



VIRUPAKSHA ORGANICS LIMITED

Annual Report – FY 2024-25

CIN: U24110TG1997PLC028281

Registered Office: Plot no B1 & B2, IDA Gandhi Nagar, Kukatpally Hyderabad, 500037

Tele: 040-23075816

Email: info@virupaksha.com

website: www.virupaksha.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Chandra Mouliswar Reddy Gangavaram	-	Managing Director & Chairman (DIN: 00046845)
Mr. Balasubba Reddy Mamilla	-	Whole Time Director (DIN: 01998852)
Mr. Chandrasekhar Reddy Gangavaram	-	Whole Time Director (DIN: 03534167)
Mrs. Vedavathi Gangavaram	-	Non-Executive Director (02870966)
Mr. Janardhana Reddy Yeddula	-	Independent Director (03207357)
*Mrs. Shruti Gupta	-	Independent Director (DIN: 09090071)
#Dr. Veera Reddy Arava	-	Independent Director (10832178)
#Mr. Murali Krishna Kurada	-	Independent Director (11187456)
#Dr. Padmanabhuni Venkata Appaji	-	Independent Director (02614167)

*Resigned from the position of Independent Director of the Company w.e.f. 03.09.2025.

#Appointed as Independent Directors of the Company w.e.f. 03.09.2025.

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Janardhana Reddy Yeddula
*#Dr. Veera Reddy Arava
Mr. Balasubba Reddy Mamilla
*#Mr. Murali Krishna Kurada

NOMINATION AND REMUNERATION COMMITTEE

*#Mr. Murali Krishna Kurada
Mr. Janardhana Reddy Yeddula
*#Dr. Veera Reddy Arava
Mrs. Vedavathi Gangavaram

#STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Vedavathi Gangavaram
*#Dr. Padmanabhuni Venkata Appaji
Mr. Balasubba Reddy Mamilla
*#Dr. Veera Reddy Arava

*#Appointed as an Independent Director of the Company w.e.f. 03.09.2025.

Committee was constituted w.e.f. 03.09.2025.

CSR COMMITTEE

Mr. Chandra Mouliswar Reddy
Mrs. Vedavathi Gangavaram
*#Mr. Murali Krishna Kurada

CHIEF FINANCIAL OFFICER - Mr. Prasad Reddy Battinapatta
COMPANY SECRETARY - Mr. Vikas Kurada

AUDITORS

STATUTORY AUDITORS	-	M/s. C. Ramchandram & Co., Chartered Accountants, Hyderabad
INTERNAL AUDITORS	-	M/s. Suryachandra & Associates, Chartered Accountants, Hyderabad
SECRETARIAL AUDITORS	-	M/s. L.D. Reddy & Co., Company Secretaries, Hyderabad
COST AUDITORS	-	M/s. Jithendra Kumar & Co., Cost Accountants, Hyderabad

BANKERS:

STATE BANK OF INDIA	-	Saifabad Branch, Hyderabad
ICICI BANK LTD	-	Begumpet Branch, Hyderabad
AXIS BANK LTD	-	Begumpet Branch, Hyderabad
KOTAK MAHINDRA BANK LTD	-	Somajiguda Branch, Hyderabad

REGISTRAR AND TRANSFER AGENT

KFin Technologies Ltd.

Karvy Selenium Tower B, Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad-500 032.

Toll free no. 1- 800-309-4001

REGISTERED OFFICE

Plot No.: B-1&2, IDA, Gandhi Nagar,
Medchal-Malkajgiri (District), Hyderabad,
Telangana, Rangareddy, India – 500037;

Tel: +9140-23075816

E-Mail: info@virupaksha.com

Website : www.virupaksha.com

CIN: U24110TG1997PLC028281

NOTICE

NOTICE OF TWENTY SEVENTH (28TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF VIRUPAKSHA ORGANICS LIMITED TO BE HELD AT A SHORTER NOTICE:

NOTICE is hereby given that the Twenty Eighth (28th) Annual General Meeting (AGM) of the Members of **M/s. VIRUPAKSHA ORGANICS LIMITED** (CIN U24110TG1997PLC028281) will be held at a shorter notice on Friday, the **26th September, 2025** at 10:00 A.M. at the Registered Office of the Company situated at # Plot No.: B-1& B-2, IDA Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Rangareddy, Telangana, India – 500037; to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chandrasekhar Reddy Gangavaram (DIN: 03534167) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Vedavathi Gangavaram (DIN: 02870966) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

4. To Approve Related Party Transactions

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 188 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, and the approval of the Board and Audit Committee, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when applicable, the approval of the members of the Company be and is hereby accorded to the Company to enter into such related party transactions as detailed below and authorize the Audit Committee and the Board of Directors of the Company to enter into arrangements/ transactions with the following entities and finalize all such terms and conditions,

as it may deem fit, within the limits mentioned below:

Related party transactions which may be entered during the Financial Year 2025-26					
S N o .	Name of Related Party	Name of the Related Party Including directo r, promo ter or KMP who is related if any	Nature of Relatio nship	Maxi mum Trans action Value (in Cr.s.)	Nature of Transac tion
1	Oxygent a Pharma ceutical Limited	Virupa ksha Organi cs Limite d	Subsidi ary Compa ny of Virupa ksha Organi cs Limite d	100	Purcha ses
2	Oxygent a Pharma ceutical Limited	Virupa ksha Organi cs Limite d	Subsidi ary Compa ny of Virupa ksha Organi cs Limite d	100	Sales
3	Oxygent a Pharma ceutical Limited	Virupa ksha Organi cs Limite d	Subsidi ary Compa ny of Virupa ksha Organi cs Limite d	100	Render ing of Loans
4	Oxygent a Pharma ceutical Limited	Virupa ksha Organi cs Limite d	Subsidi ary Compa ny of Virupa ksha Organi	100	Render ing of corpor ate guaran tee

			cs Limite d		
5	Virupak sha Laborat ories Private Limited	1. Mr. Chand ra Moulis war Reddy Ganga varam, MD 2. Mr. Balasu bba Reddy Mamilla, WTD 3. Mrs. Vedav athi Ganga varam, Direct or	Comm on Promo ters	150 150 0.2	Purcha ses & Job Work (Transa ctions are recurri ng in nature) for the FY 2025- 26. Sales & Job Work (Transa ctions are recurri ng in nature) for the FY 2025- 26 Rent (Transa ctions are recurri ng in nature) for the FY 2025- 26
6	Mr. Kondap alli Sandee p Reddy	Son in Law of Mr. Chand ra Moulis war Reddy Ganga varam, MD	Son in Law of Mr. Chand ra Moulis war Reddy Ganga varam, MD	0.70	Remun eration for the FY 2025- 26
7	Mr. Kotla Suraj Reddy	Son in Law of Mr. Chand ra Moulis war Reddy Ganga	Son in Law of Mr. Chand ra Moulis war Reddy Ganga varam	0.70	Remun eration for the FY 2025- 26

		varam, MD			
8	Mr. Nagarju n Reddy Mamilla	Son of Mr. Balasu bba Reddy Mamilla, WTD & CFO	Son of Mr. Balasu bba Reddy Mamilla, WTD & CFO	0.70	Remun eration for the FY 2025- 26

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

5. To approve the appointment of M/s. Aakanksha Dubey & Co., Practicing Company Secretaries as Secretarial Auditors 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 applicable provisions of Section 204 read with Rule 9 Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 and pursuant to Regulation 24A of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) read with Circulars issued thereunder from time to time and applicable provisions of the Companies Act, 2013 (“the Act”) and Rules made thereunder [including any statutory modification or re-enactment thereof for the time being in force] and pursuant to the recommendation of the Audit Committee and Board of the Company, the consent of the shareholders of the Company be and is hereby accorded for appointment of M/s. Aakanksha Dubey & Co., Practicing Company Secretaries (UID No. S2025TS1021000) as Secretarial Auditors of the Company, for the first term of five (5) consecutive years to hold office from April 1, 2025 to March 31, 2030 (“the Term”), and to issue the Secretarial Audit Report under Section 204 of the Act and under Regulation 24A(1)(a) of the Listing Regulations for the Term, at a fee of Rs. 2,50,000/- for FY 2025-26 and such other fee as maybe revised by the Board from time to time for subsequent years. .”

“RESOLVED FURTHER THAT consent of the Members is hereby accorded to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the

Secretarial Auditors may be eligible to provide or issue under the Applicable Laws at a remuneration to be determined by the Board.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to file all the necessary forms with the office of Registrar of Companies and to do all other acts, deeds, things as may be necessary to give effect to the above resolution.”

6. Ratification of Cost Auditors’ remuneration

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

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof] as amended from time to time, the Company hereby ratifies the remuneration of ₹ 2,00,000/- plus GST (Rupees Two Lakhs Only) and out of pocket expenses and XBRL conversion charges etc., payable to M/s Jithendra Kumar & Co., Cost Accountants, Hyderabad, who were being appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audit relating to cost records of the Company for the year ending 31st March, 2026.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary and /or revise the remuneration of the Cost Auditors within limits as approved by the aforesaid resolution and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.”

For VIRUPAKSHA ORGANICS LIMITED

Sd/-

CHANDRA MOULISWAR REDDY GANGAVARAM
Managing Director (DIN 00046845)

Place: Hyderabad

Date: 24th September, 2025

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under item nos. 4-6 of the notice is annexed hereto.
2. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member of the Company.
3. The proxy form, in order to be effective, must be duly filled signed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company, a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Members who have not registered/updated their e-mail addresses so far, are requested to register their e-mail address with RTA/ Depository Participants for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company.
7. Members must quote their Demat Account number and contact details such as email address, contact number etc. in all correspondence with the Company/Registrar and Share Transfer Agents.
8. Members are requested to kindly bring their copy of the annual report with them at the AGM, as no extra copy of the annual report would be made available at the AGM venue. Members/proxies should also bring the attached attendance slip, duly filled and hand it over at the Meeting.
9. In terms of the requirements of the Secretarial Standards - 2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, the Route Map and google map link for the location of the aforesaid meeting is pasted below:

<https://maps.app.goo.gl/NBN69rdV6vhkE2M28>



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

(Pursuant to Section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 4-6 of the accompanying notice)

Item No.4:

The company may enter into transactions with the entities, as mentioned in the resolution, which are falling under the definition of "related party" as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as and when applicable. Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section requires a Company to obtain prior approval of the Audit committee, Board of Directors and the Shareholders of the Company by way of an Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rules. On the basis of the same, the Company hereby proposes to seek shareholders' approval for the said / proposed transaction by way of an Ordinary Resolution under Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, to enable the Company to enter into Related Party Transactions in one or more tranches. The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are mentioned in the said resolution item no.3 of the Notice.

All entities falling under definition of related party shall abstain from voting irrespective of whether the entity is party to the particular transaction or not.

The Board of Directors recommends the ordinary resolution set forth at item no. 5 of this Notice for your approval.

Except Mr. Chandra Mouliswar Reddy Gangavaram, Managing Director, Mr. Balasubba Reddy Mamilla, Whole-time Director, Mrs. Vedavathi Gangavaram, Director None of the Directors or Key Managerial

Personnel or any relative of any of the Directors/ Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 5

The Board of Directors of the Company pursuant to the recommendation of the Audit Committee, in their meeting held on 24th September, 2025 approved that M/s. Aakanksha Dubey & Co., Practicing Company Secretaries, Hyderabad be appointed as the Secretarial Auditor of the Company, subject to the consent of the members, to conduct the Secretarial Audit of the Company.

M/s. Aakanksha Dubey & Co., Practicing Company Secretaries, have conveyed their consent for appointment as the Secretarial Auditors of the Company along with a confirmation that, their appointment, if made, will be within the limits specified under *Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. They have also confirmed that they are not disqualified from the appointment as Secretarial Auditor in terms of the Provisions of Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. **As and when applicable*

Accordingly, after due deliberations on the subject matter, M/s. Aakanksha Dubey & Co., were recommended to be appointed as secretarial auditor of the company for the Financial Years – 2025-26, 2026-27, 2027-28, 2028-29 and 2029-30.

In terms of requirements of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time details of proposed remuneration and credentials of the proposed Secretarial Auditor are provided below:

- a. **Term of appointment:** Upto 5(Five) consecutive years from Financial Year 2025-26 to Financial Year 2029-30.
- b. **Proposed Fee:** Rs.2,50,000/- p.a. (Rupees Two Lakh Fifty Thousand only), plus applicable taxes and other out-of-pocket

costs incurred in connection with the audit for Financial Year ending March 31, 2026 and for subsequent year(s) of their term, such fee as determined by the Board, on recommendation of Audit Committee.

The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board in consultation with the Secretarial Auditors and as per the recommendations of the Audit Committee.

c. **Basis of recommendations:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations with regard to the secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

d. **Credentials:** M/s. Aakanksha Dubey & Co. (Firm Registration Number: S2025TS1021000) ('Secretarial Audit Firm'), established in the year 2025, is a newly registered firm with Ms. Aakanksha Sachin Dubey being the proprietor specialized in Secretarial Audit and other corporate law matters. The firm is registered with the Institute of Company Secretaries of India. The Firm also holds a valid Peer Review Certificate.

M/s. Aakanksha Dubey & Co. have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI LODR Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial

Auditors in terms of provisions of the Act & Rules made thereunder and SEBI LODR Regulations.

e. **Any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:** There is no material change in the fee payable to M/s. Aakanksha Dubey & Co., compared to that of the outgoing auditor and the reason for change is based on eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the Members.

Item No.6

The Members are informed that on the recommendations of the Audit Committee, the Board, at its meeting, 24th September, 2025, re-appointed M/s. Jithendra Kumar & Co, Cost Accountants (M. No: 36220), as Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company for the financial year 2025-26 at a remuneration Rs. 2,00,000 (Rupees Two Lakh Only) (excluding all applicable taxes and reimbursement of out-of-pocket expenses).

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration paid to the Cost Auditor of the Company shall be approved by the members of the Company by way of ratification. Accordingly, approval of the members is being sought by way of ratification for payment of remuneration of Rs. 2,00,000 (Rupees Two Lakh Only) (excluding all applicable taxes and reimbursement of out-of-pocket expenses) to M/s Jithendra Kumar & Co, Cost Accountants (M. No: 36220), for the financial year 2025-26.

None of the Directors and/or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested, either financially or otherwise, in the resolution at Item No. 6 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval of the Members.

For VIRUPAKSHA ORGANICS LIMITED

Sd/-

CHANDRA MOULISWAR REDDY GANGAVARAM

Managing Director

(DIN 00046845)

Place: Hyderabad

Date: 24th September, 2025

BOARDS' REPORT

Dear Members,

Your directors have pleasure in presenting 28th Annual Report together with the Audited Financial Statements for the year ended 31st March 2025.

FINANCIAL HIGHLIGHTS:

(₹ in Millions)		
Particulars	FY 25	FY 24
Revenue from Operations	8,113.95	7,663.45
Other Income	50.85	68.84
Total Income	8,164.80	7,732.28
Less: Total Expenditure	7,124.30	6,683.21
Profit Before Tax	1,040.50	1,049.08
Less: Tax Expense	249.16	251.95
Profit After Tax	791.34	797.12

CURRENT YEAR PERFORMANCE REVIEW AND STATE OF COMPANY AFFAIRS:

During the year under review, total income was ₹ 8,164.80 million which has 5.59% growth from previous year total income ₹ 7,732.28 million. Profit After Tax ("PAT") was ₹ 791.34 million which has (0.73) % decline in growth from previous year PAT ₹ 797.12 million.

During the year under review our company has served 300+ customers located across 100+ countries.

CHANGE IN CAPITAL STRUCTURE:

During the period under review, there were following changes in the Company's capital structure:

a) Authorised Capital:

During the year under the review, the Board of Directors and the shareholders in their meeting held on 08th June, 2024 and 01st July, 2024 respectively approved to increase the Authorised Share Capital of the Company from Rs. 38,15,00,000/- divided into 3,81,50,000 (Three Crores Eighty-One Lakhs Fifty Thousand Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 45,00,00,000/- divided into 4,50,00,000 (Four Crores Fifty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

Further, vide Shareholder's resolution dated 13th September, 2025 the authorised share capital was increased to Rs. 85,00,00,000 (Rupees Eighty-Five Crores only) divided into 8,50,00,000 (Eight Crores Fifty Lakhs only) Equity Shares of ₹10 each.

b) Paid-up Capital:

During the year under the review the Board of Directors and the Company in their meeting held on 08th June, 2024 and 01st July, 2024 respectively approved to issue and offer 42,00,000 equity shares of Rs.10/- each on preferential basis for the consideration of cash. Hence the Paid-up Share Capital of the Company increased from Rs. 3,74,475,360/- divided into 3,74,47,536 (Three Crores Seventy-Four Lakhs Forty-Seven Thousand Five Hundred and Thirty-Six Only) of Rs.10/- (Rupees Ten Only) each to Rs. 4,10,212,870/- divided into 4,10,21,287 (Four Crores Ten Lakhs Twenty-One Thousand Two Hundred and Eighty-Seven Only) of Rs.10/- (Rupees Ten Only). Further the Board allotted shares to the allottees as detailed below:

- The Board of Directors of the company in the meeting held on 18th July, 2024 approved the allotment of 18,80,164 (Eighteen Lakhs Eighty Thousand One Hundred and Sixty-Four Only) Equity Shares of Rs. 10/- (Rupees Ten Only) at a premium of Rs. 290/- each on Preferential Basis.
- Further, the Board of Directors of the company in the meeting held on 14th August, 2024 approved the allotment of 16,93,587 (Sixteen Lakhs Ninety-Three Thousand Five Hundred and Eighty-Seven Only) Equity Shares of Rs. 10/- (Rupees Ten Only) at a premium of Rs. 290/- each on Preferential Basis.
- The paid-up capital was further increased to Rs. 61,53,19,370 (Rupees Sixty-One Crores Fifty-Three Lakhs Nineteen Thousand Three Hundred and Seventy

only) divided into 6,15,31,937 (Six Crores Fifteen Lakhs Thirty-One Thousand Nine Hundred and Thirty Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) on account of allotment of Bonus issue in the ratio of 1:2.

DIVIDEND:

During the year, the Company paid an interim dividend at Rs. 1.20 (Rupees One and Twenty Paise Only) per Equity share of ₹10/- (Rupees Ten Only) each on equity shares, aggregating to ₹ 4,92,25,544.40/- (Rupees Four Crores Ninety Two Lakhs Twenty Five Thousand Five Hundred Forty Four and Forty paise Only) on equity share capital of the Company to those shareholders whose name appear in the Register of members as on 30th December, 2024.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount/share is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

TRANSFER OF SHARES AND UNPAID/UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

The provisions of Section 125(2) of the Companies Act, 2013 (the Act) do not apply as there was no amount in the unclaimed dividend account remaining unpaid under sub-section (5) of section 124 of the Companies Act, 2013.

WEB LINK OF ANNUAL RETURN, IF ANY

The Annual Return of the Company as on March 31, 2025 is available on the Company's website and can be accessed at www.virupaksha.com

ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The Board and members of the Company in their meeting held on 13th September, 2025 had approved to increase the authorized share capital of the Company from Rs.45,00,00,000/- (Rupees Forty-Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Equity shares of 10/- (Rupees Ten Only) each to Rs. 85,00,00,000 (Rupees Eighty-Five Crores Only) divided into 8,50,00,000 (Eight Crores Fifty Lakhs) equity shares of Rs.10/- (Rupees Ten only) each and consequently the Memorandum of Association of the Company has been altered.

Further, the company in their same meeting approved to adopt the updated Articles of Association.

INSURANCE

The Company's assets have been adequately insured against major risks.

REVIEW OF OPERATIONS

The performance of the Company during the Financial Year under review has been satisfactory. The Board of Directors are making all its efforts to improve the financial and other performance of the Company.

MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, Thirteen (13) Board Meetings were held on 06th April, 2024, 03rd May, 2024, 08th June, 2024, 18th July, 2024, 14th August, 2024, 10th September, 2024, 26th September, 2024, 02nd October, 2024, 06th December, 2024, 28th December, 2024, 30th December, 2024, 10th February, 2025 and 29th March, 2025 with requisite quorum present throughout the meetings. Wherever required.

Further the gap between two consecutive Board meetings held during the financial year was not more than 120 days.

The Composition of the Board & their meetings held during the year under review as follows:

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There were no material changes and commitments affecting financial position of the Company between 31st March, 2025 and the date of Board's Report i.e. 24th September, 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

In the preparation of the annual accounts for the period ended 31st March, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The directors had prepared the annual accounts on a going concern basis; and

The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

During the year 2024-25 under review there were Two independent directors namely Mrs. Shruti Gupta, Mr. Janardhana Reddy Yeddula.

In terms of Section 149 of the Companies Act, 2013, the Company has received a declaration from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section

Name of the Director	Category	No. of Meetings attended
Mr. Janardhana Reddy Yeddula	Independent Director	12
Mr. Balasubba Reddy Mamilla	Whole-time director	13
Mrs. Shruti Gupta	Independent Director	12
Mr. Vedavathi Gangavaram	Director	13
Mr. Chandra Mouliswar Reddy Gangavaram	Managing Director	13
Mr. Chandrasekhar Reddy Gangavaram	Whole Time Director	12

149(6) of the Act. As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 06th December, 2024.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in chemicals/ manufacturing industry, strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold standards of integrity.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

The Company has constituted a Nomination and Remuneration Committee which has been entrusted the responsibility of selecting and recommending the appointment and remuneration of Directors. The Committee while making appointments and fixing the remuneration of Directors will take into consideration the following:

- Their qualification,
- Past record, especially their credentials and achievements, experience, past remuneration
- Job profile and suitability
- Comparative remuneration with the industry in line with size and profits of the company
- Their pecuniary relationship with the promoters.

Further the Nomination and Remuneration Committee also, while recommending and appointing the Independent Directors, will evaluate the following:

- Their qualification,

- Credentials, past experience in the fields of finance, management, technology, taxation and other related fields
- Expertise in similar industry
- Confirmation from the internal auditors that there is no pecuniary relationship with the company or other parties in terms of section 149(6) of the companies act, 2013.

The Criteria for determining the Independence of a Director, Qualifications of Directors, Positive attributes of Directors is mentioned under **ANNEXURE – I** to this report.

The Composition of the Committee during the Financial year is as follows:

- Mr. Janardhana Reddy Yeddula
- Mrs. Shruti Gupta
- Mrs. Vedavathi Gangavaram

AUDIT REPORTS

By Statutory Auditors in their Report:

The Independent Auditor's Report given by M/s C. Ramachandram & Co., Statutory Auditors of the Company does not contain any qualifications, reservation or adverse remarks except below.

Auditors observation

There are observations made by the Auditors in their Report under clause ii(b) of Companies Auditors Report Order (CARO) 2020 of Standalone Financial Statements for the year ended March 31, 2025.

Management Response

The data initially submitted to the Bank was based on provisional figures, as the books for the respective month had not yet been finalized at the time of submission. Subsequent to finalization, certain adjustment entries were posted, resulting in changes to the reported numbers. The amounts drawn by the company remain well within the available drawing power, as determined by the values disclosed in the statements submitted to the Bank and/or as reflected in the finalized books of accounts.

By Secretarial Auditor in their Report:

The Secretarial Audit report given by M/s. L.D. REDDY & Co. Company Secretaries, does not contain any qualifications, reservation or adverse remarks. **ANNEXURE-VI**

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees, security and investments covered under section 186 of the Companies Act, 2013 forms part of the notes to the financial statements (please refer note no. 14.) During the financial year, the Company has not given any loans and advances to the firms/ Companies where directors of the Company are interested except the ones mentioned below:

Loan:

Unsecured loan given to Oxygenta Pharmaceutical Limited of Rs.14.50 Cr in the FY 24-25.

PARTICULARS OF CONTRACTS WITH RELATED PARTIES

The Company's transactions with Related Parties are at arm's length and are in the ordinary course of business only. All Related Party transactions have been reported in the notes to Accounts to the Financial Statements and do not cover under the provisions of Section 188(1) of the Companies Act, 2013 read with Rules made there under. **ANNEXURE – II**

COMPANY AFFAIRS

Research and Development

Virupaksha Organics Limited gives importance to the improve Research and Development Activities, It has dedicated team of scientists working in the areas of:

- Formulation Development
- Analytical Method Development
- API Process Development
- New API Development
- Advanced Intermediates developments for New Molecules to MNC's
- Stability Studies, etc.

ACQUISITION BY WAY OF AN OPEN OFFER

As on the date of the report, the Company had successfully acquired control of "**Oxygenta Pharmaceutical Limited**", a listed entity, pursuant to an open offer made under Regulation 3 and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The open offer was triggered following the acquisition of 2,04,77,458 (Two Crores Four Lakhs Seventy-Seven Thousand Four Hundred and Fifty-Eight Only) equity shares and voting rights, resulting in a total shareholding of 55.37% post-offer. The acquisition aligns with the Company's strategic objectives of expanding portfolio/ business.

Necessary disclosures and filings were made with SEBI, stock exchanges, and other regulatory authorities in compliance with applicable laws. The Company now holds controlling interest in **Oxygenta Pharmaceutical Limited**, which has become a subsidiary effective 20th June, 2025.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the financial year under review.

CHANGE IN THE REGISTRAR AND TRANSFER AGENT

There was a change in the Registrars of the Company from Bigshare Services Pvt. Ltd to KFin Technologies Ltd pursuant to the approval of Board in their meeting held on 25th August, 2025.

ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES

During the year under review, M/s. Progenerics Pharma Private Limited and M/s. Virupaksha Green Energy Private Limited are the subsidiaries company. Further, Bharath Advanced Therapeutics Private Limited is an associate company of the Company as per the Companies Act, 2013 (the Act). The Company is having investment in Virupaksha Lifesciences LLP. Investment in Virupaksha Life Sciences LLP, which is an associate was fully impaired due to continued operating losses and negative net worth. As a result, the carrying amount of the investment in the associate under the equity method stood at Nil. In accordance with Para 38 of Ind AS 28 – Investments in Associates and Joint Ventures, our Company discontinued recognition of its share of further losses in the associate, as the entity's share of losses exceeded the carrying amount of its investment and no legal or constructive obligations existed to fund further losses.

In terms of Section 129(3) of the Act read with As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary companies and associate

company is prepared in Form AOC-1 and is attached as Annexure -III and forms part of this report.

CONSOLIDATED FINANCIAL STATEMENTS CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the

CHANGE IN THE DIRECTORS OR KEY MANAGERIAL PERSONNEL

As per the provisions of Section 152 of the Companies Act, 2013 read with Articles of Association of the Company; Mr. Balasubba Reddy Mamilla (DIN: 01998852), Whole Time Director is retiring by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

Further during the year under the review and as on the date of the report the following changes took place in the board/management of the Company:

Appointments during the year and after the end of financial year:

Mr. Balasubba Reddy Mamilla resigned as the Chief Financial Officer (CFO) of the Company w.e.f. 03rd May, 2024.

Mr. Prasad Reddy Battinapatla was appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 03rd May, 2024.

The Board in its meeting held on 03rd September, 2025 appointed Dr. Veera Reddy Arava (DIN: 10832178), Mr. Murali Krishna Kurada (DIN: 11187456), Dr. Padmanabhuni Venkata Appaji (DIN: 02614167) as Additional Directors of the Company in Independent Category and were regularised as Independent Directors of the Company in the Extra-ordinary General Meeting dated 13th September, 2025.

Resignations During the year and after the end of the financial Year:

Mrs. Shruti Gupta resigned from the position of Independent Director w.e.f. 03rd September, 2025.

The company appointed Key Managerial Persons after the end of the financial year as follows:

Mr. Balasubba Reddy Mamilla resigned as the Chief Financial Officer (CFO) of the Company w.e.f. 03rd May, 2024.

Mr. Prasad Reddy Battinapatla was appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 03rd May, 2024.

SUBSIDIARIES AND ASSOCIATES

The company has subsidiaries, details of which are mentioned below:

- a) Progenerics Pharma Private Limited
- b) Virupaksha Green Energy Private Limited
- c) Oxygenta Pharmaceutical Limited (with effect from 20 June 2025)

The company has an Associate company, details of which are mentioned below:

- a) Bharath Advanced Therapeutics Private Limited

The Company however, does not have any Joint Ventures.

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. There are no unpaid or unclaimed deposits as the Company had never accepted deposits within the meaning of the Act and the rules made there under.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2025, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file Form DPT-3 for every year with the Registrar of Companies (ROC) regarding outstanding deposits. The Company has complied with this requirement within the prescribed timelines.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern

status and Company's operations in future except as mentioned below:

During the year the Company had filed compounding applications with the Regional Director (RD), Registrar of Companies (RoC) under Section 441 and one outstanding counting application with the Regional Director, RoC under Section 454(5) of the Companies Act ("**Compounding Applications**"). These Compounding Applications pertain to compounding in relation to the following:

- a) Under Section 292A(1) of the Companies Act, 1956 and 177(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 4 of the Companies (Appointment and Qualification of Directors Rules, 2014 for the default in the constitution of Audit Committee during the period from 13th January, 2012 to 14th March, 2021 due to insufficient number of Independent Directors on the Board of Directors. Later the default was made good w.e.f. 15th March, 2021 where by the Company had appointed two Independent Directors namely Mrs. Shruti Gupta and Mr. Venkatachalam Gedupudi and accordingly re-constituted the Audit Committee with Independent Directors forming a majority and has been complaint ever since ;
- b) Under Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 for the default in the constitution of Nomination and Remuneration Committee of the Board during the period from 01st April, 2014 to 10th May, 2023. due to insufficient number of Independent Directors on the Board of Directors. Later the default was made good w.e.f. 10th May, 2023 where by the Company had re-constituted the committee as per section 178 of the Companies Act, 2013;
- c) Under 149(4) of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 for the default in the appointment of two Independent Directors during the period from 01st April, 2015 to 14th March, 2021. Later the default was made good w.e.f. 15th March, 2021 where by the Company had appointed two Independent Directors namely Mrs. Shruti Gupta and Mr. Venkatachalam Gedupudi and has been complaint ever since .
- d) Under 203(5) of the Companies Act 2013 on account of non-appointment of Company Secretary and Chief Financial Officer. Later the default was made good by appointing Company Secretary and Chief Financial Officer;

As on the date of the report, the Regional Director (SER), Hyderabad has disposed of the compounding application vide order dated 08th August, 2025 with direction that since the offence is a continuing offence, it will fall under adjudication and not compounding and ROC was directed to cover entire period in adjudication keeping in view of the amendment of provisions of the Companies Act, 2013 and had passed the followings order(s) dated 18th September, 2025 and directed the Company and officers in default to pay the following penalties under the relevant provisions:

Relevant Section	Amount Paid (Rs.)
Order for adjudication of penalty under section 454 of the Companies Act, 2013 ('the Act') for violation of section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.	Rs. 3,00,000/- (Rupees Three Lakhs Only) paid by the Company and Rs. 3,44,000/- (Rupees Three Lakhs Forty-Four Thousand Only) paid by Chandra Mouliswar Reddy Gangavaram, Balasubba Reddy Mamilla, Chandrasekhar Reddy Gangavaram as Officers in Default
Order for adjudication of penalty under section 454 of the Companies Act, 2013 ('the act') for violation of Section 292A(1) of the Companies Act, 1956 and Section 177(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 4 of the Companies (Appointment and Qualification of Directors Rules, 2014.	Rs. 5,00,000/- (Rupees Five Lakhs Only) paid by the Company and Rs. 4,00,000/- (Rupees Four lakhs Only) paid by Chandra Mouliswar Reddy Gangavaram, Balasubba Reddy Mamilla, Chandrasekh Ar Reddy Gangavaram as Officers in Default
Order for adjudication of penalty under section 454 of the companies act, 2013 ('the act') for violation of in respect of non-compliance of Section 178(1) of the Companies Act,	Rs. 5,00,000/- (Rupees Five Lakhs Only) paid by the Company and Rs. 4,00,000/-

2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 punishable under Section 178(8) of the Companies Act, 2013.	(Rupees Four lakhs Only) paid by Chandra Mouliswar Reddy Gangavaram, Balasubba Reddy Mamilla, Chandrasekhar Reddy Gangavaram as Officers in Default
Order for adjudication of penalty under section 454 of the companies act, 2013 ('the act') for violation of in respect of non-compliance of Section 203(5) of the Companies Act, 2013	Rs. 10,00,000/- (Rupees Ten Lakhs Only) paid by the Company and Rs. 10,00,000/- (Rupees Ten lakhs Only) paid by Chandra Mouliswar Reddy Gangavaram, Balasubba Reddy Mamilla, Chandrasekhar Reddy Gangavaram as Officers in Default

INTERNAL FINANCIAL CONTROLS

Internal financial control systems of the company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The company has well-defined delegation of authority with specified limits for approval of expenditure both capital and revenue.

The Board of Directors deliberated with the members of the management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain, their views on the internal financial control systems.

The Board of Directors satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down. However, the company recognizes that no matter how the internal framework, is it has inherent

limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

MAINTENANCE OF COST RECORDS

The Company has been maintaining Cost records as required under the provisions of the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any.

The Directors further state that during the Financial Year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL RESERVE

During the financial year under review, the Company has not transferred any amount to General Reserve Account.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes occurred or commitments made by the management during the year except as mentioned in the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUT GO

Particulars as required under Section 134(3) (m) of the Companies Act, 2013 are annexed as **Annexure-IV** to this Report.

RISK MANAGEMENT

Risks are classified in different categories such as Financial, Operational, Legal and Strategic risks. These risks are reviewed from time to time and controls are put in place with specific responsibility of the concerned Officer of the Company. However, the

Board could not identify any major risks, which may threaten the immediate existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company had constituted a 'Corporate Social Responsibility Committee' to decide upon and implement the Corporate Social Responsibility Policy (CSR policy) of the Company.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-V** to this Report in the format prescribed in the Companies (CSR policy) Rules, 2014.

VIGIL MECHANISM

The Company, as required under Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, has established a Vigil Mechanism for their Directors and employees to report their genuine concerns or grievances.

The Audit Committee of the Company shall oversee the vigil mechanism, which provides for adequate safeguards against victimization of employees and Directors who avail of the vigil mechanism.

All the employees and Directors of the Company are provided direct access to the Chairman of the Audit Committee.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on December 06, 2024, have recommended the appointment of M/s C. Ramachandram & Co., Chartered Accountants, Hyderabad (Firm Registration No. 002864S) as the Statutory Auditors of the Company to hold office for a period of 5 (five) consecutive years from the conclusion of the ensuing 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting to be held in the year 2029 subject to the approval of the members of the Company to hold office for a period of 5 (five) consecutive years from the conclusion of the ensuing 27th Annual

General Meeting until the conclusion of the 32nd Annual General Meeting to be held in the year 2029.

The Auditors have confirmed their eligibility for appointment as a Statutory Auditors for a term of 5 (five) years subject to the various certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Internal Auditors

During the period under review, M/s. Suryachandra & Associates, Chartered Accountants (FRN 004297S), were appointed as the Internal Auditors of the Company for the financial year ending 31st March 2025, following the resignation of the previous Internal auditors, M/s. K. Bhaskar & Associates, Chartered Accountants (FRN 020817S).

Cost Auditors

During the period under review M/s Jithendra Kumar & Co., Cost Accountants, Hyderabad, who were being appointed/reappointed by the Board of Directors as Cost Auditors of the Company to conduct cost audit relating to cost records of the Company for the year ending 31st March, 2025.

Secretarial Auditors

During the period under review M/s. L.D. REDDY & Co. Company Secretaries, Hyderabad, who were being appointed/reappointed by the Board of Directors as Secretarial Auditors of the Company to conduct secretarial audit relating to the Company for the year ending 31st March, 2025.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, **none** of the employees drawing remuneration in excess of the limits set out in the said Rules.

COMPOSITION OF COMMITTEES OF THE BOARD OF DIRECTORS

Audit Committee [Section 177]

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Audit Committee will review periodically the internal control systems, scope of audit including the observations of auditors, if any and review the half yearly and annual financial statements before submission to the Board and also ensures compliance with internal control system.

The terms of reference of the Committee are wide enough to cover matters specified for Audit Committees under Section 177 of the Companies Act, 2013.

During the year, Nine (9) Committee meetings were held i.e. on 03rd May, 2024, 08th June, 2024, 18th July, 2024, 14th August, 2024, 26th September, 2024, 02nd October, 2024, 06th December, 2024, 30th December, 2024 and 10th February, 2025.

The Composition of the Committee & their meetings during the year as follows:

Name of the Director	Category	Meetings attended
Mr. Janardhana Reddy Yeddula	Independent Director	08
Mr. Balasubba Reddy Mamilla	Executive Director	09
Mrs. Shruti Gupta	Independent Director	08

Nomination and Remuneration Committee [Section 178]

The purpose of the Nomination and Remuneration Committee of the Company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors. The Committee has overall responsibility for formulating the criteria for determining qualifications and independence of a Director and recommends to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

During the year the Committee meetings held Four (4) times i.e. on 03rd May, 2024, 06th December, 2024, 30th December, 2024 and 10th February, 2025.

The Composition of the Committee & their meetings during the year under review as follows:

Corporate Social Responsibility (CSR) Committee [Section 135]

The Company has constituted the 'Corporate Social Responsibility Committee' for formulating and recommending to the Board of Directors a Corporate Social Responsibility Policy for the Company, which shall indicate the activities to be undertaken by the Company as specified in the Companies Act, 2013 and the rules made there under.

The Corporate Social Responsibility Committee recommends the amount of expenditure to be incurred by the Company on CSR activities and monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year the Committee met Once. i.e. on 06th December, 2024.

The Composition of the Committee & their meetings during the year under review as follows:

Name of the Director	Category	Meetings attended
Mr. Janardhana Reddy Yeddula	Independent Director	01
Mr. Balasubba Reddy Mamilla	Executive Director	01
Mrs. Shruti Gupta	Independent Director	01

DETAILS OF REMUNERATION TO DIRECTORS

Remuneration To Executive Directors (₹ in Millions):

Name of the Director	Salary	Others	Total
Mr. G. Chandra Mouliswar Reddy	36.0	0.00	36.00
Mr. M. Bala Subba Reddy	6.84	0.00	6.84
Mr. G. Chandrasekhar Reddy	5.76	0.00	5.76

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As required under the provisions of Schedule IV of the Companies Act, 2013 the performance evaluation of independent directors has been done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

Name of the Director	Category	No. of Meetings attended
Mr. Janardhana Reddy Yeddula	Independent Director	04
Mrs. Shruti Gupta	Independent Director	04
Mrs. Vedavathi Gangavaram	Director	04

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure, and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings.

The Independent Directors of the Company had also convened a separate Meeting for this purpose. The results from this evaluation process have been informed to the Chairman of the Board of Directors.

SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards.

EVENT BASED DISCLOSURES

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back of shares: NA
6. Disclosure about revision: NA
7. Change of name of the Company: NA
8. Preferential Allotment of Shares: During the year under the review, the Board of Directors and the Company in their meeting held on 08th June, 2024 and 01st July, 2024 respectively approved to issue and offer 42,00,000 equity shares of Rs.10/- each with a premium of Rs. 290/- each on preferential basis for the consideration of cash.
9. Scheme of Arrangement: NA
10. Issue of Bonus Shares : As mentioned in the capital structure section of the Boards' report.

HUMAN RELATIONS

The Company continues to have cordial and harmonious relationship with its employees.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

INSOLVENCY AND BANKRUPTCY CODE, 2016:

No proceedings are pending 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 onetime settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof- **NOT APPLICABLE.**

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence industry-based disclosures is not required.

ACKNOWLEDGEMENTS

Your directors gratefully acknowledge the continued support, co-operation and wise counsel extended by the Government Authorities, Banks and Financial Institutions.

Your directors place on record their sincere appreciation for the significant contribution made by the employees through their dedication, hard work and commitment.

Your directors sincerely acknowledge the confidence and faith reposed in the Company by the Shareholders, Medical Profession & trade and other stake holders.

**By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED**

Sd/-
Chandra Mouliswar Reddy Gangavaram
Managing Director (DIN 00046845)

Sd/-
Balasubba Reddy Mamilla
Whole Time Director (DIN 01998852)

Place: Hyderabad
Date: 24th September, 2025

ANNEXURE – I

(TO THE DIRECTORS' REPORT)

Criteria for determining the Independence of a Director

1. Definition of Independence:

A director will be considered as an “independent director” if the person meets with the criteria for ‘independent director’ as laid down in the Companies Act, 2013 ('Act'), which is as follows:

“An independent director in relation to a company, means a director other than a Managing Director or a Whole-time Director or a Nominee Director—

- a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten percent of his total income or such amount as may be prescribed with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) none of whose relatives:
 - (i) is holding any security of or interest in the Company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year; Provided that the relative may hold security or interest in the Company of face value not exceeding ₹ 50 Lakhs or two percent of the paid-up capital of the Company, its holding, subsidiary or associate company or such higher sums as may be prescribed;
 - (ii) is indebted to the Company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amounts

as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its Holding, subsidiary or associate company or their promoters, or directors of such holding Company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the Company or its subsidiary or its Holding or Associate Company amounting to two percent or more of its Gross turnover or total income singly or in combination with the transactions referred to in sub clause (i), (ii) or (iii).

- e) who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key-managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding,

- subsidiary or associate company or that holds two per cent or more of the total voting power of the Company, or
- (f) who possess such other qualifications as may be prescribed.

2. Qualifications of Directors

The Board of Directors of the Company did not prescribe any specific qualifications for an individual to be appointed as a Director of the Company. However, while nominating an individual as a Director of the Company, the Board shall ensure that-

- a) a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- b) The Board of Directors shall have an appropriate blend of functional and industry expertise.
- c) The function and domain expertise of the individual contributes to the overall skill-domain mix of the Board of Directors.
- d) Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/ domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Companies Act, 2013 ('Act'). For reference, the duties of the Directors as provided by the Act are as follows:

- a) Act in accordance with the Articles of the Company.
- b) Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- c) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- d) Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- e) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- f) Not assign his office.

Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

"An independent director shall:

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively while exercising his duties;
- c) exercise his responsibilities in a bona fide manner in the interest of the Company;
- d) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f) not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

- g) refrain from any action that would lead to loss of his independence;
- h) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- i) assist the company in implementing the best corporate governance practices.”

**By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED**

Sd/-

Chandra Mouliswar Reddy Gangavaram
Managing Director (DIN 00046845)

Sd/-

Balasubba Reddy Mamilla
Whole Time Director (DIN 01998852)

Place: Hyderabad
Date: 24th September, 2025

ANNEXURE – II

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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil
2. Details of contracts or arrangements or transactions at Arm's length basis:

S.N.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year:
1	Bharath Advanced Therapeutics Private Limited(Associate company)	Revenue from Operations	As per terms	4.35	06th April, 2024
2	Viruj Pharmaceuticals Private Limited (Entity over which the KMP and/or their relatives is able to exercise control)	Revenue from Operations	As per terms	114.74	06th April, 2024
3	Virupaksha Laboratories Private Limited(Entity over which the KMP and/or their relatives is able to exercise control)	Revenue from Operations	As per terms	287.65	06th April, 2024
4	Virupaksha Laboratories Private Limited(Entity over which the KMP and/or their relatives is able to exercise control)	Purchase of Raw Material	As per terms	700.59	06th April, 2024
5	Arya Fashion and Arts(Enterprise over which KMP exercise	Purchase of Material	As per terms	1.45	06th April, 2024

	significant influence)				
6	G. Chandra Mouliswar Reddy (Managing Director)	Interest on Unsecured Loan	As per terms	1.18	06th April, 2024
7	M.BalaSubba Reddy (Whole-time director)	Interest on Unsecured Loan	As per terms	3.20	06th April, 2024
8	Janardhana Reddy Yeddula (Independent Director)	Sitting Fee - Director's	As per terms	0.03	06th April, 2024
9	Shruti Gupta (Independent Director)	Sitting Fee - Director's	As per terms	0.03	06th April, 2024
10	G. Vedavathi (Director)	Interest on Unsecured Loan	As per terms	22.46	06th April, 2024
11	Chandra Mouliswar Reddy Gangavaram – HUF (Entity over which the KMP and/or their relatives is able to exercise control)	Interest on Unsecured Loan	As per terms	1.28	06th April, 2024
12	B. Prasad Reddy (Chief Financial Officer)	Short-term employee benefits - Other than Director's	As per terms	4.37	06th April, 2024
13	Vikas Kurada (Company Secretary)	Short-term employee benefits - Other than Director's	As per terms	0.88	06th April, 2024
14	M.Nagarjuna Reddy (Close Member of Key Managerial Person)	Short-term employee benefits - Other than Director's	As per terms	5.64	06th April, 2024
15	Sandeep Reddy (Close Member of Key Managerial Person)	Short-term employee benefits - Other than Director's	As per terms	5.64	06th April, 2024
16	Suraj Reddy (Close Member of Key Managerial Person)	Short-term employee benefits - Other than Director's	As per terms	5.64	06th April, 2024
17	Sandeep Reddy (Close Member of Key Managerial Person)	Short-term employee benefits - Other than Director's	As per terms	5.64	06th April, 2024
18	G. Rukmini (Close Member of Key	Short-term employee	As per terms	0.96	06th April, 2024

	Managerial Person)	benefits - Other than Director's			
19	G. Chandra Mouliswar Reddy(Managing Director)	Short-term employee benefits - Director's	As per terms	36.00	06th April, 2024
20	G. Chandra Sekhar Reddy(Whole-time director)	Short-term employee benefits - Director's	As per terms	6.84	06th April, 2024
21	M.BalaSubba Reddy(Whole-time director)	Short-term employee benefits - Director's	As per terms	5.76	06th April, 2024
22	G. Chandra Mouliswar Reddy(Managing Director)	Borrowings	As per terms	13.66	06th April, 2024
23	M. Bala Subba Reddy(Whole-time director)	Borrowings	As per terms	303.60	06th April, 2024
24	G. Vedavathi(Whole-time director)	Borrowings	As per terms	13.62	06th April, 2024
25	G. Chandra Mouliswar Reddy(Managing Director)	Repayment of Loan	As per terms	94.24	06th April, 2024
26	M. Bala Subba Reddy(Whole-time director)	Repayment of Loan	As per terms	11.17	06th April, 2024
27	G. Vedavathi(Whole-time director)	Repayment of Loan	As per terms	255.72	06th April, 2024
28	Chandra Mouliswar Reddy Gangavaram – HUF	Repayment of Loan	As per terms	10.58	06th April, 2024
29	Virupaksha Laboratories Private Limited	Rent	As per terms	1.75	06th April, 2024
30	Virupaksha Laboratories Private Limited	Other expenses	As per terms	0.90	06th April, 2024

By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED

SD/-

CHANDRA MOULISWAR REDDY GANGAVARAM
Managing Director (DIN 00046845)

SD/-

BALASUBBA REDDY MAMILLA
Whole Time Director (DIN 01998852)

Place: Hyderabad
Date: 24th September, 2025

ANNEXURE III

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries:

AOC - 1

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Subsidiaries:
2. Reporting Period: 01.04.2024 to 31.03.2025
3. Reporting Currency: millions

(Amount in millions)

S. No.	Particulars	Progenerics Pharma Private Limited	Virupaksha Green Energy Private Limited
1.	Share Capital	68.25	50.61
2.	Reserves and surplus	-48.58	-0.62
3.	Total Assets	82.43	52.55
4.	Total Liabilities	62.76	2.56
5.	Investments	0.00	0.00
6.	Turnover	29.21	0.00
7.	Profit / loss before Taxation	-15.30	-0.75
8.	Provision for Taxation	-0.68	-0.13
9.	Profit / loss after Taxation	-14.62	-0.62
10.	Proposed Dividend	0.00	0.00
11.	% of Shareholding	100%	100%

The following information shall be furnished at the end of the statement:

1. Names of Subsidiaries which are yet to commence operation: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates:

AOC - 1

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Associate:
2. Reporting Period: 01.04.2024 to 31.03.2025
3. Reporting Currency: millions

(Amount in millions)

S. No.	Particulars	Bharath Advanced Therapeutics Private Limited
1.	Share Capital	0.21
2.	Reserves and surplus	76.31
3.	Total Assets	93.89
4.	Total Liabilities	17.37
5.	Investments	61.19
6.	Turnover	0
7.	Profit / loss before Taxation	-7.60
8.	Provision for Taxation	0
9.	Profit / loss after Taxation	-7.60
10.	Proposed Dividend	0
11.	% of Shareholding	24.75%

The following information shall be furnished at the end of the statement:

1. Names of Associate which are yet to commence operation: Nil
2. Names of Associate which have been liquidated or sold during the year: Nil

B
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o
r
d

**By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED**

Sd/-
Chandra Mouliswar Reddy Gangavaram
Managing Director (DIN 00046845)

Sd/-
Balasubba Reddy Mamilla
Whole Time Director (DIN 01998852)

Place: Hyderabad
Date: 24th September, 2025

ANNEXURE- IV

Particular of Energy Conservation, technology Absorption and foreign Exchange Outgo required under the Companies (Accounts) Rules 2014

(A) Conservation of energy–

(i) The steps taken or impact on conservation of energy;

- Introduction of IE3 Motors and above for conservation of Energy.
- Purchase of Air Conditioners with 5-Star Rating, to improve energy savings.
- Introduction of LED lights replacing conventional filament bulb and tube lights.
- Watering/Waterjet vacuum pumps being replaced with dry vacuum pumps.
- Interlock of cooling tower Fans for tripping off when desired cooling water temperature is attained.
- Installing VFD's in higher capacity motors.
- Improved efficiency in natural plant lighting.
- Minimization of steam distribution losses through steam trap optimization.
- Increasing the cooling tower water quality for reducing power consumption of pumps.

(ii) the steps taken by the company for utilizing alternate sources of energy;

- Company is planning to use alternate source of energy in order to reduce the overall energy consumption.

(iii) the capital investment on energy conservation equipment's: Nil

(B) Technology absorption-

(i) the efforts made towards technology absorption;

The company keeps funding research and development through capital expenditures as well as revenue-related expenses. The development of API technologies is the focus of this expenditure. It's possible that some of these products need specific manufacturing blocks. To continuously improve the scientific team's research understanding in the technologies and therapy areas of our interest, investments have been made in hiring highly qualified and experienced scientists, adding state-of-the-art equipment, sponsoring research, and hiring top-tier consultants.

New technologies have been developed with a focus on safety and continuous process studies using reaction calorimetry and other advanced process engineering tools; using green reagents for chemical transformations in API synthesis; using PAT tools in process development; and using advanced crystallization and powder processing techniques, such as ultrasonic crystallization, to achieve the required particle size and physical characteristics for formulation. For important products, product life cycle management has been used. One of our primary strategic goals is backward integration, which benefits a number of our products.

To cut costs and improve in-process capacity, process optimization based on the Quality by Design (QbD) idea and robustness by six sigma calculations has been applied for a variety of goods.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Product improvement and product development is achieved.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not applicable

(iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo-

The foreign currency earnings were ₹ 240.14 millions and outgo were ₹ 240.46 million for the period under review

**By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED**

**Sd/-
Chandra Mouliswar Reddy Gangavaram
Managing Director (DIN 00046845)**

**Sd/-
Balasubba Reddy Mamilla
Whole Time Director (DIN 01998852)**

Place: Hyderabad
Date: 24th September, 2025

ANNEXURE -V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy.

In accordance with Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Virupaksha Organics Limited (VOL) has formulated its CSR Policy duly approved by the Board of Directors. CSR is essentially a way of conducting business responsibly and VOL shall endeavour to conduct its business operations and activities in a socially responsible and sustainable manner at all times. VOL will strive to contribute to inclusive growth and sustainable development with emphasis on development of weaker sections of society and in the preference to local areas, where it operates. As per broad objectives of the Policy, CSR activities are being implemented in project/program mode, in areas or subjects specified in Schedule VII of the Act, on thrust areas of education and health care, in the periphery of project areas of VOL (local area). The CSR Committee of the Board reviews and sanctions CSR project proposals, received from gram panchayats, local authorities, for implementation. VOL is utilizing the services of NGOs/ specialized external agencies, registered with the Ministry of Corporate Affairs and having a CSR Registration Number for implementation of CSR projects.

2. Composition of CSR Committee:

S. No.	Name of Director	Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1.	Mr. Janardhana Reddy Yeddula	Independent Director	1	1
2.	Mrs. Shruti Gupta	Independent Director	1	1
3.	Mr. Balasubba Reddy Mamilla	Director	1	1
4.	Mr. Gedupudi Venkatachalam*	Independent Director	1	1

*(Resigned on May 2023)

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. www.virupaksha.com

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ million)	Amount required to be set-off for the financial year, if any (in ₹ million)
1	22-23	2.11	2.11
2	23-24	4.57	2.67
	Total	6.68	4.78

6. Average net profit of the company as per section 135(5): ₹ 511.60 million

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 12.42 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NA

(c) Amount required to be set off for the financial year, if any: 6.68 million

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 5.74 million

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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.
7.64	0	0	0	0	0

(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 ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(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 in million)	Mode of Implementation - Direct.	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Animal welfare.	Animal welfare	Yes	Telangana	Medchal Malkajgiri	0.05	Direct	NA	NA
2.	Medical and Health Care, Eradication hunger	Medical and Health Care, Eradication hunger	No	Andhra Pradesh	Tirupathi	0.20	In Direct	Seva Jyothi	ABXAS2842KF20231
3.	Medical and Health Care, Eradication hunger	Medical and Health Care, Eradication hunger	Yes	Telangana	Sanga Reddy	0.40	In Direct	Hare Krishna Movement India	AABTH4550PE20218
4.	Medical and Health Care, Eradication hunger	Medical and Health Care, Eradication hunger	Yes	Telangana	Medchal Malkajgiri	0.10	Direct	NA	NA
5.	Promoting health care	Water Suppliers	Yes	Telangana	Sanga Reddy	0.03	Direct	NA	NA
6.	Promoting of Sports	Suchitra Batminton academy	No	Andhra Pradesh	Kadapa	0.20	In Direct	Suchitra Batminton academy	AACTT5090RF20221
7.	Promotion of Yoga	Promotion of Yoga	Yes	Telangana	Sanga Reddy	1.30	In Direct	Sri Jaya lakshmi yoga centre	AACT53967QE2021701

8	Rural development, Community Mobilization and Livelihood promotion activity.	Rural development, Community Mobilization and Livelihood promotion activity.	Yes	Telangana	Hyderabad	1.1	Direct	NA	NA
9	Rural development, Community Mobilization and Livelihood promotion activity.	Rural development, Community Mobilization and Livelihood promotion activity.	Yes	Telangana	Hyderabad	0.2	In Direct	SPARSH HOSPICE AN ENTITY OF ROTARY	867984301221220
10	Rural development, Community Mobilization and Livelihood promotion activity.	Rural development, Community Mobilization and Livelihood promotion activity.	No	Andhra Pradesh	Kadapa	0.03	Direct	NA	NA
11	Promotion of Education	Promotion of Education	Yes	Telangana	Sanga reddy	1.89	Direct	NA	NA
12	Promotion of Education	Promotion of Education	Yes	Telangana	Ranga Reddy	0.03	Direct	NA	NA
13	Promotion of Education	Promotion of Education	Yes	Telangana	Kama Reddy	0.03	Direct	NA	NA
14	Promotion of Education	Promotion of Education	No	Andhra Pradesh	Kadapa	0.09	Direct	NA	NA
15	Promotion of Education	Promotion of Education	Yes	Telangana	Hyderabad	1.10	In Direct	Savithramma Memorial charitable trust	ITBA/EXM/S/80G/2019-20/A/10002
16	Promotion of Education	Promotion of Education	Yes	Telangana	Hyderabad	0.25	In Direct	Digumarti Foundation	AABTD7685BF20221
17	Promotion of Education	Promotion of Education	Yes	Telangana	Hyderabad	0.64	Direct	NA	NA
	Total					7.64			

(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); ₹ 7.64 million

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ million)
---------	------------	-----------------------

(i)	Two percent of average net profit of the company as per section 135(5)	12.42
(ii)	Total amount spent for the Financial Year	7.64
(iii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	6.68
(iv)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(1.90)

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

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: **Nil**

(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**

By order of the Board of Directors
For VIRUPAKSHA ORGANICS LIMITED

SD/-
CHANDRA MOULISWAR REDDY GANGAVARAM
Managing Director (DIN 00046845)

SD/-
BALASUBBA REDDY MAMILLA
Whole Time Director (DIN
01998852)
Place: Hyderabad
Date: 24th September, 2025

Annexure-VI

Secretarial Audit Report

For the Period from 01.04.2024 to 31.03.2025
[Pursuant to Section 204(1) of the Companies
Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial
Personnel) Rules, 2014]

To

The Board of Directors,
M/s. Virupaksha Organics Limited
Plot No.: B-1 & B-2, IDA, Gandhi Nagar, Medchal-
Malkajgiri (District) Hyderabad Rangareddi –
500037, Telangana, India.

We have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Virupaksha Organics 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 our verification of the 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, we hereby report that in my opinion, the Company has, during the audit period from 01.04.2024 to 31.03.2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Virupaksha Organics Limited (“**The Company**”) for the Period from 01.04.2024 to 31.03.2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- iv. The Payment of Wages Act, 1936
- v. Minimum Wages Act, 1948
- vi. Employees Provident Fund and Misc. Provisions Act, 1952
- vii. Employees State Insurance Act, 1948
- viii. Payment of Gratuity Act, 1972
- ix. Employee’s Compensation Act, 1923
- x. Contract Labour (Regulation & Abolition) Act, 1970
- xi. Income Tax Act, 1961
- xii. GST Acts and Rules made thereunder
- xiii. The Insurance Act, 1938 as amended.
- xiv. Contract Labour (Regulation & Abolition) Act, 1970
- xv. The Factories Act, 1948 and Andhra Pradesh Factories Rules, 1980
- xvi. Water (Prevention & Control of Pollution) Act 1974 and rules there under
- xvii. Air (Prevention & Control of Pollution) Act 1981 and rules there under
- xviii. The Environment (Protection) Act, 1986.
- xix. Hazardous and Other Wastes (Management & Trans boundary Movement) Rules, 2016
- xx. Customs Act, 1962
- xxi. The Boilers Act, 1923 and Indian Boilers Regulations - 1950
- xxii. The Petroleum Act, 1934 and Petroleum Rules, 2002
- xxiii. Since, the Company being unlisted Public limited company the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) shall not apply:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Prohibition of Insider Trading) Regulations, 2015.

- c. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - f. 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.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - j. The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.
2. We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
 - Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - The Board of Directors of the Company is duly constituted. 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.
 - Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 - Appointment and remuneration of Statutory Auditor and Secretarial Auditor.
 - Borrowings and registration, modification and satisfaction of charges wherever applicable;
 - Format of Balance Sheet and statement of profit and loss is as per Schedule III of the Companies Act, 2013.
 - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment;
 - CSR Expenditure is being incurred.
 3. We further report that there was no prosecution initiated and no fines or penalties were imposed during the period under review under the Companies Act, Depositories Act, and Rules, Regulations and Guidelines framed there under on the Company or on its Directors and Officers
 4. We further report that based on the information received and records maintained 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.
 5. We further Report that during the audit period the Company has:
 - No Public /Right /Debentures/Sweat Equity etc., during the year except Preferential Issue of Shares during the year
 - No Redemption/Buy-back of Securities.

- No major Decision taken by the members in pursuance of Section 180 of the companies Act, 2013;
- NoMerger/Amalgamation/Reconstruction, etc.,
- No Foreign Technical Collaborations;

For L.D. Reddy & C o.,
Company Secretaries

Sd/-

L. Dhanamjay Reddy
(Proprietor)
CP No. 3752
UDIN: A013104G001199731

Date: 08/09/2025
Place: Hyderabad

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ANNEXURE

To

The Board of Directors,
M/s. Virupaksha Organics Limited
Plot No.: B-1 & B-2, IDA, Gandhi Nagar, Medchal-
Malkajgiri (District)
Hyderabad Rangareddi TG 500037 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. Our responsibility is to express an opinion on these secretarial records on our audit.
2. We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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. Where ever required, we have obtained the information and relevant documents including representation given by the management about the compliance of

laws, rules and regulations and happening of events etc.

5. The compliances of the provisions of corporate and other applicable laws. Rules, regulations, standards are the responsibility of management. Our 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 company efficiency of effectiveness with which the management has conducted the affairs of the company.

For L.D. Reddy & C o.,
Company Secretaries

Sd/-
L. Dhanamjay Reddy
(Proprietor)
CP No. 3752
UDIN: A013104G001199731

Date: 08/09/2025
Place: Hyderabad

General Shareholder Information

1. Annual General Meeting

Date : 26th September, 2025
Time : 10.00 A.M.
Venue : Registered Office at #
Plot No.: B-1 & B-2, IDA, Gandhi Nagar,
Medchal-Malkajgiri (District),
Hyderabad, Ranga Reddy,
Telangana, India – 500037
Tel: +9140-23075816
E-Mail: cs@virupaksha.com.

2. Financial Year: From 1st April 2024 to 31st March 2025

3. Registrars & Transfer Agent:

KFin Technologies Limited
301, The Centrium, 3rd Floor, 57,
Lal Bahadur Shastri Road,
Nav Pada, Kurla (West), Mumbai,
Maharashtra, 400070
Contact No: 98480 98088

Address for correspondence (Registered Office)

The Managing Director
VIRUPAKSHA ORGANICS LIMITED
Plot No.: B-1 & 2, IDA, Gandhi Nagar,
Medchal-Malkajgiri (District),
Hyderabad, Rangareddy,
Telangana, India - 500037
e-mail: info@virupaksha.com

**Form No. MGT-11
PROXY FORM**

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID*	DP ID*

I/We, being the member(s) of **VIRUPAKSHA ORGANICS LIMITED** holding _____ shares of the above-named company. Hereby appoint:

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on Friday, the 26th day of September 2025 at 10:00A.M at its registered office situated at # Plot No.: B-1 & B-2 (Part), IDA Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Rangareddy, Telangana, India - 500037; and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To receive, consider and adopt 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.		
2.	To appoint a Director in place of Mr. Chandrasekhar Reddy Gangavaram (DIN: 03534167) who retires by rotation and being eligible offers himself for re-appointment		
3.	To appoint a Director in place of Mrs. Vedavathi Gangavaram (DIN: 02870966) who retires by rotation and being eligible offers herself for re-appointment		
4.	To Approve Related Party Transactions		
5.	To approve the appointment of M/s. Aakanksha Dubey & Co., Practicing Company Secretaries as Secretarial Auditors of the Company		
6.	Ratification of Cost Auditors' remuneration		

Signed this _____ day of _____, 2025

Affix
Revenue
Stamps

Signature of Shareholder Signature of Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company before the commencement of the Meeting. The proxy need not be a member of the company.

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Plot No.: B-1 & B-2, IDA, Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Ranga reddy, Telangana, India - 500037

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

28th Annual General Meeting on Friday, the 26th day of September 2025 at 10:00 A.M. (IST)

Full name of the member(s) attending _____

(In block capitals)

Ledger Folio No. /Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 28th Annual General Meeting of the **M/s. VIRUPAKSHA ORGANICS LIMITED** at its registered office situated at # Plot No.: B-1 & B-2, IDA Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Ranga reddy, Telangana, India - 500037 on Friday, the 26th day of September 2025 at 10:00 A.M.

(Member's /Proxy's Signature)

Note:

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

Independent Auditor's Report

To the Members of
Virupaksha Organics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Virupaksha Organics Limited** (the "Company"), which comprise the Standalone Statement of Assets and Liabilities as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including annexures to the Director's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 financial controls 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.

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, to the extent applicable.
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 except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014.
 - c) The Standalone Statement of Assets and Liabilities, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the 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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules.

- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.
- h) 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 read with Schedule V to the Act.
- i) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 49 to the standalone financial statements;
 - ii. The Company did 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.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 60(e) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 60(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) 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), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the company during the year and until the date of this audit report is in accordance with Section 123 of the Act, as applicable.

The company has not proposed final dividend for the year.

- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

However, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining all books of accounts.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally audit trail has been preserved by the Company as per the statutory requirements for record retention

For C. RAMACHANDRAM & Co
Chartered Accountants
FRN: 002864S

C. RAMACHANDRAM
Partner
Membership No.: 025834
UDIN:

Place: Hyderabad
Date: September 24, 2025

Annexure - A to the Independent Auditors' Report

(referred to in paragraph-1 under 'Report on Other Legal and Regulatory Requirements' section of our report on the Independent Auditor's Report of even date of Virupaksha Organics Limited on the Standalone Financial statements for the year ended March 31, 2025.)

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

(i) (a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use of assets.

(B) The Company does not own any intangible assets, accordingly reporting under clause 3(i)(a)(B) of the said Order is not applicable to the company.

(b) The Company has a programme of verification of property, plant and equipment, capital work-in-progress and right-of-use of assets so as to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed/transfer deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), disclosed in the standalone financial statements included in property, plant and equipment and capital work-in-progress, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

- (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective months, except for the following:

(₹ in million)

Month ending	Particulars	Amount as per Unaudited Books of Accounts	Amount as reported in the monthly statement	Difference
July 31, 2024	Trade Receivables	1854.04	1874.33	(20.29)
	Trade Payables	955.49	926.59	28.90
August 31, 2024	Trade Receivables	1808.38	1857.91	(49.53)
	Trade Payables	917.03	942.26	(25.23)
November 30, 2024	Trade Receivables	1924.03	1981.56	(57.53)
	Trade Payables	1015.77	1029.13	(13.36)

- (iii) The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. Further, the Company has made investments in companies, limited liability partnerships and granted unsecured loans to companies during the year in respect of which:

- (a) The Company has granted unsecured loans to companies during the year and details of which are given below:

(₹ in million)

Particulars	Loans
Aggregate amount granted during the year:	
- Subsidiaries	-
- Associates	-
- Others	145.00
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiaries	35.00
- Associates	-
- Others	145.00

- (b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans granted are, prima facie, 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 the stipulation.
 - (d) There is no overdue amount for more than ninety days in respect of loans or advances in the nature of loans granted to such companies.
 - (e) There were no loans or advance in the nature of loan granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues 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 3(iii)(f) of the Order is not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under Section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, duty of Excise, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a slight delay in few cases.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, duty of Excise, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and examination of records of the company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of dispute, are given below:

₹ in millions

Name of the Statute	Nature of the dues	Amount Demanded	Period to which the amount relates	Forum where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	26.15	AY 2021-2022	Commissioner of Income Tax (Appeals)	NIL

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x)

- (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment or private placement of Equity Shares in accordance with the provisions and requirements of Section 42 and 62 of the Act and the Rules framed thereunder and the fund raised has been used for the purpose for which the fund were raised.

(xi)

- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under subsection 12 of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv)

- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

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

(xvi)

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

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

For C. RAMACHANDRAM & Co
Chartered Accountants
FRN: 002864S

C. RAMACHANDRAM
Partner
Membership No.: 025834
UDIN:

Place: Hyderabad
Date: September 24, 2025

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to standalone financial statements of Virupaksha Organics Limited (“the Company”) as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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 ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 judgement, 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 Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements 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 ICAI.

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

UDIN:

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Standalone Statement of Asstes and Liabilities
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
ASSETS				
Non-Current assets				
(a) Property, plant and equipment	2	4,090.97	2,674.65	2,246.42
(b) Capital work-in-progress	3	246.51	448.18	173.39
(c) Right of use assets	4	22.91	12.84	13.33
Financial Assets				
(i) Investments	5	527.40	206.45	45.00
(ii) Loans	6	180.00	35.00	-
(iii) Other Financial assets	7	274.01	91.48	76.91
(c) Other non-current assets	8	144.54	120.02	132.12
Total Non-current assets		5,486.34	3,588.62	2,687.17
Current assets				
(a) Inventories	9	1,698.71	1,071.51	1,082.77
Financial Assets				
(i) Trade Receivables	10	1,642.00	1,899.36	1,903.82
(ii) Cash and Cash Equivalents	11	136.03	66.57	33.87
(iii) Bank balances other than cash and cash equivalents	12	47.17	77.45	75.72
(iv) Other financial assets	13	15.75	10.97	22.44
(c) Other current assets	14	475.55	252.48	211.85
Total current assets		4,015.21	3,378.34	3,330.47
TOTAL ASSETS				
		9,501.55	6,966.96	6,017.64
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15	410.22	374.48	124.80
(b) Other equity	16	4,160.80	2,378.68	1,972.32
Total equity		4,571.02	2,753.16	2,097.12
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	1,143.47	1,120.53	675.45
(ii) Lease Liabilities	18	18.30	10.27	10.30
(b) Provisions	19	97.60	70.27	55.24
(c) Deferred Tax Liabilities (Net)	20	153.80	121.80	100.77
Total Non-current Liabilities		1,413.17	1,322.87	841.76
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	1,668.69	1,522.96	1,733.02
(ii) Lease Liabilities	18	3.74	1.20	2.40
(iii) Trade Payables	22			
(A) total outstanding dues of Micro and Small Enterprises		401.78	37.19	26.69
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises		825.63	1,060.73	1,133.84
(iv) Other Financial liabilities	23	520.53	192.78	142.16
(b) Provisions	24	55.42	40.87	8.31
(c) Current Tax Liabilities (Net)	25	20.54	11.41	3.29
(d) Other Current Liabilities	26	21.03	23.79	29.05
Total Current Liabilities		3,517.36	2,890.93	3,078.76
TOTAL EQUITY & LIABILITIES				
		9,501.55	6,966.96	6,017.64
The accompanying notes are an integral part of these financial statements				
1				
As per our report of even date attached			For and on behalf of the Board of Directors	
For C. RAMACHANDRAM & Co				
Chartered Accountants				
FRN: 002864S				
		M. BALASUBBA REDDY	G. CHANDRA MOULISWAR REDDY	
		Whole Time Director	Managing Director	
		DIN: 01998852	DIN: 00046845	
C. RAMACHANDRAM				
Partner				
Membership No.: 025834				
PRASAD REDDY BATTINAPATLA			VIKAS KURADA	
Chief Financial Officer			Company Secretary	
Place: Hyderabad				
Date: September 24, 2025			Membership No. A54105	

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Standalone Statement of Profit and Loss Account
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	27	8,113.95	7,659.91
Other income	28	50.85	34.58
Total Income		8,164.80	7,694.49
Expenses:			
Cost of materials consumed	29	4,875.66	4,257.97
Changes in inventories of finished goods and Work-in-Progress	30	(451.76)	57.58
Employee benefits expense	31	876.40	730.10
Finance Costs	32	211.51	225.41
Depreciation and amortization expense	2 & 4	191.59	151.12
Other Expenses	33	1,420.90	1,257.07
Total expenses		7,124.30	6,679.25
Profit before Tax		1,040.50	1,015.24
Tax expense:			
Current tax		217.42	256.87
Deferred tax		30.79	20.50
Prior period tax		0.95	1.03
Total Tax Expense		249.16	278.40
Profit after Tax		791.34	736.84
Other comprehensive income/(loss)			
(i) Items that will not be reclassified to Profit or Loss			
a) Changes in fair value of investments		8.34	-
Income tax on above		(2.10)	-
b) Actuarial gain/ (loss) on post-employment benefit obligations		(3.50)	2.10
Income tax on above		0.88	(0.53)
Other Comprehensive Income/ (Loss) for the year (Net of Tax)		3.62	1.57
Total Comprehensive Income / (Loss) for the Year		794.96	738.41
Earnings per equity share (Face value of ₹ 10 each fully paid)	34		
(1) Basic (in ₹)		13.24	13.12
(2) Diluted (in ₹)		13.24	13.12
The accompanying notes are an integral part of these financial statements			
As per our report of even date attached		For and on behalf of the Board of Directors	
For C. RAMACHANDRAM & Co		G. CHANDRA MOULISWAR REDDY	
Chartered Accountants		Managing Director	
FRN: 002864S		DIN: 00046845	
C. RAMACHANDRAM		PRASAD REDDY BATTINAPATLA	
Partner		Chief Financial Officer	
Membership No.: 025834		VIKAS KURADA	
Place: Hyderabad		Company Secretary	
Date: September 24, 2025		Membership No. A54105	

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Standalone Statement of Changes In Equity
(All amounts in ₹ millions, unless otherwise stated)

I. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the beginning of the year	374.48	124.80	124.80
Changes in equity share capital during the year (Refer Note 15)	35.74	249.68	-
Balance at the end of the year	410.22	374.48	124.80

II. OTHER EQUITY

Particulars	Share Application Money Pending Allotment	Reserves and Surplus				Items of Other Comprehensive Income (OCI)	Total Other Equity
		Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings		
Balance as at April 01, 2023	0.03	2.33	60.87	5.10	1,911.30	(7.30)	1,972.32
Profit for the period	-	-	-	-	736.84	-	736.84
Dividend on Equity Shares (Refer Note 51)	-	-	-	-	(82.38)	-	(82.38)
Bonus Issue of Equity Shares (Refer Note 15)	-	-	-	-	(249.65)	-	(249.65)
Issue of Equity Share Capital	(0.03)	-	-	-	-	-	(0.03)
Other comprehensive income for the period	-	-	-	-	-	1.57	1.57
Balance as at March 31, 2024	-	2.33	60.87	5.10	2,316.11	(5.73)	2,378.68
Profit for the period	-	-	-	-	791.34	-	791.34
Dividend on Equity Shares (Refer Note 51)	-	-	-	-	-49.23	-	(49.23)
Issue of Equity Share Capital	-	-	-	1,036.39	-	-	1,036.39
Other comprehensive income for the period	-	-	-	-	-	3.62	3.62
Balance as at March 31, 2025	-	2.33	60.87	1,041.49	3,058.22	(2.11)	4,160.80

The accompanying notes are an integral part of these financial statements

1

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co
Chartered Accountants
FRN: 002864S

M. BALASUBBA REDDY
Whole Time Director
DIN: 01998852

G. CHANDRA MOULISWAR REDDY
Managing Director
DIN: 00046845

C. RAMACHANDRAM
Partner
Membership No.: 025834

PRASAD REDDY BATTINAPATLA
Chief Financial Officer

VIKAS KURADA
Company Secretary
Membership No. A54105

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Standalone Statement of Cash Flows

(All amounts in ₹ millions, unless otherwise stated)

Particulars	For The Year Ended March 31, 2025	For The Year Ended March 31, 2024
Cash flows from/(used in) operating activities		
Net profit/(loss) before tax	1,040.50	1,015.24
Adjustments for:		
Depreciation and amortisation expense	191.59	151.12
Interest income	(18.68)	(4.45)
Interest on Income Tax Refund	-	(1.15)
Income from Mutual Fund	(6.58)	(1.15)
Finance costs	211.51	225.41
Actuarial gain/ (loss) on post- employment benefit obligations	(3.50)	2.10
Net gain on fair value change in investments	(0.72)	(1.57)
Loss/(profit) on sale of property, plant and equipment (net)	(0.69)	1.62
Operating profit before working capital changes	1,413.43	1,387.17
Changes in working capital		
Adjustments for (increase)/decrease in operating assets :		
Trade receivables	257.36	4.46
Inventories	(627.20)	11.26
Other financial assets	(187.31)	(3.10)
Other assets	(247.59)	(28.53)
Adjustments for increase/(decrease) in operating liabilities :		
Trade payables	129.49	(62.61)
Other financial liabilities	327.75	50.62
Provisions	41.88	47.59
Other liabilities	(2.76)	(5.26)
Cash generated from / (used in) operating activities	1,105.05	1,401.60
Income taxes paid, net	(209.24)	(248.63)
Net Cash generated from / (used in) operating activities (A)	895.81	1,152.97
Cash flow from/(used in) investing activities		
Capital expenditure on property, plant and equipment	(1,411.64)	(860.51)
Proceeds from sale of property, plant and equipment	6.93	5.25
Purchase of investments	(311.89)	(159.88)
(Increase) / Decrease in Bank balances other than cash and cash equivalents	30.28	(1.73)
Income from mutual funds	6.58	1.15
Interest Received	18.68	4.45
Loans given	(145.00)	(35.00)
Net cash generated from / (used in) investing activities (B)	(1,806.06)	(1,046.27)
Cash flow from/(used in) financing activities		
Proceeds from Borrowings	680.24	1,108.52
Repayment of from Borrowings	(511.57)	(873.50)
Proceeds from issue of equity shares	1,072.13	-
Payment of Lease Liabilities	(0.35)	(1.23)
Finance costs	(211.51)	(225.41)
Dividend paid	(49.23)	(82.38)
Net cash generated from/(used in) financing activities (C)	979.71	(74.00)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	69.46	32.70
Cash and cash equivalents at the beginning of the year	66.57	33.87
Cash and cash equivalents at the end of the year (Refer Note No: 11)	136.03	66.57
Note:		
Cash and cash equivalents comprise of:		
Cash in hand	1.43	1.18
Balances with banks	134.60	65.39
Deposits with banks	-	-
Cash and cash equivalents (Refer Note No: 11)	136.03	66.57

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Standalone Statement of Cash Flows

(All amounts in ₹ millions, unless otherwise stated)

Notes

1. Changes in liabilities arising from financing activities

	As at March 31,2025	As at March 31,2024
<u>Borrowings</u>		
Opening Balance	2,643.49	2,408.47
Proceeds during the year	680.24	1,108.52
Repayments During the year	(511.57)	(873.50)
Closing Balance	2,812.16	2,643.49
<u>Share Capital including securities premium</u>		
Opening Balance	379.58	129.90
Proceeds during the year	1,072.13	-
Adjustment on account of bonus shares and shares received on amalgamation	-	249.68
Closing Balance	1,451.71	379.58
<u>Lease Liabilities</u>		
Opening Balance	11.47	12.70
Payment of interest portion of lease liabilities	1.27	1.17
Payment of principal portion of lease liabilities	(1.62)	(2.40)
Lease additions during the year	10.92	-
Closing Balance	22.04	11.47

2. The above standalone statement of cash flow from operating activities has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flows".

The accompanying notes are an integral part of these financial statements

1

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

Place: Hyderabad

Date: September 24, 2025

M. BALASUBBA REDDY

Whole Time Director

DIN:01998852

PRASAD REDDY BATTINAPATLA

Chief Financial Officer

G. CHANDRA MOULISWAR REDDY

Managing Director

DIN: 00046845

VIKAS KURADA

Company Secretary

Membership No. A54105

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Corporate Information and Material Accounting Policies****1.1 Corporate Information**

Virupaksha Organics Limited (Corporate identity number: U24110TG1997PLC028281) (“the Company”) is a public limited company domiciled in India and is incorporated on November 03, 1997 under the provisions of Companies Act applicable in India. The Company is engaged in manufacturing and marketing of Active Pharmaceutical Ingredients (APIs), Generic Pharmaceuticals, Bulk Drugs, Intermediates and Differentiated Formulations. The Company has its registered office at Hyderabad, Telangana. The Company’s principal research and development facility was located in the state of Telangana in India; it’s principal manufacturing facilities are located in the states of Telangana and Karnataka.

1.2 Basis of Preparation, Measurement and Material Accounting Policies**a) Statement of Compliance and Basis of preparation**

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as ‘Ind AS’) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI).

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended March 31, 2025 and consequently 1st April 2023 is the transition date for preparation of such statutory financial statements. Up to the financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2021 (“Indian GAAP” or “Previous GAAP”).

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance (Refer to Note 56).

The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use. These standalone financial statements have been prepared on a going concern basis. These standalone financial statements do not reflect the effects of events that occurred subsequent to the respective dates of board meeting held to approve and adopt the audited standalone financial statements as mentioned above.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***b) Basis of measurement**

The standalone financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities: Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

c) Use of judgements, estimates and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affects the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the standalone financial statements is included in the following notes:

- Note 1.3(b) - Assessment of functional currency;
- Note 1.3(c) - Financial instruments;
- Notes 1.3(f) and 1.3(h) - Useful lives of property, plant and equipment and intangible assets and residual value at the end of its life.
- Note 1.3(j) - Valuation of inventories;
- Note 1.3(k) - Measurement of recoverable amounts of cash-generating units;
- Note 1.3(m) - Contingencies, Provisions and other accruals;
- Note 1.3(n) - Measurement of transaction price in a revenue transaction (sales returns and rebates);
- Note 1.3(q) - Evaluation of recoverability of deferred tax assets, estimation of income tax payable and income tax expense in relation to uncertain tax positions;

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***d) Current vs. non-current Classification**

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the statement of assets and liabilities based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current

Liabilities

A liability is classified as a current when:

- it is expected to be settled in normal operating cycle
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent. The operating cycle of the Group is less than 12 months.

1.3 Material accounting policies information:**a) New and amended standards adopted by the Company:**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***b) Foreign currency****Functional and presentation currency**

These standalone financial statements are presented in Indian rupees (₹), which is the functional currency of the company and the currency of the primary economic environment in which the company operates.

Foreign currency transactions

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of Profit and Loss in the period in which they arise.

c) Rounding of amounts

All amounts disclosed in the standalone financial statements which also include the accompanying notes have been rounded off to two decimal places to the nearest Millions as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115, "Revenue from Contracts with Customers".

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Subsequent measurement****Financial assets carried at amortized cost:**

A “financial asset” is measured at the amortised cost if both the following conditions are met:

- a) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method and are subject to impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de recognition is recognised directly in statement of Profit and Loss and presented in other income. The losses arising from impairment are recognised in the statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For equity instruments the Company may make an irrevocable election to present in Other comprehensive Income (OCI) subsequent changes in the fair value. The Company makes such election upon initial recognition on an instrument-by instrument basis. The classification is made upon initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of Profit and Loss, even on sale of investment.

However, on sale the Company may transfer the cumulative gain or loss within equity.

The Company has made an irrevocable election for its investments in equity instruments other than in subsidiaries & associates to present the subsequent changes in fair value in other comprehensive income.

Financial assets at fair value through profit and loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

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Investments in Subsidiaries and Associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiaries and Associates, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is derecognised (i.e. removed from the Company's statement of assets and liabilities) when:

- the rights to receive cash flows from the asset have expired; or
- Both (1) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and (2) either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL) and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities at FVTPL primarily comprise derivative financial instruments entered into by the Company and not designated as hedging instruments in a hedging relationship as defined by Ind AS 109.

Gains or losses on such financial liabilities are recognised in the statement of Profit and Loss.

The Company has not designated any financial liability as FVTPL.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the profit or loss. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gain or loss arising on de-recognition, measured as difference between, the carrying amount of financial liability and the settlement amount, is recognized under the head finance costs in the statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of assets and liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

e) Cash and cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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Cash flows are reported using indirect method whereby profit/ (loss) before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts and payments.

f) Business Combination and Goodwill

Business Combinations are accounted for using Ind AS 103 'Business Combination'. Acquisitions of businesses are accounted for using the acquisition method unless the transaction is between entities under common control.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 are measured in accordance with that Standard.

Business Combinations arising from transfer of interests in entities that are under common control, are accounted using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value. No adjustment is made to reflect fair values or recognise any new assets or liabilities other than those required to harmonise accounting policies. The identity of the reserves is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

Goodwill is measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed.

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If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after remeasurement, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is reviewed for impairment atleast annually. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

g) Property, plant and equipment**Recognition and measurement**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Freehold land has an unlimited useful life and therefore is not depreciated.

Software for internal use which is acquired from third-party vendors and forms an integral part of a tangible asset, including consultancy charges for implementing the software, is capitalised as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognised as expense as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date and the cost of property, plant and equipment not ready to use before such date are classified as Capital Advances under other non-current assets. Assets not ready for use are not depreciated but are tested for impairment. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "Other income/ Other expenses" in the statement of Profit and Loss.

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Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Capital work-in-progress included in non-current assets comprises of direct costs, related incidental expenses and attributable interest. Capital work-in-progress are not depreciated as these assets are not yet available for use.

Depreciation

Depreciation on property, plant and equipment (other than freehold land) is calculated on the straight-line method based on the useful life of the assets as indicated under Schedule II of the Companies Act 2013. Depreciation is recognised in the statement of Profit and Loss. Land is not depreciated but subject to impairment.

When parts of an item of property, plant and equipment have different useful lives, they are depreciated separately based on their respective economic useful lives.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate and adjusted prospectively.

h) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and interest cost. The interest cost is charged to the statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liability and ROU asset have been separately presented in the statement of assets and liabilities and lease payments have been classified as financing cash flows.

Remeasurement of Lease- The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring 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 due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and

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there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the Statement of Profit or Loss. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

i) Inventories

Inventories consist of raw materials, packing materials, stores, spares and consumables, work-in-progress, stock-in-trade and finished goods and are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

Cost of inventories is determined on a weighted average basis.

However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Stores and spares are inventories that do not qualify to be recognised as property, plant and equipment and consists of consumables, engineering spares (such as machinery spare parts), which are used in operating machines or consumed as indirect materials in the manufacturing process.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

j) Impairment of assets**a) Financial Assets**

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit and loss.

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For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

b) Non-Financial Assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated for the asset or the cash generating unit to which the asset belongs. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year or when circumstances indicate that carrying value may be impaired.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). For the purpose of impairment testing, assets are grouped together into the smallest company of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Goodwill that forms part of the carrying amount of an investment in associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in associate is tested for impairment as a single asset when there are indicators that the investment in associate may be impaired.

c) Impairment of investment in subsidiaries and associates

Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management has anticipated the operating margins and other factors of the underlying businesses/operations of the investee Companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

k) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense to the statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans**i. Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees upon retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The Gratuity Plan, which is defined benefit plan, is managed by the company and maintained with Life insurance Corporation of India

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For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the statement of assets and liabilities with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in statement of profit and loss when the plan amendment or curtailment occurs. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense.'

ii. Compensated absences

The Company's policy permits employees to accumulate and carry forward a portion of unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary. The resultant expenses are recognized in the statement of Profit and Loss.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value by independent actuaries using the projected unit credit method. The current service cost, past service cost as well as re-measurements are recognised in the statement of Profit and Loss in the period in which they arise.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***l) Provisions and Contingencies****Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

m) Revenue recognition

The Company's revenue is derived from sale of goods and service income. Most of such revenue is generated from the sale of goods. The Company has generally concluded that it is the principal in its revenue arrangements.

Sale of goods

Revenue is recognised when the control of the goods has been transferred to a third party. This is usually when the title passes to the customer, either upon shipment or upon receipt of goods by the customer as per the terms agreed upon with the customer. Generally, at that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

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Revenue from the sale of goods is measured at the transaction price which is the consideration received or receivable, net of expected returns, taxes and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer since the Company acts as a principal in rendering those services.

In arriving at the transaction price, the Company considers the terms of the contract with the customers and its customary business practices. The transaction price is the amount of consideration the Company is entitled to receive in exchange for transferring promised goods or services, excluding amounts collected on behalf of third parties. The amount of consideration varies because of estimated rebates, returns and chargebacks, which are considered to be key estimates.

Any amount of variable consideration is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur. The Company estimates the amount of variable consideration using the expected value method.

Rendering of services

Revenue from services rendered is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Dividend and interest income**(i) Dividend Income**

Dividend income from investments is recognised when the company's right to receive payment has been established, which is generally when shareholders approve the dividend, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(ii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

n) Shipping and handling costs

Shipping and handling costs incurred to transport products to customers, and internal transfer costs incurred to transport the products from the Company's factories to its various points of sale, are included in other expenses.

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Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

p) Income tax

Income tax expense comprises of current tax expense and deferred tax expense/benefit. Current and deferred taxes are recognised in the Standalone 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.

(i) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable income tax law of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised using the Balance Sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

Deferred 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

The carrying amount of deferred 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 tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 recovered or settled.

The Company recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:

- When the Company is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities

q) Export incentives

Export incentives from government authority are recognised in the statement of profit and loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision-maker is responsible for allocating resources and assessing the performance of the operating segments and makes strategic decisions.

s) Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equities shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of shares outstanding, without a corresponding change in resources.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

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

t) Dividend

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company.

The final dividend on shares is recorded as a liability on the date of approval by the shareholders at the Annual General Meeting of the Company and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

1.4 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for all financial and certain non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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(All amounts in ₹ millions, unless otherwise stated)

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***2. PROPERTY, PLANT & EQUIPMENT****For the year 2024-25**

Particulars	Freehold Land	Buildings	Plant & Equipment	Electrical Equipment	Lab Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Gross Carrying Value										
Balance as at April 01, 2024	455.32	546.68	1,305.83	104.49	261.75	49.15	14.90	63.31	22.32	2,823.75
Add: Additions	471.35	410.32	597.49	65.06	24.90	18.63	5.74	11.78	8.03	1,613.30
Less: Disposals	-	-	7.75	-	-	-	-	-	-	7.75
Balance as at March 31, 2025	926.67	957.00	1,895.57	169.55	286.65	67.78	20.64	75.09	30.35	4,429.30
Accumulated Depreciation										
Balance as at April 01, 2024	-	19.52	67.10	11.73	29.78	4.74	3.62	6.28	6.33	149.10
Add: Depreciation for the year	-	26.52	88.02	14.86	33.86	5.75	4.37	9.41	7.95	190.74
Less: Disposals	-	-	1.51	-	-	-	-	-	-	1.51
Balance as at March 31, 2025	-	46.04	153.61	26.59	63.64	10.49	7.99	15.69	14.28	338.33
Net Carrying Value										
As at March 31, 2025	926.67	910.96	1,741.96	142.96	223.01	57.29	12.65	59.40	16.07	4,090.97
As at March 31, 2024	455.32	527.16	1,238.73	92.76	231.97	44.41	11.28	57.03	15.99	2,674.65

i. Refer to Note 37 for information on property, plant and equipment pledged as security by the Company.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***For the year 2023-24**

Particulars	Freehold Land	Buildings	Plant & Equipment	Electrical Equipment	Lab Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Deemed Cost - Gross Carrying Value										
Balance as at April 01, 2023	307.53	484.69	1,071.79	93.60	194.82	34.06	11.66	37.80	10.47	2,246.42
Add: Additions	147.79	61.99	240.86	10.89	66.93	15.09	3.24	27.09	11.85	585.73
Less: Disposals	-	-	6.82	-	-	-	-	1.58	-	8.40
Balance as at March 31, 2024	455.32	546.68	1,305.83	104.49	261.75	49.15	14.90	63.31	22.32	2,823.75
Accumulated Depreciation										
Balance as at April 01, 2023	-	-	-	-	-	-	-	-	-	-
Add: Depreciation for the year	-	19.52	67.46	11.73	29.78	4.74	3.62	7.45	6.33	150.63
Less: Disposals	-	-	0.36	-	-	-	-	1.17	-	1.53
Balance as at March 31, 2024	-	19.52	67.10	11.73	29.78	4.74	3.62	6.28	6.33	149.10
Net Carrying Value										
As at March 31, 2024	455.32	527.16	1,238.73	92.76	231.97	44.41	11.28	57.03	15.99	2,674.65
As at April 01, 2023	307.53	484.69	1,071.79	93.60	194.82	34.06	11.66	37.80	10.47	2,246.42

i. Refer to Note 37 for information on property, plant and equipment pledged as security by the Company.

Note: On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at April 01, 2023 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3. Capital Work-in-Progress

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the Beginning of the year	448.18	173.39	94.63
Add: Additions during the year	1,422.42	302.86	96.87
Less: Capitalized during the year	1,624.09	28.07	18.11
Balance at the end of the year	246.51	448.18	173.39

Capital Work-in-Progress Ageing Schedule

As at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	125.48	21.58	0.53	98.92	246.51

As at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	293.68	85.18	22.90	46.42	448.18

As at April 01, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	96.87	76.52	-	-	173.39

There are no projects where activity has been suspended or completion is overdue or exceeded its cost compared to its original plan.

4. Right-of-Use Assets

Particulars	Land	Buildings	Total
Gross Carrying Value			
Balance as at April 01, 2023	13.82	-	13.82
Additions during the year	-	-	-
Deletions during the year	-	-	-
Balance as at March 31, 2024	13.82	-	13.82
Additions during the year	-	10.92	10.92
Deletions during the year	-	-	-
Balance as at March 31, 2025	13.82	10.92	24.74

Accumulated Depreciation	-	-	-
Balance as at April 01, 2023	0.49	-	0.49
Depreciation charge for the year	0.49	-	0.49
Deletions during the year	-	-	-
Balance as at March 31, 2024	0.98	-	0.98
Depreciation charge for the year	0.49	0.36	0.85
Deletions during the year	-	-	-
Balance as at March 31, 2025	1.47	0.36	1.83

Net Carrying Value			
Balance as at April 01, 2023	13.33	-	13.33
Balance as at March 31, 2024	12.84	-	12.84
Balance as at March 31, 2025	12.35	10.56	22.91

5. Non-Current Investments

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Investments in Equity Instruments (Unquoted) - Carried at cost			
Investment in subsidiaries			
Progenerics Pharma Pvt Ltd (68,25,000 Equity Shares of Face value ₹ 10 each, fully paid up)	115.00	-	-
Virupaksha Green Energy Pvt Ltd (50,60,832 Equity Shares of Face value ₹ 10 each, fully paid up)	50.61	-	-
Total Investments in Equity Instruments (Unquoted) - Carried at cost	165.61	-	-
B. Investments in Equity Instruments (Unquoted) - Carried at cost			
Investment in associates			
Bharath Advanced Therapeutics Private Limited (5,142 Equity Shares of Face value ₹ 10 each, fully paid up)	40.00	40.00	-
Total Investments in Equity Instruments (Unquoted) - Carried at cost	40.00	40.00	-
C. Investments in Equity Instruments (Quoted) - Designated at fair value through other comprehensive income (FVTOCI)			
Standard Glass Lining Technology Limited (3,62,840 Equity Shares of Face value ₹ 10 each, fully paid up)	53.34	25.00	-
Total Investments in Equity Instruments (Quoted) - Designated at fair value through other comprehensive income (FVTOCI)	53.34	25.00	-
D. Investments in Equity Instruments (Unquoted) - Designated at fair value through other comprehensive income (FVTOCI)			
Vamsi Labs Limited (28,853 Equity Shares of Face value ₹ 10 each, fully paid up)	25.00	25.00	25.00
ATGC Biotech Private Limited (6,814 Equity Shares of Face value ₹ 100 each, fully paid up)	61.47	61.47	-
Acintyo Local Oriented Customer Applications Pvt Ltd 80,000 (March 31, 2023: 40,000) Equity Shares of Face value ₹ 10 each, fully paid up	20.00	40.00	20.00
AACT Inc (500 Equity Shares of Face value US \$ 0.001 each, fully paid up)	84.10	-	-
Medrhans Pharmaceuticals Pvt Ltd (2,22,221 Equity Shares of Face value ₹ 10 each, fully paid up)	25.00	-	-
Sagar Life Sciences Pvt Ltd (7,536 Equity Shares of Face value ₹ 10 each, fully paid up)	10.00	-	-
Total Investments in Equity Instruments (Unquoted) - Designated at fair value through other comprehensive income (FVTOCI)	225.57	126.47	45.00
E. Investments in Limited Liability Partnership (LLP) - (Unquoted) - Carried at cost			
Investment in Associates			
M/s. Virupaksha Lifesciences LLP (Contributed towards 48% Share)	0.96	0.96	0.96
Less: Impairment in value of investment (Refer Note 48)	(0.96)	(0.96)	(0.96)
Total Investments in Limited Liability Partnership (LLP) - (Unquoted) - Carried at cost	-	-	-
F. Investments in Mutual Funds (Unquoted) - Carried at fair value through profit or loss (FVTPL)	42.88	14.98	-
Aggregate Book value of Unquoted Investments (A+B+D+E+F)	474.06	181.45	45.00
Total (A+B+C+D+E+F)	527.40	206.45	45.00
Aggregate Book value of quoted Investments	53.34	25.00	-
Aggregate Market value of quoted Investments	53.34	25.00	-

6. Non-Current Loans

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Considered Good, Unsecured			
Loans to Related Party	35.00	-	-
Loans to Others	145.00	35.00	-
Total	180.00	35.00	-

(Refer Note No 55 for more details)

7. Other Non-Current Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Unsecured, Considered Good			
Security Deposits	41.34	32.14	25.58
Advances to Employees	17.62	19.34	6.33
Advance for Investment	215.05	40.00	45.00
Total	274.01	91.48	76.91

8. Other Non-Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Capital Advances	131.58	104.58	122.41
Prepaid Expense	12.96	15.44	9.71
Total	144.54	120.02	132.12

9. Inventories

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Raw Materials	554.75	438.42	392.10
Work-in-Progress	691.09	406.54	434.98
Finished Goods	393.76	226.55	255.69
Coal	1.82	-	-
Stores & Spares	34.61	-	-
Packing Material	4.45	-	-
Lab Material	18.23	-	-
Total	1,698.71	1,071.51	1,082.77

1. Refer note 1.3 (i) for basis of valuation of inventory.
2. Inventories have been pledged as security. Refer note 37 for the details of borrowings.

10. Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Trade Receivables - Considered Good - Unsecured	1,647.11	1,903.98	1,903.99
Trade Receivables - Credit impaired	9.24	9.24	9.24
Sub-Total	1,656.35	1,913.22	1,913.23
Less: Expected credit loss allowance	14.35	13.86	9.41
Total	1,642.00	1,899.36	1,903.82

Trade Receivables Ageing Schedule

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	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	1,553.51	55.11	34.23	1.91	2.35	1,647.11
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	9.24	9.24
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at March 31, 2025	1,553.51	55.11	34.23	1.91	11.59	1,656.35

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	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	1,830.33	15.30	8.35	6.44	10.09	1,870.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	9.24	9.24
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	32.70	0.77	33.47
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at March 31, 2024	1,830.33	15.30	8.35	39.14	20.10	1,913.22

As at April 01, 2023

Particulars	Outstanding for following periods from due date of Payment					
	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	1,775.19	74.26	9.37	10.87	0.83	1,870.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	9.24	9.24
(iv) Disputed Trade Receivables - Considered Good	-	-	-	32.70	0.77	33.47
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at April 01, 2023	1,775.19	74.26	9.37	43.57	10.84	1,913.23

Movement in expected credit loss allowance

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the beginning of the year	13.86	9.41	-
Add: Expected credit loss allowance	0.49	4.45	9.41
Balance at the end of the year	14.35	13.86	9.41

11. Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balances with Banks			
- In Current Account	134.60	65.39	33.34
Cash on hand	1.43	1.18	0.53
Total	136.03	66.57	33.87

12. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Unpaid Dividend Account	-	33.70	-
Bank deposits with original maturity for more than 3 months but less than 12 months	0.65	0.14	15.08
Margin Money Deposits	46.52	43.61	60.64
Total	47.17	77.45	75.72

13. Other Current Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Unsecured Considered Good			
Other Advances	15.75	10.97	22.44
Total	15.75	10.97	22.44

14. Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balances with government authorities	247.20	104.66	107.23
Prepaid Expenses	58.51	38.64	27.91
Advances to Suppliers	166.14	107.14	74.86
Other assets	3.70	2.04	1.85
Total	475.55	252.48	211.85

15. Equity Share Capital

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Authorised capital[^]			
4,50,00,000 Equity Shares of ₹ 10/- each	450.00	381.50	241.50
(March 31, 2024: 3,81,50,000, March 31, 2023: 2,41,50,000 Equity Shares of ₹ 10/- each)			
Preference Shares of ₹ 50/- each (March 31, 2023: 14,00,000 Preference Shares of ₹ 50/- each)	-	-	70.00
	450.00	381.50	311.50
Issued, Subscribed and Paid up			
4,10,21,287 Equity Shares of ₹ 10/- each	410.22	374.48	124.80
(March 31, 2024: 3,74,47,536, March 31, 2023: 1,24,80,000 Equity Shares of ₹ 10/- each)			
Total	410.22	374.48	124.80

[^] At the Extraordinary General Meeting held on July 01, 2024, the members approved, by way of a Special Resolution, the increase in the Authorised Share Capital of the Company. The Authorised Share Capital of the Company was reclassified from ₹ 381.50 million , (comprising of 3,81,50,000 equity shares having face value of ₹10 each) to ₹ 450.00 million comprising of 4,50,00,000 equity shares of ₹ 10 each.

At the Extraordinary General Meeting held on March 11, 2024, the members approved, by way of a Special Resolution, the reclassification and increase in the Authorised Share Capital of the Company. The Authorised Share Capital of the Company was reclassified from ₹ 331.50 million, (comprising ₹ 241.50 million divided into 2,41,50,000 equity shares of ₹ 10 each and ₹ 70.00 million divided into 14,00,000 redeemable preference shares of ₹ 50 each) to ₹ 311.50 million comprising solely of 3,11,50,000 equity shares of ₹ 10 each, by cancelling the unissued redeemable preference share capital. Subsequently, the Authorised Share Capital was increased by ₹ 70.00 million, resulting in a revised Authorised Share Capital of ₹ 381.50 million divided into 3,81,50,000 equity shares of ₹ 10 each.

(a) Reconciliation of Shares Outstanding at the Beginning and at the End of the Reporting Period

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Shares Outstanding at the Beginning of the Year						
-Equity Shares	3,74,47,536	374.48	1,24,80,000	124.80	1,24,80,000	124.80
-Preference Shares	-	-	-	-	-	-
	3,74,47,536	374.48	1,24,80,000	124.80	1,24,80,000	124.80
Issued during the Year						
-Equity Shares						
Issued during the Year	35,73,751	35.74	-	-	-	-
On account of Scheme of Amalgamation*	-	-	2,512	0.03	-	-
On account of Bonus Issue**	-	-	2,49,65,024	249.65	-	-
Shares Outstanding at the End of the Year	4,10,21,287	410.22	3,74,47,536	374.48	1,24,80,000	124.80

*As per the scheme of merger approved by the National Company Law Tribunal, Hyderabad on July 3, 2023, the Company has issued equity shares as consideration to the shareholders of the transferor companies. In accordance with the approved exchange ratio, 473 equity shares of ₹10/- each were allotted to the shareholders of Kshatriya Laboratories Private Limited (Transferor Company-1) and 2039 equity shares of ₹10/- each were allotted to the shareholders of Vector Bio Sciences Private Limited (Transferor Company-2). This share allotment was made as consideration for the amalgamation with appointed date of April 01, 2021.

**** Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

The Board of Directors, at its meeting held on March 23, 2024, approved and recommended the issuance of fully paid bonus shares in the ratio of 2:1 (two bonus shares for every one existing share) out of its free reserves created out of profits.

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on March 28, 2024, the Company has allotted 2,49,65,024 fully paid-up equity shares of face value ₹ 10/- each as bonus shares. The bonus shares were issued by capitalizing Free Reserves of the Company.

The Bonus shares, once allotted, shall rank pari passu in all respects and carry the same rights as the existing equity shares. They shall be entitled to participate in full in any dividend and other corporate actions recommended and declared after the new equity shares are allotted.

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on July 01, 2024, the Company has allotted 18,80,164 equity shares and 16,93,587 equity shares of ₹ 10 each and a premium of ₹ 290 each as a Preferential allotment and Private Placement on July 18, 2024 and August 14, 2024, to the provision of section 42 and section 62 and other applicable provisions, if any of the Companies Act, 2013.

Subsequent to March 31, 2025, the members in its Extra Ordinary General meeting dated September 13, 2025 have approved increase in the authorised equity share capital from ₹ 450.00 million divided into 4,50,00,000 equity shares of ₹ 10 each to ₹ 850.00 million divided into 8,50,00,000 equity shares of ₹ 10 each. Further, the Board of Directors have also passed a resolution and approved the issue of bonus equity shares in its meeting which was further approved by shareholder in the meeting held on September 13, 2025 in the ratio of 1 equity shares of ₹ 10 each for every 2 equity share of ₹ 10 each.

(b) Rights, Preference and Restrictions attached to Shares

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of Equity Share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Shareholders holding more than 5% of Equity Shares in the Company

Name of the Share holder	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of Shares held	% of total shares	No. of Shares held	% of total shares	No. of Shares held	% of total shares
Equity Shares						
G. Vedavathi	70,74,774	17.25%	70,74,774	18.89%	22,61,250	18.12%
G. Sri Lakshmi	40,92,747	9.98%	40,92,747	10.93%	4,09,820	3.28%
G. Sri Vidya	38,91,150	9.49%	38,91,150	10.39%	12,97,050	10.39%
G. Chandra Mouliswar Reddy	37,49,763	9.14%	37,49,763	10.01%	16,35,166	13.10%

(d) Details of shares held by the promoters in the Company and change during the year:

Name of Promoter	As at March 31, 2025			As at March 31, 2024			As at April 01, 2023		
	No. of Shares held	% of Total Shares	% Change during the year	No. of Shares held	% of Total Shares	% Change during the year	No. of Shares held	% of Total Shares	% Change during the year
G. Vedavathi	70,74,774	17.25%	0.00%	70,74,774	18.89%	212.87%	22,61,250	18.12%	0.00%
G. Sri Lakshmi	40,92,747	9.98%	0.00%	40,92,747	10.93%	898.67%	4,09,820	3.28%	0.00%
G. Sri Vidya	38,91,150	9.49%	0.00%	38,91,150	10.39%	200.00%	12,97,050	10.39%	0.00%
G. Chandra Mouliswar Reddy	37,49,763	9.14%	0.00%	37,49,763	10.01%	129.32%	16,35,166	13.10%	0.00%
Balasubba Reddy Mamilla	9,98,127	2.43%	0.00%	9,98,127	2.67%	200.19%	3,32,500	2.66%	0.00%
Chandrasekhar Reddy Gangavaram	3,12,198	0.76%	0.00%	3,12,198	0.83%	210.64%	1,00,500	0.81%	0.00%
Nagarjun Reddy Mamilla	2,28,620	0.56%	19.93%	1,90,620	0.51%	5.90%	1,80,000	1.44%	0.00%
Kotla Suraj Reddy	708	0.00%	0.00%	708	0.00%	100.00%	-	0.00%	0.00%

16. Other Equity *

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Share Capital Pending Allotment	-	-	0.03
Capital Reserve	2.33	2.33	2.33
Capital Redemption Reserve	60.87	60.87	60.87
Securities Premium	1,041.49	5.10	5.10
Retained Earnings	3,058.22	2,316.11	1,911.30
Other Comprehensive Income	(2.11)	(5.73)	(7.30)
Total	4,160.80	2,378.68	1,972.32

* For movement in other equity, refer "Statement of Changes in Equity"

Nature of Reserve

a. Capital Reserve

Capital reserve is created on account of merger of TPS Laboratories Private Limited, being excess of assets acquired over the consideration paid.

b. Capital Redemption Reserve

Capital Redemption Reserve (CRR) is a statutory reserve created when the company has redeemed its preference shares .

c. Securities Premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The utilisation of securities premium is governed by the Section 52 of the Companies Act, 2013.

d. Retained Earnings

Retained earnings comprises of undistributed earnings after taxes.

e. Other Comprehensive Income

Other comprehensive income consist of re-measurement of net defined benefit liability and changes in the fair value of financial instruments

17. Non-Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Secured			
- Term Loan from Banks	373.30	564.18	618.28
- Term Loan from Financial Institutions	607.11	362.76	146.63
Less: Current Maturities of Long Term Loans*	(274.02)	(279.71)	(182.21)
B. Unsecured			
- Loan from Financial Institutions	-	-	14.13
Less: Current Maturities of Loan from Financial Institutions*	-	-	(0.81)
- Loan from Related Parties	437.08	473.30	79.43
Total	1,143.47	1,120.53	675.45

* Current maturities of non-current borrowings have been disclosed under the head "Current Borrowings"

Refer Note 37 for terms and security details

18. Lease Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Non Current Lease Liabilities	18.30	10.27	10.30
Current Lease Liabilities	3.74	1.20	2.40

Refer Note 36 for details of leases

19. Non-Current Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for Employee Benefits			
- Gratuity	53.67	46.78	31.40
- Compensated absences (Leave Encashment)	43.93	23.49	23.84
Total	97.60	70.27	55.24

Refer Note 39 for details of gratuity & compensated absences

20. Deferred Tax Liability (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening Balance	121.80	100.77	98.84
Add: Deferred Tax Liability during the year	32.00	21.03	1.93
Closing balance	153.80	121.80	100.77

Refer Note 45(e) for movement in deferred tax liability

21. Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Secured			
Working Capital Loans - From Bank*	1,148.84	871.71	1,134.66
Working Capital Loans - From Financial Institutions*	-	150.86	150.00
Current Maturities of Long-Term Borrowings**	274.02	279.71	183.01
B. Unsecured			
Bills Discounting	245.83	220.68	265.35
Total	1,668.69	1,522.96	1,733.02

*The working capital loans are secured by way of hypothecation of the company's goods, book debts, movables and other assets. Interest rate ranges between 9.00% to 10.5% p.a.

**Refer Note 37 for terms and security details

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***22. Trade Payables**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Total outstanding dues of micro and small enterprises (MSME)	401.78	37.19	26.69
Total outstanding dues of creditors other than micro and small enterprises	825.63	1,060.73	1,133.84
Total	1,227.41	1,097.92	1,160.53

Trade Payables Ageing Schedule**As at 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) MSME	401.78	-	-	-	401.78
(ii) Others	818.53	6.58	0.28	0.24	825.63
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at March 31, 2025	1,220.31	6.58	0.28	0.24	1,227.41

As at 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) MSME	37.19	-	-	-	37.19
(ii) Others	1,048.71	5.97	6.05	-	1,060.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at March 31, 2024	1,085.90	5.97	6.05	-	1,097.92

As at April 01, 2023

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) MSME	26.69	-	-	-	26.69
(ii) Others	1,128.81	4.38	0.56	0.09	1,133.84
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at April 01, 2023	1,155.50	4.38	0.56	0.09	1,160.53

23. Other Current Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Creditors for Capital Items	403.99	98.49	98.06
Dividend Payable	-	33.70	-
Expenses Payable	116.54	60.59	44.10
Total	520.53	192.78	142.16

24. Current Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for Employee Benefits			
- Gratuity	12.69	11.01	7.51
- Compensated absences	4.24	2.40	0.80
- Bonus	38.49	27.46	-
Total	55.42	40.87	8.31

25. Current Tax Liabilities (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Income Tax in respect of current year income	20.54	11.41	3.29
Total	20.54	11.41	3.29

26. Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Advance from Customers	4.36	9.97	18.76
Statutory Payables	16.67	13.82	10.29
Total	21.03	23.79	29.05

27. Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from		
Sale of Products (Refer note 40)	8,082.91	7,620.22
Sale of Service (Refer note 40)	0.44	0.83
Other operating revenue		
Export Incentives	30.60	38.86
Total	8,113.95	7,659.91

28. Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bad Debts Recovered	-	-
Net Gain on Foreign exchange transaction and translation	19.49	21.19
Income from Mutual Funds	6.58	1.15
Interest Income	18.68	4.45
Interest on Income Tax Refund	-	1.15
Liabilities no longer required written back	-	0.16
Interest income on financial assets carried at amortised cost	2.37	2.24
Profit on sale of assets	0.69	-
Fair value gain on Investments	0.72	1.57
Miscellaneous Income	2.32	2.67
Total	50.85	34.58

29. Cost of Materials Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw-material at the beginning of the year	438.42	392.10
Add : Raw-material Purchases	4,991.99	4,304.29
Less : Raw-material at the end of the year	554.75	438.42
Total	4,875.66	4,257.97

30. Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Finished Goods	226.55	255.69
Work-in-progress	406.54	434.98
	633.09	690.67
Inventories at the end of the year		
Finished Goods	393.76	226.55
Work-in-progress	691.09	406.54
	1,084.85	633.09
Total	(451.76)	57.58

31. Employee Benefits Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries & Wages	473.28	360.16
Contract Labour salaries & wages	227.72	219.20
Bonus	41.12	50.43
Staff Welfare Expenses	30.98	24.07
Directors Remuneration	48.60	34.68
Contribution to provident and other funds	54.70	41.56
Total	876.40	730.10

32. Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Working Capital Loans	69.63	91.79
Interest on Term Loans	95.34	65.79
Interest on Unsecured Loans	28.11	31.66
Letter of Credit Charges	13.63	23.35
Other Finance Charges	3.22	11.58
Amortised cost on Financial Assets	0.31	0.07
Interest on Lease liabilities	1.27	1.17
Total	211.51	225.41

33. Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power & Fuel	344.18	310.05
Conversion Charges	29.87	43.93
Stores & Consumables	179.65	200.94
Carriage Inwards & Outwards	96.87	91.75
Travelling & Conveyance	70.38	46.66
Printing & Stationery	8.73	10.14
Postage & Telephone Charges	3.27	2.45
Rates & Taxes	33.64	27.18
Research & Development expenses	81.06	53.61
Security Charges	20.19	17.43
Auditors Remuneration		
i) Statutory Audit	1.30	1.30
ii) Tax Audit	0.50	0.50
Effluent Treatment Charges	60.97	35.38
Factory Expenses	19.81	26.10
Office Maintenance	1.55	1.87
Professional & Legal Charges	49.31	33.19
Sales Commission	128.68	103.93
Insurance Charges	89.13	80.39
Membership & Subscriptions	0.30	0.55
Impairment loss allowance for investments	-	-
Corporate Social Responsibility Expenses	12.42	10.23
Repairs & Maintenance		
- Building	46.95	57.44
- Plant & Machinery	33.87	23.98
- Vehicles	3.63	3.76
- Others	32.49	18.85
Testing Charges	5.00	7.90
Bank Charges	2.84	3.76
Business Promotion Expenses	29.50	30.81
Bad Debts Written Off	32.70	0.81
Expected credit loss allowance	1.26	4.46
Amalgamation Expenses Written Off	-	-
Interest on GST	0.04	1.21
Donation	0.21	0.55
Prior Period Expenses	-	-
Rental Expense	0.60	2.69
Loss on Sale of Asset	-	1.62
Miscellaneous expenses	-	1.65
Total	1,420.90	1,257.07

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***34. Earnings Per Share**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Profit after tax attributable to equity shareholders of the company (in ₹ millions)	791.34	736.84
(B) (i) Weighted average number of equity shares before Bonus (refer note (a) below)	3,98,38,569	3,74,47,536
(B) (ii) Bonus shares adjustment (refer note (b) below)	1,99,19,285	1,87,23,768
(B) (iii) Weighted average number of equity shares outstanding used as the denominator in calculating EPS (i + ii)	5,97,57,854	5,61,71,304
Nominal value of equity shares (in ₹)	10	10
Earnings per share: ((A)/(B)(iii))	13.24	13.12
Basic Earning Per Share (in ₹)	13.24	13.12
Diluted Earning Per Share (in ₹)	13.24	13.12

Notes:**(a) Weighted Average Number of Equity Shares:**

i) For FY 2024-25, the weighted average number of equity shares includes 18,80,164 equity shares and 16,93,587 equity shares issued by way of Preferential Allotment (July 18, 2024) and Private Placement (August 14, 2025), respectively. [Refer Note 15(a)].

(b) Bonus Issues and Restatement of EPS:

i) Pursuant to the resolutions passed by the Board of Directors and Shareholders on September 13, 2025, the Company issued 2,05,10,650 fully paid equity shares as bonus shares in the ratio of 1:2 (one share for every two shares held).

ii) Further, on March 28, 2024, the Company issued 2,49,65,024 fully paid equity shares as bonus shares in the ratio of 2:1 (two shares for every one share held).

iii) In accordance with Ind AS 33 – Earnings Per Share, the EPS for FY 2023-24 and FY 2024-25 has been restated as if these bonus shares had been issued at the beginning of the earliest period presented. Comparative EPS figures for prior period have been retrospectively adjusted to ensure consistency and comparability.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***35. Uniformity of Accounting Policy – Method of Depreciation**

In the Financial Year 2021–2022, Virupaksha Organics Limited underwent an amalgamation incorporating M/s. Kshatriya Laboratories Private Limited and M/s. Vector Bio Sciences Private Limited under a Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT) on July 03, 2023, pursuant to Sections 230 to 237 of the Companies Act, 2013. The amalgamation was effective from April 01, 2021.

Under the scheme, all assets and liabilities of the Transferor Companies were taken over at their respective book values. The Property, Plant and Equipment (PPE) taken over from Vector Bio Sciences Private Limited were being depreciated under the Straight-Line Method (SLM), while the PPE from Kshatriya Laboratories Private Limited were being depreciated using the Written Down Value (WDV) method in their respective books.

To ensure consistency and comparability in financial reporting, the Company has retrospectively changed the method of depreciation for the PPE taken over from Kshatriya Laboratories Private Limited from WDV to SLM.

As a result of this change in accounting policy, a surplus of ₹ 58.24 million has arisen due to lower depreciation under the SLM method. This amount has been adjusted in the opening retained earnings as on April 01, 2023

Block of PPE	Accumulated Depreciation as on April 01, 2023 (Under WDV Method)	Accumulated Depreciation as on April 01, 2023 (Under SLM Method)	Effect of Change
Building	30.47	13.64	16.83
Plant & Machinery	58.44	22.40	36.04
Electrical Equipment's	5.79	4.29	1.50
Lab Equipment's	30.32	26.78	3.54
Office Equipment's	0.03	0.03	-
Computers	0.99	0.92	0.07
Furniture & Fixtures	0.37	0.26	0.11
Vehicle	0.39	0.24	0.15
Total	126.80	68.56	58.24

36. Leases

The following is the movement in lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening balance	11.47	12.70	13.82
Additions	10.92	-	-
Finance cost	1.27	1.17	1.28
Payment of lease liabilities	(1.62)	(2.40)	(2.40)
Closing Balance	22.04	11.47	12.70

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Non-Current Lease Liability	18.30	10.27	10.30
Current Lease liability	3.74	1.20	2.40

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

Amounts recognised in standalone Cash Flow Statement:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment of lease liabilities	1.62	2.40
Interest Component	1.27	1.17
Principle Component	0.35	1.23

Amounts recognised in standalone statement of Profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense on lease liability	1.27	1.17
Expense relating to short term and low value leases	0.60	2.69

Contractual maturities of lease liabilities

The table below provides the details of contractual maturities of lease liabilities on undiscounted basis

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Within 1 year	3.74	1.20	2.40
1-2 years	3.86	1.20	1.20
2-5 years	11.90	3.60	3.60
More than 5 years	24.40	25.60	26.80
Total	43.90	31.60	34.00
Less: Financial component	21.86	20.13	21.30
Total	22.04	11.47	12.70

Weighted average incremental borrowing rate applied to lease liabilities recognised in the standalone Statement of Asstes And Liabilities are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Weighted average incremental borrowing rate (p.a.)	9% to 10%	9% to 10%	9% to 10%

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***37. Terms and conditions of loans and Nature of security****As at March 31, 2025**

Particulars	No of Installments due	Rate of Interest	Within 1Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
Axis Bank Limited (Refer Note 3 below)	9 Monthly Installments	8.80% p.a. to 9.40% p.a.	5.01	-	-	-	5.01
Axis Bank Limited (Refer Note 4 below)	9 Monthly Installments	9.00% p.a. to 9.20% p.a.	4.41	-	-	-	4.41
Axis Bank Limited (Refer Note 5 below)	3 Monthly Installments	10.30% p.a. to 10.70% p.a.	11.97	-	-	-	11.97
Axis Bank Limited (Refer Note 6 below)	21 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	22.90	-	-	54.90
ICICI Bank Limited (Refer Note 7 below)	33 Monthly Installments	8.60% p.a. to 9.60% p.a.	35.65	35.65	27.26	-	98.56
State Bank of India (Refer Note 8 below)	8 Monthly Installments	9.00% p.a. to 9.80% p.a.	12.80	-	-	-	12.80
Bajaj Finance Limited (Refer Note 9 below)	35 Monthly Installments	8.40% p.a. to 9.50% p.a.	40.27	44.25	46.25	0.36	131.13
State Bank of India (Refer Note 12 below)	24 Monthly Installments	9.60% p.a. to 10.60% p.a.	25.16	27.11	-	-	52.27
State Bank of India (Refer Note 13 below)	27 Monthly Installments	9.60% p.a. to 10.70% p.a.	14.26	15.76	4.46	-	34.48
State Bank of India (Refer Note 14 below)	50 Monthly Installments	9.60% p.a. to 9.80% p.a.	15.90	17.54	44.54	-	77.98
Bajaj Finance Limited (Refer Note 15 below)	35 Monthly Installments	8.90% p.a. to 9.50% p.a.	10.43	11.46	11.96	-	33.85
Bajaj Finance Limited (Refer Note 16 below)	49 Monthly Installments	9.20% p.a. to 10.00% p.a.	29.95	30.00	63.11	-	123.06
Bajaj Finance Limited (Refer Note 17 below)	67 Monthly Installments	9.25% p.a.	26.67	64.00	192.00	36.41	319.08
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	9 to 46 Monthly Installments	8.80% p.a. to 10.40% p.a.	9.54	6.48	4.89	-	20.91
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.	-	-	437.08	-	437.08
Total			274.02	275.15	831.55	36.77	1,417.49

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***As at March 31, 2024**

Particulars	No of Installments due	Rate of Interest	Within 1Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
Axis Bank Limited (Refer Note 3 below)	21 Monthly Installments	8.80% p.a. to 9.40% p.a.	6.65	5.08	-	-	11.73
Axis Bank Limited (Refer Note 4 below)	21 Monthly Installments	9.00% p.a. to 9.20% p.a.	5.85	4.47	-	-	10.32
Axis Bank Limited (Refer Note 5 below)	15 Monthly Installments	10.30% p.a. to 10.70% p.a.	43.80	12.37	-	-	56.17
Axis Bank Limited (Refer Note 6 below)	33 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	32.00	23.47	-	87.47
ICICI Bank Limited (Refer Note 7 below)	45 Monthly Installments	8.60% p.a. to 9.60% p.a.	35.65	35.65	63.10	-	134.40
State Bank of India (Refer Note 8 below)	20 Monthly Installments	9.00% p.a. to 9.80% p.a.	19.83	11.31	-	-	31.14
Bajaj Finance Limited (Refer Note 9 below)	47 Monthly Installments	8.40% p.a. to 9.50% p.a.	36.98	40.27	92.11	-	169.36
State Bank of India (Refer Note 12 below)	36 Monthly Installments	9.6% p.a. to 10.60% p.a.	22.22	25.16	23.98	-	71.36
State Bank of India (Refer Note 13 below)	39 Monthly Installments	9.60% p.a. to 10.70% p.a.	12.42	14.26	18.45	-	45.13
State Bank of India (Refer Note 14 below)	62 Monthly Installments	9.60% p.a. to 9.80% p.a.	14.35	15.90	58.17	2.39	90.81
Bajaj Finance Limited (Refer Note 15 below)	47 Monthly Installments	8.90% p.a. to 9.50% p.a.	9.58	10.43	23.51	-	43.52
Bajaj Finance Limited (Refer Note 16 below)	61 Monthly Installments	9.20% p.a. to 10.00% p.a.	30.00	29.95	89.67	-	149.62
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	4 to 48 Monthly Installments	7.90% p.a. to 10.51% p.a.	10.38	6.64	8.89	-	25.91
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.	-	-	473.30	-	473.30
Total			279.71	243.49	874.65	2.39	1,400.24

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

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Particulars	No of Installments due	Rate of Interest	Within 1Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
HDFC Bank Limited Term Loan 1 (Refer Note 1 below)	3 Monthly Installments	7.60% p.a	21.32	23.82	51.92	-	97.06
HDFC Bank Limited Term Loan 2 (Refer Note 2 below)	3 Monthly Installments	7.65% p.a	11.61	13.34	35.82	-	60.77
Axis Bank Limited (Refer Note 3 below)	33 Monthly Installments	8.80% p.a. to 9.40% p.a.	6.65	6.65	5.16	-	18.46
Axis Bank Limited (Refer Note 4 below)	33 Monthly Installments	9.00% p.a. to 9.20% p.a.	5.85	5.85	4.56	-	16.26
Axis Bank Limited (Refer Note 5 below)	27 Monthly Installments	10.30% p.a. to 10.70% p.a.	43.80	43.80	12.97	-	100.57
Axis Bank Limited (Refer Note 6 below)	45 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	32.00	55.61	-	119.61
ICICI Bank Limited (Refer Note 7 below)	57 Monthly Installments	8.60% p.a. to 9.60% p.a.	8.91	35.65	101.03	-	145.59
State Bank of India (Refer Note 8 below)	32 Monthly Installments	9.00% p.a. to 9.80% p.a.	18.43	18.24	13.43	-	50.10
Bajaj Finance Limited (Refer Note 9 below)	59 Monthly Installments	8.40% p.a. to 9.50% p.a.	27.09	36.84	81.69	-	145.62
PNB Housing Finance (Refer Note 10 below)	4 Monthly Installments	9.90% p.a. to 10.30% p.a.	0.83	0.92	3.37	9.02	14.14
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	1 to 22 Monthly Installments	7.40% p.a. to 10.51% p.a.	6.52	4.34	-	-	10.86
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.		-	79.43		79.43
Total			183.01	221.45	444.99	9.02	858.47

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Notes:**

- 1) Term Loan facility from HDFC Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 2) Term Loan facility from HDFC Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 3) Term Loan facility under the Guaranteed Emergency Credit Line (GECL) from Axis Bank Limited is secured by way of a second pari passu charge over the Movable Fixed Assets created out of the term loans, the immovable properties comprising industrial lands and sheds situated in Telangana and Karnataka registered in the name of Virupaksha Organics Ltd., and the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 4) Term Loan facility under the Guaranteed Emergency Credit Line (GECL) from Axis Bank Limited is secured by way of a second pari passu charge over the Movable Fixed Assets created out of the term loans, the immovable properties comprising industrial lands and sheds situated in Telangana and Karnataka registered in the name of Virupaksha Organics Ltd., and the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 5) Term Loan facility from Axis Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 6) Term Loan facility from Axis Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 7) Term Loan facility under the Emergency Credit Line Guarantee Scheme (ECLGS) from ICICI Bank Limited is secured by way of a second charge over the immovable assets comprising various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. The security also extends to a second charge on the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 8) Working Capital Term Loan facility under Guaranteed Emergency Credit Line (GECL) is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India. The loan is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.

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- 9) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 10) The Company had availed a loan from Punjab National Bank Housing Finance Ltd. on 16th April 2018 for the purpose of acquiring residential plots. The said loan has been fully repaid during the financial year 2023-24. The property for which the loan was taken has been kept as security with the bank.
- 11) Vehicle Loans from various banks/financial institutions are secured by the hypothecation of specific assets purchased from those loans.
- 12) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 13) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Medak and Rangareddy districts, Telangana, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 14) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Medak and Rangareddy districts, Telangana, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 15) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 16) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 17) Term Loan facility from Bajaj Finance Limited is secured by way of First Pari Passu Charge on present and Property, Plant, and Equipment. Second Pari Passu Charge on present and Future Current Assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.

38. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The amount of dues payable to micro, small and medium enterprises are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period/year;	401.78	37.19	26.69
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period/year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting period/year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-	-

39. Employee Benefits:

The employee benefit schemes are as follows:

i) Defined contribution plan:

The Company makes certain defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the Standalone Statement of Profit and Loss in the period they are incurred.

Defined contribution plans: The Company has recognised the following amount in the Standalone Statement of Profit and Loss for the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Contribution to employees provident fund	19.03	15.79
ii) Contribution to employees state insurance	1.59	1.32
Total	20.62	17.11

ii) Defined Benefit plan:

Gratuity Benefits Provided by the company

In accordance with applicable Indian laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Gratuity Fund (LIC).

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as per actuarial valuation as at March 31, 2025 and March 31, 2024:

a) The components of gratuity cost recognised in the standalone statement of Profit and Loss and other comprehensive income for the years ended March 31, 2025 and March 31, 2024 consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	11.01	10.58
Interest cost	4.87	3.83
Expected return on plan assets/ Interest Income	(1.11)	(1.12)
Defined benefit cost included in profit and loss	14.77	13.29
Re-measurement effects recognised in Other Comprehensive Income (OCI):		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	3.57
Actuarial (gains) or losses arising from changes in financial assumptions	3.36	1.70
Actuarial (gains) or losses arising from changes in experience assumptions	(6.48)	(0.13)
Return on plan assets (excluding interest income)	0.03	0.12
Defined benefit costs recognised in OCI	(3.09)	5.26

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b) Details of the employee benefits obligations and plan assets are provided below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Amount recognised in Statement of Asstes And Liabilities			
Present value of funded defined benefit obligations	81.70	72.04	52.17
Fair value of plan assets	(15.33)	(14.26)	(13.26)
Net liability arising from defined benefit obligation	66.37	57.78	38.91

c) Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation at the beginning of the year	72.04	52.17
Transfer in/(out) obligation	-	1.80
Current service cost	11.01	10.57
Interest cost	4.87	3.83
Remeasurements due to:		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	3.57
Actuarial (gains) or losses arising from changes in financial assumptions	3.36	1.70
Actuarial (gains) or losses arising from changes in experience assumptions	(6.48)	(0.13)
Benefits paid by company	(3.10)	(1.47)
Defined benefit obligation at the year end	81.70	72.04

d) Details of changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening fair value of the plan assets	14.26	13.26
Expected return/ Interest Income	1.10	1.12
Re-measurement – Return on Assets (excluding interest income)	(0.03)	(0.12)
Contributions by Employer	-	-
Fair value of plan asset at the year end	15.33	14.26

e) Sensitivity Analysis:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Defined benefit obligation	Increase	Decrease	Increase	Decrease
Effect of 0.5% change in assumed discount rate	78.34	85.31	69.25	75.04
Effect of 0.5% change in assumed salary growth rate	83.60	79.79	73.68	70.44
Effect of 10% change in assumed attrition rate	81.31	82.09	71.97	72.12

f) The principal assumptions used for the purposes of actuarial valuations were as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality table (LIC)	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discounting rate	6.70% p.a.	7.20% p.a.
Rate of escalation in salary	10.00% p.a.	10.00% p.a.

Note:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

2. Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2025	For the year ended March 31, 2024
1st following year	9.98	8.79
2nd following year	5.49	7.90
3rd following year	8.18	5.16
4th following year	5.32	7.84
5th following year	6.24	4.63
Sum of years 6th to 10th	31.52	27.05
Sum of years 11th and above	95.93	85.69

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h) Withdrawal Rates per annum

Age Band	For the year ended March 31, 2025	For the year ended March 31, 2024
25 & Below	20.00% p.a.	20.00% p.a.
25 to 35	15.00% p.a.	15.00% p.a.
35 to 45	10.00% p.a.	10.00% p.a.
45 to 55	5.00% p.a.	5.00% p.a.
55 & above	1.00% p.a.	1.00% p.a.

Compensated absences:

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the recognised compensated absences and recognised them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was ₹48.17 million, ₹ 25.89 million and ₹24.64 million as at March 31, 2025, March 31, 2024 and April 01, 2023, respectively.

a) The Components of defined benefit costs recognised in profit and loss and other comprehensive income for the years ended March 31, 2025 and March 31, 2024 consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	18.99	6.39
Interest cost	1.78	1.82
Expected return on plan assets/ Interest Income	-	-
Defined benefit cost included in profit and loss	20.77	8.21
Re-measurement effects recognised in Other Comprehensive Income (OCI):		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	(5.55)
Actuarial (gains) or losses arising from changes in financial assumptions	2.39	0.76
Actuarial (gains) or losses arising from changes in experience assumptions	4.20	(2.57)
Return on plan assets (excluding interest income)	-	-
Defined benefit costs recognised in OCI	6.59	(7.36)

b) Details of the employee benefits obligations and plan assets are provided below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Amount recognised in Statement of Asstes And Liabilities			
Present value of funded defined benefit obligations	48.17	25.89	24.64
Fair value of plan assets	-	-	-
Net liability arising from defined benefit obligation	48.17	25.89	24.64

c) Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined benefit obligation at the beginning of the year	25.89	24.64
Transfer in/(out) obligation	-	1.15
Current service cost	18.99	6.39
Interest cost	1.78	1.82
Remeasurements due to:		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	(5.55)
Actuarial (gains) or losses arising from changes in financial assumptions	2.39	0.77
Actuarial (gains) or losses arising from changes in experience assumptions	4.20	(2.57)
Benefits paid by company	(5.08)	(0.76)
Defined benefit obligation at the year end	48.17	25.89

d) Sensitivity Analysis

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Defined benefit obligation	Increase	Decrease	Increase	Decrease
Effect of 0.5% change in assumed discount rate	45.78	50.77	24.63	27.25
Effect of 0.5% change in assumed salary growth rate	50.68	45.84	27.21	24.65
Effect of 10% change in assumed attrition rate	47.30	49.15	25.49	26.33

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e) The principal assumptions used for the purposes of actuarial valuations were as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality table (LIC)	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discounting rate	6.70% p.a.	7.20% p.a.
Rate of escalation in salary	10.00% p.a.	10.00% p.a.

Note:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

2. Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2025	For the year ended March 31, 2024
1st following year	4.24	2.40
2nd following year	3.59	1.96
3rd following year	3.83	1.98
4th following year	2.97	2.00
5th following year	2.97	1.56
Sum of years 6th to 10th	15.22	8.31
Sum of years 11th and above	79.35	45.75

h) Withdrawal Rates per annum

Age Band	For the year ended March 31, 2025	For the year ended March 31, 2024
25 & Below	20.00% p.a.	20.00% p.a.
25 to 35	15.00% p.a.	15.00% p.a.
35 to 45	10.00% p.a.	10.00% p.a.
45 to 55	5.00% p.a.	5.00% p.a.
55 & above	1.00% p.a.	1.00% p.a.

40. Reconciliation of revenue as per contract price and recognised in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contract price	8,101.22	7,635.94
Less: Discounts, rebates and incentives	(17.87)	(14.89)
Revenue as per statement of profit and loss	8,083.35	7,621.05

i) The amounts receivable from customers becomes due after expiry of credit period which on an average is less than 30 to 60 days. There is no financing component in any transaction with the customers.

ii) The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.

iii) The Company does not have any material performance obligations which are outstanding as at the year-end as the contracts entered for sale of goods are for short term in nature.

Disaggregation of revenue**Revenue by timing of recognition**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Goods transferred at a point of time	8,082.91	7,620.22
Goods transferred over time	-	-
Service transferred at a point of time	0.44	0.83
Services transferred over time	-	-

Movement of Contract Liabilities are as Follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Liability	9.97	18.76
Add: Advances received during the year not recognized as revenue	4.36	9.97
Less: Revenue Recognized during the year from the balance at beginning of the year	9.97	18.76
Closing Liability	4.36	9.97

41. Government grant receivable includes assistance in the form of export incentives under Foreign Trade Policy.

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2.27	1.47
Add: Grant income accrued during the year	30.35	38.86
Less: Government grant received	(32.62)	(38.06)
Closing Balance	-	2.27

42. Segment Information

A. Operating Segments

The operations of the Company are limited to one segment viz. Pharmaceutical products including ingredients and intermediaries. The products being sold under this segment are of similar nature and comprises of pharmaceutical products only. The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information of the Company on a periodic basis, for the purpose of allocation of resources and evaluation of performance. Accordingly, management has identified pharmaceutical segment as the only operating segment for the Company. Therefore, based on the guiding principles given in Ind AS 108 on 'Operating Segments' there is no reportable segment for the company.

B. Geographical Information:

Analysis of revenues by geography:

The following table shows the distribution of the Company's revenue from operations by country, based on the location of the customers:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
India	6,694.51	5,657.49
Outside India	1,419.44	2,002.43
Total	8,113.95	7,659.91

Analysis of non current assets by geography:

The following table shows the distribution of the Company's non-current assets (other than financial instruments and deferred tax assets) by country, based on the location of assets:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
India	4,504.93	3,255.69	2,565.26
Outside India	-	-	-
Total	4,504.93	3,255.69	2,565.26

C. Information about major customers

There were no customers individually accounting for more than 10 % of the Company's revenue in the years ended March 31, 2025 and March 31, 2024.

43. Auditors Remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Auditor: -		
Audit Fee	1.30	1.30
Tax Audit	0.50	0.50
Total	1.80	1.80

44. Research & Development Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Lab Material and Consumables	14.31	7.6
Salaries	48.06	34.14
Rent	-	0.6
Professional Charges	8.64	5.23
Electricity Charges	1.51	1.13
Other Expenses	8.53	4.9
Total	81.06	53.61

45. Income taxes

a) Income tax expense/ (benefit) recognised in the statement of profit and loss.

Income tax expense recognised in the statement of profit and loss consists of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Taxes	217.42	256.87
Deferred Taxes	30.79	20.50
Prior Period Taxes	0.95	1.03
Total Tax Expense	249.16	278.40

b) Income tax expense/(benefit) recognised directly in equity.

Income tax expense/(benefit) recognised directly in equity consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income Tax effect on change in fair value of investments	2.10	-
Income Tax effect on Actuarial (gain)/ loss on post- employment benefit obligations	(0.88)	0.53
Total income tax expense/(benefit) recognized in the equity	1.22	0.53

c) Reconciliation of Effective Tax Rate:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before income taxes	1,040.50	1,015.24
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expense	261.87	255.51
Effect on Income disallowed under Income Tax Act, 1961	(140.65)	(68.37)
Effect on expenses disallowed under Income Tax Act, 1961	121.77	88.87
Other items	6.17	2.39
Income Tax Expense	249.16	278.40
Effective tax rate	23.95%	27.42%

d) Deferred tax asset and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Deferred tax assets/(liabilities):			
Property Plant & Equipment	(182.14)	(144.92)	(122.29)
ROU Asset	(5.77)	(3.23)	(3.36)
Investments	(2.43)	(0.15)	0.24
Borrowings	(0.09)	0.45	1.49
Lease Liabilities	4.61	2.59	2.59
Provisions	28.83	21.06	15.99
Trade Receivables	3.61	3.49	4.74
Others	(0.42)	(1.07)	(0.19)
Net deferred tax assets/(liabilities)	(153.81)	(121.80)	(100.77)

e) Movement in deferred tax assets and liabilities during the years ended March 31, 2025 and March 31, 2024.

Particulars	For the year ended March 31, 2025			
	As at April 01, 2024	Recognized in the statement of Profit and Loss	Recognized in Other comprehensive income	As at March 31, 2025
Deferred tax assets/(liabilities)				
Property Plant & Equipment	(144.92)	(37.22)		(182.14)
ROU Asset	(3.23)	(2.53)		(5.77)
Investments	(0.15)	(0.18)	(2.10)	(2.43)
Borrowings	0.45	(0.54)		(0.09)
Lease Liabilities	2.59	2.02		4.61
Provisions	21.06	6.89	0.88	28.83
Trade Receivables	3.49	0.12		3.61
Others	(1.07)	0.66		(0.42)
Net deferred tax assets/(liabilities)	(121.80)	(30.79)	(1.22)	(153.81)

Particulars	For the year ended March 31, 2024			
	As at April 01, 2023	Recognized in the statement of Profit and Loss	Recognized in Other comprehensive income	As at March 31, 2024
Property Plant & Equipment	(122.29)	(22.64)	-	(144.92)
ROU Asset	(3.36)	0.12	-	(3.23)
Investments	0.24	(0.39)	-	(0.15)
Borrowings	1.49	(1.05)	-	0.45
Lease Liabilities	2.59	(0.01)	-	2.59
Provisions	15.99	5.59	(0.53)	21.06
Trade Receivables	4.74	(1.25)	-	3.49
Others	(0.19)	(0.88)	-	(1.07)
Net deferred tax assets/(liabilities)	(100.77)	(20.50)	(0.53)	(121.80)

46. Financial risk management.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currencies.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025, March 31, 2024 and April 01, 2023.

Interest rate risk

The Company is exposed to interest rate risk as its borrowings are primarily at floating interest rates. This exposes the Company to the risk of fluctuations in market interest rates. The risk is monitored and managed on an ongoing basis, taking into account the interest rate outlook and the

Interest rate sensitivity

For the years ended March 31, 2025, March 31, 2024 and April 01, 2023, every 1% increase or decrease in the floating interest rate component applicable to its loans and borrowings would affect the Company's net profit as shown in following table

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1% increase in Interest rate - decrease in profit	(9.47)	(8.28)	(7.18)
1% decrease in Interest rate - increase in profit	9.47	8.28	7.18

Foreign Currency risk

The Group's foreign exchange risk arises from its foreign currency revenues and expenses, (primarily in United States dollars). A portion of the Group's revenues are in this foreign currency, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in Indian rupees may decrease. The exchange rate between the Indian rupee (₹) and this foreign currency has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table analyses foreign currency risk from non-derivative financial instruments as at March 31, 2025, March 31, 2024 and April 01, 2023:

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	USD	INR	USD	INR	USD	INR
Trade receivables and Trade Payables(net)	2.10	179.44	4.76	407.38	6.43	550.15
EEFC A/c's	1.95	25.06	0.09	7.72	0.13	10.96

Sensitivity

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1% increase in USD rate -Increase in profit	1.79	4.07	5.50
1% Decrease in USD rate - Decrease in profit	(1.79)	(4.07)	(5.50)

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Details of financial assets – not due, past due and impaired

None of the Company's cash equivalents, including term deposits with banks, were past due or impaired as at March 31, 2025. The Company's credit period for trade receivables payable by its customers generally ranges from 45 – 90 days.

The maximum exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
India	1,437.90	1,561.72	1,331.60
Europe	98.74	225.21	462.86
Japan	19.25	30.76	51.80
United States of America	6.41	5.50	4.57
Rest of the world	94.05	90.03	62.40
Total	1,656.35	1,913.22	1,913.23

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1 Year	1-2 Years	2-5 years	More than 5 yrs	Total
As at March 31, 2025					
Borrowings	1,668.69	275.15	831.55	36.77	2,812.16
Lease Liabilities	1.69	1.99	7.66	10.70	22.04
Trade payables	1,227.41	-	-	-	1,227.41
Other financial liabilities	520.53	-	-	-	520.53
As at March 31, 2024					
Borrowings	1,522.96	243.49	874.65	2.39	2,643.49
Lease Liabilities	0.10	0.11	0.40	10.86	11.47
Trade payables	1,097.92	-	-	-	1,097.92
Other financial liabilities	192.78	-	-	-	192.78
As at April 01, 2023					
Borrowings	1,733.02	221.45	444.99	9.02	2,408.47
Lease Liabilities	1.23	0.10	0.37	11.00	12.70
Trade payables	1,160.53	-	-	-	1,160.53
Other financial liabilities	142.16	-	-	-	142.16

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***d) Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on monthly basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Debt*	2,812.16	2,643.49	2,408.47
Less:			
Cash & Cash equivalents & Other Bank Balances	183.20	144.02	109.59
Net Debt (A)	2,628.96	2,499.47	2,298.88
Total Equity (B)	4,571.02	2,753.16	2,097.12
Net Debt to equity ratio (A/B)	0.58	0.91	1.10

*Debt includes current and non-current borrowings

47. Financial Instruments

A) Classification of financial assets and liabilities

Particulars	As at March 31,2025		As at March 31,2024		As at April 01,2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
a) Measured at fair value through Other comprehensive income (FVTOCI)						
Investments in Equity Instruments	278.91	278.91	151.47	151.47	45.00	45.00
b) Measured at fair value through profit and loss (FVTPL)						
Investments in Mutual Funds	42.88	42.88	14.98	14.98	-	-
c) Measured at amortised cost						
Investments in Equity Instruments of Associates & Subsidiaries	205.61	205.61	40.00	40.00	-	-
Loans	180.00	180.00	35.00	35.00	-	-
Trade Receivables	1,642.00	1,642.00	1,899.36	1,899.36	1,903.82	1,903.82
Cash and Cash Equivalents	136.03	136.03	66.57	66.57	33.87	33.87
Bank balances other than cash and cash equivalents	47.17	47.17	77.45	77.45	75.72	75.72
Other Financial Assets	289.76	289.76	102.45	102.45	99.35	99.35
Total (a+b+c)	2,822.36	2,822.36	2,387.28	2,387.28	2,157.76	2,157.76
Financial Liabilities						
a) Measured at amortised cost						
Borrowings	2,812.16	2,812.16	2,643.49	2,643.49	2,408.47	2,408.47
Lease Liabilities	22.04	22.04	11.47	11.47	12.70	12.70
Trade Payables	1,227.41	1,227.41	1,097.92	1,097.92	1,160.53	1,160.53
Other Financial liabilities	520.53	520.53	192.78	192.78	142.16	142.16
	4,582.14	4,582.14	3,945.66	3,945.66	3,723.86	3,723.86

B) Fair value hierarchy

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023	Level	Valuation techniques and key inputs
Financial Assets					
a) Measured at fair value through Other comprehensive income (FVTOCI)					
Investments in Equity Instruments (Unquoted)	225.57	126.47	45.00	3	Using discounted cashflow method
Investments in Equity Instruments (Quoted)	53.34	25.00	-	1	Quoted market prices in active markets
b) Measured at fair value through profit and loss (FVTPL)					
Investments in Mutual Funds	42.88	14.98	-	1	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

VIRUPAKSHA ORGANICS LIMITED

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Notes to Standalone Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

*Note: The following table shows the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the Statement of Asstes And Liabilities, as well as the significant unobservable inputs used:

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair Value Measurement
Investments in Equity Instruments (Unquoted)	Discounted cashflow method: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and EBITDA, the amount to be paid under each scenario and the probability of each scenario.	a. Forecast annual revenue growth rate b. Forecast EBITDA margin c. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if: - the annual revenue growth rate were higher (lower); - the EBITDA margin were higher (lower); or - the risk adjusted discount rate were lower (higher). Generally a change in the annual revenue growth rate is accompanied by a directionally similar change in EBITDA margin

C) Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

a) Level 1

This level includes those financial instruments which are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

b) Level 2

This level includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e.derived from prices).

c) Level 3

This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes:

a) There was no transfer between level 1 and level 2 fair value measurement.

b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair valuedisclosures are required)

The management assessed that fair value of Loans, Trade Receivables, Cash and Cash Equivalents, Bank balances other than cash and cash equivalents, Borrowings, Lease Liabilities, Trade Payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Opening Balance	126.47	45.00	-
Purchases During the year	119.10	81.47	45.00
Gain/(Loss)			
- in Other comprehensive Income	(20.00)	-	-
- in profit and loss, net		-	-
Closing Balance	225.57	126.47	45.00

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***48. Impairment loss in respect of Virupaksha Lifesciences LLP**

The investment in the Virupaksha Lifesciences LLP was fully impaired due to continued operating losses and negative net worth. As a result, the carrying amount of the investment under the equity method stood at Nil. In accordance with Paragraph 38 of Ind AS 28 – Investments in Associates and Joint Ventures, the Company has discontinued the recognition of its share of further losses in the associate, as the Company's share of losses exceeded the carrying amount of its investment and the Company does not have any legal or constructive obligation to fund further losses.

Hence, the entire carrying amount of the investment has been recognised as an impairment loss of ₹ 0.96 million, which has been adjusted against Opening Retained Earnings as at April 01, 2023.

49. Contingent liabilities**i) Contingent liabilities**

Based on legal opinion /advice obtained, no financial implication to the company with respect to following cases is perceived as on the Balance Sheet date:

a. Claims against the company not acknowledged as debt

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Direct Tax matters*	26.15	26.15	26.15
Legal Proceedings Initiated by Electricity Board**	18.74	18.74	18.74
Other Claims [#]	1.01	1.01	1.01

*The Company received a demand notice in FY 2022-23 amounting to ₹26.15 millions (dispute related to AY 2021-22), against which a detailed response was submitted. A remand report in favour of the Company was received before March 2024. However, the final order from the Faceless Assessment authorities is still pending as on the reporting date. The management believes the matter will be resolved without any material liability.

**The Company had acquired a plant in the past from S2 Engineering Services Industry Private limited. Subsequently, legal proceedings were initiated by the Electricity Board against S2 Engineering Services, claiming an amount of ₹18.74 million. As per the contractual terms, S2 Engineering Services has undertaken the responsibility to discharge the liability in the event of an adverse judgment. While the matter is currently sub judice, any financial impact on the Company is expected to be recoverable from the vendor (S2 Engineering Services Industry Private limited).

[#]A civil suit has been filed by Sesa Chem India Pvt. Ltd. against the Company before the Honble Junior Civil Judge, City Civil Courts, Hyderabad for recovery of ₹1.01 million (including principal amount of ₹0.61 million and interest of ₹0.40 million) relating to supply of materials. The matter is currently sub-judice and pending final adjudication.

b) Capital and other commitments

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	321.73	661.39	69.39

50. Details of partners in Limited Liability Partnership (LLP)

Particulars	Profit sharing- 2025	Profit sharing- 2024	Profit sharing- 2023	Capital-2025	Capital-2024	Capital-2023
Virupaksha Lifesciences LLP						
1) Virupaksha Organics Limited	48.00%	48.00%	48.00%	0.96	0.96	0.96
2) G. Chandra Mouliswar Reddy	1.00%	1.00%	1.00%	0.02	0.02	0.02
3) M Bala Subba Reddy	1.00%	1.00%	1.00%	0.02	0.02	0.02
4) PVRN Mahesh	50.00%	50.00%	50.00%	1.00	1.00	1.00
Total				2.00	2.00	2.00

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***51. Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Company's Board of directors.

The Company declares and pays dividend in Indian rupees. Companies are required to pay/ distribute dividend after deducting applicable withholding income taxes.

The amount of per share dividend recognised as distribution to equity shareholders in accordance with Companies Act, 2013 is as follows:

(Amount in ₹)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Final Dividend for FY 2022-23 ⁽¹⁾	-	3.60
Interim Dividend for FY 2023-24 ⁽²⁾	-	3.00
Interim Dividend for FY 2024-25 ⁽³⁾	1.20	-

1) During the year ended March 31, 2024 on account of the final dividend for the financial year 2022-23 the company has incurred a net cash outflow of ₹ 44.93 million

2) During the year ended March 31, 2025 on account of the interim dividend for the financial year 2023-24 the company has incurred a net cash outflow of ₹ 37.45 million

3) During the year ended March 31, 2025 on account of the interim dividend for the financial year 2024-25 the company has incurred a net cash outflow of ₹ 49.23 million

52. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, Meeting the applicability threshold, needs to spend at least 2% of its Average net profit for the immediately preceding three financials' years on CSR activities calculated as per section 198 of Companies Act, 2013. The areas of CSR Activities are Eradication of Poverty and providing Education. A CSR committee has been formed by the company as per the Act. The details of fund primarily utilized through the year on these activities which are specified in schedule VII of the Companies act, 2013.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent by the company during the year.	12.42	10.23
Amount of expenditure incurred,	14.32	16.91
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall,	Nil	Nil
Reason for shortfall	-	-
Nature of CSR activities	Eradication of poverty and providing Education	Eradication of poverty and providing Education
Details of related party transactions	Nil	Nil
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

53. Charges Not Yet Satisfied with Registrar of Companies

As per the records available on the Ministry of Corporate Affairs (MCA) portal, the following charges have not been marked as satisfied, although the corresponding loans were fully repaid during earlier years.

Name of the Lender	Date of Creation	Amount	Date of Closure of loan	Reason for Non-Filing
Reliance Commercial Finance Limited	March 30, 2018	23.80	April 06, 2021	No objection certificate pending
Dewan Housing Finance Corporation Limited	January 31, 2017	8.71	January 31, 2020	No objection certificate pending

54. Related party disclosures**A. The list of related parties of the Company is given below:**

Name	Relationship
Virupaksha Green Energy Private Limited (w.e.f. December 24, 2024)	Wholly owned Subsidiary company
Progenerics Pharma Private Limited (w.e.f. December 30, 2024)	Subsidiary company
Virupaksha Lifesciences LLP	Associate
Bharath Advanced Therapeutics Private Limited (w.e.f. March 30, 2024)	Associate company
Key Managerial Personnel (KMP):	
Chandra Mouliswar Reddy Gangavaram	Managing Director
Balasubba Reddy Mamilla	Whole-time director
Chandrasekhar Reddy Gangavaram	Whole-time director
Janardhana Reddy Yeddula	Independent Director
Shruti Gupta	Independent Director
Vedavathi Gangavaram	Director
Prasad Reddy Battinapatta (from May 03, 2024)	Chief Financial Officer
Vikas Kurada (from June 17, 2023)	Company Secretary
S Prathap Kumar (till May 10, 2023)	Company Secretary
Other Related party	
Mamilla Nagarjun Reddy	Close Member of Key Managerial Person
Kotla Suraj Reddy	Close Member of Key Managerial Person
Kondapalli Sandeep Reddy	Close Member of Key Managerial Person
Gangavaram Sri Lakshmi	Close Member of Key Managerial Person
G Sri Vidya	Close Member of Key Managerial Person
M Padmaja	Close Member of Key Managerial Person
G Rukmini	Close Member of Key Managerial Person
Virupaksha Laboratories Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Virupaksha Minerals LLP	Entity over which the KMP and/or their relatives is able to exercise control
Viruj Pharmaceuticals Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Virupaksha Securities Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
V Indaf Overseas Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Chandra Mouliswar Reddy Gangavaram – HUF	Entity over which the KMP and/or their relatives is able to exercise control
Sreekari Developers	Enterprise over which KMP exercise significant influence
Arya Fashion & Arts	Enterprise over which KMP exercise significant influence
Virupaksha Infra Developers	Entity over which the KMP and/or their relatives is able to exercise control
Veda Granites	Entity over which the KMP and/or their relatives is able to exercise control

VIRUPAKSHA ORGANICS LIMITED

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Notes to Standalone Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

B. Summary of Related Party Transactions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Operations		
Bharath Advanced Therapeutics Private Limited	4.35	-
Viruj Pharmaceuticals Private Limited	114.74	135.70
Virupaksha Laboratories Private Limited	287.65	442.60
	406.74	578.30
Purchase of Raw Material		
Virupaksha Laboratories Private Limited	700.59	934.19
Viruj Pharmaceuticals Private Limited	-	-
Arya Fashion and Arts	1.45	-
	702.04	934.19
Borrowings		
Chandra Mouliswar Reddy Gangavaram	13.66	122.25
Balasubba Reddy Mamilla	303.60	27.30
Vedavathi Gangavaram	13.62	404.00
Mamilla Nagarjun Reddy	-	-
Chandra Mouliswar Reddy Gangavaram – HUF	-	1.50
	330.88	555.05
Repayment of Loan		
Chandra Mouliswar Reddy Gangavaram	94.24	52.80
Balasubba Reddy Mamilla	11.17	36.47
Vedavathi Gangavaram	255.72	68.54
Mamilla Nagarjun Reddy	-	-
Chandra Mouliswar Reddy Gangavaram – HUF	10.58	2.82
	371.71	160.63
Interest on Unsecured Loan		
Chandra Mouliswar Reddy Gangavaram	1.18	5.73
Balasubba Reddy Mamilla	3.20	1.91
Vedavathi Gangavaram	22.46	21.05
Chandra Mouliswar Reddy Gangavaram – HUF	1.28	1.25
Mamilla Nagarjun Reddy	-	-
	28.12	29.94
Loans and Advances		
V Indaf Overseas Private Limited (Given)	-	0.06
V Indaf Overseas Private Limited (Returned)	-	0.19
Expenses		
Progenerics Pharma Private Limited	11.60	-
Virupaksha Laboratories Private Limited (Rent)	1.75	3.00
Virupaksha Laboratories Private Limited (Other Expenses)	0.90	-
	14.25	3.00
Short-term employee benefits - Director's		
Chandra Mouliswar Reddy Gangavaram	36.00	24.00
Balasubba Reddy Mamilla	6.84	5.88
Chandrasekhar Reddy Gangavaram	5.76	4.80
	48.60	34.68
Sitting Fee - Director's		
Janardhana Reddy Yeddula	0.03	-
Shruti Gupta	0.03	-
	0.06	-

VIRUPAKSHA ORGANICS LIMITED

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Notes to Standalone Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits - Other than Director's		
Prasad Reddy Battinapatla	4.37	-
Vikas Kurada	0.88	0.67
Mamilla Nagarjun Reddy	5.64	4.68
Kotla Suraj Reddy	5.64	4.72
Kondapalli Sandeep Reddy	5.64	4.72
S Prathap Kumar	-	0.05
Gangavaram Sri Lakshmi	-	-
G Rukmini	0.96	0.96
	23.13	15.80

C. The Company has the following amounts due from/to related Parties

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Trade Receivables			
Bharath Advanced Therapeutics Private Limited	5.04	-	-
Viruj Pharmaceuticals Private Limited	10.96	39.65	68.13
Virupaksha Laboratories Private Limited	132.84	52.91	104.56
Virupaksha Lifesciences LLP	9.24	9.24	9.24
	158.08	101.80	181.93
Other Non Current Financial Assets - Advance to Employees			
Mamilla Nagarjun Reddy	-	-	0.70
	-	-	0.70
Financial Assets - Non-Current Loan			
Progenerics Pharma Private Limited (including interest)	37.84	-	-
	37.84	-	-
Other Non Current Financial Assets - Advance for Investment			
Progenerics Pharma Private Limited	0.97	-	-
Virupaksha Green Energy Private Limited	1.13	-	-
	2.10	-	-
Other Current Assets - Advance to Suppliers			
Arya Fashion & Arts	2.18	-	-
	2.18	-	-
Other Current Financial Liabilities - Advances			
Sreekari Developers	5.00	5.00	5.00
V Indaf Overseas Private Limited	0.01	0.01	0.14
	5.01	5.01	5.14
Loan from Related parties - Long-term borrowings			
Chandra Mouliswar Reddy Gangavaram	-	79.60	10.16
Balasubba Reddy Mamilla	302.70	7.47	16.78
Vedavathi Gangavaram	134.38	375.56	40.46
Chandra Mouliswar Reddy Gangavaram – HUF	-	10.68	12.03
	437.08	473.30	79.43

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Other current financial liabilities - Short term employee benefits			
Chandra Mouliswar Reddy Gangavaram	3.00	2.00	0.50
Balasubba Reddy Mamilla	0.57	0.49	0.41
Chandrasekhar Reddy Gangavaram	0.48	0.40	0.35
Prasad Reddy Battinaparla	0.40	-	-
Vikas Kurada	0.07	0.06	-
Mamilla Nagarjun Reddy	0.47	0.39	0.31
Kotla Suraj Reddy	0.47	0.39	0.31
Kondapalli Sandeep Reddy	0.47	0.39	0.31
S Prathap Kumar	-	-	0.05
Gangavaram Sri Lakshmi	-	-	0.07
G Rukmini	0.08	0.08	0.05
	6.01	4.20	2.36

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: ₹ Nil; April 01, 2023: ₹ 9.24 million). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Some of the Key Managerial Personnel of the Company are also covered under the Company's Gratuity Plan and Compensated absences along with the other employees of the Company. Proportionate amounts of gratuity and compensated absences accrued under the Company's Gratuity Plan and Compensated absences have not been separately computed or included in the above disclosure.

Refer note 55 for terms and conditions of loans given

55. Disclosures pursuant to Section 186 of the Companies Act, 2013**A. Amount of loans / advances in nature of loans given to others**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
(a) Loans to Subsidiaries			
(i) Progenerics Pharma Private Limited*			
Balance as at the beginning of the year	35.00	-	-
Loans given	-	-	-
Loans repaid	-	-	-
Balance as at the end of the year	35.00	-	-
Maximum amount outstanding at any time during the year	35.00	-	-
(Progenerics Pharma Private Limited has utilised the loan for working capital requirements. It is repayable over a period of 3 years along with interest bearing a rate of 9% p.a.,)			
(b) Loans to Others			
(i) Progenerics Pharma Private Limited			
Balance as at the beginning of the year	-	-	-
Loans given	-	35.00	-
Loans repaid	-	-	-
Balance as at the end of the year	-	35.00	-
Maximum amount outstanding at any time during the year	-	35.00	-
(Progenerics Pharma Private Limited has utilised the loan for working capital requirements. It is repayable over a period of 3 years along with interest bearing a rate of 9% p.a.,)			
(ii) Oxygenta Pharmaceuticals Limited			
Balance as at the beginning of the year	-	-	-
Loans given	145.00	-	-
Loans repaid	-	-	-
Balance as at the end of the year	145.00	-	-
Maximum amount outstanding at any time during the year	145.00	-	-
(Oxygenta Pharmaceuticals Limited has utilised the loan for working capital requirements. It is repayable over a period of 3 years along with interest bearing a rate of 9% p.a.,)			

*For the year ended March 31, 2024, Progenerics Pharma Private Limited is not a Related Party to the Virupaksha Organics Limited. However as on December 30, 2024, it became a wholly-owned subsidiary.

B. Details of Investments made are given in notes 5

C. The Company has not provided any security or Guarantee covered under Section 186

56. First Time Adoption of IND AS

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company has prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended March 31, 2025 and consequently April 01, 2023 is the transition date for preparation of such statutory financial statements. Upto the financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 ("Indian GAAP").

An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed on first time adoption of Ind AS

Set out below are the applicable Ind AS 101 optional exceptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1. Optional Exceptions:

Property, plant and equipment and intangible assets: The Company has elected to consider the net carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Statement of Asstes And Liabilities.

2. Ind AS mandatory exceptions

i. Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- i. Fair valuation of financial instruments carried at FVTPL or FVTOCI
- ii. Determination of the discounted value for financial instruments carried at amortised cost.
- iii. Impairment of financial assets based on the expected credit loss model.

ii. Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done prospectively from the transition date.

Ind AS 101 requires an entity to reconcile other equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***B. Reconciliations between the Standalone Financial Statements and Audited Financial Statements (Previous GAAP) of the Company.**

Reconciliations between the Standalone Financial Statements and Audited Financial Statements (Previous GAAP) of the Company are set out in the following tables and notes.

1. Reconciliation of total equity as at March 31, 2024 and April 01, 2023

Particulars	Note No.	As at March 31, 2024	As at April 01, 2023
Equity as per audited statutory financial statements (A)		2,860.83	2,042.93
Adjustments on account of transition to Ind AS			
Recognition of borrowings using effective interest rate	a	(1.78)	(5.94)
Fair valuation of investments	b & c	0.60	(0.99)
Amortisation of Financial Assets	d	3.20	1.68
Deferred taxes	e	(3.71)	23.26
Remeasurements of defined benefit liabilities	f	-	2.96
Allowance for Expected Credit Loss (Trade Receivables)	g	(13.86)	(9.41)
Impact of lease accounting	h	1.37	0.63
Impact due to accounting for Sales in Transit	i	(95.75)	(62.63)
Total adjustments on account of transition to Ind AS (B)		(109.93)	(50.44)
Other Adjustments			
Proposed Dividend	j	-	44.93
Depreciation	k	-	58.24
Recognition of export incentive	l	2.27	1.47
Miscellaneous		(0.01)	(0.01)
Total Other Adjustments (C)		2.26	104.63
Equity as per Standalone Financial Statements (A)+(B)+(C)		2,753.16	2,097.12

2. Reconciliation of profit and other comprehensive income/(loss) for the year ended March 31, 2024

Particulars	Note No.	For the year ended March 31, 2024
Net Profit/(Loss) as per audited statutory financial statements (A)		797.12
Adjustments on account of transition to Ind AS		
Recognition of borrowings using effective interest rate	a	4.16
Fair valuation of investments	c	1.60
Amortisation of Financial Assets	d	1.50
Deferred taxes	e	(26.45)
Remeasurements of defined benefit liabilities	f	(5.06)
Allowance for Expected Credit Loss (Trade Receivables)	g	(4.46)
Impact of lease accounting	h	0.74
Impact due to accounting for Sales in Transit	i	(33.11)
Total adjustments on account of transition to Ind AS (B)		(61.08)
Other Adjustments		
Depreciation	k	-
Recognition of export incentive	l	0.80
Total Other Adjustments (C)		0.80
Net Profit/ (Loss) as per Standalone Financial Statements (A)+(B)+(C)		736.84
Other Comprehensive Income		
Remeasurements of defined benefit liabilities	f	2.10
Fair valuation of investments	b	-
Deferred tax effect on above adjustments		(0.53)
Total other comprehensive income as per Standalone Financial Statements		1.57
Total comprehensive income as per Standalone Financial Statements		738.41

3. Reconciliation of Cash Flow between previous GAAP and Ind AS

Particulars	As at March 31, 2024		
	Previous GAAP*	Adjustment	Ind AS
Net cash generated from/(used in) operating activities	868.38	284.59	1,152.97
Net cash generated from/(used in) investing activities	(1,051.11)	4.84	(1,046.27)
Net cash generated from/(used in) investing activities	183.46	(257.46)	(74.00)
Net increase/(decrease) in cash and cash equivalents	0.73	31.97	32.70
Cash and cash equivalents at the start of the year	109.59	(75.72)	33.87
Cash and cash equivalents at the end of the year	110.32	(43.75)	66.57

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Notes to Standalone Financial Statements
(All amounts in ₹ millions, unless otherwise stated)
4. Reconciliation of the Assets and Liabilities presented in the Statement of Asstes And Liabilities prepared as per Audited Previous GAAP Financials and as per the Standalone Financial Statements is as follows:

Particulars	As at March 31, 2024			As at April 01, 2023		
	Previous GAAP*	Adjustment	Ind AS	Previous GAAP*	Adjustments	Ind AS
ASSETS						
Non-Current assets						
(a) Property, plant and equipment	2,674.69	(0.04)	2,674.65	2,188.18	58.24	2,246.42
(b) Capital work-in-progress	448.18	-	448.18	173.39	-	173.39
(c) Right of use assets	-	12.84	12.84	-	13.33	13.33
(d) Financial Assets						
(i) Investments	165.84	40.61	206.45	45.99	(0.99)	45.00
(ii) Loans	35.00	-	35.00	-	-	-
(iii) Other Financial assets	128.29	(36.81)	91.48	75.23	1.68	76.91
(e) Other non-current assets	120.02	-	120.02	132.12	-	132.12
Total Non-current assets	3,572.01	16.60	3,588.62	2,614.91	72.26	2,687.17
Current assets						
(a) Inventories	1,006.65	64.86	1,071.51	1,027.20	55.57	1,082.77
(b) Financial Assets						
(i) Trade Receivables	2,073.82	(174.46)	1,899.36	2,031.43	(127.61)	1,903.82
(ii) Cash and Cash Equivalents	66.57	(0.00)	66.57	33.87	(0.00)	33.87
(iii) Bank balances other than cash and cash equivalents	43.75	33.70	77.45	75.72	-	75.72
(iv) Other financial assets	10.97	-	10.97	22.44	-	22.44
(c) Other current assets	250.21	2.27	252.48	210.38	1.47	211.85
Total current assets	3,451.97	(73.63)	3,378.34	3,401.04	(70.57)	3,330.47
TOTAL ASSETS	7,023.98	(57.03)	6,966.96	6,015.95	1.69	6,017.64
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share Capital	374.48	(0.00)	374.48	124.80	-	124.80
(b) Other equity	2,486.36	(107.68)	2,378.68	1,918.13	54.19	1,972.32
Total Equity	2,860.84	(107.69)	2,753.16	2,042.93	54.19	2,097.12
Liabilities						
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,118.76	1.77	1,120.53	669.51	5.94	675.45
(ii) Lease Liabilities	-	10.27	10.27	-	10.30	10.30
(b) Provisions	70.26	0.01	70.27	58.09	(2.85)	55.24
(c) Deferred Tax Liabilities (Net)	118.09	3.71	121.80	124.03	(23.26)	100.77
Total Non-current Liabilities	1,307.11	15.76	1,322.87	851.63	(9.87)	841.76
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,522.95	0.01	1,522.96	1,733.02	-	1,733.02
(ii) Lease Liabilities	-	1.20	1.20	-	2.40	2.40
(iii) Trade Payables						
(A) total outstanding dues of Micro and Small Enterprises	37.19	-	37.19	26.69	-	26.69
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises	1,060.73	-	1,060.73	1,133.84	-	1,133.84
(iv) Other Financial liabilities	159.08	33.70	192.78	187.08	(44.92)	142.16
(b) Provisions	40.88	(0.01)	40.87	8.42	(0.11)	8.31
(c) Current Tax Liabilities (Net)	11.41	0.00	11.41	3.29	0.00	3.29
(d) Other Current Liabilities	23.79	-	23.79	29.05	-	29.05
Total Current Liabilities	2,856.03	34.90	2,890.93	3,121.39	(42.63)	3,078.76
TOTAL EQUITY & LIABILITIES	7,023.98	(57.03)	6,966.96	6,015.95	1.69	6,017.64

** The audited financial statements figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note*

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Notes to Standalone Financial Statements
(All amounts in ₹ millions, unless otherwise stated)
5. Reconciliation of the Income and Expenses presented in the Statement of Profit and Loss prepared as per Audited Previous GAAP Financials and as per Standalone Financial Statements is as follows:

Particulars	For the year ended March 31, 2024		
	Previous GAAP*	Adjustment	Ind AS
Revenue from operations	7,701.51	(41.60)	7,659.91
Other income	30.77	3.81	34.58
Total Income	7,732.28	(37.79)	7,694.49
Expenses:			
Cost of materials consumed	4,259.87	(1.90)	4,257.97
Changes in inventories of finished goods and Work-in-Progress	66.87	(9.29)	57.58
Employee benefits expense	758.53	(28.43)	730.10
Finance Costs	228.33	(2.92)	225.41
Depreciation and amortization expense	150.62	0.50	151.12
Other Expenses	1,218.99	38.08	1,257.07
Total expenses	6,683.21	(3.96)	6,679.25
Profit before tax for the year	1,049.07	(33.83)	1,015.24
Tax expense:			
Current tax	256.87	-	256.87
Deferred tax	(5.95)	26.45	20.50
Prior period tax	1.03	-	1.03
Total Tax Expense	251.95	26.45	278.40
Profit after Tax for the year	797.12	(60.28)	736.84
Other comprehensive income/(loss)			
(i) Items that will not be reclassified to Profit or Loss			
a) Changes in fair value of investments	-	-	-
Income tax on above	-	-	-
b) Actuarial gain/ (loss) on post- employment benefit obligations		2.10	2.10
Income tax on above	-	(0.53)	(0.53)
Other Comprehensive Income/ (Loss) for the year (Net)	-	1.57	1.57
Total Comprehensive Income / (Loss) for the Year	797.12	(58.71)	738.41

*The audited financial statements figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

C. Notes:
a) Borrowings

Under previous GAAP, transaction costs incurred in connection with borrowings are charged upfront to the statement of profit and loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to the statement of profit and loss using the effective interest method.

b) Financial assets carried at FVTOCI

Under previous GAAP, the Company accounted for long-term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. Accordingly, the company has fair valued these investments.

c) Financial assets carried at FVTPL

Under previous GAAP, the Company accounted for long-term investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, the company has fair valued these investments.

d) Financial assets carried at Amortised cost

Under previous GAAP, interest free security deposit or loans given to employees are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these security deposits and employee loans.

e) Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Statement of Asstes And Liabilities and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

f) Defined benefit liabilities

Under previous GAAP, actuarial gains and losses were recognized in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined liability/asset which is recognized in other comprehensive income. Consequently, the tax effect of the same has also been recognized in other comprehensive income under Ind AS instead of the statement of profit and loss.

g) Expected credit loss

Under previous GAAP, the company measured financial assets at cost. Under Ind AS, the company recognised the provision for expected credit loss for certain financial assets i.e., trade receivables.

h) Lease accounting

Under previous GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss.

Under Ind AS, right-of-use asset is recognised at present value of lease payments adjusted for any payemnts made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of the useful life of the asset or the lease term.

Similarly, lease liability is recognised at present value of lease payments that are not made at the commencement of lease. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

i) Under previous GAAP, revenue was recognised on risk and reward transferred to customers. Under Ind AS, the Group has recognised revenue from customers on completion of performance obligation as defined under Ind AS 115. As a result of this change, trade receivable have been derecognised and corresponding inventory has been recognised.

j) Proposed dividend

Under previous GAAP, dividends on equity shares recommended by the Board of Directors after the end of the reporting period but before the financial statements were approved for issue were recognized in the financial statements as a liability. Under Ind AS, such dividends are recognized as a liability when declared/approved by the members in a general meeting.

k) In the Financial Year 2021–2022, the Company underwent an amalgamation incorporating M/s. Kshatriya Laboratories Private Limited and M/s. Vector Bio Sciences Private Limited under a Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT) on July 03, 2023, pursuant to Sections 230 to 237 of the Companies Act, 2013. The amalgamation was effective from April 01, 2021.

Under the scheme, all assets and liabilities of the Transferor Companies were taken over at their respective book values. The assets taken over from Vector Bio Sciences Private Limited were being depreciated under the Straight-Line Method (SLM), while the assets from Kshatriya Laboratories Private Limited were being depreciated using the Written Down Value (WDV) method in their respective books.

To ensure consistency and comparability in financial reporting, the Company has retrospectively changed the method of depreciation for the assets taken over from Kshatriya Laboratories Private Limited from WDV to SLM.

l) Under previous GAAP, export incentive was accounted on receipt basis. Under Ind AS, the same was accounted on accrual basis.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***57. Ratio Analysis**

Ratio	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for variance in excess of 25%
Current Ratio	Current Assets	Current Liabilities	1.14	1.17	(2.32%)	Not Applicable
Debt-Equity Ratio	Debt ¹	Net worth ²	0.62	0.96	(35.93%)	Mainly due to increase in Total equity
Debt Service Coverage Ratio	Earnings available for debt service ³	Interest expense + repayment of borrowings & lease liabilities ⁴	1.70	2.44	(29.99%)	Mainly due to increase in borrowings
Return on Equity Ratio	Net profit after taxes	Average shareholders equity	0.22	0.30	(28.88%)	Mainly due to increase in Shareholders equity on account Preferential issue
Inventory Turnover Ratio	Revenue from Operations	Average Inventory ⁵	5.86	7.11	(17.62%)	Not Applicable
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivable ⁶	4.58	4.03	13.76%	Not Applicable
Trade Payables Turnover Ratio	Net credit purchases	Average Trade Payables ⁷	4.29	3.81	12.64%	Not Applicable
Net Capital Turnover Ratio	Revenue from Operations	current assets - current liabilities	16.30	15.72	3.71%	Not Applicable
Net Profit Ratio	Profit after tax	Sales of Products and Services	0.10	0.10	1.25%	Not Applicable
Return on Capital Employed	Earnings Before Interest and Taxes ⁹	Average Capital Employed ⁸	0.19	0.25	(21.74%)	Not Applicable
Return on Investment	Income generated from investments	Average investments	0.02	0.01	96.05%	Mainly due to increase in Income from mutual funds

1 . Debt = Long term Borrowings + Short term Borrowings

2 . Net Worth = Equity share capital + Other equity

3 . Earnings available for debt service = Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets

4 . Interest expense + Principal repayment=Excluding refinanced debt for all the loan funds during the period

5 . Average inventory = (Opening + Closing balance) / 2

6 . Average trade receivables = (Opening + Closing balance) / 2

7 . Average trade payables = (Opening + Closing balance) / 2

8 . Capital Employed = Tangible net worth + Total debt + Deferred Tax Liability

9 . Earnings Before Interest and Taxes = Profit before taxes + Finance cost

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***58. Events after the reporting period****a. Acquisition of Oxygenta Pharmaceutical Limited**

On June 20, 2025, the Company acquired 55.37% of the equity share capital of Oxygenta Pharmaceutical Limited for a total consideration of ₹430.02 million. Consequently, Oxygenta Pharmaceutical Limited has become a subsidiary of the Company from the acquisition date. The investment will be carried at cost in these Separate Financial Statements in accordance with Ind AS 27.

The acquisition does not impact the financial position as of March 31, 2025, since it represents a non-adjusting event after the reporting period. The related goodwill of ₹602.16 million will be recognised in the Consolidated Financial Statements upon completion of purchase price allocation.

b. Appointment of Independent Directors

Following individuals were appointed as Independent Directors of the Company subsequent to the reporting date i.e. March 31, 2025.

- i. Appointment of Mr. Veera Reddy Arava w.e.f September 03, 2025
- ii. Appointment of Mr. Murali Krishna Kurada w.e.f September 03, 2025
- iii. Appointment of Mr. Padmanabhuni Venkata Appaji w.e.f September 03, 2025

c. Increase in Authorized Share Capital

Subsequent to the reporting date i.e. March 31, 2025, the authorized share capital of the Company increased from ₹ 450.00 million (comprising of 4,50,00,000 equity shares having face value of ₹10 each) to ₹850.00 million, (comprising of 8,50,00,000 equity shares having face value of ₹10 each) pursuant to resolution passed by the Board of Directors on September 13, 2025 and approved by shareholders through extra-ordinary general meeting held on September 13, 2025.

d. Issuance of Bonus Shares

The Board of Directors, at its meeting held on September 13, 2025, approved and recommended the issuance of fully paid bonus shares in the ratio of 1:2 (one bonus share for every two existing shares).

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on September 13, 2025, the Company has allotted 2,05,10,650 fully paid-up equity shares of face value ₹10 each as bonus shares.

As a result of above, the issued, subscribed and fully paid up Equity Share Capital of the Company as on date of signing of the financials is 6,15,31,937 equity shares of face value of ₹ 10 each i.e. ₹ 615.32 million. Earnings Per Share calculations have been restated in all the periods to give effect of this bonus.

e. Purchase of Equity Shares of Genz Materials Private Limited

On April 25, 2025, Subsequent to the reporting date, the Holding Company has made an investment in Genz Materials Private Limited, through a private placement of equity shares. Pursuant to the private placement offer letter issued by Genz Materials Private Limited, the Company was allotted 1,022 equity shares of ₹10 each at a premium of ₹29,337.83 per share, aggregating to a total consideration of ₹ 29.99 million, representing about 9.27% of its post-issue equity shareholding.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Standalone Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***59. The Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the code came into effect on May 03, 2023. However, the final rules/interpretation have not yet been issued. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial statements in the period in which, the Code becomes effective.

60. Other Statutory Information:

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any transactions with struck off companies.
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except as disclosed in note 53.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) The Company has not surrendered or disclosed any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
 - i) The company has not been declared as wilful defaulter by any bank or financial institution or other lender.
 - j) The company has not entered into any scheme of arrangement which has an accounting impact on current financial year.
- k) The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.
- l) The company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.
- m) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2 to the Standalone financial statements, are held in the name of the company.
- n) The company has complied with the number of layers prescribed under the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

Place: Hyderabad

Date: September 24, 2025

M. BALASUBBA REDDY

Whole Time Director

DIN: 01998852

PRASAD REDDY BATTINAPATLA

Chief Financial Officer

G. CHANDRA MOULISWAR REDDY

Managing Director

DIN: 00046845

VIKAS KURADA

Company Secretary

Membership No. A54105

Independent Auditor's Report

To the Members of
Virupaksha Organics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Virupaksha Organics Limited** (the "Company" or "Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates which comprise the Consolidated Statement of Assets and Liabilities as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2025, and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and associates 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 financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including annexures to the Director's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information, so far as it relates to associates, is traced from their audited financial statements. 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 the Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective company(ies) and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities 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 and its associates are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

The consolidated financial statements also include the Holding Company's share of net loss of ₹1.88 millions for the year ended March 31, 2025 (₹ 0.02 million as at March 31, 2024), as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the CARO reports issued by us for the Holding Company and Subsidiaries and on the consideration of report of the other auditors on separate financial statements and the other financial information of an associate incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the associate referred to in the Other Matter section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law maintained relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014.
 - c) The Consolidated Statement of Assets and Liabilities, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate, none of the directors of the Group companies, and its associate, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules.

- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to consolidated financial statements.
- h) 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 and based on the auditor’s reports of subsidiary companies and on the consideration of the reports of the other auditor, referred to in “Other Matters” Paragraph, on separate financial statements of an associate, we report that the Holding Company whose financial statements have been audited under the Act have paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to subsidiary companies and, associate company covered under the Act, since none of such companies is a public Company as defined under section 2(71) of the Act.
- i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate, as noted in the ‘Other matter’ paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and its associate in its consolidated financial statements - Refer Note 50 to the consolidated financial statements.
 - ii. The Group, and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2025.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, subsidiaries and its associate companies incorporated in India.

iv.

- (a) The respective managements of the Holding Company, its subsidiaries and its associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditor of such associate that, to the best of their knowledge and belief, as disclosed in the note 65(e) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such associate that, to the best of their knowledge and belief, as disclosed in the note 65(f) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or associate directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act, as applicable.

The Holding Company has not proposed final dividend for the year.

vi. Based on our examination, which included test checks performed by us on the Holding Company, its subsidiaries and based on the other auditor's report of its associate company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company, its subsidiary company (Virupaksha Green Energy Private Limited) and an associate company (Bharath Advanced Therapeutics Private Limited), incorporated in India have used accounting software for maintaining their respective books of account for the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

- In respect of a subsidiary incorporated in India (Progenerics Pharma Private Limited), the accounting software used did not have the audit trail feature enabled or operated during the year. Also, reporting under this para is not applicable to an associate (Virupaksha Lifesciences LLP) which is not a company defined under subsection 2(20) of the Companies Act, 2013.
- Further, the said feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes to accounting software.

Further, during the course of our audit, we and the other auditor of an associate did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which mandates the use of accounting software with an Audit Trail feature, is applicable from April 1, 2023. The audit trail has been preserved by the Holding Company and its associate as per the statutory requirements for record retention.

However, in case of a subsidiary company (Virupaksha Green Energy Private Limited) which has incorporated on December 24, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2025.

For C. RAMACHANDRAM & Co
Chartered Accountants
FRN: 002864S

C. RAMACHANDRAM
Partner
Membership No.: 025834
UDIN:

Place: Hyderabad
Date: September 24, 2025

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

xxi. As required by paragraph 3(xxi) of the Companies (Auditor’s Report) Order, 2020, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and subsidiaries and on the consideration of report of the other auditors on separate financial statements and the other financial information of an associate incorporated in India, included in the consolidated financial statements, as noted in the ‘Other Matter’ paragraph to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Sr. No.	Name of the Company	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Virupaksha Organics Limited	U24110TG1997PLC028281	Holding Company	ii(b), vii(b)
2	Progenerics Pharma Private Limited	U24233TG2015PTC102075	Subsidiary	xvii, xviii
3	Virupaksha Green Energy Private Limited	U35106TS2024PTC192317	Subsidiary	xvii

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

UDIN:

Place: Hyderabad

Date: September 24, 2025.

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2025. We have audited the internal financial controls with reference to consolidated financial statements of Virupaksha Organics Limited (the “Company” or “Holding Company”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to the consolidated financial statements criteria established by the Holding 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 (“the Guidance Note”). 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 with reference to consolidated financial statements of the Holding 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 ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgement, 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 Holding Company internal financial controls with reference to these consolidated financial statements.

Meaning of Internal Financial Controls with Reference to these Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 Holding Company has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements 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 ICAI.

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

UDIN:

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Consolidated Statement of Assets and Liabilities
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
ASSETS				
Non-Current assets				
(a) Property, plant and equipment	2	4,207.25	2,674.65	2,246.42
(b) Capital work-in-progress	3	246.51	448.18	173.39
(c) Right of use assets	4	22.91	12.84	13.33
(d) Goodwill	5	93.02	-	-
(e) Investment in equity accounted investees	6	38.10	39.98	-
(f) Financial Assets				
(i) Investments	7	321.79	166.45	45.00
(ii) Loans	8	145.00	35.00	-
(iii) Other Financial assets	9	272.89	91.48	76.91
(g) Other non-current assets	10	144.54	120.02	132.12
Total Non-current assets		5,492.01	3,588.60	2,687.17
Current assets				
(a) Inventories	11	1,698.71	1,071.51	1,082.77
(b) Financial Assets				
(i) Trade Receivables	12	1,643.44	1,899.36	1,903.82
(ii) Cash and Cash Equivalents	13	145.62	66.57	33.87
(iii) Bank balances other than cash and cash equivalents	14	47.29	77.45	75.72
(iv) Other financial assets	15	16.12	10.97	22.44
(c) Other current assets	16	481.62	252.48	211.85
Total current assets		4,032.80	3,378.34	3,330.47
TOTAL ASSETS		9,524.81	6,966.94	6,017.64
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	17	410.22	374.48	124.80
(b) Other equity	18	4,155.98	2,378.66	1,972.32
Total Equity		4,566.20	2,753.14	2,097.12
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	19	1,143.47	1,120.53	675.45
(ii) Lease Liabilities	20	18.30	10.27	10.30
(b) Provisions	21	100.24	70.27	55.24
(c) Deferred Tax Liabilities (Net)	22	157.51	121.80	100.77
Total Non-current Liabilities		1,419.52	1,322.87	841.76
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	1,678.85	1,522.96	1,733.02
(ii) Lease Liabilities	20	3.74	1.20	2.40
(iii) Trade Payables	24			
(A) total outstanding dues of Micro and Small Enterprises		402.36	37.19	26.69
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises		826.36	1,060.73	1,133.84
(iv) Other Financial liabilities	25	530.11	192.78	142.16
(b) Provisions	26	55.54	40.87	8.31
(c) Current Tax Liabilities (Net)	27	20.54	11.41	3.29
(d) Other Current Liabilities	28	21.59	23.79	29.05
Total Current Liabilities		3,539.09	2,890.93	3,078.76
TOTAL EQUITY & LIABILITIES		9,524.81	6,966.94	6,017.64

The accompanying notes are an integral part of these financial statements

1

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co
Chartered Accountants
FRN: 002864S

M. BALASUBBA REDDY
Whole Time Director
DIN: 01998852

G. CHANDRA MOULISWAR REDDY
Managing Director
DIN: 00046845

C. RAMACHANDRAM
Partner
Membership No.: 025834

PRASAD REDDY BATTINAPATLA
Chief Financial Officer

VIKAS KURADA
Company Secretary
Membership No. A54105

Place: Hyderabad
Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Consolidated Statement of Profit and Loss
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	29	8,117.09	7,659.91
Other income	30	48.14	34.58
Total Income		8,165.23	7,694.49
Expenses:			
Cost of materials consumed	31	4,877.51	4,257.97
Changes in inventories of finished goods and Work-in-Progress	32	(451.76)	57.58
Employee benefits expense	33	884.12	730.10
Finance Costs	34	211.51	225.41
Depreciation and amortization expense	2 & 4	193.17	151.12
Other Expenses	35	1,412.96	1,257.07
Total expenses		7,127.51	6,679.25
Profit before Tax and share of equity accounted investees		1,037.72	1,015.24
Share of profit/(loss) of equity accounted investees (net of tax)		(1.88)	(0.02)
Profit before tax for the year		1,035.84	1,015.22
Tax expense:			
Current tax		217.42	256.87
Deferred tax		30.30	20.50
Prior period tax		0.98	1.03
Total Tax Expense		248.70	278.40
Profit after Tax for the year		787.14	736.82
Other comprehensive income/(loss)			
(i) Items that will not be reclassified to Profit or Loss			
a) Changes in fair value of investments		8.34	-
Income tax on above		(2.10)	-
b) Actuarial gain/ (loss) on post- employment benefit obligations		(4.32)	2.10
Income tax on above		1.09	(0.53)
Other Comprehensive Income/ (Loss) for the year (Net of Tax)		3.01	1.57
Total Comprehensive Income / (Loss) for the Year		790.15	738.39
Earnings per equity share (Face value of ₹ 10 each fully paid)	36		
(1) Basic (in ₹)		13.17	13.12
(2) Diluted (in ₹)		13.17	13.12

The accompanying notes are an integral part of these financial statements

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As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

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Membership No.: 025834

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Chief Financial Officer

VIKAS KURADA

Company Secretary
Membership No. A54105

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Consolidated Statement of Changes in Equity
(All amounts in ₹ millions, unless otherwise stated)

I. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the beginning of the year	374.48	124.80	124.80
Changes in equity share capital during the year (Refer Note 17)	35.74	249.68	-
Balance at the end of the year	410.22	374.48	124.80

II. OTHER EQUITY

Particulars	Share Application Money Pending Allotment	Reserves and Surplus				Items of Other Comprehensive Income (OCI)	Total Other Equity
		Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings		
Balance as at April 01, 2023	0.03	2.33	60.87	5.10	1,911.30	(7.30)	1,972.32
Profit for the period	-	-	-	-	736.82	-	736.82
Dividend on Equity Shares (Refer Note 51)	-	-	-	-	(82.38)	-	(82.38)
Bonus Issue of Equity Shares (Refer Note 17)	-	-	-	-	(249.65)	-	(249.65)
Issue of Equity Share Capital	(0.03)	-	-	-	-	-	(0.03)
Other comprehensive income for the period	-	-	-	-	-	1.57	1.57
Balance as at March 31, 2024	-	2.33	60.87	5.10	2,316.09	(5.73)	2,378.66
Profit for the period	-	-	-	-	787.14	-	787.14
Dividend on Equity Shares (Refer Note 51)	-	-	-	-	(49.23)	-	(49.23)
Issue of Equity Share Capital	-	-	-	1,036.39	-	-	1,036.39
Other comprehensive income for the period	-	-	-	-	-	3.01	3.01
Balance as at March 31, 2025	-	2.33	60.87	1,041.49	3,054.00	(2.72)	4,155.97

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

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Chief Financial Officer

VIKAS KURADA

Company Secretary

Membership No. A54105

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Consolidated Statement of Cashflows

(All amounts in ₹ millions, unless otherwise stated)

Particulars	For The Year Ended March 31, 2025	For The Year Ended March 31, 2024
Cash flows from/(used in) operating activities		
Net profit/(loss) before tax	1,035.84	1,015.22
Adjustments for:		
Depreciation and amortisation expense	193.17	151.12
Interest income	(21.83)	(4.45)
Interest on Income Tax Refund	-	(1.15)
Income from Mutual Fund	(6.58)	(1.15)
Finance costs	217.81	225.41
Actuarial gain/ (loss) on post- employment benefit obligations	(4.32)	2.10
Share of (profit)/loss of equity accounted investees	1.88	0.02
Net gain on fair value change in investments	(0.72)	(1.57)
Loss/(profit) on sale of property, plant and equipment (net)	(0.69)	1.62
Operating profit before working capital changes	1,414.56	1,387.17
Changes in working capital		
Adjustments for (increase)/decrease in operating assets :		
Trade receivables	262.75	4.46
Inventories	(627.20)	11.26
Other financial assets	(186.50)	(3.10)
Other assets	(246.02)	(28.53)
Adjustments for increase/(decrease) in operating liabilities :		
Trade payables	129.21	(62.61)
Other financial liabilities	333.47	50.62
Provisions	43.63	47.59
Other liabilities	(11.42)	(5.26)
Cash generated from / (used in) operating activities	1,112.48	1,401.60
Income taxes paid, net	(209.27)	(248.63)
Net Cash generated from / (used in) operating activities (A)	903.21	1,152.97
Cash flow from/(used in) investing activities		
Capital expenditure on property, plant and equipment	(1,457.88)	(860.51)
Proceeds from sale of property, plant and equipment	6.93	5.25
Purchase of investments	(195.89)	(159.88)
Acquisition of subsidiaries	(114.75)	-
(Increase) / Decrease in Bank balances other than cash and cash equivalents	30.26	(1.73)
Income from mutual funds	6.58	1.15
Interest Received	21.83	4.45
Loans given	(144.25)	(35.00)
Net cash generated from / (used in) investing activities (B)	(1,847.17)	(1,046.27)
Cash flow from/(used in) financing activities		
Proceeds from Borrowings	680.24	1,108.52
Repayment of Borrowings	(511.57)	(873.50)
Proceeds from issue of equity shares	1,121.74	-
Payment of Lease Liabilities	(0.35)	(1.23)
Finance costs	(217.81)	(225.41)
Dividend paid	(49.23)	(82.38)
Net cash generated from/(used in) financing activities (C)	1,023.02	(74.00)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	79.05	32.70
Cash and cash equivalents at the beginning of the year	66.57	33.87
Cash and cash equivalents at the end of the year (Refer Note No: 13)	145.62	66.57
Note:		
Cash and cash equivalents comprise of:		
Cash in hand	1.44	1.18
Balances with banks	144.18	65.39
Deposits with banks		
Cash and cash equivalents (Refer Note No: 13)	145.62	66.57

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Consolidated Statement of Cashflows

(All amounts in ₹ millions, unless otherwise stated)

Notes

1. Changes in liabilities arising from financing activities

	As at March 31,2025	As at March 31,2024
<u>Borrowings</u>		
Opening Balance	2,643.49	2,408.47
Acquisition of subsidiary	10.16	-
Proceeds during the year	680.24	1,108.52
Repayments During the year	(511.57)	(873.50)
Closing Balance	2,822.32	2,643.49
<u>Share Capital</u>		
Opening Balance	379.58	129.90
Proceeds during the year	1,072.13	-
Adjustment on account of bonus shares and shares received on amalgamation	-	249.68
Closing Balance	1,451.71	379.58
<u>Lease Liabilities</u>		
Opening Balance	11.47	12.70
Payment of interest portion of lease liabilities	1.27	1.17
Payment of principal portion of lease liabilities	(1.62)	(2.40)
Lease additions during the year	10.92	-
Closing Balance	22.04	11.47

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

M. BALASUBBA REDDY

Whole Time Director

DIN: 01998852

G. CHANDRA MOULISWAR REDDY

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Partner

Membership No.: 025834

PRASAD REDDY BATTINAPATLA

Chief Financial Officer

VIKAS KURADA

Company Secretary

Membership No. A54105

Place: Hyderabad

Date: September 24, 2025

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

Corporate Information and Material Accounting Policies

1.1 Corporate Information

Virupaksha Organics Limited (Corporate identity number: U24110TG1997PLC028281) (“the Company/ Parent company/ Holding Company”) is a public limited company domiciled in India and is incorporated on November 03, 1997 under the provisions of Companies Act applicable in India. The Company is engaged in manufacturing and marketing of Active Pharmaceutical Ingredients (APIs), Generic Pharmaceuticals, Bulk Drugs, Intermediates and Differentiated Formulations. The Company has its registered office at Hyderabad, Telangana. The Company’s principal research and development facility is located in the state of Telangana in India; its principal manufacturing facilities are located in the states of Telangana and Karnataka.

The consolidated financial statements comprise financial statements of Virupaksha Organics Limited (“the Company”) and its subsidiaries (the Company and its subsidiaries together referred to as ‘the Group’) and its associates.

1.2 Basis of Preparation, Measurement and Material Accounting Policies

a) Statement of Compliance and Basis of preparation

The consolidated financial statements of the Company comprise the Consolidated Statement of Assets and Liabilities as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity for the year ended March 31, 2025 and Notes forming part of the consolidated financial statements (collectively, the ‘Consolidated Financial Statements’).

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as ‘Ind AS’) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI).

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended March 31, 2025 and consequently April 1 2023 is the transition date for preparation of such statutory financial statements. Up to the financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2021 (“Indian GAAP” or “Previous GAAP”).

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance (Refer to Note 61).

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use. These consolidated financial statements have been prepared on a going concern basis. These consolidated financial statements do not reflect the effects of events that occurred subsequent to the respective dates of board meeting held to approve and adopt the audited consolidated financial statements as mentioned above under Statement of Compliance paragraph.

Comparability of Financial Information:

The scope of consolidation has changed over the periods presented. In FY 2022-23, the Company had an associate, Virupaksha Lifesciences LLP, but no subsidiaries, and consolidated financial information included only this associate. In FY 2023-24, the Company acquired 24.62% equity in Bharath Advanced Therapeutics Private Limited, resulting in consolidation of both associates. In FY 2024-25, the Company incorporated Virupaksha Green Energy Private Limited and acquired Progenerics Pharma Private Limited (both wholly owned subsidiaries), resulting in consolidated financial information including both subsidiaries and associates. Accordingly, the financial information for FY 2022-23 is not directly comparable with FY 2023-24 and FY 2024-25, and FY 2023-24 is not directly comparable with FY 2024-25.

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities: Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

c) Use of judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affects the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)****Assumptions and estimation uncertainties***

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 1.3(c) - Assessment of functional currency;
- Note 1.3(d) - Financial instruments;
- Notes 1.3(g) and 1.3(i) - Useful lives of property, plant and equipment and intangible assets and residual value at the end of its life.
- Note 1.3(k) - Valuation of inventories;
- Note 1.3(l) - Measurement of recoverable amounts of cash-generating units;
- Note 1.3(n) - Contingencies, Provisions and other accruals;
- Note 1.3(o) - Measurement of transaction price in a revenue transaction (sales returns and rebates);
- Note 1.3(r) - Evaluation of recoverability of deferred tax assets, estimation of income tax payable and income tax expense in relation to uncertain tax positions;

d) Current vs. non-current Classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the statement of assets and liabilities based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Group normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current

Liabilities

A liability is classified as a current when:

- it is expected to be settled in normal operating cycle
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

- the Group does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent. The operating cycle of the Group is less than 12 months.

1.3 Material accounting policies information:**a) New and amended standards adopted by the Group:**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b) Basis of consolidation

The consolidated financial statements relate to Virupaksha Organics Limited, its subsidiaries and associates. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing these consolidated financial statements to ensure conformity with the group’s accounting policies. Consolidated financial statements have been prepared on the following basis:

I. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- i. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- ii. Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.
- iii. The ability to use its power over the investee to affect its returns.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i. The contractual arrangement with the other vote holders of the investee;
- ii. Rights arising from other contractual arrangements;
- iii. The Group's voting rights and potential voting rights;
- iv. The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidation procedures:

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Loss of control:

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- i. Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- ii. Derecognises the carrying amount of any non-controlling interests.
- iii. Derecognises the cumulative translation differences recorded in equity.
- iv. Recognises the fair value of the consideration received.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

- v. Recognises the fair value of any investment retained.
- vi. Recognises any surplus or deficit in profit or loss.
- vii. Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Subsidiaries considered in the Consolidated financial statements:

S.No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %		
				As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1	Progenerics Pharma Private Limited	Subsidiary	India	100%	-	-
2	Virupaksha Green Energy Private Limited	Subsidiary	India	100%	-	-

There is no Non-Controlling interest as the subsidiaries Progenerics Pharma Private Limited and Virupaksha Green Energy Private Limited are the wholly owned subsidiaries w.e.f. December 30, 2024 and December 25, 2024 respectively.

II. Associates

Associates include all entities where the Group has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associates are accounted for using the equity method. Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognise the Group's share of post-acquisition profit and loss, and the Group's share of other comprehensive income. Dividend received from associates are recognised as a reduction in the carrying amount of the investments. Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods.

If an entity's share of losses of an associate equal or exceeds its interest in the associate, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the carrying amount is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and impairment, if any, is recognised as 'Share of profit/(loss) in Associates and Joint Ventures' in the consolidated statement of profit and loss.

Associates considered in the Consolidated financial statements:

S.No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %		
				As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1	Bharath Advanced Therapeutics Private Limited	Associate	India	24.71%	24.71%	-
2	Virupaksha Lifesciences LLP	Associate	India	48%	48%	48%

Investment in Virupaksha Life Sciences LLP, which is an associate was fully impaired due to continued operating losses and negative network. As a result, the carrying amount of the investment in the associate under the equity method stood at Nil. In accordance with Para 38 of Ind AS 28 – Investments in Associates and Joint Ventures, the Company discontinued recognition of its share of further losses in the associate, as the entity's share of losses exceeded the carrying amount of its investment and no legal or constructive obligations existed to fund further losses. Accordingly, the share of loss of Virupaksha Life Sciences LLP for the purpose of consolidation is Nil.

c) Foreign currency**Functional and presentation currency**

These consolidated financial statements are presented in Indian rupees (₹), which is the functional currency of the group and the currency of the primary economic environment in which the group operates.

Foreign currency transactions

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of Profit and Loss in the period in which they arise.

d) Rounding of amounts

All amounts disclosed in the consolidated financial statements which also include the accompanying notes have been rounded off to two decimal places to the nearest Millions as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115, "Revenue from Contracts with Customers".

Subsequent measurement**Financial assets carried at amortized cost:**

A "financial asset" is measured at the amortised cost if both the following conditions are met:

- a) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method and are subject to impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de recognition is recognised directly in statement of Profit and Loss and presented in other income. The losses arising from impairment are recognised in the statement of Profit and Loss.

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A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For equity instruments the Group may make an irrevocable election to present in Other comprehensive Income (OCI) subsequent changes in the fair value. The Group makes such election upon initial recognition on an instrument-by instrument basis. The classification is made upon initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of Profit and Loss, even on sale of investment.

However, on sale the Company may transfer the cumulative gain or loss within equity.

The Group has made an irrevocable election for its investments in equity instruments other than in subsidiaries & associates to present the subsequent changes in fair value in other comprehensive income.

Financial assets at fair value through profit and loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Group's statement of assets and liabilities) when:

- the rights to receive cash flows from the asset have expired; or
- Both (1) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and (2) either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL) and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities at FVTPL primarily comprise derivative financial instruments entered into by the Group and not designated as hedging instruments in a hedging relationship as defined by Ind AS 109.

Gains or losses on such financial liabilities are recognised in the statement of Profit and Loss.

The Group has not designated any financial liability as FVTPL.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the profit or loss. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the statement of assets and liabilities date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gain or loss arising on de-recognition, measured as difference between, the carrying amount of financial liability and the settlement amount, is recognized under the head finance costs in the statement of Profit and Loss.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the statement of assets and liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

f) Cash and cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using indirect method whereby profit/ (loss) before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts and payments.

g) Business combination and Goodwill

Business Combinations are accounted for using Ind AS 103 'Business Combination'. Acquisitions of businesses are accounted for using the acquisition method unless the transaction is between entities under common control.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 are measured in accordance with that Standard.

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Business Combinations arising from transfer of interests in entities that are under common control, are accounted using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value. No adjustment is made to reflect fair values or recognise any new assets or liabilities other than those required to harmonise accounting policies. The identity of the reserves is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

Goodwill is measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed.

If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after remeasurement, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is reviewed for impairment atleast annually. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

h) Property, plant and equipment**Recognition and measurement**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Freehold land has an unlimited useful life and therefore is not depreciated.

Software for internal use which is acquired from third-party vendors and forms an integral part of a tangible asset, including consultancy charges for implementing the software, is capitalised as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognised as expense as incurred.

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Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date and the cost of property, plant and equipment not ready to use before such date are classified as Capital Advances under other non-current assets. Assets not ready for use are not depreciated but are tested for impairment. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "Other income/ Other expenses" in the statement of Profit and Loss.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Capital work-in-progress included in non-current assets comprises of direct costs, related incidental expenses and attributable interest. Capital work-in-progress are not depreciated as these assets are not yet available for use.

Depreciation

Depreciation on property, plant and equipment (other than freehold land) is calculated on the straight-line method based on the useful life of the assets as indicated under Schedule II of the Companies Act 2013. Depreciation is recognised in the statement of Profit and Loss. Land is not depreciated but subject to impairment.

When parts of an item of property, plant and equipment have different useful lives, they are depreciated separately based on their respective economic useful lives.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate and adjusted prospectively.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***i) Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

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Lease payments are allocated between principal and interest cost. The interest cost is charged to the statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liability and ROU asset have been separately presented in the statement of assets and liabilities and lease payments have been classified as financing cash flows.

Remeasurement of Lease- The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. 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 Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the Statement of Profit or Loss. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

j) Inventories

Inventories consist of raw materials, packing materials, stores, spares and consumables, work-in-progress, stock-in-trade and finished goods and are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

Cost of inventories is determined on a weighted average basis.

However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Stores and spares are inventories that do not qualify to be recognised as property, plant and equipment and consists of consumables, engineering spares (such as machinery spare parts), which are used in operating machines or consumed as indirect materials in the manufacturing process

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Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

k) Impairment of assets**a) Financial assets**

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit and loss.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

b) Non-Financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated for the asset or the cash generating unit to which the asset belongs. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year or when circumstances indicate that carrying value may be impaired.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

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An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense to the statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans**i. Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees upon retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The Gratuity Plan, which is defined benefit plan, is managed by the company and maintained with Life insurance Corporation of India

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For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the statement of assets and liabilities with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in statement of profit and loss when the plan amendment or curtailment occurs. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense.'

ii. Compensated absences

The Group's policy permits employees to accumulate and carry forward a portion of unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policy. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary. The resultant expenses are recognized in the statement of Profit and Loss.

Other long-term employee benefits

The Group's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value by independent actuaries using the projected unit credit method. The current service cost, past service cost as well as re-measurements are recognised in the statement of Profit and Loss in the period in which they arise.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***m) Provisions and contingencies****Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

n) Revenue recognition

The Group's revenue is derived from sale of goods and service income. Most of such revenue is generated from the sale of goods. The Group has generally concluded that it is the principal in its revenue arrangements.

Sale of goods

Revenue is recognised when the control of the goods has been transferred to a third party. This is usually when the title passes to the customer, either upon shipment or upon receipt of goods by the customer as per the terms agreed upon with the customer. Generally, at that point, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the product.

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Revenue from the sale of goods is measured at the transaction price which is the consideration received or receivable, net of expected returns, taxes and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer since the Group acts as a principal in rendering those services.

In arriving at the transaction price, the Group considers the terms of the contract with the customers and its customary business practices. The transaction price is the amount of consideration the Group is entitled to receive in exchange for transferring promised goods or services, excluding amounts collected on behalf of third parties. The amount of consideration varies because of estimated rebates, returns and chargebacks, which are considered to be key estimates.

Any amount of variable consideration is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur. The Company estimates the amount of variable consideration using the expected value method.

Rendering of services

Revenue from services rendered is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Dividend and interest income**(i) Dividend Income**

Dividend income from investments is recognised when the Group's right to receive payment has been established, which is generally when shareholders approve the dividend, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

(ii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

o) Shipping and handling costs

Shipping and handling costs incurred to transport products to customers, and internal transfer costs incurred to transport the products from the Group's factories to its various points of sale, are included in other expenses.

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Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

q) Income tax

Income tax expense comprises of current tax expense and deferred tax expense/benefit. Current and deferred taxes are recognised in the consolidated 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.

(i) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable income tax law of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised using the Balance Sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

Deferred 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred 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 tax asset to be utilised.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 recovered or settled.

The Group recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:

- When the Group is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities

r) Export incentives

Export incentives from government authority are recognised in the statement of profit and loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Group with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision-maker is responsible for allocating resources and assessing the performance of the operating segments and makes strategic decisions.

t) Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of shares outstanding, without a corresponding change in resources.

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

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***u) Dividend**

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company.

The final dividend on shares is recorded as a liability on the date of approval by the shareholders at the Annual General Meeting of the Company and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

1.4 Determination of fair values

The Group's accounting policies and disclosures require the determination of fair value, for all financial and certain non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***2. PROPERTY, PLANT & EQUIPMENT****For the year 2024-25**

Particulars	Freehold Land	Buildings	Plant & Equipment	Electrical Equipment	Lab Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Gross Carrying Value										
Balance as at April 01, 2024	455.32	546.68	1,305.83	104.49	261.75	49.16	14.90	63.30	22.32	2,823.75
Addition under business combination	66.40	37.20	8.07	-	16.56	0.20	0.06	-	0.32	128.80
Add: Additions	471.35	410.32	597.49	65.06	24.90	18.63	5.84	11.78	8.11	1,613.48
Less: Disposals	-	-	7.75	-	-	-	-	-	-	7.75
Balance as at March 31, 2025	993.07	994.20	1,903.64	169.55	303.21	67.99	20.80	75.08	30.75	4,558.29
Accumulated Depreciation										
Balance as at April 01, 2024	-	19.52	67.10	11.73	29.78	4.74	3.62	6.28	6.33	149.10
Addition under business combination	-	2.61	1.45	-	6.75	0.09	-	-	0.23	11.13
Add: Depreciation for the year	-	26.89	88.23	14.86	34.82	5.76	4.37	9.41	7.98	192.32
Less: Disposals	-	-	1.51	-	-	-	-	-	-	1.51
Balance as at March 31, 2025	-	49.02	155.27	26.59	71.35	10.59	7.99	15.69	14.54	351.04
Net Carrying Value										
As at March 31, 2025	993.07	945.18	1,748.37	142.96	231.86	57.40	12.81	59.39	16.21	4,207.25
As at March 31, 2024	455.32	527.16	1,238.73	92.76	231.97	44.42	11.28	57.02	15.99	2,674.65

i. Refer to Note 39 for information on property, plant and equipment provided as security by the Company

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***For the year 2023-24**

Particulars	Freehold Land	Buildings	Plant & Equipment	Electrical Equipment	Lab Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Gross Carrying Value (Refer Note below)										
Balance as at April 01, 2023	307.53	484.69	1,071.79	93.60	194.82	34.07	11.66	37.79	10.47	2,246.42
Add: Additions	147.79	61.99	240.86	10.89	66.93	15.09	3.24	27.09	11.85	585.73
Less: Disposals	-	-	6.82	-	-	-	-	1.58	-	8.40
Balance as at March 31, 2024	455.32	546.68	1,305.83	104.49	261.75	49.16	14.90	63.30	22.32	2,823.75
Accumulated Depreciation										
Balance as at April 01, 2023	-	-	-	-	-	-	-	-	-	-
Add: Depreciation for the year	-	19.52	67.46	11.73	29.78	4.74	3.62	7.45	6.33	150.63
Less: Disposals	-	-	0.36	-	-	-	-	1.17	-	1.53
Balance as at March 31, 2024	-	19.52	67.10	11.73	29.78	4.74	3.62	6.28	6.33	149.10
Net Carrying Value										
As at March 31, 2024	455.32	527.16	1,238.73	92.76	231.97	44.42	11.28	57.02	15.99	2,674.65
As at April 01, 2023	307.53	484.69	1,071.79	93.60	194.82	34.07	11.66	37.79	10.47	2,246.42

i. Refer to Note 39 for information on property, plant and equipment provided as security by the Company

Note: On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at April 01, 2023 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3. Capital Work-in-Progress

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the Beginning of the year	448.18	173.39	94.63
Add: Additions during the year	1,422.42	302.86	96.87
Less: Capitalized during the year	1,624.09	28.07	18.11
Balance at the end of the year	246.51	448.18	173.39

Capital Work-in-Progress Ageing Schedule

As at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	125.48	21.58	0.53	98.92	246.51

As at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	293.68	85.18	22.90	46.42	448.18

As at April 01, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	96.87	76.52	-	-	173.39

There are no projects where activity has been suspended or completion is overdue or exceeded its cost compared to its original plan.

4. Right-of-Use Assets

Particulars	Land	Buildings	Total
Gross Carrying Value			
Balance as at April 01, 2023	13.82	-	13.82
Additions during the year	-	-	-
Deletions during the year	-	-	-
Balance as at March 31, 2024	13.82	-	13.82
Additions during the year	-	10.92	10.92
Deletions during the year	-	-	-
Balance as at March 31, 2025	13.82	10.92	24.74

Accumulated Depreciation	Land	Buildings	Total
Balance as at April 01, 2023	0.49	-	0.49
Depreciation charge for the year	0.49	-	0.49
Deletions during the year	-	-	-
Balance as at March 31, 2024	0.98	-	0.98
Depreciation charge for the year	0.49	0.36	0.85
Deletions during the year	-	-	-
Balance as at March 31, 2025	1.47	0.36	1.83

Net Carrying Value	Land	Buildings	Total
Balance as at April 01, 2023	13.33	-	13.33
Balance as at March 31, 2024	12.84	-	12.84
Balance as at March 31, 2025	12.35	10.56	22.91

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***5. Goodwill**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening Balance	-	-	-
Recognised on acquisition of subsidiary	93.02	-	-
Closing Balance	93.02	-	-

Goodwill recognised during the year amounting to ₹ 93.02 Million relates to acquisition of Progenerics Pharma Private Limited by the company (Refer Note 60)

Goodwill Movement

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended April 01, 2023
Opening Balance	-	-	-
Add: Goodwill due to acquisitions during the year	93.02	-	-
Less: Transfers/impairment	-	-	-
Closing Balance	93.02	-	-

Impairment assessment for goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate potential impairment. Impairment occurs when the carrying amount of a Cash Generating Unit (CGU), including the allocated goodwill, exceeds its recoverable amount. The recoverable amount of the CGU (i.e., Progenerics Pharma Private Limited) is determined as the higher of its fair value less costs of disposal and its value in use.

The carrying amount was determined by allocating net assets to the CGU for impairment testing purposes. The recoverable amount has been estimated using a value-in-use calculation based on discounted cash flow projections. These projections are derived from management approved financial forecasts covering five years, followed by a terminal growth rate thereafter. A pre-tax discount rate of 12% reflecting the current market assessment of the time value of money and risks specific to the CGU was applied to the projected cash flows.

Based on this assessment, no impairment was identified as of March 31, 2025, as the recoverable amount of the CGU exceeded its carrying amount.

VIRUPAKSHA ORGANICS LIMITED
CIN: U24110TG1997PLC028281
Notes to Consolidated Financial Statements
(All amounts in ₹ millions, unless otherwise stated)
6. Investment in equity accounted investees

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Investments in equity shares (Unquoted)			
Bharath Advanced Therapeutics Private Limited (5,142 Equity Shares of Face value ₹ 10 each, fully paid up)	38.10	39.98	-
Investments in Limited Liability Partnership (LLP) - (Unquoted)			
M/s. Virupaksha Lifesciences LLP (Contributed towards 48% Share)	0.96	0.96	0.96
Less: Impairment in value of investment (Refer Note 58)	(0.96)	(0.96)	(0.96)
Total investments in equity accounted investees	38.10	39.98	-

The movement in investments accounted for using Equity Method is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance as at beginning of the year	39.98	-	0.96
Investments made during the year	-	40.00	-
Impairment in Value of Investment	-	-	(0.96)
Share of loss of equity accounted investee net of tax	(1.88)	(0.02)	-
Balance as at end of the year	38.10	39.98	-

7. Non-Current Investments

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Investments in Equity Instruments (Quoted) - Designated at fair value through other comprehensive income (FVTOCI)			
Standard Glass Lining Technology Limited (3,62,840 Equity Shares of Face value ₹10 each, fully paid up)	53.34	25.00	-
Total Investments in Equity Instruments (Quoted) - Designated at fair value through other comprehensive income (FVTOCI)	53.34	25.00	-
B. Investments in Equity Instruments (Unquoted) - Designated at fair value through other comprehensive income (FVTOCI)			
Vamsi Labs Limited (28,853 Equity Shares of Face value ₹ 10 each, fully paid up)	25.00	25.00	25.00
ATGC Biotech Private Limited (6,814 Equity Shares of Face value ₹ 100 each, fully paid up)	61.47	61.47	-
Acintyo Local Oriented Customer Applications Pvt Ltd 80,000 (April 01, 2023: 40,000) Equity Shares of Face value ₹10 each, fully paid up	20.00	40.00	20.00
AACT Inc (500 Equity Shares of Face value US \$ 0.001 each, fully paid up)	84.10	-	-
Medrhans Pharmaceuticals Pvt Ltd (2,22,221 Equity Shares of Face value ₹10 each, fully paid up)	25.00	-	-
Sagar Life Sciences Pvt Ltd (7,536 Equity Shares of Face value ₹10 each, fully paid up)	10.00	-	-
Total Investments in Equity Instruments (Unquoted) - Designated at fair value through other comprehensive income (FVTOCI)	225.57	126.47	45.00
C. Investments in Mutual Funds (Unquoted) - Carried at fair value through profit or loss (FVTPL)	42.88	14.98	-
Aggregate Book value of Unquoted Investments (B+C)	268.45	141.45	45.00
Total (A+B+C)	321.79	166.45	45.00
Aggregate Book value of quoted Investments	53.34	25.00	-
Aggregate Market value of quoted Investments	53.34	25.00	-

8. Non-Current Loans

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Considered Good, Unsecured			
Loans to Others	145.00	35.00	-
Total	145.00	35.00	-

(Refer Note No 55 for more details)

9. Other Non-Current Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Considered Good, Unsecured			
Security Deposits	41.35	32.14	25.58
Advances to Employees	17.62	19.34	6.33
Advance for Investment	213.92	40.00	45.00
Total	272.89	91.48	76.91

10. Other Non Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Capital Advances	131.58	104.58	122.41
Prepaid Expense	12.96	15.44	9.71
Total	144.54	120.02	132.12

11. Inventories (at lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Raw Materials	554.75	438.42	392.10
Work-in-Progress	691.09	406.54	434.98
Finished Goods	393.76	226.55	255.69
Coal	1.82	-	-
Stores & Spares	34.61	-	-
Packing Material	4.45	-	-
Lab Material	18.23	-	-
Total	1,698.71	1,071.51	1,082.77

1. Refer note 1.3 (j) for basis of valuation of inventory.
2. Inventories have been pledged as security. Refer note 39 for the details of borrowings.

12. Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Trade Receivables Considered Good - Unsecured	1,648.55	1,903.98	1,903.99
Trade Receivables - Credit impaired	9.24	9.24	9.24
Sub-Total	1,657.79	1,913.22	1,913.23
Less: Expected credit loss allowance	14.35	13.86	9.41
Total	1,643.44	1,899.36	1,903.82

Trade Receivables Ageing Schedule are as follows:

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	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	1,554.95	55.11	34.23	1.91	2.35	1,648.55
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	9.24	9.24
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at March 31, 2025	1,554.95	55.11	34.23	1.91	11.59	1,657.79

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	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	1,830.33	15.30	8.35	6.44	10.09	1,870.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	9.24	9.24
(iv) Disputed Trade Receivables - Considered Good	-	-	-	32.70	0.77	33.47
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at March 31, 2024	1,830.33	15.30	8.35	39.14	20.10	1,913.22

As at April 01, 2023

Particulars	Outstanding for following periods from due date of Payment					
	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	1,775.19	74.26	9.37	10.87	0.83	1,870.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	9.24	9.24
(iv) Disputed Trade Receivables - Considered Good	-	-	-	32.70	0.77	33.47
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Balance as at April 01, 2023	1,775.19	74.26	9.37	43.57	10.84	1,913.23

Movement in expected credit loss allowance

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance at the beginning of the year	13.86	9.41	-
Add: Expected credit loss allowance	0.49	4.45	9.41
Balance at the end of the year	14.35	13.86	9.41

VIRUPAKSHA ORGANICS LIMITED

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Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

13. Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balances with Banks			
- In Current Account	144.18	65.39	33.34
Cash on hand	1.44	1.18	0.53
Total	145.62	66.57	33.87

14. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Unpaid Dividend Account	-	33.70	-
Deposits with banks	0.77	0.14	15.08
Margin Money Deposits	46.52	43.61	60.64
Total	47.29	77.45	75.72

15. Other Current Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<i>Unsecured Considered Good</i>			
Other Advances	16.12	10.97	22.44
Total	16.12	10.97	22.44

16. Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balances with government authorities	252.30	104.66	107.23
Prepaid Expenses	58.67	38.64	27.91
Advances to Suppliers	165.50	107.14	74.86
Other assets	5.15	2.04	1.85
Total	481.62	252.48	211.85

17. Equity Share Capital

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Authorised capital[^]			
4,50,00,000 Equity Shares of ₹10/- each (March 31, 2024: 3,81,50,000, April 01, 2023: 2,41,50,000 Equity Shares of ₹10/- each)	450.00	381.50	241.50
Preference Shares of ₹50/- each (April 01, 2023: 14,00,000 Preference Shares of ₹50/- each)	-	-	70.00
	450.00	381.50	311.50
Issued, Subscribed and Paid up			
4,10,21,287 Equity Shares of ₹10/- each (March 31, 2024: 3,74,47,536, April 01, 2023: 1,24,80,000 Equity Shares of ₹10/- each)	410.22	374.48	124.80
Total	410.22	374.48	124.80

[^] At the Extraordinary General Meeting held on July 01, 2024, the members approved, by way of a Special Resolution, the increase in the Authorised Share Capital of the Company. The Authorised Share Capital of the Company was reclassified from ₹ 381.50 million, (comprising of 3,81,50,000 equity shares having face value of ₹10 each) to ₹ 450.00 million comprising of 4,50,00,000 equity shares of ₹ 10 each.

At the Extraordinary General Meeting held on March 11, 2024, the members approved, by way of a Special Resolution, the reclassification and increase in the Authorised Share Capital of the Company. The Authorised Share Capital of the Company was reclassified from ₹ 331.50 million, (comprising ₹ 241.50 million divided into 2,41,50,000 equity shares of ₹ 10 each and ₹ 70.00 million divided into 14,00,000 redeemable preference shares of ₹ 50 each) to ₹ 311.50 million comprising solely of 3,11,50,000 equity shares of ₹ 10 each, by cancelling the unissued redeemable preference share capital. Subsequently, the Authorised Share Capital was increased by ₹ 70.00 million, resulting in a revised Authorised Share Capital of ₹ 381.50 million divided into 3,81,50,000 equity shares of ₹ 10 each.

(a) Reconciliation of Shares Outstanding at the Beginning and at the End of the Reporting Period

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Shares Outstanding at the Beginning of the Year						
-Equity Shares	3,74,47,536	374.48	1,24,80,000	124.80	1,24,80,000	124.80
-Preference Shares	-	-	-	-	-	-
	3,74,47,536	374.48	1,24,80,000	124.80	1,24,80,000	124.80
Issued during the Year						
-Equity Shares						
Issued during the Year	35,73,751	35.74	-	-	-	-
On account of Scheme of Amalgamation*	-	-	2,512	0.03	-	-
On account of Bonus Issue**	-	-	2,49,65,024	249.65	-	-
Shares Outstanding at the End of the Year	4,10,21,287	410.22	3,74,47,536	374.48	1,24,80,000	124.80

*As per the scheme of merger approved by the National Company Law Tribunal, Hyderabad on July 3, 2023, the Company has issued equity shares as consideration to the shareholders of the transferor companies. In accordance with the approved exchange ratio, 473 equity shares of ₹10/- each were allotted to the shareholders of Kshatriya Laboratories Private Limited (Transferor Company-1) and 2039 equity shares of ₹10/- each were allotted to the shareholders of Vector Bio Sciences Private Limited (Transferor Company-2). This share allotment was made as consideration for the amalgamation with appointed date of April 01, 2021.

**** Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

The Board of Directors, at its meeting held on March 23, 2024, approved and recommended the issuance of fully paid bonus shares in the ratio of 2:1 (two bonus shares for every one existing share) out of its free reserves created out of profits.

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on March 28, 2024, the Company has allotted 2,49,65,024 fully paid-up equity shares of face value ₹10/- each as bonus shares. The bonus shares were issued by capitalizing Free Reserves of the Company.

The Bonus shares, once allotted, shall rank pari passu in all respects and carry the same rights as the existing equity shares. They shall be entitled to participate in full in any dividend and other corporate actions recommended and declared after the new equity shares are allotted.

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on July 01, 2024, the Company has allotted 18,80,164 equity shares and 16,93,587 equity shares of ₹ 10 each and a premium of ₹ 290 each as a Preferential allotment and Private Placement on July 18, 2024 and August 14, 2024, to the provision of section 42 and section 62 and other applicable provisions, if any of the Companies Act, 2013.

Subsequent to March 31, 2025, the members in its Extraordinary General meeting dated September 13, 2025 have approved increase in the authorised equity share capital from ₹ 450.00 million divided into 4,50,00,000 equity shares of ₹ 10 each to ₹ 850.00 million divided into 8,50,00,000 equity shares of ₹ 10 each. Further, the Board of Directors have also passed a resolution and approved the issue of bonus equity shares in its meeting which was further approved by shareholder in the meeting held on September 13, 2025 in the ratio of 1 equity shares of ₹ 10 each for every 2 equity share of ₹ 10 each.

(b) Rights, Preference and Restrictions attached to Shares

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of Equity Share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Shareholders holding more than 5% of Equity Shares in the Company

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of Shares held	% of total shares	No. of Shares held	% of total shares	No. of Shares held	% of total shares
Equity Shares						
G. Vedavathi	70,74,774	17.25%	70,74,774	18.89%	22,61,250	18.12%
G. Sri Lakshmi	40,92,747	9.98%	40,92,747	10.93%	4,09,820	3.28%
G. Sri Vidya	38,91,150	9.49%	38,91,150	10.39%	12,97,050	10.39%
G. Chandra Mouliswar Reddy	37,49,763	9.14%	37,49,763	10.01%	16,35,166	13.10%

(d) Details of shares held by the promoters in the Company and change during the year:

Name of Promoter	As at March 31, 2025			As at March 31, 2024			As at April 01, 2023		
	No. of Shares held	% of Total Shares	% Change during the year	No. of Shares held	% of Total Shares	% Change during the year	No. of Shares held	% of Total Shares	% Change during the year
G. Vedavathi	70,74,774	17.25%	0.00%	70,74,774	18.89%	212.87%	22,61,250	18.12%	0.00%
G. Sri Lakshmi	40,92,747	9.98%	0.00%	40,92,747	10.93%	898.67%	4,09,820	3.28%	0.00%
G. Sri Vidya	38,91,150	9.49%	0.00%	38,91,150	10.39%	200.00%	12,97,050	10.39%	0.00%
G. Chandra Mouliswar Reddy	37,49,763	9.14%	0.00%	37,49,763	10.01%	129.32%	16,35,166	13.10%	0.00%
Balasubba Reddy Mamilla	9,98,127	2.43%	0.00%	9,98,127	2.67%	200.19%	3,32,500	2.66%	0.00%
Chandrasekhar Reddy Gangavaram	3,12,198	0.76%	0.00%	3,12,198	0.83%	210.64%	1,00,500	0.81%	0.00%
Nagarjun Reddy Mamilla	2,28,620	0.56%	19.93%	1,90,620	0.51%	5.90%	1,80,000	1.44%	0.00%
Kotla Suraj Reddy	708	0.00%	0.00%	708	0.00%	100.00%	-	0.00%	0.00%

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(All amounts in ₹ millions, unless otherwise stated)

18. Other Equity *

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Share Capital Pending Allotment	-	-	0.03
Capital Reserve	2.33	2.33	2.33
Capital Redemption Reserve	60.87	60.87	60.87
Securities Premium	1,041.49	5.10	5.10
Retained Earnings	3,054.00	2,316.09	1,911.30
Other Comprehensive Income	(2.71)	(5.73)	(7.30)
Total	4,155.98	2,378.66	1,972.32

* For movement in other equity, refer "Statement of Changes in Equity"

Nature of Reserve**a. Capital Reserve**

Capital reserve is created on account of merger of TPS Laboratories Private Limited, being excess of assets acquired over the consideration paid.

b. Capital Redemption Reserve

Capital Redemption Reserve (CRR) is a statutory reserve created when the company has redeemed its preference shares

c. Securities Premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The utilisation of securities premium is governed by

d. Retained Earnings

Retained earnings comprises of undistributed earnings after taxes.

e. Other Comprehensive Income

Other comprehensive income consist of re-measurement of net defined benefit liability and changes in the fair value of financial instruments

19. Non - Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Secured			
- Term Loan from Banks	373.30	564.18	618.28
- Term Loan from Financial Institutions	607.11	362.76	146.63
Less: Current Maturities on Long Term Loans*	(274.02)	(279.71)	(182.21)
B. Unsecured			
- Loan from Financial Institutions	-	-	14.13
Less: Current Maturities on Loan from Financial Institutions*	-	-	(0.81)
- Loan from Related Parties	437.08	473.30	79.43
Total	1,143.47	1,120.53	675.45

* Current maturities of non-current borrowings have been disclosed under the head "Current Borrowings"

Refer Note 39 for terms and security details

20. Lease Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Non Current Lease Liabilities	18.30	10.27	10.30
Current Lease Liabilities	3.74	1.20	2.40

Refer Note 38 for details of leases

VIRUPAKSHA ORGANICS LIMITED

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(All amounts in ₹ millions, unless otherwise stated)

21. Non - Current Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for Employee Benefits			
- Gratuity	55.56	46.78	31.40
- Compensated absences (Leave Encashment)	44.68	23.49	23.84
Total	100.24	70.27	55.24

Refer Note 41 for details of gratuity & compensated absences

22. Deferred Tax Liability (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening Balance	126.21	100.77	98.84
Add: Deferred Tax Liability during the year	31.30	21.03	1.93
Closing balance	157.51	121.80	100.77

Refer Note 47(e) for movement in deferred tax liability

23. Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
A. Secured Loans			
Working Capital Loans - From Banks*	1,148.84	871.71	1,134.66
Working Capital Loans - From Financial Institutions*	-	150.86	150.00
Current maturities of non-current borrowings**	274.02	279.71	183.01
B. Unsecured Loans			
Bills Discounting	245.83	220.68	265.35
Loan from Related Parties	10.16	-	-
Total	1,678.85	1,522.96	1,733.02

*The working capital loans are secured by way of hypothecation of the company's goods, book debts, movables and other assets. Interest rate ranges between 9.00% to 10.5% p.a.

**Refer Note 39 for terms and security details

24. Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Total outstanding dues of micro and small enterprises (MSME)	402.36	37.19	26.69
Total outstanding dues of creditors other than micro and small enterprises	826.36	1,060.73	1,133.84
Total	1,228.72	1,097.92	1,160.53

Trade Payables Ageing Schedule are as follows:

As at 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) MSME	402.36	-	-	-	402.36
(ii) Others	799.44	18.16	2.73	6.03	826.36
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at March 31, 2025	1,201.80	18.16	2.73	6.03	1,228.72

As at 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) MSME	37.19	-	-	-	37.19
(ii) Others	1,048.71	5.97	6.05	-	1,060.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at March 31, 2024	1,085.90	5.97	6.05	-	1,097.92

As at April 01, 2023

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) MSME	26.69	-	-	-	26.69
(ii) Others	1,128.81	4.38	0.56	0.09	1,133.84
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Balance as at April 01, 2023	1,155.50	4.38	0.56	0.09	1,160.53

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(All amounts in ₹ millions, unless otherwise stated)

25. Other Current Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Creditors for Capital Items	407.50	98.49	98.06
Dividend Payable	-	33.70	-
Expenses Payable	122.61	60.59	44.10
Total	530.11	192.78	142.16

26. Current Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for Employee Benefits			
- Gratuity	12.78	11.01	7.51
- Compensated absences	4.27	2.40	0.80
- Bonus	38.49	27.46	-
Total	55.54	40.87	8.31

27. Current Tax Liabilities (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Income Tax in respect of current year income	20.54	11.41	3.29
Total	20.54	11.41	3.29

28. Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Advance from Customers	4.36	9.97	18.76
Statutory Payables	17.23	13.82	10.29
Total	21.59	23.79	29.05

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Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

29. Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from		
Sale of Products (Refer note 42)	8,082.91	7,620.22
Sale of Service (Refer note 42)	3.58	0.83
Other operating revenue		
Export Incentives	30.60	38.86
Total	8,117.09	7,659.91

30. Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bad Debts Recovered	-	-
Net Gain on Foreign exchange transaction and translation	19.58	21.19
Income from Mutual Funds	6.58	1.15
Interest Income	15.55	4.45
Interest on Income Tax Refund	0.01	1.15
Liabilities no longer required written back	0.32	0.15
Interest income on financial assets carried at amortised cost	2.37	2.24
Profit on sale of assets	0.69	-
Fair value gain on Investments	0.72	1.57
Miscellaneous Income	2.32	2.68
Total	48.14	34.58

31. Cost of Materials Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw-material at the beginning of the year	438.42	392.10
Add : Raw-material Purchases	4,993.84	4,304.29
Less : Raw-material at the end of the year	554.75	438.42
Total	4,877.51	4,257.97

32. Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Finished Goods	226.55	255.69
Work-in-progress	406.54	434.98
	633.09	690.67
Inventories at the end of the year		
Finished Goods	393.76	226.55
Work-in-progress	691.09	406.54
	1,084.85	633.09
Total	(451.76)	57.58

33. Employee Benefits Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries & Wages	479.58	360.16
Contract Labour salaries & wages	227.72	219.20
Bonus	41.12	50.43
Staff Welfare Expenses	31.08	24.07
Directors Remuneration	48.60	34.68
Contribution to provident and other funds	56.02	41.56
Total	884.12	730.10

34. Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Working Capital Loans	69.63	91.79
Interest on Term Loans	95.34	65.79
Interest on Unsecured Loans	28.11	31.66
Letter of Credit Charges	13.63	23.35
Other Finance Charges	3.22	11.58
Amortised cost on Financial Assets	0.31	0.07
Interest on Lease liabilities	1.27	1.17
Total	211.51	225.41

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***35. Other Expenses**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power & Fuel	344.50	310.05
Conversion Charges	18.27	43.93
Stores & Consumables	179.67	200.94
Carriage Inwards & Outwards	96.87	91.75
Travelling & Conveyance	70.53	46.66
Printing & Stationery	8.76	10.14
Postage & Telephone Charges	3.29	2.45
Rates & Taxes	33.75	27.18
Research & Development expenses	81.06	53.61
Security Charges	20.19	17.43
Auditors Remuneration		
i) Statutory Audit	1.39	1.30
ii) Tax Audit	0.50	0.50
Effluent Treatment Charges	60.97	35.38
Factory Expenses	19.81	26.10
Office Maintenance	1.90	1.87
Professional & Legal Charges	49.75	33.19
Sales Commission	128.68	103.93
Insurance Charges	89.14	80.39
Membership & Subscriptions	0.30	0.55
Impairment loss allowance for investments	-	-
Corporate Social Responsibility Expenses	12.42	10.23
Repairs & Maintenance		
- Building	46.95	57.44
- Plant & Machinery	33.87	23.98
- Vehicles	3.63	3.76
- Others	32.55	18.85
Testing Charges	5.41	7.90
Bank Charges	2.86	3.76
Business Promotion Expenses	29.55	30.81
Bad Debts Written Off	32.82	0.81
Expected credit loss allowance	1.26	4.46
Amalgamation Expenses Written Off	-	-
Interest on GST	0.04	1.21
Donation	0.21	0.55
Prior Period Expenses	-	-
Rental Expense	0.60	2.69
Loss on Sale of Asset	-	1.62
Loans Given - Written Off	0.75	-
Priliminary Expenses	0.71	-
Other Expenses	-	1.65
Total	1,412.96	1,257.07

VIRUPAKSHA ORGANICS LIMITED

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Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

36. Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Profit after tax attributable to equity shareholders of the company (in ₹ millions)	787.14	736.82
(B) (i) Weighted average number of equity shares before Bonus (refer note (a) below)	3,98,38,569	3,74,47,536
(B) (ii) Bonus shares adjustment (refer note (b) below)	1,99,19,285	1,87,23,768
(B) (iii) Weighted average number of equity shares outstanding used as the denominator in calculating EPS (i + ii)	5,97,57,854	5,61,71,304
Nominal value of equity shares (in ₹)	10	10
Earnings per share: ((A)/(B)(iii))		
Basic Earning Per Share (in ₹)	13.17	13.12
Diluted Earning Per Share (in ₹)	13.17	13.12

Notes:**(a) Weighted Average Number of Equity Shares:**

i) For FY 2024-25, the weighted average number of equity shares includes 18,80,164 equity shares and 16,93,587 equity shares issued by way of Preferential Allotment (July 18, 2024) and Private Placement (August 14, 2025), respectively. [Refer Note 17(a)].

(b) Bonus Issues and Restatement of EPS:

i) Pursuant to the resolutions passed by the Board of Directors and Shareholders on September 13, 2025, the Company issued 2,05,10,650 fully paid equity shares as bonus shares in the ratio of 1:2 (one share for every two shares held).

ii) Further, on March 28, 2024, the Company issued 2,49,65,024 fully paid equity shares as bonus shares in the ratio of 2:1 (two shares for every one share held).

iii) In accordance with Ind AS 33 – Earnings Per Share, the EPS for FY 2023-24 and FY 2024-25 has been restated as if these bonus shares had been issued at the beginning of the earliest period presented. Comparative EPS figures for prior period have been retrospectively adjusted to ensure consistency and comparability.

37. Uniformity of Accounting Policy – Method of Depreciation

In the Financial Year 2021–2022, Virupaksha Organics Limited underwent an amalgamation incorporating M/s. Kshatriya Laboratories Private Limited and M/s. Vector Bio Sciences Private Limited under a Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT) on July 03, 2023, pursuant to Sections 230 to 237 of the Companies Act, 2013. The amalgamation was effective from April 01, 2021.

Under the scheme, all assets and liabilities of the Transferor Companies were taken over at their respective book values. The Property, Plant and Equipment (PPE) taken over from Vector Bio Sciences Private Limited were being depreciated under the Straight-Line Method (SLM), while the PPE from Kshatriya Laboratories Private Limited were being depreciated using the Written Down Value (WDV) method in their respective books.

To ensure consistency and comparability in financial reporting, the Company has retrospectively changed the method of depreciation for the PPE taken over from Kshatriya Laboratories Private Limited from WDV to SLM

As a result of this change in accounting policy, a surplus of ₹ 58.24 million has arisen due to lower depreciation under the SLM method. This amount has been adjusted in the opening retained earnings as on April 01, 2023

Block of PPE	Accumulated Depreciation as on April 01, 2023 (Under WDV Method)	Accumulated Depreciation as on April 01, 2023 (Under SLM Method)	Effect of Change
Building	30.47	13.64	16.83
Plant & Machinery	58.44	22.40	36.04
Electrical Equipment's	5.79	4.29	1.50
Lab Equipment's	30.32	26.78	3.54
Office Equipment's	0.03	0.03	-
Computers	0.99	0.92	0.07
Furniture & Fixtures	0.37	0.26	0.11
Vehicle	0.39	0.24	0.15
Total	126.80	68.56	58.24

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38. Leases

The following is the movement in lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening balance	11.47	12.70	13.82
Additions	10.92	-	-
Finance cost	1.27	1.17	1.28
Payment of lease liabilities	(1.62)	(2.40)	(2.40)
Closing Balance	22.04	11.47	12.70

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Non-Current Lease Liability	18.30	10.27	10.30
Current Lease liability	3.74	1.20	2.40

Amounts recognised in Consolidated Cash Flow Statement:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment of lease liabilities	1.62	2.40
Interest Component	1.27	1.17
Principle Component	0.35	1.23

Amounts recognised in Consolidated statement of Profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense on lease liability	1.27	1.17
Expense relating to short term and low value leases	0.60	2.69

Contractual maturities of lease liabilities

The table below provides the details of contractual maturities of lease liabilities on undiscounted basis

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Within 1 year	3.74	1.20	2.40
1-2 years	3.86	1.20	1.20
2-5 years	11.90	3.60	3.60
More than 5 years	24.40	25.60	26.80
Total	43.90	31.60	34.00
Less: Financial component	21.86	20.13	21.30
Total	22.04	11.47	12.70

Weighted average incremental borrowing rate applied to lease liabilities recognised in the consolidated statement of assets and liabilities are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Weighted average incremental borrowing rate (p.a.)	9% to 10%	9% to 10%	9% to 10%

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

VIRUPAKSHA ORGANICS LIMITED
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Notes to Consolidated Financial Statements
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39. Terms and conditions of loans and Nature of security

As at March 31, 2025

Particulars	No of Installments due	Rate of Interest	Within 1 Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
Axis Bank Limited (Refer Note 3 below)	9 Monthly Installments	8.80% p.a. to 9.40% p.a.	5.01	-	-	-	5.01
Axis Bank Limited (Refer Note 4 below)	9 Monthly Installments	9.00% p.a. to 9.20% p.a.	4.41	-	-	-	4.41
Axis Bank Limited (Refer Note 5 below)	3 Monthly Installments	10.30% p.a. to 10.70% p.a.	11.97	-	-	-	11.97
Axis Bank Limited (Refer Note 6 below)	21 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	22.90	-	-	54.90
ICICI Bank Limited (Refer Note 7 below)	33 Monthly Installments	8.60% p.a. to 9.60% p.a.	35.65	35.65	27.26	-	98.56
State Bank of India (Refer Note 8 below)	8 Monthly Installments	9.00% p.a. to 9.80% p.a.	12.80	-	-	-	12.80
Bajaj Finance Limited (Refer Note 9 below)	35 Monthly Installments	8.40% p.a. to 9.50% p.a.	40.27	44.25	46.25	0.36	131.13
State Bank of India (Refer Note 12 below)	24 Monthly Installments	9.60% p.a. to 10.60% p.a.	25.16	27.11	-	-	52.27
State Bank of India (Refer Note 13 below)	27 Monthly Installments	9.60% p.a. to 10.70% p.a.	14.26	15.76	4.46	-	34.48
State Bank of India (Refer Note 14 below)	50 Monthly Installments	9.60% p.a. to 9.80% p.a.	15.90	17.54	44.54	-	77.98
Bajaj Finance Limited (Refer Note 15 below)	35 Monthly Installments	8.90% p.a. to 9.50% p.a.	10.43	11.46	11.96	-	33.85
Bajaj Finance Limited (Refer Note 16 below)	49 Monthly Installments	9.20% p.a. to 10.00% p.a.	29.95	30.00	63.11	-	123.06
Bajaj Finance Limited (Refer Note 17 below)	67 Monthly Installments	9.25% p.a.	26.67	64.00	192.00	36.41	319.08
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	9 to 46 Monthly Installments	8.80% p.a. to 10.40% p.a.	9.54	6.48	4.89	-	20.91
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.	-	-	437.08	-	437.08
Total			274.02	275.15	831.55	36.77	1,417.49

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

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As at March 31, 2024

Particulars	No of Installments due	Rate of Interest	Within 1 Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
Axis Bank Limited (Refer Note 3 below)	21 Monthly Installments	8.80% p.a. to 9.40% p.a.	6.65	5.08	-	-	11.73
Axis Bank Limited (Refer Note 4 below)	21 Monthly Installments	9.00% p.a. to 9.20% p.a.	5.85	4.47	-	-	10.32
Axis Bank Limited (Refer Note 5 below)	15 Monthly Installments	10.30% p.a. to 10.70% p.a.	43.80	12.37	-	-	56.17
Axis Bank Limited (Refer Note 6 below)	33 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	32.00	23.47	-	87.47
ICICI Bank Limited (Refer Note 7 below)	45 Monthly Installments	8.60% p.a. to 9.60% p.a.	35.65	35.65	63.10	-	134.40
State Bank of India (Refer Note 8 below)	20 Monthly Installments	9.00% p.a. to 9.80% p.a.	19.83	11.31	-	-	31.14
Bajaj Finance Limited (Refer Note 9 below)	47 Monthly Installments	8.40% p.a. to 9.50% p.a.	36.98	40.27	92.11	-	169.36
State Bank of India (Refer Note 12 below)	36 Monthly Installments	9.6% p.a. to 10.60% p.a.	22.22	25.16	23.98	-	71.36
State Bank of India (Refer Note 13 below)	39 Monthly Installments	9.60% p.a. to 10.70% p.a.	12.42	14.26	18.45	-	45.13
State Bank of India (Refer Note 14 below)	62 Monthly Installments	9.60% p.a. to 9.80% p.a.	14.35	15.90	58.17	2.39	90.81
Bajaj Finance Limited (Refer Note 15 below)	47 Monthly Installments	8.90% p.a. to 9.50% p.a.	9.58	10.43	23.51	-	43.52
Bajaj Finance Limited (Refer Note 16 below)	61 Monthly Installments	9.20% p.a. to 10.00% p.a.	30.00	29.95	89.67	-	149.62
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	4 to 48 Monthly Installments	7.90% p.a. to 10.51% p.a.	10.38	6.64	8.89	-	25.91
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.	-	-	473.30	-	473.30
Total			279.71	243.49	874.65	2.39	1,400.24

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

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(All amounts in ₹ millions, unless otherwise stated)

As at April 01, 2023

Particulars	No of Installments due	Rate of Interest	Within 1 Year *	1 to 2 Years	2 to 5 Years	Above 5 Years	Loan outstanding
HDFC Bank Limited Term Loan 1 (Refer Note 1 below)	3 Monthly Installments	7.60% p.a	21.32	23.82	51.92	-	97.06
HDFC Bank Limited Term Loan 2 (Refer Note 2 below)	3 Monthly Installments	7.65% p.a	11.61	13.34	35.82	-	60.77
Axis Bank Limited (Refer Note 3 below)	33 Monthly Installments	8.80% p.a. to 9.40% p.a.	6.65	6.65	5.16	-	18.46
Axis Bank Limited (Refer Note 4 below)	33 Monthly Installments	9.00% p.a. to 9.20% p.a.	5.85	5.85	4.56	-	16.26
Axis Bank Limited (Refer Note 5 below)	27 Monthly Installments	10.30% p.a. to 10.70% p.a.	43.80	43.80	12.97	-	100.57
Axis Bank Limited (Refer Note 6 below)	45 Monthly Installments	9.20% p.a. to 11.00% p.a.	32.00	32.00	55.61	-	119.61
ICICI Bank Limited (Refer Note 7 below)	57 Monthly Installments	8.60% p.a. to 9.60% p.a.	8.91	35.65	101.03	-	145.59
State Bank of India (Refer Note 8 below)	32 Monthly Installments	9.00% p.a. to 9.80% p.a.	18.43	18.24	13.43	-	50.10
Bajaj Finance Limited (Refer Note 9 below)	59 Monthly Installments	8.40% p.a. to 9.50% p.a.	27.09	36.84	81.69	-	145.62
PNB Housing Finance (Refer Note 10 below)	4 Monthly Installments	9.90% p.a. to 10.30% p.a.	0.83	0.92	3.37	9.02	14.14
Vehicle loans from various banks /financial institutions (Refer Note 11 below)	1 to 22 Monthly Installments	7.40% p.a. to 10.51% p.a.	6.52	4.34	-	-	10.86
Loan from Related Parties	Repayable after 5 years from the date of receipt	9.00% p.a. to 12.00% p.a.		-	79.43		79.43
Total			183.01	221.45	444.99	9.02	858.47

* Current maturities of long term borrowings were reclassified to current borrowing in financial statements

Notes:

- 1) Term Loan facility from HDFC Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 2) Term Loan facility from HDFC Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 3) Term Loan facility under the Guaranteed Emergency Credit Line (GECL) from Axis Bank Limited is secured by way of a second pari passu charge over the Movable Fixed Assets created out of the term loans, the immovable properties comprising industrial lands and sheds situated in Telangana and Karnataka registered in the name of Virupaksha Organics Ltd., and the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 4) Term Loan facility under the Guaranteed Emergency Credit Line (GECL) from Axis Bank Limited is secured by way of a second pari passu charge over the Movable Fixed Assets created out of the term loans, the immovable properties comprising industrial lands and sheds situated in Telangana and Karnataka registered in the name of Virupaksha Organics Ltd., and the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 5) Term Loan facility from Axis Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 6) Term Loan facility from Axis Bank Limited is secured by way of an exclusive charge on the movable fixed assets created out of the term loan. Further, a first charge is created over immovable assets comprising industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. A second charge is also created over the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is additionally secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.

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- 7) Term Loan facility under the Emergency Credit Line Guarantee Scheme (ECLGS) from ICICI Bank Limited is secured by way of a second charge over the immovable assets comprising various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd. The security also extends to a second charge on the entire current assets and unencumbered movable fixed assets of the Company, both present and future. The facility is further secured by the personal guarantees of Mr. G. Chandra Moulishwar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 8) Working Capital Term Loan facility under Guaranteed Emergency Credit Line (GECL) is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India. The loan is further backed by the personal guarantees of Mr. G. Chandra Moulishwar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 9) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Moulishwar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 10) The Company had availed a loan from Punjab National Bank Housing Finance Ltd. on April 16, 2018 for the purpose of acquiring residential plots. The said loan has been fully repaid during the financial year 2023-24. The property for which the loan was taken has been kept as security with the bank.
- 11) Vehicle Loans from various banks/financial institutions are secured by the hypothecation of specific assets purchased from those loans.
- 12) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Telangana and Karnataka, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Moulishwar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 13) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Medak and Rangareddy districts, Telangana, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Moulishwar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.

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- 14) Term Loan facility is secured by hypothecation and first charge on the company's property, plant and equipment including machinery, forming the primary security. Additionally, a pari passu first charge is created over various industrial lands and sheds situated in Medak and Rangareddy districts, Telangana, registered in the name of Virupaksha Organics Ltd., which serve as collateral security for all credit facilities extended by State Bank of India and other consortium lenders. The loan is further backed by the personal guarantees of Mr. G. Chandra Mouliswar Reddy, Managing Director, Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 15) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 16) Term Loan facility from Bajaj Finance Limited is secured by way of pari passu first charge on the present and future Property, Plant, and Equipment. A second pari passu charge has been created on the present and future current assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.
- 17) Term Loan facility from Bajaj Finance Limited is secured by way of First Pari Passu Charge on present and Property, Plant, and Equipment. Second Pari Passu Charge on present and Future Current Assets of the company. Additionally, the loan is secured by the personal guarantees of Mr. G. Chandra Mouliswar Reddy (Managing Director), Mr. Balasubba Reddy, Executive Director and Mrs. G. Vedavathi, Director of the company.

40. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The amount of dues payable to micro, small and medium enterprises are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period/year;	402.36	37.19	26.69
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period/year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting period/year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-	-

41. Employee Benefits:

The employee benefit schemes are as follows:

i) Defined contribution plan:

The Group makes certain defined contribution plans for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Group's monthly contributions are charged to the Consolidated Statement of Profit and Loss in the period they are incurred.

Defined contribution plans: The group has recognised the following amount in the Consolidated Statement of Profit and Loss for the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Contribution to employees provident fund	19.39	15.79
ii) Contribution to employees state insurance	1.62	1.32
Total	21.01	17.11

ii) Defined Benefit plan:

Gratuity Benefits Provided by the company

In accordance with applicable Indian laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Gratuity Fund (LIC).

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as per actuarial valuation as at March 31, 2025 and March 31, 2024:

a) The components of gratuity cost recognised in the consolidated statement of Profit and Loss and other comprehensive income for the years ended March 31, 2025 and March 31, 2024 consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in consolidated statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	11.10	10.58
Interest cost	4.94	3.83
Expected return on plan assets/ Interest Income	(1.11)	(1.12)
Defined benefit cost included in consolidated statement of profit and loss	14.93	13.29
Re-measurement effects recognised in Other Comprehensive Income (OCI):		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	3.57
Actuarial (gains) or losses arising from changes in financial assumptions	3.29	1.70
Actuarial (gains) or losses arising from changes in experience assumptions	(7.23)	(0.13)
Return on plan assets (excluding interest income)	0.03	0.12
Defined benefit costs recognised in OCI	(3.91)	5.26

b) Details of the employee benefits obligations and plan assets are provided below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Amount recognised in consolidated statement of assets and liabilities			
Present value of funded defined benefit obligations	83.68	72.04	52.17
Fair value of plan assets	(15.33)	(14.26)	(13.26)
Net liability arising from defined benefit obligation	68.35	57.78	38.91

c) Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation at the beginning of the year	72.04	52.17
Transfer in/(out) obligation	-	1.80
Acquisition of Subsidiary	1.00	-
Current service cost	11.10	10.57
Interest cost	4.94	3.83
Remeasurements due to:		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	3.57
Actuarial (gains) or losses arising from changes in financial assumptions	3.43	1.70
Actuarial (gains) or losses arising from changes in experience assumptions	(5.73)	(0.13)
Benefits paid by company	(3.10)	(1.47)
Defined benefit obligation at the year end	83.68	72.04

d) Details of changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening fair value of the plan assets	14.26	13.26
Expected return/ Interest Income	1.10	1.12
Re-measurement – Return on Assets (excluding interest income)	(0.03)	(0.12)
Contributions by Employer	-	-
Fair value of plan asset at the year end	15.33	14.26

e) Sensitivity Analysis:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Defined benefit obligation	Increase	Decrease	Increase	Decrease
Effect of 0.5% change in assumed discount rate	78.34	85.31	69.25	75.04
Effect of 0.5% change in assumed salary growth rate	83.6	79.79	73.68	70.44
Effect of 10% change in assumed attrition rate	81.31	82.09	71.97	72.12

f) The principal assumptions used for the purposes of actuarial valuations were as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality table (LIC)	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discounting rate	6.70% p.a.	7.20% p.a.
Rate of escalation in salary	10.00% p.a.	10.00% p.a.

Note:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

2. Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2025	For the year ended March 31, 2024
1st following year	9.98	8.79
2nd following year	5.49	7.90
3rd following year	8.18	5.16
4th following year	5.32	7.84
5th following year	6.24	4.63
Sum of years 6th to 10th	31.52	27.05
Sum of years 11th and above	95.93	85.69

h) Withdrawal Rates per annum

Age Band	For the year ended March 31, 2025	For the year ended March 31, 2024
25 & Below	20.00% p.a.	20.00% p.a.
25 to 35	15.00% p.a.	15.00% p.a.
35 to 45	10.00% p.a.	10.00% p.a.
45 to 55	5.00% p.a.	5.00% p.a.
55 & above	1.00% p.a.	1.00% p.a.

Compensated absences:

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the recognised compensated absences and recognised them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was ₹48.94 million, ₹ 25.89 million and ₹24.64 million as at March 31, 2025, March 31, 2024 and April 01, 2023, respectively.

a) The Components of defined benefit costs recognised in consolidated statement of profit and loss and other comprehensive income for the years ended March 31, 2025 and March 31, 2024 consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in consolidated statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	19.76	6.39
Interest cost	1.78	1.82
Expected return on plan assets/ Interest Income	-	-
Defined benefit cost included in consolidated statement of profit and loss	21.54	8.21
Re-measurement effects recognised in Other Comprehensive Income (OCI):		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	(5.55)
Actuarial (gains) or losses arising from changes in financial assumptions	2.39	0.76
Actuarial (gains) or losses arising from changes in experience assumptions	4.20	(2.57)
Return on plan assets (excluding interest income)	-	-
Defined benefit costs recognised in OCI	6.59	(7.36)

b) Details of the employee benefits obligations and plan assets are provided below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Amount recognised in consolidated statement of assets and liabilities			
Present value of funded defined benefit obligations	48.94	25.89	24.64
Fair value of plan assets	-	-	-
Net liability arising from defined benefit obligation	48.94	25.89	24.64

c) Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation at the beginning of the year	25.89	24.64
Transfer in/(out) obligation	-	1.15
Current service cost	19.76	6.39
Interest cost	1.78	1.82
Remeasurements due to:		
Actuarial (gains) or losses arising from changes in demographic assumptions	-	(5.55)
Actuarial (gains) or losses arising from changes in financial assumptions	2.39	0.77
Actuarial (gains) or losses arising from changes in experience assumptions	4.20	(2.57)
Benefits paid by company	(5.08)	(0.76)
Defined benefit obligation at the year end	48.94	25.89

d) Sensitivity Analysis

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Defined benefit obligation	Increase	Decrease	Increase	Decrease
Effect of 0.5% change in assumed discount rate	45.78	50.77	24.63	27.25
Effect of 0.5% change in assumed salary growth rate	50.68	45.84	27.21	24.65
Effect of 10% change in assumed attrition rate	47.3	49.15	25.49	26.33

e) The principal assumptions used for the purposes of actuarial valuations were as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality table (LIC)	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discounting rate	6.70% p.a.	7.20% p.a.
Rate of escalation in salary	10.00% p.a.	10.00% p.a.

Note:

- Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2025	For the year ended March 31, 2024
1st following year	4.24	2.40
2nd following year	3.59	1.96
3rd following year	3.83	1.98
4th following year	2.97	2.00
5th following year	2.97	1.56
Sum of years 6th to 10th	15.22	8.31
Sum of years 11th and above	79.35	45.75

h) Withdrawal Rates per annum

Age Band	For the year ended March 31, 2025	For the year ended March 31, 2024
25 & Below	20.00% p.a.	20.00% p.a.
25 to 35	15.00% p.a.	15.00% p.a.
35 to 45	10.00% p.a.	10.00% p.a.
45 to 55	5.00% p.a.	5.00% p.a.
55 & above	1.00% p.a.	1.00% p.a.

42. Reconciliation of revenue as per contract price and recognised in Consolidated Statement of Profit and Loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contract price	8,104.36	7,635.94
Less: Discounts, rebates and incentives	(17.87)	(14.89)
Revenue as per consolidated statement of profit and loss	8,086.49	7,621.05

- i) The amounts receivable from customers becomes due after expiry of credit period which on an average is less than 30 to 60 days. There is no financing component in any transaction with the customers.
- ii) The Group does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- iii) The Group does not have any material performance obligations which are outstanding as at the year-end as the contracts entered for sale of goods are for short term in nature.

Disaggregation of revenue (excluding other operating income)

Revenue by timing of recognition

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Goods transferred at a point of time	8,082.91	7,620.22
Goods transferred over time	-	-
Service transferred at a point of time	3.58	0.83
Services transferred over time	-	-

Movement of Contract Liabilities are as Follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Liability	9.97	18.76
Add: Advances received during the year not recognized as revenue	4.36	9.97
Less: Revenue Recognized during the year from the balance at beginning of the year	9.97	18.76
Closing Liability	4.36	9.97

43. Government grant receivable includes assistance in the form of export incentives under Foreign Trade Policy.

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2.27	1.47
Add: Grant income accrued during the year	30.60	38.86
Less: Government grant received	(32.87)	(38.06)
Closing Balance	-	2.27

44. Segment Information

A. Operating Segments

The operations of the Group are limited to one segment viz. Pharmaceutical products including ingredients and intermediaries. The products being sold under this segment are of similar nature and comprises of pharmaceutical products only. The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information of the Company on a periodic basis, for the purpose of allocation of resources and evaluation of performance. Accordingly, management has identified pharmaceutical segment as the only operating segment for the Company. Therefore, based on the guiding principles given in Ind AS 108 on 'Operating Segments' there is no reportable segment for the Group.

B. Geographical Information:

Analysis of revenues by geography:

The following table shows the distribution of the Groups's revenues by country, based on the location of the customers:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
India	6,697.65	5,657.49
Outside India	1,419.44	2,002.43
Total	8,117.09	7,659.91

Analysis of non current assets by geography:

The following table shows the distribution of the Group's non-current assets (other than financial instruments and deferred tax assets) by country, based on the location of assets:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
India	4,752.33	3,295.67	2,565.26
Outside India	-	-	-
Total	4,752.33	3,295.67	2,565.26

C. Information about major customers

There were no customers individually accounting for more than 10 % of the Group's revenue in the years ended March 31, 2025 and March 31, 2024.

45. Auditors Remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Auditor: -		
Audit Fee	1.39	1.30
Tax Audit	0.50	0.50
Total	1.89	1.80

46. Research & Development Expenses

Particulars	For the year Ended March 31, 2025	For the year Ended March 31, 2024
Lab Material and Consumables	14.31	7.60
Salaries	48.06	34.14
Rent	-	0.60
Professional Charges	8.64	5.23
Electricity Charges	1.51	1.13
Other Expenses	8.54	4.90
Total	81.06	53.61

47. Income taxes**a) Income tax expense/ (benefit) recognised in the consolidated statement of profit and loss.**

Income tax expense recognised in the consolidated statement of profit and loss consists of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Taxes	217.42	256.87
Deferred Taxes	30.30	20.50
Prior Period Taxes	0.98	1.03
Total Tax Expense	248.70	278.40

b) Income tax expense/(benefit) recognised directly in Other Comprehensive Income/(loss).

Income tax expense/(benefit) recognised directly in Other Comprehensive Income/(loss) consist of the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income Tax effect on change in fair value of investments	2.10	-
Income Tax effect on Actuarial gain/ (loss) on post- employment benefit obligations	(1.09)	0.53
Total income tax expense/(benefit) recognized in the equity	1.01	0.53

c) Reconciliation of Effective Tax Rate:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before income taxes	1,035.84	1,015.22
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expense	260.70	255.51
Effect on Income disallowed under Income Tax Act, 1961	(140.98)	(68.37)
Effect on expenses disallowed under Income Tax Act, 1961	122.09	88.87
Other items	6.19	2.39
Taxes not recognised on account of losses in the group	0.69	0.01
Difference arised due to Tax Rates	0.00	-
Income Tax Expense	248.70	278.40
Effective tax rate	24.01%	27.42%

d) Deferred tax asset and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Deferred tax assets/(liabilities):			
Property Plant & Equipment	(186.70)	(144.92)	(122.29)
ROU Asset	(5.76)	(3.23)	(3.36)
Investments	(2.43)	(0.15)	0.24
Borrowings	(0.09)	0.45	1.49
Lease Liabilities	4.61	2.59	2.59
Provisions	29.54	21.06	15.99
Trade Receivables	3.61	3.49	4.74
Others	(0.30)	(1.09)	(0.17)
Net deferred tax assets/(liabilities)	(157.52)	(121.80)	(100.77)

e) Movement in deferred tax assets and liabilities during the years ended March 31, 2025 and March 31, 2024.

Particulars	For the year ended March 31, 2025				
	As at April 01, 2024	Addition on account of subsidiaries	Recognized in the statement of Profit and Loss	Recognized in Other comprehensive income	As at March 31, 2025
Deferred tax assets/(liabilities)					
Property Plant & Equipment	(144.92)	(4.67)	(37.11)	-	(186.70)
ROU Asset	(3.23)	-	(2.53)	-	(5.76)
Investments	(0.15)	-	(0.18)	(2.10)	(2.43)
Borrowings	0.45	-	(0.54)	-	(0.09)
Lease Liabilities	2.59	-	2.02	-	4.61
Provisions	21.06	0.26	7.13	1.09	29.54
Trade Receivables	3.49	-	0.12	-	3.61
Others	(1.09)	-	0.79	-	(0.30)
Net deferred tax assets/(liabilities)	(121.80)	(4.41)	(30.30)	(1.01)	(157.52)

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Restated Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)*

Particulars	For the year ended March 31, 2024				
	As at April 01, 2023	Addition on account of subsidiaries	Recognized in the statement of Profit and Loss	Recognized in Other comprehensive income	As at March 31, 2024
Property Plant & Equipment	(122.29)	-	(22.63)	-	(144.92)
ROU Asset	(3.36)	-	0.13	-	(3.23)
Investments	0.24	-	(0.39)	-	(0.15)
Borrowings	1.49	-	(1.04)	-	0.45
Lease Liabilities	2.59	-	-	-	2.59
Provisions	15.99	-	5.60	(0.53)	21.06
Trade Receivables	4.74	-	(1.25)	-	3.49
Others	(0.17)	-	(0.92)	-	(1.09)
Net deferred tax assets/(liabilities)	(100.77)	-	(20.50)	(0.53)	(121.80)

Unrecognised Deferred Tax Assets and Liabilities

As at March 31, 2025, March 31, 2024 and April 01, 2023, the Holding Company has no unrecognised deferred tax assets or liabilities.

However, one of the subsidiary (Progenerics Pharma Private Limited) within the Group has unrecognised deferred tax assets primarily arising from brought forward losses, unabsorbed depreciation, and unused tax credits under applicable tax laws for the Year 2024-25 (i.e., year of becoming subsidiary). These have not been recognised in the consolidated statement of assets and liabilities in the absence of reasonable certainty of realisation. The unused tax losses expire after 8 years and may not be used to offset taxable income of the Group. The Group continually reviews the recoverability of deferred tax assets based on forecasts of future taxable profits.

a. The details of such unrecognised deferred tax assets (on a consolidated basis) are as follows:

Particulars	As at March 31, 2025
Deferred Tax assets/(liabilities) arising on account of:	
Unabsorbed brought forward losses	39.54
Unabsorbed depreciation	11.16
Unused Tax Credit	2.87
Net Deferred tax assets not recognised in the statement of assets and liabilities	53.58

b. Year wise expiry of Tax losses:

Particulars	For the year ended March 31, 2025
Expiring within 1 year	-
Expiring within 1 to 5 years	-
Expiring within 5 to 8 years	39.54
Expiring without limitation	11.16
Total	50.70

c. Year wise expiry of Tax credits:

Particulars	For the year ended March 31, 2025
Expiring within 1 year	-
Expiring within 1 to 5 years	-
Expiring within 5 to 10 years	1.45
Expiring within 10 to 15 years	1.42
Total	2.87

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***48. Financial risk management.**

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Group's risk assessment and management policies and processes.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group's exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currencies.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025, March 31, 2024 and April 01, 2023.

Interest rate risk

The Group is exposed to interest rate risk as its borrowings are primarily at floating interest rates. This exposes the Group to the risk of fluctuations in market interest rates. The risk is monitored and managed on an ongoing basis, taking into account the interest rate outlook and the overall cost of borrowing.

Interest rate sensitivity

For the years ended March 31, 2025, March 31, 2024 and April 01, 2023, every 1% increase or decrease in the floating interest rate component applicable to its loans and borrowings would affect the Group's net profit as shown in following table

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1% increase in Interest rate - decrease in profit	(9.47)	(8.28)	(7.18)
1% decrease in Interest rate - increase in profit	9.47	8.28	7.18

Foreign Currency risk

The Group's foreign exchange risk arises from its foreign currency revenues and expenses, (primarily in United States dollars). A portion of the Group's revenues are in this foreign currency, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in Indian rupees may decrease. The exchange rate between the Indian rupee (₹) and this foreign currency has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table analyses foreign currency risk from non-derivative financial instruments as at March 31, 2025, March 31, 2024 and April 01, 2023:

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	USD	INR	USD	INR	USD	INR
Trade receivables and Trade Payables(net)	2.11	180.45	4.76	407.38	6.43	550.15
EEFC A/c's	1.95	25.06	0.09	7.72	0.13	10.96

Sensitivity

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
1% increase in USD rate -Increase in profit	1.80	4.07	5.50
1% Decrease in USD rate - Decrease in profit	(1.80)	(4.07)	(5.50)

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***b) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Details of financial assets – not due, past due and impaired

None of the Group's cash equivalents, including term deposits with banks, were past due or impaired as at March 31, 2025. The Group's credit period for trade receivables payable by its customers generally ranges from 45 – 90 days

The maximum exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
India	1437.90	1561.72	1331.60
Europe	98.74	225.21	462.86
Japan	19.25	30.76	51.80
United States of America	6.41	5.50	4.57
Rest of the world	95.49	90.03	62.40
Total	1657.79	1913.22	1913.23

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1 Year	1-2 Years	2-5 Years	More than 5 Years	Total
As at March 31, 2025					
Borrowings	1,678.85	275.15	831.55	36.77	2,822.32
Lease Liabilities	1.69	1.99	7.66	10.70	22.04
Trade payables	1,228.72	-	-	-	1,228.72
Other financial liabilities	530.11	-	-	-	530.11
As at March 31, 2024					
Borrowings	1,522.96	243.49	874.65	2.39	2,643.49
Lease Liabilities	0.10	0.11	0.40	10.86	11.47
Trade payables	1,097.92	-	-	-	1,097.92
Other financial liabilities	192.78	-	-	-	192.78
As at April 01, 2023					
Borrowings	1,733.02	221.45	444.99	9.02	2,408.47
Lease Liabilities	1.23	0.10	0.37	11.00	12.70
Trade payables	1,160.53	-	-	-	1,160.53
Other financial liabilities	142.16	-	-	-	142.16

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***d) Capital management**

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The capital structure of the Group consists of net debt and total equity of the group. The Group is not subject to any externally imposed capital requirements. The Group's management reviews the capital structure of the Group on monthly basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Debt*	2,822.32	2,643.49	2,408.47
Less:			
Cash & Cash equivalents & Other Bank Balances	192.91	144.02	109.59
Net Debt (A)	2,629.41	2,499.47	2,298.88
Total Equity (B)	4,566.20	2,753.14	2,097.12
Net Debt to equity ratio (A/B)	0.58	0.91	1.10

*Debt includes current and non-current borrowings

49. Financial Instruments

A) Classification of financial assets and liabilities

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
a) Measured at fair value through Other comprehensive income (FVTOCI)						
Investments in Equity Instruments	278.91	278.91	151.47	151.47	45.00	45.00
b) Measured at fair value through profit and loss (FVTPL)						
Investments in Mutual Funds	42.88	42.88	14.98	14.98	-	-
c) Measured at amortised cost						
Loans	145.00	145.00	35.00	35.00	-	-
Trade Receivables	1,643.44	1,643.44	1,899.36	1,899.36	1,903.82	1,903.82
Cash and Cash Equivalents	145.62	145.62	66.57	66.57	33.87	33.87
Bank balances other than cash and cash equivalents	47.29	47.29	77.45	77.45	75.72	75.72
Other Financial Assets	289.01	289.01	102.45	102.45	99.35	99.35
Total (a+b+c)	2,592.15	2,592.15	2,347.28	2,347.28	2,157.76	2,157.76
Financial Liabilities						
a) Measured at amortised cost						
Borrowings	2,822.32	2,822.32	2,643.49	2,643.49	2,408.47	2,408.47
Lease Liabilities	22.04	22.04	11.47	11.47	12.70	12.70
Trade Payables	1,228.72	1,228.72	1,097.92	1,097.92	1,160.53	1,160.53
Other Financial liabilities	530.11	530.11	192.78	192.78	142.16	142.16
Total	4,603.19	4,603.19	3,945.66	3,945.66	3,723.86	3,723.86

B) Fair value hierarchy

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023	Level	Valuation techniques and key inputs
Financial Assets					
a) Measured at fair value through Other comprehensive income (FVTOCI)					
Investments in Equity Instruments (Unquoted)	225.57	126.47	45.00	3	Using discounted cashflow method (Refer below Note*)
Investments in Equity Instruments (Quoted)	53.34	25.00	-	1	Quoted market prices in active markets
b) Measured at fair value through profit and loss (FVTPL)					
Investments in Mutual Funds	42.88	14.98	-	1	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

*Note: The following table shows the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of assets and liabilities, as well as the significant unobservable inputs used:

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair Value Measurement
Investments in Equity Instruments (Unquoted)	Discounted cashflow method: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and EBITDA, the amount to be paid under each scenario and the probability of each scenario.	a. Forecast annual revenue growth rate b. Forecast EBITDA margin c. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if: - the annual revenue growth rate were higher (lower); - the EBITDA margin were higher (lower); or - the risk adjusted discount rate were lower (higher). Generally a change in the annual revenue growth rate is accompanied by a directionally similar change in EBITDA margin

C) Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

a) Level 1

This level includes those financial instruments which are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

b) Level 2

This level includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e.derived from prices).

c) Level 3

This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes:

a) There was no transfer between level 1 and level 2 fair value measurement.

b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed that fair value of Loans, Trade Receivables, Cash and Cash Equivalents, Bank balances other than cash and cash equivalents, Borrowings, Lease Liabilities, Trade Payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Opening Balance	126.47	45.00	-
Purchases During the year	119.10	81.47	45.00
Gain/(Loss)			
- in Other comprehensive Income	(20.00)	-	-
- in profit and loss, net		-	-
Closing Balance	225.57	126.47	45.00

50. Contingent liabilities

i) Contingent liabilities

Based on legal opinion /advice obtained, no financial implication to the company with respect to following cases is perceived as on the Balance Sheet date:

a. Claims against the company not acknowledged as debt

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Direct Tax matters*	26.15	26.15	26.15
Legal Proceedings Initiated by TSSPDCL**	18.74	18.74	18.74
Other Claims [#]	1.01	1.01	1.01

*The Company received a demand notice amounting to ₹ 26.15(Millions) in FY 2022-23, against which a detailed response was submitted. A remand report in favour of the Company was received before March 2024. However, the final order from the Faceless Assessment authorities is still pending as on the reporting date. The management believes the matter will be resolved without any material liability.

**The Company had acquired a plant in the past from S2 Engineering Services Industry Private limited. Subsequently, legal proceedings were initiated by Southern Power Distribution Company of Telangana Ltd(TSSPDCL) against S2 Engineering Services, claiming an amount of ₹18.74 million. As per the contractual terms, S2 Engineering Services has undertaken the responsibility to discharge the liability in the event of an adverse judgment. While the matter is currently sub judice, any financial impact on the Company is expected to be recoverable from the vendor (S2 Engineering Services Industry Private limited).

[#] A civil suit has been filed by Sesa Chem India Pvt. Ltd. against the Company before the Honble Junior Civil Judge, City Civil Courts, Hyderabad for recovery of ₹ 1.01 million (including principal amount of ₹ 0.61 million and interest of ₹ 0.40 million relating to supply of materials. The matter is currently sub-judice and pending final adjudication.

b) Capital and other commitments

Particulars	As at March 31,2025	As at March 31,2024	As at April 01,2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	321.73	661.39	69.39

51. Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Company's Board of directors.

The Company declares and pays dividend in Indian rupees (₹) . Companies are required to pay/ distribute dividend after deducting applicable withholding income taxes.

The amount of per share dividend recognised as distribution to equity shareholders in accordance with Companies Act, 2013 is as follows:

(Amount in ₹)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Final Dividend for FY 2022-23 ⁽¹⁾	-	3.60
Interim Dividend for FY 2023-24 ⁽²⁾	-	3.00
Interim Dividend for FY 2024-25 ⁽³⁾	1.20	-

1) During the year ended March 31, 2024 on account of the final dividend for the financial year 2022-23 the company has incurred a net cash outflow of ₹ 44.93 million

2) During the year ended March 31, 2025 on account of the interim dividend for the financial year 2023-24 the company has incurred a net cash outflow of ₹ 37.45 million

3) During the year ended March 31, 2025 on account of the interim dividend for the financial year 2024-25 the company has incurred a net cash outflow of ₹ 49.23 million

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***52. Corporate Social Responsibility:**

As per Section 135 of the Companies Act, 2013, Meeting the applicability threshold, needs to spend at least 2% of its Average net profit for the immediately preceding three financials' years on CSR activities calculated as per section 198 of Companies Act, 2013. The areas of CSR Activities are Eradication of Poverty and providing Education. A CSR committee has been formed by the company as per the Act. The details of fund primarily utilized through the year on these activities which are specified in schedule VII of the Companies act,2013.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent by the company during the year.	12.42	10.23
Amount of expenditure incurred,	14.32	16.91
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall,	Nil	Nil
Reason for shortfall	-	-
Nature of CSR activities	Eradication of poverty and providing Education	Eradication of poverty and providing Education
Details of related party transactions	Nil	Nil
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

53. Charges Not Yet Satisfied with Registrar of Companies

As per the records available on the Ministry of Corporate Affairs (MCA) portal, the following charges have not been marked as satisfied, although the corresponding loans were fully repaid during earlier years.

Name of the Lender	Date of Creation	Amount	Date of Closure of loan	Reason for Non-Filing
Reliance Commercial Finance Limited	March 30, 2018	23.80	April 06, 2021	No objection certificate pending
Dewan Housing Finance Corporation L	January 31, 2017	8.71	January 31, 2020	No objection certificate pending

54. Related party disclosures

A. The list of related parties of the Company is given below:

Name	Relationship
Virupaksha Green Energy Private Limited (w.e.f. December 24, 2024)	Wholly owned Subsidiary company
Progenerics Pharma Private Limited (w.e.f. December 30, 2024)	Wholly owned Subsidiary company
Virupaksha Lifesciences LLP	Associate
Bharath Advanced Therapeutics Private Limited (w.e.f. March 30, 2024)	Associate company
Key Managerial Personnel (KMP):	
Chandra Mouliswar Reddy Gangavaram	Managing Director
Balasubba Reddy Mamilla	Whole-time director
Chandrasekhar Reddy Gangavaram	Whole-time director
Janardhana Reddy Yeddula	Independent Director
Shruti Gupta	Independent Director
Vedavathi Gangavaram	Director
Prasad Reddy Battinapatla (from May 03, 2024)	Chief Financial Officer
Vikas Kurada (from June 17, 2023)	Company Secretary
S Prathap Kumar (till May 10, 2023)	Company Secretary
Other Related party	
Mamilla Nagarjun Reddy	Close Member of Key Managerial Person
Kotla Suraj Reddy	Close Member of Key Managerial Person
Kondapalli Sandeep Reddy	Close Member of Key Managerial Person
Gangavaram Sri Lakshmi	Close Member of Key Managerial Person
G Sri Vidya	Close Member of Key Managerial Person
M Padmaja	Close Member of Key Managerial Person
G Rukmini	Close Member of Key Managerial Person
Virupaksha Laboratories Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Virupaksha Minerals LLP	Entity over which the KMP and/or their relatives is able to exercise control
Viruj Pharmaceuticals Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Virupaksha Securities Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
V Indaf Overseas Private Limited	Entity over which the KMP and/or their relatives is able to exercise control
Chandra Mouliswar Reddy Gangavaram – HUF	Entity over which the KMP and/or their relatives is able to exercise control
Sreekari Developers	Enterprise over which KMP exercise significant influence
Arya Fashion & Arts	Enterprise over which KMP exercise significant influence
Virupaksha Infra Developers	Entity over which the KMP and/or their relatives is able to exercise control
Veda Granites	Entity over which the KMP and/or their relatives is able to exercise control

B. Summary of Related Party Transactions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Operations		
Bharath Advanced Therapeutics Private Limited	4.35	-
Viruj Pharmaceuticals Private Limited	114.74	135.70
Virupaksha Laboratories Private Limited	287.65	442.60
	406.74	578.30
Purchase of Raw Material		
Virupaksha Laboratories Private Limited	700.59	934.19
Viruj Pharmaceuticals Private Limited	-	-
Arya Fashion and Arts	1.45	-
	702.04	934.19
Borrowings		
Chandra Mouliswar Reddy Gangavaram	13.66	122.25
Balasubba Reddy Mamilla	303.60	27.30
Vedavathi Gangavaram	13.62	404.00
Mamilla Nagarjun Reddy	-	-
Chandra Mouliswar Reddy Gangavaram – HUF	-	1.50
	330.88	555.05
Repayment of Loan		
Chandra Mouliswar Reddy Gangavaram	94.24	52.80
Balasubba Reddy Mamilla	11.17	36.47
Vedavathi Gangavaram	255.72	68.54
Mamilla Nagarjun Reddy	-	-
Chandra Mouliswar Reddy Gangavaram – HUF	10.58	2.82
	371.71	160.63
Interest on Unsecured Loan		
Chandra Mouliswar Reddy Gangavaram	1.18	5.73
Balasubba Reddy Mamilla	3.20	1.91
Vedavathi Gangavaram	22.46	21.05
Chandra Mouliswar Reddy Gangavaram – HUF	1.28	1.25
Mamilla Nagarjun Reddy	-	-
	28.12	29.94
Loans and Advances		
V Indaf Overseas Private Limited (Given)	-	0.06
V Indaf Overseas Private Limited (Returned)	-	0.19
Expenses		
Virupaksha Laboratories Private Limited (Rent)	1.75	3.00
Virupaksha Laboratories Private Limited (Other Expenses)	0.90	-
	2.65	3.00
Short-term employee benefits - Director's		
Chandra Mouliswar Reddy Gangavaram	36.00	24.00
Balasubba Reddy Mamilla	6.84	5.88
Chandrasekhar Reddy Gangavaram	5.76	4.80
	48.60	34.68
Sitting Fee - Director's		
Janardhana Reddy Yeddula	0.03	-
Shruti Gupta	0.03	-
	0.06	-
Short-term employee benefits - Other than Director's		
Prasad Reddy Battinapatla	4.37	-
Vikas Kurada	0.88	0.67
Mamilla Nagarjun Reddy	5.64	4.68
Kotla Suraj Reddy	5.64	4.72
Kondapalli Sandeep Reddy	5.64	4.72
S Prathap Kumar	-	0.05
Gangavaram Sri Lakshmi	-	-
G Rukmini	0.96	0.96
	23.13	15.80

C. The Company has the following amounts due from/to related Parties

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Trade Receivables			
Bharath Advanced Therapeutics Private Limited	5.04	-	-
Viruj Pharmaceuticals Private Limited	10.96	39.65	68.13
Virupaksha Laboratories Private Limited	132.84	52.91	104.56
Virupaksha Lifesciences LLP	9.24	9.24	9.24
	158.08	101.80	181.93
Other Non Current Financial Assets - Advance to Employees			
Mamilla Nagarjun Reddy	-	-	0.70
	-	-	0.70
Other Current Assets - Advance to Suppliers			
Arya Fashion & Arts	2.18	-	-
	2.18	-	-
Other Current Financial Liabilities - Advances			
Sreekari Developers	5.00	5.00	5.00
V Indaf Overseas Private Limited	0.01	0.01	0.14
	5.01	5.01	5.14
Loan from Related parties - Long-term borrowings			
Chandra Mouliswar Reddy Gangavaram	-	79.59	10.16
Balasubba Reddy Mamilla	302.70	7.47	16.78
Vedavathi Gangavaram	134.38	375.56	40.46
Chandra Mouliswar Reddy Gangavaram – HUF	-	10.68	12.03
	437.08	473.30	79.43
Other current financial liabilities - Short term employee benefits			
Chandra Mouliswar Reddy Gangavaram	3.00	2.00	0.50
Balasubba Reddy Mamilla	0.57	0.49	0.41
Chandrasekhar Reddy Gangavaram	0.48	0.40	0.35
Prasad Reddy Battinapatla	0.40	-	-
Vikas Kurada	0.07	0.06	-
Mamilla Nagarjun Reddy	0.47	0.39	0.31
Kotla Suraj Reddy	0.47	0.39	0.31
Kondapalli Sandeep Reddy	0.47	0.39	0.31
S Prathap Kumar	-	-	0.05
Gangavaram Sri Lakshmi	-	-	0.07
G Rukmini	0.08	0.08	0.05
	6.01	4.20	2.36

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: ₹ Nil; April 01, 2023: ₹ 9.24 million). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Some of the Key Managerial Personnel of the Company are also covered under the Company's Gratuity Plan and Compensated absences along with the other employees of the Company. Proportionate amounts of gratuity and compensated absences accrued under the Company's Gratuity Plan and Compensated absences have not been separately computed or included in the above disclosure.

Refer note 55 for terms and conditions of loans given

55. Disclosures pursuant to Section 186 of the Companies Act, 2013

A. Amount of loans / advances in nature of loans given to others

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Loans to others			
(i) Progenerics Pharma Private Limited*			
Balance as at the beginning of the year	-	-	-
Loans given	-	35.00	-
Loans repaid	-	-	-
Balance as at the end of the year	-	35.00	-
Maximum amount outstanding at any time during the year	-	35.00	-
(Progenerics Pharma Private Limited has utilised the loan for working capital requirements. It is repayable over a period of 3 years along with interest bearing a rate of 9% p.a.,)			
(ii) Oxygenta Pharmaceuticals Limited			
Balance as at the beginning of the year	-	-	-
Loans given	145.00	-	-
Loans repaid	-	-	-
Balance as at the end of the year	145.00	-	-
Maximum amount outstanding at any time during the year	145.00	-	-
(Oxygenta Pharmaceuticals Limited has utilised the loan for working capital requirements. It is repayable over a period of 3 years along with interest bearing a rate of 9% p.a.,)			

*For the year ended March 31, 2024, Progenerics Pharma Private Limited is not a Related Party to the Virupaksha Organics Limited. However as on December 30, 2024, it became a wholly-owned subsidiary (refer note 54)

B. Details of Investments made are given in notes 6 and 7

C. The Group has not provided any security or Guarantee covered under Section 186

VIRUPAKSHA ORGANICS LIMITED

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Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

56. Following Subsidiaries and Associates has been considered in the preparation of the consolidated financial statements:

Name of the Entity	Relationship	Principle Place of Business	Ownership held by	% of Holding and voting power held directly		
				As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Progenerics Pharma Private Limited	Wholly owned subsidiary	India	Virupaksha Organics Limited	100.00%	-	-
Virupaksha Green Energy Private Limited	Wholly owned subsidiary	India	Virupaksha Organics Limited	100.00%	-	-
Virupaksha Lifesciences LLP	Associate	India	Virupaksha Organics Limited	48.00%	48.00%	48.00%
Bharath Advanced Therapeutics Private Limited	Associate	India	Virupaksha Organics Limited	24.71%	24.71%	-

57. Disclosure of additional information as required by Paragraph 2 of the General instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:**As at and for the year ended March 31, 2025:**

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent company								
Virupaksha Organics Limited	100.11%	4,571.02	100.53%	791.34	120.25%	3.62	100.61%	794.96
Subsidiaries								
Progenerics Pharma Private Limited	0.43%	19.67	(0.22%)	(1.70)	(20.25%)	(0.61)	(0.29%)	(2.31)
Virupaksha Green Energy Private Limited	1.09%	49.99	(0.08%)	(0.62)	-	-	(0.08%)	(0.62)
Subtotal		4,640.68		789.02		3.01		792.03
Non-controlling Interest in Subsidiaries	-	-	-	-	-	-	-	-
Associates (Accounted for using equity method)								
Bharath Advanced Therapeutics Private Limited	0.34%	15.64	(0.24%)	(1.88)	-	-	(0.24%)	(1.88)
Virupaksha Lifesciences LLP	-	-	-	-	-	-	-	-
Inter-Company Elimination and Consolidation Adjustments	(1.97%)	(90.12)	-	-	-	-	-	-
Grand total	100.00%	4,566.20	100.00%	787.14	100.00%	3.01	100.00%	790.15

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***Note:**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of intercompany transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

The Company holds 48% of the capital of Virupaksha Life sciences LLP, which is considered an associate and has been accounted for using the equity method in accordance with Ind AS 28. During the year ended March 31, 2023, due to persistent operating losses and negative net worth, the entire investment in Virupaksha Lifesciences LLP was assessed to be impaired. Accordingly, an impairment loss of ₹ 0.96 million has been recognised in the consolidated financial statements under “Other Expenses – Impairment loss allowance for investments.”

As at and for the year ended March 31, 2024:

Name of the entity	Net assets, (i.e., total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent company								
Virupaksha Organics Limited	100.00%	2,753.16	100.00%	736.84	100.00%	1.57	100.00%	738.41
Subsidiaries								
Progenerics Pharma Private Limited	-	-	-	-	-	-	-	-
Virupaksha Green Energy Private Limited	-	-	-	-	-	-	-	-
Subtotal		2,753.16		736.84		1.57		738.41
Non-controlling Interest in Subsidiaries	-	-	-	-	-	-	-	-
Associates (Accounted for using equity method)								
Bharath Advanced Therapeutics Private Limited	0.76%	20.79	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)
Virupaksha Lifesciences LLP	-	-	-	-	-	-	-	-
Inter-Company Elimination and Consolidation Adjustments	(0.76%)	(20.81)	-	-	-	-	-	-
Grand total	100.00%	2,753.14	100.00%	736.82	100.00%	1.57	100.00%	738.39

Note:

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of intercompany transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

The Company holds 48% of the capital of Virupaksha Life sciences LLP, which is considered an associate and has been accounted for using the equity method in accordance with Ind AS 28. During the year ended March 31, 2023, due to persistent operating losses and negative net worth, the entire investment in Virupaksha Lifesciences LLP was assessed to be impaired. Accordingly, an impairment loss of ₹ 0.96 million has been recognised in the consolidated financial statements under “Other Expenses – Impairment loss allowance for investments.”

58. ADDITIONAL DISCLOSURES BY GROUP COMPANIES

Impairment loss in respect of Virupaksha Lifesciences LLP

The operations of the Virupaksha Lifesciences LLP have been stopped and accordingly, the value in use was negative and, the recoverable value of the asset was reviewed and it was estimated that there would not be any recoverable value for the same.

Hence, the entire carrying amount of the investment has been recognised as an impairment loss of ₹ 0.96 million, which has been adjusted against opening Retained Earnings as at April 01, 2023.

59. Details of partners in Limited Liability Partnership (LLP)

Particulars	Profit sharing-2025	Profit sharing-2024	Profit sharing-2023	Capital-2025	Capital-2024	Capital-2023
Virupaksha Lifesciences LLP						
1) Virupaksha Organics Limited	48.00%	48.00%	48.00%	0.96	0.96	0.96
2) G. Chandra Mouliswar Reddy	1.00%	1.00%	1.00%	0.02	0.02	0.02
3) M Bala Subba Reddy	1.00%	1.00%	1.00%	0.02	0.02	0.02
4) PVRN Mahesh	50.00%	50.00%	50.00%	1.00	1.00	1.00
Total	100.00%	100.00%	100.00%	2.00	2.00	2.00

VIRUPAKSHA ORGANICS LIMITED

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Notes to Consolidated Financial Statements

(All amounts in ₹ millions, unless otherwise stated)

60. Acquisition of subsidiary**A. Progenierics Pharma Private Limited**

On December 30, 2024, the Company has acquired 100% stake and gained control of Progenierics Pharma Private Limited for a consideration of ₹115.00 million as Wholly owned subsidiary.

The acquisition has been accounted for as a business combination in accordance with IND AS 103 – “Business Combination” as at the acquisition date December 30, 2024. The fair value of assets and liabilities acquired have been accounted for at the acquisition date of which some have been determined by the Company on a provisional basis.

a. Details of purchase consideration, net assets acquired and goodwill

The following table summarizes the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

Particulars	Amount
ASSETS	
Non-Current assets	
Property, plant and equipment	71.61
Financial Assets	
(i) Loans	0.75
(ii) Other Financial assets	0.05
Total Non-current assets	72.41
Current assets	
Financial Assets	
(i) Trade Receivables	6.83
(ii) Cash and Cash Equivalents	0.25
(iii) Bank balances other than cash and cash equivalents	0.10
(iv) Other financial assets	0.01
Other current assets	7.63
Total current assets	14.82
Fair value of assets acquired	87.23
LIABILITIES	
Non-current liabilities	
Financial Liabilities	
(i) Borrowings	35.00
Provisions	0.95
Deferred Tax Liabilities (Net)	4.41
Total Non-current Liabilities	40.36
Current liabilities	
Financial Liabilities	
(i) Borrowings	10.16
(ii) Trade Payables	
(A) total outstanding dues of Micro and Small Enterprises	-
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises	1.59
(iii) Other Financial liabilities	3.87
Provisions	0.05
Other Current Liabilities	9.22
Total Current Liabilities	24.89
Fair value of liabilities acquired	65.25
Total Identifiable net assets / (liabilities) acquired	21.98

b. Goodwill

Particulars	Amount
Consideration transferred	115.00
Less: Net Identifiable assets acquired	21.98
Goodwill	93.02

c. Revenue and profit contribution:

The acquired business contributed revenues of ₹ 3.14 million and net profit after tax ₹ 1.70 million to the Group post acquisition.

If the acquisition had occurred on April 01, 2024, consolidated revenue from operations would have been ₹ 8,131.56 million and net profit after tax of ₹ 774.22 million respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary’s financial statements and adjusting them for Inter company transactions

B. Virupaksha Green Energy Private Limited

During the financial year 2024-25, the Company incorporated Virupaksha Green Energy Private Limited as its wholly-owned subsidiary. As the incorporation does not constitute a business combination under Ind AS 103 – Business Combinations, no purchase price allocation or goodwill recognition has been undertaken in the consolidated financial statements

61. First Time Adoption of IND AS

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company has prepared its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended March 31, 2025 and consequently April 01, 2023 is the transition date for preparation of such statutory financial statements. Upto the financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 ("Indian GAAP").

An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed on first time adoption of Ind AS

Set out below are the applicable Ind AS 101 optional exceptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1. Optional Exceptions:

Property, plant and equipment and intangible assets: The Company has elected to consider the net carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS statement of assets and liabilities.

2. Ind AS mandatory exceptions

i. Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- i. Fair valuation of financial instruments carried at FVTPL or FVTOCI
- ii. Determination of the discounted value for financial instruments carried at amortised cost.
- iii. Impairment of financial assets based on the expected credit loss model.

ii. Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done prospectively from the transition date.

Ind AS 101 requires an entity to reconcile other equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

B. Reconciliations between the Consolidated Financial Statements and Audited Financial Statements (Previous GAAP) of the Company.

Reconciliations between the Consolidated Financial Statements and Audited Financial Statements (Previous GAAP) of the Company are set out in the following tables and notes.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***1. Reconciliation of total equity as at March31, 2024 and April 01, 2023**

Particulars	Note No.	As at March 31, 2024	As at April 01, 2023
Equity as per audited statutory financial statements (A)		2,860.83	2,042.93
Adjustments on account of transition to Ind AS			
Recognition of borrowings using effective interest rate	a	(1.78)	(5.94)
Fair valuation of investments	b & c	0.60	(0.99)
Amortisation of Financial Assets	d	3.20	1.68
Deferred taxes	e	(3.71)	23.26
Remeasurements of defined benefit liabilities	f	-	2.96
Allowance for Expected Credit Loss (Trade Receivables)	g	(13.86)	(9.41)
Impact of lease accounting	h	1.37	0.63
Impact due to accounting for Sales in Transit	i	(95.75)	(62.63)
Total adjustments on account of transition to Ind AS (B)		(109.93)	(50.44)
Other Adjustments			
Proposed Dividend	j	-	44.93
Depreciation	k	-	58.24
Recognition of export incentive	l	2.27	1.47
Share of loss of associate		(0.02)	-
Miscellaneous		(0.01)	(0.01)
Total Other Adjustments (C)		2.24	104.63
Equity as per Consolidated Financial Statements (A)+(B)+(C)		2,753.13	2,097.12

VIRUPAKSHA ORGANICS LIMITED

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Notes to Consolidated Financial Statements*(All amounts in ₹ millions, unless otherwise stated)***2. Reconciliation of profit and other comprehensive income/(loss) for the year ended March 31, 2024**

Particulars	Note No.	For the year ended March 31, 2024
Net Profit/(Loss) as per audited statutory financial statements (A)		797.12
Adjustments on account of transition to Ind AS		
Recognition of borrowings using effective interest rate	a	4.16
Fair valuation of investments	c	1.60
Amortisation of Financial Assets	d	1.50
Deferred taxes	e	(26.45)
Remeasurements of defined benefit liabilities	f	(5.06)
Allowance for Expected Credit Loss (Trade Receivables)	g	(4.46)
Impact of lease accounting	h	0.74
Impact due to accounting for Sales in Transit	i	(33.11)
Total adjustments on account of transition to Ind AS (B)		(61.08)
Other Adjustments		
Depreciation	k	-
Recognition of export incentive	l	0.80
Share of loss of associate		(0.02)
Total Other Adjustments (C)		0.78
Net Profit/ (Loss) as per Consolidated Financial Statements (A)+(B)+(C)		736.82
Other Comprehensive Income		
Remeasurements of defined benefit liabilities	f	2.10
Fair valuation of investments	b	-
Deferred tax effect on above adjustments		(0.53)
Total other comprehensive income as per Consolidated Financial Statements		1.57
Total comprehensive income as per Consolidated Financial Statements		738.39

3. Reconciliation of Cash Flow between previous GAAP and Ind AS

Particulars	For the year ended March 31, 2024		
	Previous GAAP*	Adjustment	Ind AS
Net cash generated from/(used in) operating activities	868.38	284.59	1,152.97
Net cash generated from/(used in) investing activities	(1,051.11)	4.84	(1,046.27)
Net cash generated from/(used in) investing activities	183.46	(257.46)	(74.00)
Net increase/(decrease) in cash and cash equivalents	0.73	31.97	32.70
Cash and cash equivalents at the start of the year	109.59	(75.72)	33.87
Cash and cash equivalents at the end of the year	110.32	(43.75)	66.57

4. Reconciliation of the Assets and Liabilities presented in the statement of assets and liabilities prepared as per Audited Previous GAAP Financials and as per the Consolidated Financial Statements is as follows:

Particulars	As at March 31, 2024			As at April 01, 2023		
	Previous GAAP*	Adjustment	Ind AS	Previous GAAP*	Adjustments	Ind AS
ASSETS						
Non-Current assets						
(a) Property, plant and equipment	2,674.69	(0.04)	2,674.65	2,188.18	58.24	2,246.42
(b) Capital work-in-progress	448.18	-	448.18	173.39	-	173.39
(c) Right of use assets	-	12.84	12.84	-	13.33	13.33
(d) Goodwill	-	-	-	-	-	-
(e) Investment in equity accounted investees	-	39.98	39.98	-	-	-
(f) Financial Assets						
(i) Investments	165.84	0.61	166.45	45.99	(0.99)	45.00
(ii) Loans	35.00	-	35.00	-	-	-
(ii) Other Financial assets	128.29	(36.81)	91.48	75.23	1.68	76.91
(g) Other non-current assets	120.02	-	120.02	132.12	-	132.12
Total Non-current assets	3,572.01	16.58	3,588.60	2,614.91	72.26	2,687.17
Current assets						
(a) Inventories	1,006.65	64.86	1,071.51	1,027.20	55.57	1,082.77
(b) Financial Assets						
(i) Trade Receivables	2,073.82	(174.46)	1,899.36	2,031.43	(127.61)	1,903.82
(ii) Cash and Cash Equivalents	66.57	-	66.57	33.87	-	33.87
(iii) Bank balances other than cash and cash equivalents	43.75	33.70	77.45	75.72	-	75.72
(iii) Other financial assets	10.97	-	10.97	22.44	-	22.44
(c) Other current assets	250.21	2.27	252.48	210.38	1.47	211.85
Total current assets	3,451.97	(73.63)	3,378.34	3,401.04	(70.57)	3,330.47
TOTAL ASSETS	7,023.98	(57.05)	6,966.94	6,015.95	1.69	6,017.64
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share Capital	374.48	-	374.48	124.80	-	124.80
(b) Other equity	2,486.36	(107.70)	2,378.66	1,918.13	54.19	1,972.32
Total Equity	2,860.84	(107.70)	2,753.14	2,042.93	54.19	2,097.12
Liabilities						
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,118.76	1.77	1,120.53	669.51	5.94	675.45
(ii) Lease Liabilities	-	10.27	10.27	-	10.30	10.30
(b) Provisions	70.26	0.01	70.27	58.09	(2.85)	55.24
(c) Deferred Tax Liabilities (Net)	118.09	3.71	121.80	124.03	(23.26)	100.77
Total Non-current Liabilities	1,307.11	15.76	1,322.87	851.63	(9.87)	841.76
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,522.95	0.01	1,522.96	1,733.02	-	1,733.02
(ii) Lease Liabilities	-	1.20	1.20	-	2.40	2.40
(iii) Trade Payables						
(A) total outstanding dues of Micro and Small Enterprises	37.19	-	37.19	26.69	-	26.69
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises	1,060.73	-	1,060.73	1,133.84	-	1,133.84
(iv) Other Financial liabilities	159.08	33.70	192.78	187.08	(44.93)	142.16
(b) Provisions	40.88	(0.01)	40.87	8.42	(0.11)	8.31
(c) Current Tax Liabilities (Net)	11.41	-	11.41	3.29	-	3.29
(d) Other Current Liabilities	23.79	-	23.79	29.05	-	29.05
Total Current Liabilities	2,856.03	34.90	2,890.93	3,121.39	(42.64)	3,078.76
TOTAL EQUITY & LIABILITIES	7,023.98	(57.05)	6,966.94	6,015.95	1.69	6,017.64

* The audited financial statements figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note

5. Reconciliation of the Income and Expenses presented in the Statement of Profit and Loss prepared as per Audited Previous GAAP Financials and as per Consolidated Financial Statements is as follows:

Particulars	For the year ended March 31, 2024		
	Previous GAAP*	Adjustment	Ind AS
Revenue from operations	7,701.51	(41.60)	7,659.91
Other income	30.77	3.81	34.58
Total Income	7,732.28	(37.79)	7,694.49
Expenses:			
Cost of materials consumed	4,259.87	(1.90)	4,257.97
Changes in inventories of finished goods and Work-in-Progress	66.87	(9.29)	57.58
Employee benefits expense	758.53	(28.43)	730.10
Finance Costs	228.33	(2.92)	225.41
Depreciation and amortization expense	150.62	0.50	151.12
Other Expenses	1,218.99	38.08	1,257.07
Total expenses	6,683.21	(3.96)	6,679.25
Profit before Tax and share of equity accounted investees	1,049.07	(33.83)	1,015.24
Share of profit/(loss) of equity accounted investees (net of tax)	-	(0.02)	(0.02)
Profit before tax for the year	1,049.07	(33.85)	1,015.22
Tax expense:			
Current tax	256.87	-	256.87
Deferred tax	(5.95)	26.45	20.50
Prior period tax	1.03	-	1.03
Total Tax Expense	251.95	26.45	278.40
Profit after Tax for the year	797.12	(60.30)	736.82
Other comprehensive income/(loss)			
(i) Items that will not be reclassified to Profit or Loss			
a) Changes in fair value of investments	-	-	-
Income tax on above	-	-	-
b) Actuarial gain/ (loss) on post- employment benefit obligations	-	2.10	2.10
Income tax on above	-	(0.53)	(0.53)
Other Comprehensive Income/ (Loss) for the year (Net)	-	1.57	1.57
Total Comprehensive Income / (Loss) for the Year	797.12	(58.73)	738.39

*The audited financial statements figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

C. Notes:

a) Borrowings

Under previous GAAP, transaction costs incurred in connection with borrowings are charged upfront to the statement of profit and loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to the statement of profit and loss using the effective interest method.

b) Financial assets carried at FVTOCI

Under previous GAAP, the Company accounted for long-term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. Accordingly, the company has fair valued these investments.

c) Financial assets carried at FVTPL

Under previous GAAP, the Company accounted for long-term investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, the company has fair valued these investments.

d) Financial assets carried at Amortised cost

Under previous GAAP, interest free security deposit or loans given to employees are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these security deposits and employee loans.

e) Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

f) Defined benefit liabilities

Under previous GAAP, actuarial gains and losses were recognized in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined liability/asset which is recognized in other comprehensive income. Consequently, the tax effect of the same has also been recognized in other comprehensive income under Ind AS instead of the statement of profit and loss.

g) Expected credit loss

Under previous GAAP, the company measured financial assets at cost. Under Ind AS, the company recognised the provision for expected credit loss for certain financial assets i.e., trade receivables.

h) Lease accounting

Under previous GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss.

Under Ind AS, right-of-use asset is recognised at present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of the useful life of the asset or the lease term.

Similarly, lease liability is recognised at present value of lease payments that are not made at the commencement of lease. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

i) Under previous GAAP, revenue was recognised on risk and reward transferred to customers. Under Ind AS, the Group has recognised revenue from customers on completion of performance obligation as defined under Ind AS 115. As a result of this change, trade receivable have been derecognised and corresponding inventory has been recognised.

j) Proposed dividend

Under previous GAAP, dividends on equity shares recommended by the Board of Directors after the end of the reporting period but before the financial statements were approved for issue were recognized in the financial statements as a liability. Under Ind AS, such dividends are recognized as a liability when declared/approved by the members in a general meeting.

k) In the Financial Year 2021–2022, the Company underwent an amalgamation incorporating M/s. Kshatriya Laboratories Private Limited and M/s. Vector Bio Sciences Private Limited under a Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT) on July 03, 2023, pursuant to Sections 230 to 237 of the Companies Act, 2013. The amalgamation was effective from April 01, 2021.

Under the scheme, all assets and liabilities of the Transferor Companies were taken over at their respective book values. The assets taken over from Vector Bio Sciences Private Limited were being depreciated under the Straight-Line Method (SLM), while the assets from Kshatriya Laboratories Private Limited were being depreciated using the Written Down Value (WDV) method in their respective books.

To ensure consistency and comparability in financial reporting, the Company has retrospectively changed the method of depreciation for the assets taken over from Kshatriya Laboratories Private Limited from WDV to SLM.

l) Under previous GAAP, export incentive was accounted on receipt basis. Under Ind AS, the same was accounted on accrual basis.

62. Ratio Analysis

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for variance in excess of 25%
Current Ratio	Current Assets	Current Liabilities	1.14	1.17	(2.49%)	Not Applicable
Debt-Equity Ratio	Debt ¹	Net worth ²	0.62	0.96	(35.63%)	Mainly due to increase in Total equity
Debt Service Coverage Ratio	Earnings available for debt service ³	Interest expense + repayment of borrowings & lease liabilities ⁴	1.70	2.44	(30.31%)	Mainly due to increase in borrowings
Return on Equity Ratio	Net profit after taxes	Average shareholders equity	0.22	0.30	(29.21%)	Mainly due to increase in Shareholders equity on account Preferential issue
Inventory Turnover Ratio	Revenue from Operations	Average Inventory ⁵	5.86	7.11	(17.59%)	Not Applicable
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivable ⁶	4.58	4.03	13.76%	Not Applicable
Trade Payables Turnover Ratio	Net credit purchases	Average Trade Payables ⁷	4.29	3.81	12.62%	Not Applicable
Net Capital Turnover Ratio	Revenue from Operations	current assets - current liabilities	16.44	15.72	4.62%	Not Applicable
Net Profit Ratio	Profit after tax	Revenue from Operations	0.10	0.10	0.81%	Not Applicable
Return on Capital Employed	Earnings Before Interest and Taxes ⁹	Average Capital Employed ⁸	0.19	0.25	(21.41%)	Not Applicable
Return on Investment	Income generated from investments	Average investments	0.02	0.01	154.03%	Mainly due to increase in Income from mutual funds

1 . Debt = Long term Borrowings + Short term Borrowings

2 . Net Worth = Equity share capital + Other equity

3 . Earnings available for debt service = Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets

4 . Interest expense + Principal repayment=Excluding refinanced debt for all the loan funds during the period

5 . Average inventory = (Opening + Closing balance) / 2

6 . Average trade receivables = (Opening + Closing balance) / 2

7 . Average trade payables = (Opening + Closing balance) / 2

8 . Capital Employed = Tangible net worth + Total debt + Deferred Tax Liability

9 . Earnings Before Interest and Taxes = Profit before taxes - Share of Profit/ (loss) of associates + Finance cost

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***63. Events after the reporting period****a. Acquisition of Oxygenta Pharmaceutical Limited**

On June 20, 2025 the company has acquired 55.37% of stake and gained control of Oxygenta Pharmaceutical Limited for a consideration of ₹430.02 million as subsidiary.

The acquisition has been accounted for as a business combination in accordance with IND AS 103 – “Business Combination” as at the acquisition date June 20, 2025. The fair value of assets and liabilities acquired have been accounted for at the acquisition date of which some have been determined by the Company on a provisional basis.

i. Details of purchase consideration, net assets acquired and goodwill

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

Particulars	Amount
ASSETS	
Non-Current assets	
Property, plant and equipment	395.28
Capital work in progress	2.50
Financial Assets	
(i) Investments	0.49
(i) Trade Receivables	17.33
(ii) Other Financial assets	7.95
Deferred tax assets (Net)	146.27
Total Non-current assets	569.82
Current assets	
Inventories	212.52
Financial Assets	
(i) Trade Receivables	93.28
(ii) Cash and Cash Equivalents	0.09
(iii) Bank balances other than cash and cash equivalents	1.01
(iv) Other financial assets	
Other current assets	75.58
Total current assets	382.48
Fair value of assets acquired	952.30
LIABILITIES	
Non-current liabilities	
Financial Liabilities	
(i) Borrowings	150.87
Provisions	10.58
Total Non-current Liabilities	161.45
Current liabilities	
Financial Liabilities	
(i) Borrowings	392.42
(ii) Trade Payables	
(A) total outstanding dues of Micro and Small Enterprises	71.35
(B) total outstanding dues of Creditors Other than Micro and Small Enterprises	624.85
(iii) Other Financial liabilities	
Provisions	1.79
Other Current Liabilities	11.33
Total Current Liabilities	1,101.74
Fair value of liabilities acquired	1,263.19
Total Identifiable net assets / (liabilities) acquired	(310.89)

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***ii. Goodwill**

Particulars	Amount
Consideration transferred	430.02
Non-controlling interest in the acquired entity	(138.75)
Less: Net Identifiable assets acquired	(310.89)
Goodwill	602.16

b. Appointment of Independent Directors

Following individuals were appointed as Independent Directors of the Company subsequent to the reporting date i.e. March 31, 2025.

- i. Appointment of Mr. Veera Reddy Arava w.e.f September 03, 2025
- ii. Appointment of Mr. Murali Krishna Kurada w.e.f September 03, 2025
- iii. Appointment of Mr. Padmanabhuni Venkata Appaji w.e.f September 03, 2025

c. Increase in Authorized Share Capital

Subsequent to the reporting date i.e. March 31, 2025, the authorized share capital of the Company increased from ₹ 450.00 million (comprising of 4,50,00,000 equity shares having face value of ₹10 each) to ₹850.00 million, (comprising of 8,50,00,000 equity shares having face value of ₹10 each) pursuant to resolution passed by the Board of Directors on September 13, 2025 and approved by shareholders through extra-ordinary general meeting held on September 13, 2025.

d. Issuance of Bonus Shares

The Board of Directors, at its meeting held on September 13, 2025, approved and recommended the issuance of fully paid bonus shares in the ratio of 1:2 (one bonus share for every two existing shares).

Pursuant to the approval given by the shareholders in the Extraordinary General Meeting held on September 13, 2025, the Company has allotted 2,05,10,650 fully paid-up equity shares of face value ₹10 each as bonus shares.

As a result of above, the issued, subscribed and fully paid up Equity Share Capital of the Company as on date of signing of the financials is 6,15,31,937 equity shares of face value of ₹ 10 each i.e. ₹ 615.32 million. Earnings Per Share calculations have been restated in all the periods to give effect of this bonus.

e. Purchase of Equity Shares of Genz Materials Private Limited

On April 25, 2025, Subsequent to the reporting date, the Holding Company has made an investment in Genz Materials Private Limited, through a private placement of equity shares. Pursuant to the private placement offer letter issued by Genz Materials Private Limited, the Company was allotted 1,022 equity shares of ₹10 each at a premium of ₹29,337.83 per share, aggregating to a total consideration of ₹ 29.99 million, representing about 9.27% of its post-issue equity shareholding.

VIRUPAKSHA ORGANICS LIMITED**CIN: U24110TG1997PLC028281****Notes to Consolidated Financial Statements***(All amounts in ₹ millions, unless otherwise stated)***64. The Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the code came into effect on May 03, 2023. However, the final rules/interpretation have not yet been issued. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial statements in the period in which, the Code becomes effective.

65. Other Statutory Information:

- a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b) The Group does not have any transactions with struck off companies.
- c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except as disclosed in note 53.
- d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) The Group has not surrendered or disclosed any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h) The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.
- i) The Group has not entered into any scheme of arrangement which has an accounting impact on current financial year.
- j) The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.
- k) The Group has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.
- l) The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2 to the consolidated financial statements, are held in the name of the Group.
- m) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

For C. RAMACHANDRAM & Co

Chartered Accountants

FRN: 002864S

C. RAMACHANDRAM

Partner

Membership No.: 025834

Place: Hyderabad

Date: September 24, 2025

M. BALASUBBA REDDY G. CHANDRA MOULISWAR REDDY

Whole Time Director

DIN: 01998852

Managing Director

DIN: 00046845

PRASAD REDDY BATTINAPATLA

Chief Financial Officer

VIKAS KURADA

Company Secretary

Membership No. A54105

General Shareholder Information

1. Annual General Meeting

Date : 26th September, 2025
Time : 10.00 A.M.
Venue : Registered Office at #
Plot No.: B-1 & B-2, IDA, Gandhi Nagar,
Medchal-Malkajgiri (District),
Hyderabad, Ranga Reddy,
Telangana, India – 500037
Tel: +9140-23075816
E-Mail: cs@virupaksha.com.

2. Financial Year: From 1st April 2024 to 31st March 2025

3. Registrars & Transfer Agent:

KFin Technologies Limited
301, The Centrium, 3rd Floor, 57,
Lal Bahadur Shastri Road,
Nav Pada, Kurla (West), Mumbai,
Maharashtra, 400070
Contact No: 98480 98088

Address for correspondence (Registered Office)

The Managing Director
VIRUPAKSHA ORGANICS LIMITED
Plot No.: B-1 & 2, IDA, Gandhi Nagar,
Medchal-Malkajgiri (District),
Hyderabad, Rangareddy,
Telangana, India - 500037
e-mail: info@virupaksha.com

Form No. MGT-11**PROXY FORM**

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID*	DP ID*

I/We, being the member(s) of **VIRUPAKSHA ORGANICS LIMITED** holding _____ shares of the above-named company. Hereby appoint:

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on Friday, the 26th day of September 2025 at 10:00A.M at its registered office situated at # Plot No.: B-1 & B-2 (Part), IDA Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Rangareddy, Telangana, India - 500037; and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To receive, consider and adopt 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.		
2.	To appoint a Director in place of Mr. Chandrasekhar Reddy Gangavaram (DIN: 03534167) who retires by rotation and being eligible offers himself for re-appointment		
3.	To appoint a Director in place of Mrs. Vedavathi Gangavaram (DIN: 02870966) who retires by rotation and being eligible offers herself for re-appointment		
4.	To Approve Related Party Transactions		
5.	To approve the appointment of M/s. Aakanksha Dubey & Co., Practicing Company Secretaries as Secretarial Auditors of the Company		
6.	Ratification of Cost Auditors' remuneration		

Signed this _____ day of _____, 2025

Affix
Revenue
Stamps

Signature of Shareholder Signature of Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company before the commencement of the Meeting. The proxy need not be a member of the company.

VIRUPAKSHA ORGANICS LIMITED

CIN: U24110TG1997PLC028281

Plot No.: B-1 & B-2, IDA, Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Ranga reddy, Telangana, India - 500037

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

28th Annual General Meeting on Friday, the 26th day of September 2025 at 10:00 A.M. (IST)

Full name of the member(s) attending _____

(In block capitals)

Ledger Folio No. /Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 28th Annual General Meeting of the **M/s. VIRUPAKSHA ORGANICS LIMITED** at its registered office situated at # Plot No.: B-1 & B-2, IDA Gandhi Nagar, Medchal-Malkajgiri (District), Hyderabad, Ranga reddy, Telangana, India - 500037 on Friday, the 26th day of September 2025 at 10:00 A.M.

(Member's /Proxy's Signature)

Note:

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.