment	Computer Hardware	Furniture & Fixtures	Vehicles	Medical Equipment	Total
<b>Cost</b>										
As at March 31, 2023	1,229.19	13,840.75	802.78	1,815.01	861.89	13,549.11	4,889.26	1,159.56	14,661.99	52,809.54
Additions	5,489.79	3,537.56	2.82	0.53	2.81	2,115.15	9.82	780.92	116.74	12,056.14
Disposals	-	555.41	-	-	-	-	-	-	-	555.41
As at March 31, 2024	6,718.98	16,822.90	805.60	1,815.55	864.70	15,664.26	4,899.08	1,940.48	14,778.72	64,310.28
Additions	-	972.42	0.52	0.46	1.60	-	4.12	77.87	419.66	1476.65
Disposals	-	-	-	-	-	-	-	-	449.15	449.15
As at March 31, 2025	6,718.98	17,795.32	806.12	1,816.01	866.31	15,664.26	4,903.20	2,018.35	14,749.23	65,337.78
<b>Depreciation</b>										
As at March 31, 2023	-	3,285.97	454.43	1,042.71	671.99	8,405.60	3,247.89	715.41	6,803.60	24,627.60
Charge for the period	-	462.38	49.63	117.13	61.39	1,847.72	291.46	111.53	1,227.25	4,168.49
Disposals	-	275.83	-	-	-	-	-	-	-	275.83
As at March 31, 2024	-	3,472.53	504.06	1,159.83	733.38	10,253.33	3,539.35	826.94	8,030.85	28,520.26
Charge for the period	-	446.66	45.76	114.98	40.56	1,114.00	254.08	133.78	1,196.43	3,346.24
Disposals	-	-	-	-	-	-	-	-	311.60	311.60
As at March 31, 2025	-	3,919.18	549.81	1,274.81	773.94	11,367.33	3,793.43	960.72	8,915.67	31,554.90
<b>Net Block</b>										
As at March 31, 2025	6,718.98	13,876.14	256.30	541.20	92.36	4,296.94	1,109.77	1,057.63	5,833.56	33,782.88
As at March 31, 2024	6,718.98	13,350.37	301.54	655.71	131.32	5,410.94	1,359.73	1,113.54	6,747.88	35,790.01

### Note No 1(2): Right of Use Assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025:

(₹ in lakhs)

Particulars	Category of ROU asset			
	Buildings	Medical Equipment	Computers	Total
Balance as at March 31, 2023	11,381.67	409.62	374.19	12,165.49
Additions	-	-	-	-
Deletion	-	-	-	-
Balance as at March 31, 2024	11,381.67	409.62	374.19	12,165.49
Additions	-	-	-	-
Deletion	1,219.29	-	-	-
Balance as at March 31, 2025	10,162.39	409.62	374.19	10,946.20

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No 1(2): Right of Use Assets (Contd.)

(₹ in lakhs)

Particulars	Category of ROU asset			
	Buildings	Medical Equipment	Computers	Total
Depreciation as at March 31, 2023	1,347.37	296.36	216.18	1,859.92
Depreciation	541.76	90.90	35.21	667.87
Depreciation as at March 31, 2024	1,889.13	387.26	251.40	2,527.79
Depreciation	685.09	-	-	685.09
Depreciation as at March 31, 2025	2,574.22	387.26	251.40	3,212.87
Balance as at March 31, 2025	7,588.17	22.36	122.80	7,733.33
Balance as at March 31, 2024	9,492.54	22.36	122.80	9,637.70

### Note No 1 (3): Intangible Assets

(₹ in lakhs)

Intangible Assets	Brands or trademarks or Goodwill	Computer software	Product Development	Total
As at March 31, 2023	4,779.31	5,437.12	6,887.94	17,104.37
Additions	-	885.00	1656.18	2,541.18
Disposals	-	-	-	-
As at March 31, 2024	4,779.31	6,322.12	8,544.12	19,645.55
Additions	-	6,530.00	973.21	7,503.21
Disposals	-	-	-	-
As at March 31, 2025	4,779.31	12,852.12	9,517.33	27,148.76
Depreciation				
As at March 31, 2023	637.15	4,188.13	4,765.48	9,590.77
Charge for the period	-	391.92	376.59	768.51
Disposals	-	-	-	-
As at March 31, 2024	637.15	4,580.06	5,142.07	10,359.28
Charge for the period	-	903.92	538.05	1441.97
Disposals	-	-	-	-
As at March 31, 2025	637.15	5,483.97	5,680.12	11,801.24
Net Block				
As at March 31, 2025	4,142.16	7,368.15	3,837.21	15,347.51
As at March 31, 2024	4,142.16	1,742.07	3,402.05	9,286.27

### Note No 1 (4): Capital Work in Progress

(₹ in Crores)

Particulars	Capital Work in progress
As at March 31, 2023	10,992.75
Additions	325.00
Disposals	3,000.00
As at March 31, 2024	8,317.75
Additions	280.00
Disposals	-
As at March 31, 2025	8,597.75
Net Block	
As at March 31, 2025	8,597.75
As at March 31, 2024	8,317.75

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 2 Investments

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
1) Investment in Mutual funds		
Canara Robeco Mutual Funds	-	26.94
2) Other Investments	163.83	280.37
<b>Total</b>	<b>163.83</b>	<b>307.31</b>

### Note No: 3 Other Financial Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Deposits	519.62	477.17
<b>Total</b>	<b>519.62</b>	<b>477.17</b>

### Note No: 4 Other Non Current Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Unamortised Expenses	281.17	361.47
<b>Total</b>	<b>281.17</b>	<b>361.47</b>

### Note No: 5 Inventories

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Stock in Trade:</b>		
Pharmacy and Other Consumables	533.12	688.76
<b>Total</b>	<b>533.12</b>	<b>688.76</b>

### Note No: 6 Trade Receivables

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Unsecured, Considered Good</b>		
Less than 6 Months	4,483.77	5,580.99
Other Receivables	3,635.58	1,823.34
<b>Total</b>	<b>8,119.35</b>	<b>7,404.33</b>

### Trade Receivables ageing schedule as on March 31, 2025 :

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,483.77	2,828.77	806.81	-	-	8,119.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 6 Trade Receivables (Contd.)

Trade Receivables ageing schedule as on March 31, 2024 :

(₹ in lakhs)

Particulars	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5,580.99	1,823.34	-	-	-	7,404.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

### Note No: 7 Cash and Cash Equivalents

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>a) Balance with Banks</b>		
On Current Accounts	345.20	271.65
<b>b) Cash on hand</b>	36.00	69.33
<b>Sub Total</b>	<b>381.20</b>	<b>340.98</b>
<b>Other Bank Balances</b>		
On Deposit Accounts	394.56	1,661.56
<b>Sub Total</b>	<b>394.56</b>	<b>1,661.56</b>
<b>Total</b>	<b>775.76</b>	<b>2,002.53</b>

### Note No: 8 Loans and ICD'S

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Unsecured, Considered Good</b>		
With Others	5,671.85	7,221.69
Related parties	571.28	484.29
<b>Total</b>	<b>6,243.13</b>	<b>7,705.98</b>

### Note No: 9 Other Current Assets

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Travel and Other Advances	1,212.41	2,102.43
Deferred Financial Charges and Others	100.71	135.51
Advance Tax & TDS Receivable	671.63	722.20
GST	652.71	151.84
<b>Total</b>	<b>2,637.46</b>	<b>3,111.98</b>

# Notes to Consolidated Financial Statements for the year ended March 31, 2025

## Note No: 10 Equity Share Capital

Particulars	Nos.	(₹ in Lakhs)
<b>Authorised:</b>		
15,00,00,000 Equity Shares of ₹10/- each. (15,00,00,000 Equity Shares in Previous Year)	15,00,00,000	15,000.00
<b>Issued Subscribed &amp; Paid Up Share Capital:</b>		
<b>Subscribed &amp; Fully Paid Up:</b>		
<b>As at 31<sup>st</sup> Mar 2023</b>	<b>8,36,38,968</b>	<b>8,363.90</b>
Add: ESOP's Alloted	63,23,653	632.37
Add: Warrants converted to Equity Shares	40,00,000	400.00
<b>As at 31<sup>st</sup> Mar 2024</b>	<b>9,39,62,621</b>	<b>9,396.26</b>
Add: ESOP's Alloted	40,01,737	400.17
Add: Warrants converted to Equity Shares	46,82,538	468.25
<b>As at 31<sup>st</sup> Mar 2025</b>	<b>10,26,46,896</b>	<b>10,264.69</b>

## Reconcillation of Shares Outstanding at Beginning and End of the Reporting Year

Equity Shares	March 31, 2025		March 31, 2024	
	No's	(₹ in Lakhs)	No's	(₹ in Lakhs)
<b>As at Beginning of the Year</b>	9,39,62,621	9,396.26	8,36,38,968	8,363.90
ESOP's Allotted During the Year	40,01,737	400.17	63,23,653	632.37
Warrants Converted to Equity Shares	46,82,538	468.25	40,00,000	400.00
<b>As at End of the Year</b>	<b>10,26,46,896</b>	<b>10,264.69</b>	<b>9,39,62,621</b>	<b>9,396.26</b>

## Details of Share Holders Holding More than 5% Shares in the Company

Name of the Share Holder	March 31, 2025		March 31, 2024	
	Nos	% of Share Holding	Nos	% of Share Holding
Mr. Viswanath Kompella (Promoter)	1,63,50,888	15.93	1,46,68,350	15.61
Gajwel Developers Private limited	60,00,000	5.85	30,00,000	3.19

## Note No: 11 Other Equity

(₹ in lakhs)

Particulars	Securities Premium	Share Options Outstanding	Share Application Money Pending allotment	Money Received Against Share Warrants	Capital Reserves & Others	Foreign Exchange Translation Reserve	Accumulated losses of Non Controlling Interest	Retained Earnings	Total
<b>As At March 31, 2023</b>	<b>10,786.54</b>	<b>509.08</b>	<b>-</b>	<b>1,050.00</b>	<b>-5,371.95</b>	<b>635.08</b>	<b>124.04</b>	<b>24,707.52</b>	<b>32,440.32</b>
Additions for the Year	2,488.46	-	20.61	-315.00	-	92.66	22.78	1,347.56	3,657.06
<b>As At March 31, 2024</b>	<b>13,275.00</b>	<b>509.08</b>	<b>20.61</b>	<b>735.00</b>	<b>-5,371.95</b>	<b>727.74</b>	<b>146.81</b>	<b>26,055.08</b>	<b>36,097.38</b>
Prior period item (reversal of IT provision in Tensor Fields Consultancy Services Pvt Ltd)	-	-	-	-	-	-	-	46.27	46.27
Additions for the Year	2,189.66	-	-20.61	-735.00	243.33	-573.40	23.99	48.41	1,176.38
<b>As At March 31, 2025</b>	<b>15,464.67</b>	<b>509.08</b>	<b>-</b>	<b>-</b>	<b>-5,128.62</b>	<b>154.34</b>	<b>170.80</b>	<b>26,149.77</b>	<b>37,320.04</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 12 Borrowings

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Secured Loans</b>		
Vehicle Loans	482.33	507.46
Term Loans form banks	6,565.18	8,803.55
<b>Unsecured</b>		
Related parties	834.91	-
Others	2,034.60	1,438.51
<b>Total</b>	<b>9,917.02</b>	<b>10,749.52</b>

### Note No: 13 Other Non Current Liabilities

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Gratuity	648.97	579.89
<b>Total</b>	<b>648.97</b>	<b>579.89</b>

### Note No: 14 Deferred Tax Liability

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
Opening Deferred tax Liability	1,629.79	1,694.47
Less: Def Tax Asset on Leased Asset	-	-
Add: Deferred Tax for the year	-453.80	-64.67
<b>Total</b>	<b>1,175.99</b>	<b>1,629.79</b>

### Note No: 15 Borrowings

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Secured Loans</b>		
a) From Banks	3,141.32	3,285.09
b) Current Maturities of Non current Borrowings		
(i) From Banks	2,549.81	3,939.20
(ii) From Institutions other than Banks	157.50	177.18
<b>Unsecured Loans</b>		
a) Others	221.59	212.67
b) Related parties	11.98	1,594.15
<b>Total</b>	<b>6,082.20</b>	<b>9,208.29</b>

### Note No: 16 Trade Payables

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
<b>Unsecured</b>		
<b>Trade Payables</b>		
Outstanding dues of Micro, Small and Medium enterprises	-	-
Outstanding dues of creditors other than Micro, Small and Medium enterprises	816.01	703.30
<b>Total</b>	<b>816.01</b>	<b>703.30</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 16 Trade Payables (Contd.)

Trade payables ageing schedule for the year ended as on March 31, 2025 :

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Others	816.01	-	-	-	816.01
ii) Disputed dues — MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-

Trade payables ageing schedule for the year ended as on March 31, 2024 :

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Others	703.30	-	-	-	703.30
ii) Disputed dues — MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-

### Note No: 17 Provisions

(₹ in lakhs)

Particulars	Mar 31,2025	Mar 31,2024
a) Employee Benefits	705.52	500.03
b) Statutory Dues	4,428.41	2,495.64
c) Expenses	283.33	816.30
<b>Total</b>	<b>5,417.26</b>	<b>3,811.97</b>

### Note No: 18 Revenue From Operations

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Revenue from IT Services (Export)	13,337.32	12,018.88
(b) Revenue from Healthcare Services	9,194.55	10,568.69
(c) Revenue from Pharmacy	1,143.67	1,229.75
(d) Other Operating Revenues	6,360.73	6,089.29
(e) Sale of Food Items	76.76	96.01
<b>Total</b>	<b>30,113.03</b>	<b>30,002.63</b>

### Note No: 19 Other Income

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Interest Income and Gain on Sale of Mutual Funds	113.08	146.09
(b) Other Non-Operating Income	604.30	327.49
(c) Finance Income on Financial Assets	-	7.00
<b>Total</b>	<b>717.38</b>	<b>480.58</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 20 Purchases

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Pharmacy Purchases	1,270.52	1,233.26
<b>Total</b>	<b>1,270.52</b>	<b>1,233.26</b>

### Note No: 21 Employee Benefit Expenses

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Salaries & Wages	9,245.21	9,522.28
(b) Contribution to Provident & Other Funds	292.24	294.00
(c) Staff Welfare Expenses	142.22	159.33
<b>Total</b>	<b>9,679.67</b>	<b>9,975.61</b>

### Note No: 22 Finance Costs

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Interest Expenses :		
- Interest on Term Loan and Working Capital facilities	1,738.93	2,215.69
- Interest on Vehicle Loans	42.35	35.36
- Finance Charge on Lease Liability	2,061.74	2,016.84
(b) Applicable net gain/loss on foreign currency translations	59.88	22.24
<b>Total</b>	<b>3,902.90</b>	<b>4,290.13</b>

### Note No: 23 Administrative and Other Operating Expenses

(₹ in lakhs)

Particulars	Mar 31, 2025	Mar 31, 2024
(a) Power & Fuel	678.26	676.02
(b) Rent	2,078.31	327.44
(c) Repairs & Maintenance	708.26	704.31
(d) Insurance	274.18	265.77
(e) Telephone, Postage and Others	262.48	281.00
(f) Business Promotion Expenses	249.09	329.46
(g) Office Maintenance	780.87	668.60
(h) Travelling and Visa Expenses	263.24	286.65
(i) Consultancy Charges and Subcontracting Expenses	3,702.30	3,275.41
(j) Other Administrative Expenses	209.46	302.53
(k) Rates & Taxes	784.46	325.49
(l) Disallowances and Network Hospital Discount	-	207.48
(m) Provision for Bad debts	0.73	-
(n) Bank charges	79.38	39.35
(o) Auditors Fee	14.99	14.99
<b>Total</b>	<b>10,086.00</b>	<b>7,704.50</b>

# Notes to Consolidated Financial Statements for the year ended March 31, 2025

## Note No: 24

### Details of Primary and Collateral Securities (For Liabilities referred in Note No.12 & 15)

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

#### Primary Security:

##### Hypothecation of Movable Assets :

1<sup>st</sup> charge on all movable assets of the company on Term Loans availed from ICICI Bank Ltd in M/s. Virinchi Health Care Pvt Ltd

Hypothecation & 1<sup>st</sup> Charge of Current Assets such as Stock & Receivables to M/s. ICICI Bank Ltd for Working Capital limits in M/s. Virinchi Health Care Pvt Ltd.

#### Collateral Security:

- ❖ EMT on 875sq yards open land at Road.No.1 Banjara Hills, Hyderabad-500034 in the name of Virinchi Limited given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Limited
- ❖ EMT on 649 sq yards open land at Plot No 37, Nandagiri Hills, Shaikpet Village, Jubilee Hills, Hyderabad - 500033 owned by Mrs. Madhavilatha Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Limited.
- ❖ EMT on Land to the extent of Ac 2.0 and Building 46,590 Sq yards situated at Sy No. 15/part, 15/B and 15/C, Suraram, Jeedemetla Industrial Area, Quthubullapur, Hyderabad owned by M/s. Virinchi Limited given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Limited.
- ❖ EMT on property located at Pothaipally Village in Shamirpet Mandal, R.R.Dist given to M/s Canara bank, Mid Corporate Branch, Hyderabad owned by Virinchi Limited for Loans availed in M/s. Virinchi Limited:
  - » Land: Acres 3 and 36 guntas
  - » Building in Sy.No.121
  - » 1<sup>st</sup> Charge on P&M, Electrical & Office equipment, computers, furniture
- ❖ Commercial Flat admeasuring 2700 Sq.ft, Flat No. 308-A, Ashoka Metropolitan (Virinchi Hospitals), Road NO.12, Banjara Hills, Hyderabad, in the name of M/s. Virinchi Limited for Loans availed in M/s. Virinchi Health Care Private Limited
- ❖ EMT on property located at Flat No.608, Lingapur Plaza, Himayathnagar owned by Mr.Viswanath Kompella for loans availed in M/s.Virinchi Limited.
- ❖ EMT of factory land measuring 1 acre 36.5 guntas at survey no.441, Hakimpet Village, in Shamirpet Mandal, R R Dist owned by M/s. Virinchi Limited to M/s. Canara bank, Spl Mid Corporate Branch, Hyderabad for Loans availed in M/s. Virinchi Limited
- ❖ EMT on property located at H. No. 8-2-293/ 82/ A/ 1206, Plot no. 1206, under Sy no. 120 of Shaikpet and Sy. No. 102/1 of Hakimpet village in ward no. 8 and block no. 2 in Shaikpet and Hakimpet village in Hyderabad 500033, measuring 1290 sq. yards with built up area of 8917 sft. owned by M/s. Virinchi Limited given to M/s. CSB Bank Limited, Hyderabad.
- ❖ EMT on 1200 sq yards at Plot No 1279, H.No. 8-2-279/82/A/1279, Sy No. 120, Shaikpet Village, Road No. 64, Jubilee Hills, Hyderabad-500033 in the name of promoter M/s. Viswanath Kompella given to M/s. AU SMALL FINANCE BANK LTD, Hyderabad for Loans availed in M/s. Virinchi Limited.
- ❖ Pledge of Virinchi Equity Shares Nos. 36,36,679 belongs to Mr. Viswanath Kompella to M/s. CSB Bank Ltd, Hyderabad for purchase of H. No. 8-2-293/ 82/ A/ 1206, Plot no. 1206, under Sy no. 120 of Shaikpet and Sy. No. 102/1 of Hakimpet village in ward no. 8 and block no. 2 in Shaikpet and Hakimpet village in Hyderabad 500033.
- ❖ Plot No. 76 & 77, Balamrai Co-operative Housing Society, Mahendra Hills, East Marredpally, Secunderabad -26 in the name of Mr. Viswanath Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Limited.
- ❖ Plot No. 78, Balamrai Co-operative Housing Society, Mahendra Hills, East Marredpally, Secunderabad -26 in the name of Mr. Viswanath Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Pvt Limited.

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 24 (Contd.)

- ❖ Plot No. 88, Balamrai Co-operative Housing Society, Mahendra Hills, East Marredpally, Secunderabad -26 in the name of Mr. Viswanath Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Pvt Limited.
- ❖ Plot No. 227, Balamrai Co-operative Housing Society, Mahendra Hills, East Marredpally, Secunderabad -26 in the name of M/s. Shri Shri Resorts Pvt Ltd given M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Pvt Limited.
- ❖ Open non-agricultural land admeasuring 2 Acres 31 Guntas at S.no 438 P, Devar Yamjal, Hakimpet, Shameerpet Mandal, R.R Dist in the name of M/s.Virinchi limited given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Pvt Limited.
- ❖ Open Plot admeasuring 400Sq Yards at Plot No 522, Ashoka Colony, Kapra, Keesara Mandal, R.R District, in the name of Smt. Madhavi latha Kompella given to M/s. ICICI Bank Ltd for Loans availed in M/s. Virinchi Health Care Pvt Limited

### Personal Guarantee:

- ❖ Mr. Viswanath Kompella has given personal guarantee for all loans availed by the Holding company and its subsidiaries.
- ❖ Mrs. Madhavi Latha Kompella has given personal guarantee to Virinchi Health Care Pvt Ltd loans.

### Hypothecations of Medical Equipment:

- ❖ Fixed and Exclusive charge over the Medical Equipment financed by
  - » Siemens Financial Services Pvt Ltd

### Note No: 25

(₹ in lakhs)

Particulars	Current Year	Previous Year
Auditors Fee	14.99	14.99

### Note No: 26

The Company has identified Business Segments which comprise Development of Computer Software and Services, IT Enabled Services and Healthcare Services.

Revenue and expenses directly attributable to segments are reported under each segment. Expenses which are not directly identifiable to specific segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

(₹ in lakhs)

S. No	Particulars	Year Ended	
		31.03.2025	31.03.2024
<b>I</b>	<b>Segment Revenue</b>		
	SAAS Business	13,337.32	12,768.88
	IDC & IT Services	5,729.73	4,490.53
	Healthcare Services	10,414.98	11,906.96
	IT Enabled Services	610.25	537.02
	Payments & Credit Services	20.75	299.44
	<b>Net Sales/Income from Operations</b>	<b>30,113.03</b>	<b>30,002.63</b>
<b>II</b>	<b>Segment Result (Profit from ordinary Activities Before interest &amp; Tax)</b>		
	SAAS Business	1,984.12	1,346.39
	IDC & IT Services	1,859.43	689.76
	Healthcare Services	(87.90)	3,460.14
	IT Enabled Services	(18.19)	(7.72)
	Payments & Credit Services	(314.87)	64.45
	<b>Total</b>	<b>3,422.60</b>	<b>5,553.53</b>
	<b>Less : Interest Expenditure</b>	<b>(3,902.90)</b>	<b>(4,290.13)</b>
	<b>Add : Other Un-allocable Income Net of Un-allocable Expenditure</b>	<b>717.38</b>	<b>480.58</b>
	<b>Total Profit Before Tax</b>	<b>237.08</b>	<b>1,743.97</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 27 Earning per Share

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

Particulars	2024-25	2023-24
Profit available for the equity share holders (₹ In Lakhs)	72.40	1,370.33
Weighted average number of shares for Basic EPS	10,09,91,274	8,98,56,677
Weighted average number of shares for Diluted EPS	10,09,91,274	9,50,07,444
Basic	0.07	1.53
Diluted	0.07	1.44

### 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

The followings are the list of related parties:

##### a) Subsidiary Companies:

S No.	Name of the Subsidiary	% of Holding as at Mar 31		Country
		2025	2024	
1	Ksoft Systems Inc	100	100	USA
2	Q fund Technologies Pvt Ltd	100	100	India
3	Virinchi Learning Pvt Ltd	100	100	India
4	Virinchi Media & Entertainment Pvt. Ltd	100	100	India
5	Tyohar Foods Pvt Ltd	100	100	India
6	Virinchi Infra & Reality Pvt Ltd	100	100	India
7	Virinchi Health Care Pvt Ltd	100	100	India
8	Tensor Fields Consultancy Services Pvt Ltd	100	100	India
9	Virinchi Combinatorics & Systems Biology Pvt Ltd	100	100	India
10	Virinchi Capital Pvt Ltd	100	100	India
11	V23 Medical solutions Pvt Ltd	100	100	India
12	Asclepius Consulting & Technologies Pvt Ltd	51	51	India

##### a) Directors:

1. M.V. Srinivasa Rao
2. Sunder Kanaparthi
3. Sri Kalyan Kompella
4. Kunda Kalpana
5. Suresh Juthuga
6. Satyanarayana Vedula
7. K. Ravindranath Tagore
8. Shyam Sunder Tipparaju
9. Vishal Ranjan
10. Aravind Revana Siddayya Hiremath

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 28 Related Party Transactions. (Contd.)

#### b) Key Management Personnel:

S. No.	Name	Designation
1	M.V. Srinivasa Rao	CFO & Whole Time Director
2	V. Satyanarayana	Vice chairman & Executive Director
3	K. Ravindranath Tagore	Company Secretary

#### c) List of other Related Parties & balance as on 31/03/2025:

- M/s. Virinchi Limited taken ₹834.91 Lacs from Vivo Bio Tech Ltd.
- M/s. Virinchi Limited taken ₹150 Lacs from M/s. Gajwel Developers Pvt Ltd
- M/s. Virinchi Limited taken ₹292.32 Lacs from M/s. P K I Solutions Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹7.18 lacs receivable from Vivo Bio Tech Ltd.
- M/s. Virinchi Healthcare Pvt Ltd. ₹14.54 Lacs given to M/s. Gajwel Developers Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd taken ₹0.74 Lacs to M/s. Bharat Megawatts Gen Pvt Ltd.
- M/s. Virinchi Healthcare Pvt Ltd. taken loan of ₹86.64 lacs from PKI Solutions Pvt Ltd.
- M/s. Virinchi Healthcare Pvt Ltd ₹449.25 Lacs advance given to Shri Shri Resorts Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹3.43 Lacs taken from M/s. Surlogic Life Consultancy Pvt Ltd.
- M/s. Virinchi Healthcare Pvt Ltd ₹0.12 Lacs payable to M/s. Vivobio Discovery Services Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹0.20 Lacs payable to M/s. Vivobio Labs Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹0.43 Lacs payable to M/s. Vivobio Consulting Services Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹21.5 Lacs given to M/s. Vira Systems Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹24.64 Lacs given to M/s. Max Cell Phone Communications Pvt Ltd
- M/s. Virinchi Healthcare Pvt Ltd ₹24.86 Lacs given to M/s. Iron Age India Pvt Ltd

#### The followings are the Related Party Transactions :

(₹ In lakhs)

Name of the related Party	Nature of transaction	Current Year (₹)	Previous Year (₹)
M V Srinivasa Rao	Remuneration from Virinchi Ltd	78.78	57.61
Vedula Satyanarayana	Remuneration from Virinchi Ltd	71.61	71.61
K. Ravindranath Tagore	Remuneration from Virinchi Ltd	35.61	35.61
Viswanath Kompella	Remuneration from Virinchi Ltd	330.02	337.78
K Soft Systems Inc	Consultancy charges received in Virinchi Ltd	782.15	3,696.20
Tensor Fields Consultancy Services Pvt. Ltd	Interest Income to Virinchi Limited	11.30	9.12
Asclepius Consulting & Technologies Pvt Ltd	Interest Income to Virinchi Limited	48.69	45.80
Virinchi Health Care Pvt Ltd	Interest Income to Virinchi Limited	1,169.24	851.01
Virinchi Media & Entertainment Pvt. Ltd	Interest Income to Virinchi Limited	15.80	14.60
Tyohar Foods Pvt Ltd	Interest Income to Virinchi Limited	9.00	8.47
Virinchi Combinatorics & System Biology Pvt. Ltd.	Interest Income to Virinchi Limited	0.70	0.65



## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 28 Related Party Transactions. (Contd.)

Name of the related Party	Nature of transaction	Current Year (₹)	Previous Year (₹)
Virinchi Learning Pvt. Ltd	Interest Income to Virinchi Limited	12.62	10.50
Qfund Technologies Pvt. Ltd	Interest Income to Virinchi Limited	44.49	50.20
Virinchi Capital Pvt Ltd	Manpower services provided Virinchi Ltd	-	18.57
V23 Medical Solution Pvt. Ltd.	Interest Income to Virinchi Limited	0.44	0.40
Vivo Bio Tech Limited	Interest Expenses to Virinchi Ltd	13.41	-
Virinchi Capital Pvt. Ltd.	Sale of Software Product by Virinchi Ltd	-	885.00
Virinchi Health Care Pvt Ltd to KSoft Systems	Sale of Goods / Services	-	1,407.89
Tensor Fields Consultancy Services Pvt. Ltd to Virinchi Capital Pvt. Ltd.	Sale of Goods / Services		86.96
Vivo Biotech Ltd	Loan taken by Virinchi Ltd	834.91	1,582.40
PKI Solutions Pvt. Ltd.	Loan taken by Virinchi Ltd	292.32	19.98
PKI Solutions Pvt. Ltd.	Loan taken by Virinchi Healthcare Pvt Ltd	263.54	152.49
Iron Age India Pvt. Ltd.	Advances given by Virinchi Ltd	36.50	36.50
Iron Age India Pvt. Ltd.	Advances given by Virinchi Health Care Pvt Ltd	24.86	1.11
Gajwel Developers Pvt Ltd	Advances given by Virinchi Health Care Pvt Ltd	14.54	5.47
Gajwel Developers Pvt Ltd	Loan taken by Virinchi Ltd	150	-
Shri Shri Resorts Pvt. Ltd.	Advances given by Virinchi Health Care Pvt Ltd	449.25	440.35
Bharat Megawatts Gen Pvt. Ltd.	Loan taken by Virinchi Health Care Pvt Ltd	0.74	9.77
Vira Systems Pvt. Ltd.	Advances given by Virinchi Health Care Pvt Ltd	21.49	0.43
Maxcell Phone Communications Pvt. Ltd.	Advances given by Virinchi Health Care Pvt Ltd	24.64	0.43
Vivobio Consulting Services Pvt. Ltd.	Payable by Virinchi Health Care Pvt Ltd	0.43	0.15
Vivobio Discovery Services Pvt. Ltd.	Advances given by Virinchi Health Care Pvt Ltd	0.12	0.70
Vivobio Labs Pvt. Ltd.	Payable by Virinchi Health Care Pvt Ltd	0.20	1.36
Surlogic Life Consultancy Services Private Limited	Payable by Virinchi Health Care Pvt Ltd	3.43	0.29
Vivo Biotech Ltd	Loan taken by Virinchi Health Care Pvt Ltd	7.18	0.18
Tyohar Foods Pvt. Ltd.	Services taken by Virinchi Health Care Pvt Ltd	10.74	-
Virinchi Combinatorics & Systems biology Pvt. Ltd.	Services taken by Virinchi Health Care Pvt Ltd	8.50	-
Virinchi Media & Entertainment Pvt. Ltd.	Services taken by Virinchi Health Care Pvt Ltd	4.39	-
V23 Medical Solutions Pvt. Ltd.	Services taken by Virinchi Health Care Pvt Ltd	14.86	-
M V Srinivasa Rao	Advance given by Virinchi limited	44.54	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 29 Warrants to Promoters and Private Placement:

i) Conversion of Equity Warrants to Equity Shares :

S. No.	Name of the Allottee	No of Share Warrants Converted during the year	Total Amount Collected (₹ in Lakhs)
1.	Gajwel Developers Pvt Ltd	30,00,000	1,260.00
2.	Kompella Viswanath	16,82,538	706.67

ii) Forfeiture of Equity Warrants:

S. No.	Name of the Allottee	No of Share Warrants Converted during the year	Total Amount Forfeited (₹ in Lakhs)
1.	Kamala Bai	10,00,000	105.00
2.	Kompella Viswanath	13,17,462	138.33

### Note No: 30

Reconciliation of ESOP Schemes

Sl. No	Description	Year ended March 31, 2025					
		VESOS. 2016	VESOS 2016 (Bonus)	VESOS. 2018	VESOS. 2018 (Bonus)	VESOS,2022	VESOS,2024
1	No of Options for which In-principle approval received from exchanges	50,00,000	6,17,186	30,00,000	21,50,000	1,00,00,000	1,00,00,000
2	No of shares allotted Till 31 <sup>st</sup> March, 2025	48,22,564	3,60,250	29,50,000	21,00,000	96,43,890	0
3	Balance Available	1,77,436	2,56,936	50,000	50,000	3,56,110	1,00,00,000

### Note No:31 Additional Regulatory information

- The Company is in possession of immovable property and title deeds are held in the Name of the company.
- The Company has not revalued any of its Property, Plant and Equipment during the year.
- The Company has not granted any loans or advances in the nature of loans to directors, KMPs except details given in Note No 28.
- There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- The Company has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.
- The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

### Note No: 32

The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

### Note No: 33

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### Note No: 34

There are no significant events that occurred after the balance sheet date.

## Notes to Consolidated Financial Statements for the year ended March 31, 2025

### Note No: 35

The Company has not declared any dividend during the year.

### Note No: 36

In the opinion of the management, the assets as shown in the financial Statements have a value on realization in the ordinary course of business of at least equal to the amount at which they are stated in the balance sheet.

### Note No: 37

Additional Information as required under Schedule III to the Companies act, 2013 pursuant to para 2 of General instructions for the preparation of Consolidated Financial Statement.

Net Assets (TA-TL)				
Particulars	As % of Consolidated Net Assets	Amount (₹ In lakhs)	% of Share in Profit/(Loss)	Amount (₹ In lakhs)
Virinchi Limited	76.28	35,962.78	2,215.26	1,603.90
<b>Indian</b>				
Qfund Technologies Pvt Ltd	(0.09)	(42.19)	(71.88)	(52.04)
Virinchi Learning Pvt Ltd	(0.60)	(281.08)	(54.84)	(39.71)
Virinchi Media & Entertainment Pvt Ltd	(0.24)	(114.96)	(55.94)	(40.50)
Tyohar Foods Pvt Ltd	(0.26)	(124.72)	(15.40)	(11.15)
Virinchi Infra & Reality Pvt Ltd	0.02	11.57	(0.15)	(0.11)
Virinchi Health Care Pvt Ltd	(0.67)	(316)	(4,503.21)	(3,260.43)
Tensor Fields Consultancy Services Pvt Ltd	(0.53)	(249.74)	(62.14)	(44.99)
Virinchi Combinatorics & Systems Biology Pvt Ltd	(0.07)	(34.33)	(22.85)	(16.54)
Virinchi Capital Pvt Ltd	0.46	218.99	(384.34)	(278.27)
V23 Medical solutions Pvt Ltd	(0.01)	(5.91)	(1.20)	(0.87)
Asclepius Consulting & Technologies Pvt Ltd	(0.59)	(280.15)	(34.49)	(24.97)
<b>Foreign</b>				
Ksoft Systems Inc	26.30	12,399.13	3,091.16	2,238.08

### Note No: 38

Previous figures have been regrouped wherever necessary and the figures have been rounded off to the nearest rupees in lakhs.

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

As per our report of even date

For **P. Murali & Co.**  
Chartered Accountants  
FRN: 007257S

For and on behalf of the Board of Directors of  
**Virinchi Limited**

**M.V. Joshi**  
Partner  
M.No. 024784

**M.V. SrinivasaRao**  
CFO & Whole time Director  
DIN: 00816334

**V. Satyanarayana**  
Whole time Director  
DIN:09070986

Place: Hyderabad  
Date: 28-May-2025

**K. Ravindranath Tagore**  
Company Secretary  
M.No: A18894

# Corporate Information

## Founder & Chairman Emeritus

Viswanath Kompella

## Board of Directors

### M. V. Srinivasa Rao

Whole-Time Director & CFO

### V. Satyanarayana

Vice-Chairman & Executive Director

### K. Sri Kalyan

Non-Independent Non Executive Director

### K. Kalpana

Independent and Non-Executive Director

### J. Suresh

Independent and Non-Executive Director

### T. Shyam Sunder

Independent and Non-Executive Director

### K. Ravindranath Tagore

Company Secretary, Chief Investor Relations Officer & Compliance Officer

## Senior Leadership

### Amar Sivaji Pendyala

CEO- US Business

### Rajesh Putta

CTO

## Registered office

8-2-672 / 5 & 6, 4<sup>th</sup> Floor Ilyas Mohammed Khan Estate Road #1, Banjara Hills Hyderabad, Telangana - 500034

Phone# 040-43728111

E-mail: [investors@virinchi.com](mailto:investors@virinchi.com)

Website: [www.virinchi.com](http://www.virinchi.com)

## Bankers

Canara Bank, IF Branch, Hyderguda, Hyderabad.

ICICI Bank, Hyderabad

## Auditors

M/s. P. Murali & Co,

Chartered Accountants,

6-3-655/2/3, Somajiguda, Hyderabad, Telangana – 500082.

Phone: 040 2332 6666

## Office Address in USA

Green House, 7 South Main Street, Suite E Marlboro, NJ, USA-07746

Phone# 7326962555,

Fax# 732-783- 0432

## 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@aarthiconsultants.com](mailto:info@aarthiconsultants.com)



**Virinchi Limited**

8-2-672 / 5 & 6, 4<sup>th</sup> Floor  
Ilyas Mohammed Khan Estate  
Road #1, Banjara Hills  
Hyderabad - 500034, Telangana

[www.virinchi.com](http://www.virinchi.com)